Memorandum

TO: Nasdaq PHLX Floor Members

FROM: Sean Feeney

DATE: April 1, 2020

RE: Strategy Fee Cap

As of April 1, 2020, Nasdaq Phlx LLC (“Phlx”) amended its Pricing Schedule at Options 7, Section 4 to extend the strategy caps to Floor Qualified Contingent Cross Orders. The Exchange currently pays certain strategy caps to qualifying strategies where the buy and sell side of a transaction originate from the Exchange’s Trading Floor.

The Strategy Caps are as follows:

<table>
<thead>
<tr>
<th>Floor Options Transactions - Multiply Listed Options</th>
<th>Strategy Qualification</th>
<th>Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Market Maker, Market Maker, Professional, Firm and Broker-Dealer dividend</td>
<td>executed on the same trading day in the same options class when such members are trading: (1) in their own proprietary accounts; or (2) on an agency basis. If transacted on an agency basis, the daily cap will apply per beneficial account.</td>
<td>$1,100</td>
</tr>
<tr>
<td>Lead Market Maker, Market Maker, Professional, Firm and Broker-Dealer reversal and conversion, merger, short stock interest, jelly roll, and box spread strategies</td>
<td>executed on the same trading day for all options classes in the aggregate when such members are trading (1) in their own proprietary accounts; or (2) on an agency basis. If transacted on an agency basis, the daily cap</td>
<td>$1,100</td>
</tr>
</tbody>
</table>
will apply per beneficial account.

Combined executions in a month $65,000 when trading in its own proprietary accounts.

- Reversal and conversion, jelly roll and box spread strategy executions will not be included in the Monthly Strategy Cap for a Firm. Reversal and conversion, jelly roll and box spread strategy executions (as defined in this Options 7, Section 4) are included in the Monthly Firm Fee Cap. All dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategy executions (as defined in this Options 7, Section 4) will be excluded from the Monthly Market Maker Cap. NDX and NDXP Options Transactions will be excluded from Strategy Cap pricing.