

inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make publicly available. All submissions should refer to File Number SR-CBOE-2013-010 and should be submitted on or before March 5, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2013-03188 Filed 2-11-13; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-68838; File No. SR-Phlx-2013-08]

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Routing Functionality of the NASDAQ OMX PSX Market

February 6, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4² thereunder, notice is hereby given that on January 23, 2013, NASDAQ OMX PHLX LLC ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange is filing with the Commission a proposal to add routing functionality to the NASDAQ OMX PSX Market ("System"). Specifically, the Exchange proposes to amend Rule 3315, Order Routing.

Proposed new language is italicized.

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NASDAQ OMX PSX

NASDAQ OMX PSX (Rules 3000-3407)

Rule 3000. NASDAQ OMX PSX

* * * * *

3315. Order Routing

(a) Order Routing Process

(1) No change.

(A) No change.

(i)-(vii) No change.

(viii) *XDRK is a routing option under which orders check the System for available shares and simultaneously route the remaining shares to destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center.*

(ix) *XCST is a routing option under which orders check the System for available shares and simultaneously route the remaining shares to destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS and to certain, but not all, exchanges. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center.*

(B) No change.

(b)-(d) Not applicable.

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(b) and (c) Not applicable.

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II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to attract additional business to and enhance the functionality offered by the Exchange's NASDAQ OMX PSX equities market by providing additional optional outbound routing services.

Most equities exchanges today provide routing services and the Exchange offers a variety of routing strategies. Currently, Rule 3315, Order Routing, describes the order routing process and states that all routing shall be in compliance with Rule 611 of Regulation NMS under the Act.³ Furthermore, it enumerates PSX's routing strategies: PSTG, PSKN, PSCN, PSKP, PTFF, PMOP and PCRT.

Proposed Rule 3315(a)(1)(A)(viii) will provide that XDRK is a routing option under which orders check the System for available shares and simultaneously route to certain destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS (i.e. "dark venues" or "dark pools"). If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center. This strategy is intended to attract market participants that seek to execute on PSX or on dark pools without executing on another exchange. Members may seek to execute in this manner to interact with resting liquidity in addition to that available on PSX, while also minimizing market impact and transaction fees.

For example, if the National Best Bid/Offer ("NBBO") is \$10.00-\$10.01, and PSX, DarkVenueA and ARCA each offer 100 shares at \$10.01, a XDRK order to buy 1000 shares at \$10.01 IOC will be handled as follows: 100 shares for execution on PSX and 100 shares routed to DarkVenueA simultaneously at \$10.01; the remaining 800 shares are not routed and not executed, and cancelled back to the entering participant because it was an IOC order. The order did not route to ARCA because it is not a dark venue. As a second example, if the NBBO is \$10.00-\$10.01, and PSX, DarkVenueA and ARCA each offer 100 shares at \$10.01, a XDRK order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares for execution on PSX and 100 shares routed to DarkVenueA simultaneously at \$10.01; the remaining 800 shares are posted on the PSX book (because it is a DAY order). Once again, the order did not route to ARCA because it is not a dark venue.

Proposed Rule 3315(a)(1)(A)(ix) will provide that XCST is a routing option under which orders check the System for available shares and simultaneously route to select dark venues and to certain low cost exchanges. If shares remain un-executed after routing, they

¹⁵ 17 CFR 200.30-3(a)(12).

¹⁶ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 17 CFR 242.611.

are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center. This strategy is also intended to attract market participants who seek to save on trading fees by only executing on the Exchange, on dark venues, or on no cost and low cost exchanges.

For example, if the NBBO is \$10.00–\$10.01, and PSX, DarkVenueA and ARCA each offer 100 shares at \$10.01, a XCST order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares for execution on PSX and 100 shares routed to DarkVenueA simultaneously at \$10.01; the remaining 800 shares are posted on the PSX book (because it is a DAY order). The order did not route to ARCA because it is neither a dark venue nor a no cost or low cost exchange. As a second example, if the NBBO is \$9.90–\$10.00, with BYX offering 100 shares at \$10.00 and PSX, DarkVenueA and ARCA each offer 100 shares at \$10.01, a XCST order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares routed to BYX at \$10.00, 100 shares for execution on PSX and 100 shares routed to DarkVenueA simultaneously at \$10.01; the remaining shares are posted on the PSX book (because it is a DAY order). The order did not route to ARCA because it is neither a dark venue nor a no cost or low cost exchange.

