

*Electronic Comments*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or

- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2011-087 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-NASDAQ-2011-087. This file number should be included on the subject line if e-mail 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 on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-NASDAQ-2011-087, and should be submitted on or before July 28, 2011.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>7</sup>

**Cathy H. Ahn,**

*Deputy Secretary.*

[FR Doc. 2011-17062 Filed 7-6-11; 8:45 am]

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**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-64791; File No. SR-EDGX-2011-18]

**Self-Regulatory Organizations; EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Make Available Without Charge the EDGX Book Feed and To Add a Description of the EDGX Book Feed to New Rule 13.8**

July 1, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on June 29, 2011, EDGX Exchange, Inc. (the "Exchange" or "EDGX") filed with the Securities and Exchange Commission ("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 the Substance of the Proposed Rule Change**

The Exchange proposes to make available without charge the EDGX book feed ("EDGX Book Feed"), an EDGX data feed that displays depth of book information. The Exchange also proposes to add a description of the EDGX Book Feed to new Rule 13.8. The text of the proposed rule change is attached as Exhibit 5 and is available on the Exchange's Web site at <http://www.directedge.com>, at the Exchange's principal office, and at the Public Reference Room of the Commission.

**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 self-regulatory organization 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 describe the availability of the EDGX Book Feed, a data feed that contains all orders for securities trading on the Exchange. The EDGX Book Feed is available to all EDGX members equally at no charge, and offers all firms real-time data concerning EDGX's depth of book. EDGX makes the EDGX Book Feed available to all market participants via subscription through an established connection to EDGX through extranets, direct connection, and service bureaus. The EDGX Book Feed is available in multicast and unicast formats.

The EDGX Book Feed contains the following data elements: all displayed orders for listed securities trading on EDGX, order executions, order cancellations, order modifications, order identification numbers, and administrative messages.

By making the EDGX Book Feed data available, EDGX enhances market transparency and fosters competition among orders and markets. Member firms may use the EDGX Book Feed to more accurately price their orders based on EDGX's view of the depth of book information, such as all displayed limit orders at any point in time. Additionally, Members can track their own orders from order entry to execution.

The Exchange proposes to add the definition of EDGX Book Feed to new Rule 13.8(a). In addition, the Exchange proposes to add to Rule 13.8(b) the process by which a Member can obfuscate their unique order identification number on the EDGX Book Feed for subsequent replenishments of reserve orders per Market Participant Identifier ("MPID") for all logical ports or specific logical ports, as designated by the Member. In order to do so, and have a randomly generated order identification number applied to the replenishment of Member's reserve orders, the Member would contact Member Services via e-mail or phone. Such feature would be enabled the next trading day by the Exchange for the Member-selected MPID for all logical ports or specific logical ports until further instructions are received by Member Services from the Member. The Exchange believes that the random order identification number would help deter other market participants from being able to trace the life of a specific order, including short-

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>7</sup> 17 CFR 200.30-3(a)(12).

term price movements and trading patterns.

At this time, EDGX does not have plans to charge an additional fee associated with the receipt of the EDGX Book Feed. Should EDGX determine to charge fees associated with the EDGX Book Feed, EDGX will submit a proposed rule change to the Commission in order to implement those fees.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>3</sup> in general, and furthers the objectives of Section 6(b)(5),<sup>4</sup> in particular, as it 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. EDGX believes that this proposal is in keeping with those principles by promoting increased transparency through the dissemination of the EDGX Book Feed and by codifying its availability.

In addition, EDGX is making a voluntary decision to make this data available. EDGX is not required by the Act in the first instance to make the data available, unlike the best bid and offer which must be made available under the Act. EDGX chooses to make the data available as proposed in order to improve market quality, to attract order flow, and to increase transparency. Once this filing becomes effective, EDGX will be required to continue making the data available until such time as EDGX changes its rule.

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

The proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any

unsolicited written comments from members or other interested parties.

### 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 Act<sup>5</sup> and Rule 19b-4(f)(6)(iii) thereunder.<sup>6</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>7</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>8</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked that the Commission waive the 30-day pre-operative waiting period contained in Rule 19b-4(f)(6)(iii).<sup>9</sup> The Exchange has requested such waiver because it believes that such waiver is consistent with the protection of investors and the public interest because it would permit EDGX to immediately provide the information regarding the EDGX Book Feed access requirements to market participants. Specifically, the Exchange believes that, because the EDGX Book Feed is already available, strictly voluntary, and free to receive, waiver is consistent with the protection of investors and the public interest. For these reasons, the Commission sees no reason to delay implementation of the proposed rule change. The Commission believes it is consistent with the protection of investors and the public interest to waive the 30-day operative delay, and hereby grants such waiver.<sup>10</sup>

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.

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>6</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>7</sup> 17 CFR 240.19b-4(f)(6).

<sup>8</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>9</sup> *Id.*

<sup>10</sup> For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule change's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

### 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 e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-EDGX-2011-18 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-EDGX-2011-18. This file number should be included on the subject line if e-mail 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 on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-EDGX-2011-18, and should be submitted on or before July 28, 2011.

<sup>3</sup> 15 U.S.C. 78f.

<sup>4</sup> 15 U.S.C. 78f(b)(5).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**Cathy H. Ahn,**

*Deputy Secretary.*

[FR Doc. 2011-17033 Filed 7-6-11; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64785; File No. SR-NYSE-2011-27]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Deleting NYSE Rule 351(a)-(d) and Supplementary Material .10 and .13, Adopting the Text of FINRA Rule 4530, and Making Certain Conforming Changes

June 30, 2011.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the "Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that June 20, 2011, New York Stock Exchange LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been substantially prepared by the self-regulatory organization. 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 proposes to delete NYSE Rule 351(a)-(d) and Supplementary Material .10 and .13, adopt the text of FINRA Rule 4530, and make certain conforming changes. The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and <http://www.nyse.com>.

