



Regulatory Circular 10-005

Date: April 22, 2010

To: ETP Holders

From: James C. Yong
Chief Regulatory Officer

Re: New "Self-Trade Prevention" Order Modifier Available for Use on the Exchange

The National Stock Exchange, Inc. ("NSX[®]" or the "Exchange") filed a rule change, effective at commencement of trading on April 23, 2010, which introduces a new "Self-Trade Prevention" order modifier ("STP Modifier") for use by ETP Holders.

Use of the STP Modifier provides assurance that a submitted order, if designated with such modifier, will not run the risk of executing against a resting order generated by the same ETP Holder (by MPID), line of connectivity (by FIX session ID) or unique ETP Holder user (by Party ID) that was also submitted with an STP Modifier. ETP Holders using this order modifier may choose, at the time the new order is submitted, whether the new order, the existing order or both orders will be cancelled instead of otherwise interacting. This new order modifier is not available for use with Zero Display Reserve Orders. The text of Rule 11.11(c)(1) describing the STP Modifier is attached below.

The STP Modifier will be available for use by ETP Holders at commencement of trading on April 23, 2010. A detailed description of the operation of the STP Modifier is contained in rule change SR-NSX-2010-02 filed on March 23, 2010, under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, which renders it effective 30 days after filing. A copy of the Federal Register Notice published by the Securities and Exchange Commission describing the filing may be found on the NSX website.

Any questions can be directed to me at 312.786.8893.

Rule 11.11. Orders and Modifiers

Users may enter into the System the types of orders listed in this Rule 11.11, subject to the limitations set forth in this Rule or elsewhere in these Rules.

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(c) Other Types of Orders and Order Modifiers.

(1) Self Trade Prevention Order Modifier. Except as stated in paragraph (D) below, any incoming order designated with an STP modifier will be prevented from executing against a resting opposite side order also designated with an STP modifier and originating from the same FIX session identifier ("FIX ID"), party identifier ("Party ID") or client identifier ("MPID") (any such identifier, a "Unique Identifier"). The STP modifier on the incoming (new) order controls the interaction between two orders marked with STP modifiers.

(A) STP Reject New Order ("STPN"). An incoming (new) order marked with the "STPN" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The incoming order marked with the STPN modifier will be rejected back to the originating User(s). The resting order marked with an STP modifier will remain on the NSX Book.

(B) STP Cancel Old (Resting) Order ("STPO"). An incoming (new) order marked with the "STPO" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The resting order marked with the STP modifier will be cancelled back to the originating User(s). The incoming order marked with the STPO modifier will remain on the NSX Book.

(C) STP Cancel Both ("STPB"). An incoming (new) order marked with the "STPB" modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The entire size of both orders will be rejected/cancelled back to the originating User(s).

(D) The Self Trade Prevention modifier is not eligible for use with Zero Display Reserve Orders. Any Zero Display Reserve Order marked with an STP modifier will be rejected.

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