

The Exchange believes that the proposed monthly tier structure for Customer Rebates to Add Liquidity in Penny Options is equitable and not unfairly discriminatory because the Exchange would uniformly pay a Rebate to Add Liquidity to Customers executing Penny Options based on the monthly tiers proposed herein.

The Exchange operates in a highly competitive market comprised of nine U.S. options exchanges in which sophisticated and knowledgeable market participants can readily send order flow to competing exchanges if they deem fee levels at a particular exchange to be excessive. The Exchange believes that the proposed rebate structure and tiers are competitive and similar to other rebates and tiers in place on other exchanges. The Exchange believes that this competitive marketplace impacts the rebates present on the Exchange today and substantially influences the proposals set forth above.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition 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

No written comments were either solicited or received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁹ and paragraph (f)(2) of Rule 19b-4¹⁰ thereunder. 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.

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. Please include File Number SR-NASDAQ-2011-112 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-2011-112. 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, 100 F Street, NE., Washington, DC 20549, 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 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 No. SR-NASDAQ-2011-112 and should be submitted on or before September 12, 2011.

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

Elizabeth M. Murphy,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-65142; File No. SR-Phlx-2011-112]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NASDAQ OMX PHLX LLC Relating to Clarifying Amendments to the Rule Book

August 16, 2011.

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 August 8, 2011, 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, II, and III 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 proposes to amend Exchange Rules 625, 3228 and Options Procedure Floor Advice ("OFPA") F-10 to eliminate unnecessary text and correct cross-references in Rule text. The Exchange also proposes to eliminate an unnecessary title in the Rule Book.

The text of the proposed rule change is available on the Exchange's Web site at <http://nasdaqtrader.com/micro.aspx?id=PHLXfilings>, at the principal office of the Exchange, at the Commission's Public Reference Room, and on the Commission's Web site at <http://www.sec.gov>.

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.

⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁰ 17 CFR 240.19b-4(f)(2).

¹¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 eliminate unnecessary text and correct cross-references in the Rule Book. The various amendments relate to cross-references and text in several Rules that were not deleted in connection with other rule filings. The Exchange proposes four amendments.

First, the Exchange proposes to amend language in Exchange Rule 625, entitled "Training" to remove a reference to a "PAU." This reference relates to a term that was used in connection with XLE, the Exchange's former equity trading system, which is no longer utilized. The Exchange recently eliminated all references to XLE, including the definition of a Participant Authorized User of "PAU."³ The Exchange proposes to eliminate the reference to a PAU in Exchange Rule 625 as the term is no longer necessary.

Second, the Exchange proposes to amend a reference in Exchange Rule 3228, entitled "Compliance with Rules and Registration Requirements." The Exchange recently amended Exchange Rule 3211 to move certain text in paragraphs (a) through (c) to a new Exchange Rule 911, entitled "Member and Member Organization Participation."⁴ The Exchange proposes to replace the reference to Exchange Rule 3211 with Exchange Rule 911 within Exchange Rule 3228 to reflect the current location of the referenced text.

Third, the Exchange also proposes to delete text in OFPA F-10, entitled "Unusual Market Conditions." The Exchange previously filed a proposed rule change to delete Exchange Rule 1015, entitled "Execution Guarantee" and OFPA A-11, entitled "Responsibility To Fill Customer Orders."⁵ The Exchange deleted both Rule 1015 and OFPA A-11 because those rules were outdated due to the combination of the adoption of firm quote obligations in options and increased automation. The text of OFPA F-10 references both Exchange Rule 1015 and OFPA A-11 in the second paragraph. The Exchange is proposing

to delete this paragraph as the text is no longer necessary and outdated.

Fourth, the Exchange is proposing a technical amendment to delete a reference to "ITS Rules" in the Rule Book. The Exchange previously removed references to the Intermarket Trading System ("ITS") Plan and deleted Exchange Rules 2000-2002.⁶ The Exchange proposes to delete this reference as it is unnecessary.

While changes pursuant to this proposal are immediately effective, the Exchange designates the amendment to Exchange Rule 3228 become operative on August 26, 2011.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁷ in general, and furthers the objectives of Section 6(b)(5) of the Act⁸ in particular, in that it is designed to promote just and equitable principles of trade, 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, by amending the text of the Exchange Rules and OFPA to update cross-references and remove outdated and unnecessary text. The Exchange believes that these amendments will clarify the Exchange's Rules to the benefit of the membership.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition 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

No written comments were either solicited or received.

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

Pursuant to Section 19(b)(3)(A) of the Act⁹ and Rule 19b-4(f)(1)¹⁰ thereunder, the Exchange has designated this proposal as one that constitutes a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the

SRO, and therefore has become effective.