#### 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 self-regulatory organization 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 those 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 parts of such statements.

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

##### 1. Purpose

The Exchange proposes to delete NYSE Rule 351(a)-(d) and Supplementary Material .10 and .13, adopt the text of FINRA Rule 4530, and make certain conforming changes.

##### Background

On July 30, 2007, FINRA's predecessor, the National Association of Securities Dealers, Inc. ("NASD"), and NYSE Regulation, Inc. ("NYSER") consolidated their member firm regulation operations into a combined organization, FINRA.<sup>4</sup> Pursuant to Rule 17d-2 under the Act, NYSE, NYSER and FINRA entered into an agreement (the "Agreement") to reduce regulatory duplication for their members by allocating to FINRA certain regulatory responsibilities for certain NYSE rules and rule interpretations ("FINRA Incorporated NYSE Rules"). NYSE Amex LLC ("NYSE Amex") became a party to the Agreement effective December 15, 2008.<sup>5</sup>

As part of its effort to reduce regulatory duplication and relieve firms that are members of FINRA, NYSE and NYSE Amex of conflicting or unnecessary regulatory burdens, FINRA is now engaged in the process of reviewing and amending the NASD and FINRA Incorporated NYSE Rules in order to create a consolidated FINRA rulebook.<sup>6</sup>

<sup>4</sup> See Securities Exchange Act Release No. 62970 (Sept. 22, 2010), 75 FR 59771 (Sept. 28, 2010) (order approving SR-FINRA-2010-37).

<sup>5</sup> See Securities Exchange Act Release Nos. 56148 (July 26, 2007), 72 FR 42146 (August 1, 2007) (order approving the Agreement); 56147 (July 26, 2007), 72 FR 42166 (August 1, 2007) (SR-NASD-2007-054) (order approving the incorporation of certain NYSE Rules as "Common Rules"); and 60409 (July 30, 2009), 74 FR 39353 (August 6, 2009) (order approving the amended and restated Agreement, adding NYSE Amex LLC as a party). Paragraph 2(b) of the Agreement sets forth procedures regarding proposed changes by FINRA, NYSE or NYSE Amex to the substance of any of the Common Rules.

<sup>6</sup> FINRA's rulebook currently has three sets of rules: (1) NASD Rules, (2) FINRA Incorporated NYSE Rules, and (3) consolidated FINRA Rules. The FINRA Incorporated NYSE Rules apply only to those members of FINRA that are also members of the NYSE ("Dual Members"), while the consolidated FINRA Rules apply to all FINRA members. For more information about the FINRA rulebook consolidation process, see FINRA Information Notice, March 12, 2008.

In connection with the rule consolidation efforts between the Exchange and FINRA, the Commission has recently approved FINRA Rule 4530,<sup>7</sup> which is modeled after NYSE Rule 351(a)-(d) and NASD Rule 3070.<sup>8</sup> FINRA Rule 4530 requires member firms to: (1) Report to FINRA certain specified events and quarterly statistical and summary information regarding written customer complaints; and (2) file with FINRA copies of certain criminal actions, civil complaints and arbitration claims. FINRA uses the information for regulatory purposes to identify and initiate investigations of firms, offices and associated persons that may pose a risk. In most cases, the requirements of FINRA Rule 4530 are based on similar requirements in the NASD and NYSE rules.

##### Proposed Rule Change

The Exchange proposes to adopt the text of FINRA Rule 4530 as NYSE Rule 4530, with certain technical changes. For consistency with Exchange rules, the Exchange proposes to change all references to "members" to "member organizations" and add a definition of "person associated with a member organization." The Exchange proposes to delete NYSE Rule 351(a)-(d) and Supplementary Material .10 and .13 and make conforming amendments in NYSE Rules 342, 401A, and 476A, which contain references to NYSE Rule 351, and delete an unnecessary cross-reference in NYSE Rule 311. The Exchange proposes to make NYSE Rule 4530 effective on the same date as FINRA makes FINRA Rule 4530 effective.<sup>9</sup>

<sup>7</sup> See Securities Exchange Act Release No. 63260 (November 5, 2010), 75 FR 69508 (November 12, 2010) (SR-FINRA-2010-034). See also Securities Exchange Act Release No. 64560 (May 27, 2011), 76 FR 32246 (June 3, 2011) (SR-FINRA-2011-024).

<sup>8</sup> NYSE Rule 351(e) and NYSE Rule Interpretation 351(e)/01 (Reports of Investigation) govern trade investigation reporting requirements. NYSE Rules 351(f), 351.11 and 351.12 govern the annual attestation requirement of the research analyst conflict of interest rules. These provisions will be addressed as part of the supervision rules and research analyst conflict of interest rules, respectively. See Regulatory Notice 08-24 (Proposed Consolidated FINRA Rules Governing Supervision and Supervisory Controls) and Regulatory Notice 08-55 (FINRA Requests Comment on Proposed Research Registration and Conflict of Interest Rules) NYSE Rule 351(e) and (f) are addressed by a separate FINRA harmonization proposal. NYSE Rules 351(a)-(d) would be marked as "Reserved" until such time as NYSE Rule 351 is fully harmonized with FINRA rules.

<sup>9</sup> See FINRA Regulatory Notice 11-06. The implementation date is currently scheduled for July 1, 2011. NYSE Amex also has submitted a companion rule filing amending its rules in accordance with FINRA's rule changes. See SR-NYSEAmex-2011-42.

<sup>11</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.