Memorandum

TO: Nasdaq PHLX Floor Brokers and Associated Persons

FROM: Dana Rutherford

DATE: July 11, 2019

RE: FLEX Strategy Cap trades

This memorandum serves as a reminder that pursuant to Nasdaq PHLX (PHLX) Pricing Schedule at Options 7, Section 6B, FLEX trades entered from the PHLX trading floor may qualify for a Strategy Cap if the trade meets the qualifications described in PHLX Rule Options 7, Section 4.

In addition to meeting the qualifications described within Phlx Options 7, Section 4, the following must also occur:

1. The FLEX ticket, which is handed into the correction post, must be marked, with the proper Strategy Cap identifier to the right of the “Trade Information” field on the ticket.

2. An email must be sent to Market Operations at optionshelpdesk@nasdaq.com no later than 5:00 PM on the same business day the trade was executed. The email must contain all of the FLEX trade and clearing details of the trade to which the Strategy Cap applies.

If you have any questions concerning the above please contact Dana Rutherford at 215-496-1564 or dana.rutherford@nasdaq.com.