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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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. Please include File Number SR-Phlx-2011-112 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-2011-112. 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, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the

³ See Securities Exchange Act Release No. 64338 (April 25, 2011), 76 FR 24069 (April 29, 2011) (SR-Phlx-2011-13).

⁴ See Securities Exchange Act Release No. 65010 (August 2, 2011), 76 FR 48195 (August 8, 2011) (SR-Phlx-2011-100).

⁵ See Securities Exchange Act Release No. 63064 (October 7, 2010), 75 FR 63231 (October 14, 2010) (SR-Phlx-2010-136).

⁶ See Securities Exchange Act Release No. 55569 (April 2, 2007), 72 FR 17978 (April 10, 2007) (SR-Phlx-2007-31).

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(1).

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-2011-112 and should be submitted on or before September 12, 2011.

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

Elizabeth M. Murphy,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-65141; File No. SR-CME-2011-01]

Self-Regulatory Organizations; Chicago Mercantile Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a New Rule Regarding Liens on Collateral That Relates Solely to Its Futures Clearing Operations

August 16, 2011.

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 August 5, 2011, Chicago Mercantile Exchange Inc. (“CME”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change described in Items I and II below, which items have been prepared primarily by CME. CME filed the proposed rule change pursuant to Section 19(b)(3)(A)³ of the Act and Rule 19b-4(f)(4)(ii)⁴ thereunder.

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

The text of the proposed rule change is below. Italicized text indicates additions; bracketed text indicates deletions.

* * * * *

Rule 819. [Reserved] *Lien on Collateral.*

Each Clearing Member hereby grants to the Clearing House a first priority and unencumbered lien, as security for all obligations of such Clearing Member to the Clearing House, against any

property and collateral deposited with the Clearing House by the Clearing Member which is the property of the Clearing Member. Clearing Members shall execute any documents required by CME to create and enforce such lien.

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

Current CME Rule 902.F provides that “[e]ach Clearing Member hereby grants to the Clearing House a first priority and unencumbered lien against all memberships required for clearing membership by the Exchange.” Other CME rules in Chapters 8 and 9 of the CME rulebook address the CME Clearing House’s security interest in CME clearing member’s guaranty fund and performance bond deposits (perfected by possession of the collateral), but do not contain the type of express language as appears in Rule 902.F. In order to more clearly indicate CME Clearing’s security interest in CME clearing member’s guaranty fund and performance bond deposits, CME proposes to adopt new CME Rule 819, which states as follows:

Each Clearing Member hereby grants to the Clearing House a first priority and unencumbered lien, as security for all obligations of such Clearing Member to the Clearing House, against any property and collateral deposited with the Clearing House by the Clearing Member which is the property of the Clearing Member. Clearing Members shall execute any documents required by CME to create and enforce such lien.

The proposed rule language mirrors that of CME Rule 8F008 (Lien on Collateral), in Chapter 8F (Over-the-Counter Derivative Clearing) of the CME rule book, which states that “[e]ach OTC Clearing Member hereby grants to CME a first priority and unencumbered lien against any cash, securities or other collateral deposited with the Clearing House by the OTC Clearing Member which is the property of the OTC Clearing Member. OTC Clearing

Members shall execute any documents required by CME to create and enforce such lien.”

New proposed Rule 819 only affects the futures clearing operations of CME. It does not significantly affect any securities clearing operations of CME or any related rights or obligations of CME clearing members. As discussed above, current CME Rule 8F008 currently applies to CME clearing members and is the operative rule covering the subject matter of proposed Rule 819 with respect to CME’s security-based swaps clearing activities. As such, the proposed rule change effects a change in an existing service of a registered clearing agency that primarily affects the futures clearing operations of the clearing agency with respect to futures that are not security futures and does not significantly affect any securities clearing operations of the clearing agency or any related rights or obligations of the clearing agency or persons using such service.

CME also submitted a filing to the Commodity Futures Trading Commission (“CFTC”) regarding proposed Rule 819 pursuant to CFTC Regulation 40.6 on July 26, 2011 with a proposed effective date of August 9, 2011 (that is, ten business days after the date of the submission).

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

CME does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

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

CME has not solicited, and does not intend to solicit, comments regarding this proposed rule change. CME has not received any unsolicited written comments from interested parties.

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

The foregoing rule change has been filed pursuant to Section 19(b)(3)(A)⁵ of the Act and paragraph (f)(4)(ii) of Rule 19b-4⁶ thereunder and will become effective on August 9, 2011,⁷ the same date CME’s corresponding filing with

⁵ *Supra* note 3.

⁶ *Supra* note 4.

⁷ The Commission notes that the proposed rule change became effective upon filing under Section 19(b)(3)(A) of the Act. CME’s statement indicates that the proposed rule change, which became effective on August 5, 2011, will not become operative until August 9, 2011.

¹¹ 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).

⁴ 17 CFR 240.19b-4(f)(4)(ii).