

**(2) Gross Dollar Thresholds ("Super Caps") and Sizeable Limits**

Clearing brokers will be able to establish, on an inter-day or intra-day basis, gross dollar thresholds (also known as "Super Caps") for purchases and sales for their correspondent executing brokers [, and the ACT system will alert the clearing broker and its correspondent if the correspondent's trading activity equals or exceeds either threshold]. When any of a correspondent's gross dollar thresholds are exceeded, notice will be furnished to the clearing broker, and any trade in excess of an applicable "sizeable limit" that is negotiated by the correspondent will be subject to review by the clearing broker until such time as the correspondent's trading activity no longer exceeds a gross dollar threshold. Specifically, the clearing broker will have 15 minutes from execution to review any single trade negotiated by the correspondent that equals or exceeds the applicable sizeable limit in order to decide to act as principal for the trade or to decline to act as principal. If the clearing broker does not affirmatively accept or decline the "sizeable trade," at the end of 15 minutes the system will act in accordance with pre-established processing criteria, as described below.

**(A) ACT Workstation Users.**

(i) Clearing brokers that use the ACT Workstation may establish gross dollar thresholds and sizeable limits for each of their correspondent executing brokers. They may establish different gross dollar thresholds and sizeable limits for each type of security (i.e., Nasdaq National Market, Nasdaq SmallCap Market, Consolidated Quotations Service, or OTC Bulletin Board), as well as an aggregate gross dollar threshold and sizeable limit for all types of securities.

(ii) Notice will be provided to all ACT Participants when a correspondent's aggregate gross dollar threshold is exceeded, but will be provided solely to the clearing broker if the gross dollar threshold for a type of security is exceeded.

(iii) Clearing brokers that use the ACT Workstation may also establish the default processing criteria that will apply to sizeable trades when a correspondent's gross dollar threshold has been exceeded; the clearing broker may specify that after 15 minutes, if the clearing broker does not affirmatively accept or decline the trade, such trades should be either automatically declined or automatically subjected to normal ACT processing in which the clearing

broker will act as principal to clear the trades.

**(B) Other ACT Risk Management Users.**

(i) Clearing brokers that do not use the ACT Workstation may establish aggregate gross dollar thresholds for each of their correspondent executing brokers, but may not establish gross dollar thresholds for each type of security (i.e., Nasdaq National Market, Nasdaq SmallCap Market, Consolidated Quotations Service, or OTC Bulletin Board).

(ii) Notice will be provided to all ACT Participants when a correspondent's aggregate gross dollar threshold is exceeded.

(iii) The sizeable limit is \$200,000 for all clearing brokers that do not use the ACT Workstation. When a correspondent's aggregate gross dollar threshold is exceeded, no trade in excess of the sizeable limit will be accepted for ACT processing unless the clearing broker accepts the trade within 15 minutes of execution.

**(3) Gross Dollar Threshold Pre-Alert**

[In addition to the gross dollar threshold alert, t]The ACT system will also alert the clearing broker and its correspondent when the correspondent's trading activity equals or exceeds 70% of [either] any gross dollar threshold established by the clearing broker for that correspondent.

**(4) End of Day Recap**

Clearing brokers that access ACT through computer interface will be able to receive an end of day recap of all trade detail information of their correspondents.

**(5) On-line Review**

Clearing brokers that access ACT through computer interface will be able to receive intra-day activity of their correspondents as it is reported.

**(6) Single Trade Limit**

Clearing brokers will have 15 minutes from trade report input to ACT to review any single trade executed by their correspondent executing brokers that equals or exceeds [\$1,000,000] a pre-established limit in order to decide to act as principal for the trade or to decline to act as principal. If, however, the clearing firm does not affirmatively accept or decline the trade, at the end of 15 minutes the system will act in accordance with pre-established processing criteria, as described below [subject the trade to normal ACT processing and the clearing firm will be obligated to act as principal to clear the trade].

(A) ACT Workstation Users. Clearing brokers that use the ACT Workstation may establish single trade limits for each of their correspondent executing brokers, and may establish different limits for each type of security (i.e., Nasdaq National Market, Nasdaq SmallCap Market, Consolidated Quotations Service, or OTC Bulletin Board). Such clearing brokers may also establish the default processing criteria that will apply to trades that exceed the single trade limit after 15 minutes if the clearing broker does not affirmatively accept or decline the trade; the clearing broker may specify that such trades should be either automatically declined or automatically subjected to normal ACT processing in which the clearing broker will act as principal to clear the trades.

(B) Other ACT Risk Management Users. For clearing brokers that do not use the ACT Workstation, the single trade limit is \$1,000,000. If such a clearing broker does not affirmatively accept or decline a trade that exceeds the single trade limit, at the end of 15 minutes the system will subject the trade to normal ACT processing and the clearing broker will be obligated to act as principal to clear the trade.

**[(g) Super Cap]**

[The Super Cap is set at two times the gross dollar thresholds for purchases and sales, but in no event less than \$1,000,000. When a correspondent's super cap is exceeded, notice will be furnished to ACT participants and no trade in excess of \$200,000 will be accepted for ACT processing unless the clearing broker accepts the trade within 15 minutes of execution.]

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**7000. CHARGES FOR SERVICES AND EQUIPMENT****7010. System Services**

(a)-(f) No change.

**(g) Automated Confirmation Transaction Service**

The following charges shall be paid by the participant for use of the Automated Confirmation Transaction Service (ACT):

**Transaction Related****Charges:**

Comparison .....	\$0.0144/side per 100 shares (minimum 400 shares; maximum 7,500 shares)
Automated Give-Up.	\$0.029/side
Late Report—T+N.	\$0.288/side
Browse/query ....	\$0.288/query*
Terminal fee .....	\$57.00/month (ACT only terminals)