In all cases, these routing strategies are designed to comply with SEC Rule 611 and the other provisions of Regulation NMS.⁴ Accordingly, both XDRK and XCST will honor Protected Quotations within the meaning of Regulation NMS and will not route to any market centers included in their respective routing table at a price inferior to an available Protected Quotation. For example, if the NBBO is \$9.90–\$10.00, with NYSE offering 100 shares at \$10.00 and PSX, DarkVenueA and ARCA each offering 100 shares at \$10.01, a XCST order to buy 1000 shares at \$10.01 DAY will not be routed because NYSE's Protected Quotation is not included in the routing table, by definition, for XCST.

The Exchange will notify its membership of the implementation date, which the Exchange expects will be on or about the 30th day after this filing.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁵

in general, and with Sections 6(b)(5) of the Act,⁶ in particular, in that the proposal is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest, because PSX will be better able to serve its customers and compete with other markets by offering additional optional routing services. Specifically, the two new routing strategies will provide market participants with greater flexibility in routing orders without developing order routing strategies on their own.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. PSX competes with many exchanges and other execution venues for the execution of orders in equities. Market participants can choose where to send their orders. Accordingly, the proposal is pro-competitive in that it affords the Exchange the opportunity to compete with other exchanges in terms of offering new routing strategies.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act⁷ and subparagraph (f)(6) of Rule 19b–4 thereunder.⁸

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. The Exchange has provided the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-Phlx–2013–08 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR-Phlx–2013–08. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for

⁴ 17 CFR 242.611.

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b–4(f)(6).

inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Phlx-2013-08 and should be submitted on or before March 5, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2013-03097 Filed 2-11-13; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-68846; File No. SR-FINRA-2013-009]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Modify the “Late Report—T+N” Fee Applicable to Members Using the FINRA/Nasdaq Trade Reporting Facility

February 6, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

(“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on February 1, 2013, Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as “establishing or changing a due, fee or other charge” under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of the Substance of the Proposed Rule Change

FINRA is proposing to amend FINRA Rule 7620A to modify the “Late Report—T+N” fee applicable to members that use the FINRA/Nasdaq Trade Reporting Facility (the “FINRA/Nasdaq TRF”).

Below is the text of the proposed rule change. Proposed new language is in italics; proposed deletions are in brackets.

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7000. CLEARING, TRANSACTION AND ORDER DATA REQUIREMENTS, AND FACILITY CHARGES

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7600. CHARGES FOR TRADE REPORTING FACILITY SERVICES

7600A. CHARGES FOR FINRA/NASDAQ TRADE REPORTING FACILITY SERVICES

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7620A. FINRA/Nasdaq Trade Reporting Facility Reporting Fees

The following charges shall be paid by participants for use of the FINRA/Nasdaq Trade Reporting Facility. In the case of trades where the same market participant is on both sides of a trade report, applicable fees assessed on a “per side” basis will be assessed once, rather than twice, and the market participant will be assessed applicable Non-Comparison/Accept (Non-Match/Compare) Charges as the Executing Party side only.

Non-Comparison/Accept (Non-Match/Compare) Charges:	
Tape	Daily Average Number of Media/Executing Party Trades During the Month Needed to Qualify for Cap
A	2500
B	2500
C	2500
Media/Executing Party	
Monthly Charge	Maximum Monthly Charge if Capped
(\$0.018) × (Number of Media/Executing Party Reports During the Month).	(\$0.018) × (Required Daily Average Number of Media/EP Trades for Tape A, B or C) × (Number of Trading Days During the Month)
Non-Media/Executing Party	
Monthly Charge	Maximum Monthly Charge if Capped
(\$0.018) × (Number of Non-Media/Executing Party Reports During the Month).	(\$0.018) × 2500 for Tape A, B or C × (Number of Trading Days During the Month)
Media/Contra	
Monthly Charge	Maximum Monthly Charge if Capped
(\$0.013) × (Number of Media/Contra Reports During the Month)	(\$0.013) × 2500 for Tape A, B or C × (Number of Trading Days During the Month)
Non-Media/Contra	
Monthly Charge	Maximum Monthly Charge if Capped

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).