

exceed regulatory costs, the Exchange will adjust the ORF by submitting a proposed rule change to the Commission.

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 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

No written comments were solicited or received with respect to the proposed rule change.

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)¹² of the Act and subparagraph (f)(2) of Rule 19b-4¹³ thereunder, because it establishes a due, fee, or other charge imposed by the NYSE Arca.

At any time within 60 days of the filing of such 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 email to rule-comments@sec.gov. Please include File Number SR-NYSEArca-2012-118 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-NYSEArca-2012-118. 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 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 Number SR-NYSEArca-2012-118, and should be submitted on or before December 5, 2012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Kevin M. O'Neill,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-68178; File No. SR-CBOE-2012-104]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Fees Schedule

November 7, 2012.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on October 26, 2012, Chicago Board Options

Exchange, Incorporated (the "Exchange" or "CBOE") 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 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 its Fees Schedule. The text of the proposed rule change is available on the Exchange's Web site (www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx), at the Exchange's Office of the Secretary, and at 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 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 Exchange proposes to amend its Fees Schedule to remove dividend spreads from the list of strategy executions for which fee caps apply. Under the Exchange's current Fees Schedule, Market-maker, Clearing Trading Permit Holder, broker-dealer and non-Trading Permit Holder market-maker transaction fees are capped at \$1,000 for a number of strategy executions.³ The cap applies to each strategy execution executed on the same trading day in the same option class. Transaction fees for these strategies are further capped at \$25,000 per month per initiating Trading Permit Holder or Clearing Trading Permit Holder (both caps described herein collectively as the "Strategy Caps").⁴ The Strategy Caps

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(2).

¹⁴ 17 CFR 200.30-3(a)(12).

¹⁵ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See CBOE Fees Schedule, Footnote 13.

⁴ *Id.*

may provide an incentive to engage in the strategy executions.

One strategy execution listed is a "dividend strategy", which is defined as transactions done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed prior to the date on which the underlying stock goes ex-dividend.⁵ Dividend strategy transactions are only executed by Market-Makers. The Exchange proposes to remove dividend strategies from the list of strategy executions that are subject to the Strategy Caps. The Exchange has determined that it does not wish to continue to provide an incentive via its Fees Schedule to engage in dividend strategy trading because this strategy may encourage high volumes of trading of certain securities near the ex-dividend date and present operational risks to market participants with respect to clearing, exercise, and assignment or other issues that may prevent the market participant from the timely exercise of call options and collecting the dividend owed. As such, the Exchange proposes to remove references to dividend strategies from the Strategy Caps described in Footnote 13 of the Fees Schedule. The definition of "dividend strategy" will be removed from Footnote 13 as will all references to dividend strategies, including references regarding the Strategy Caps and Index License surcharge fees.

Footnote 11 of the CBOE Fees Schedule states that transaction fees and contract volume resulting from any of the strategies defined in Footnote 13 will not apply towards reaching the Exchange's Clearing Trading Permit Holder Fee Cap in all Products Except SPX, SRO, VIX or other Volatility Indexes, OEX or XEO (the "CTPH Fee Cap") and CBOE Proprietary Products Sliding Scale for Clearing Trading Permit Holder Proprietary Orders (the "CTPH Sliding Scale") volume thresholds.⁶ By removing dividend strategies from the list of strategy executions described in Footnote 13, it would appear as though dividend strategy executions would begin to apply towards reaching the CTPH Fee Cap and CTPH Sliding Scale volume thresholds. However, because only Market-Makers execute dividend strategy trades and the CTPH Fee Cap and CTPH Sliding Scale both only apply to Clearing Trading Permit Holders, it would be impossible for dividend strategy executions to apply towards reaching the CTPH Fee Cap and CTPH Sliding Scale volume thresholds.

Therefore, no changes need to be made to the Fees Schedule regarding dividend strategy executions and the CTPH Fee Cap and CTPH Sliding Scale.

The proposed change is not otherwise intended to address any other matter, and the Exchange is not aware of any significant problem that the affected market participants would have in complying with the proposed change. The proposed change is to take effect on November 1, 2012.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁷ Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,⁸ which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities. The Exchange believes that the proposed change is reasonable because the Strategy Caps may provide an incentive to engage in dividend spreads and the Exchange has determined that it no longer wishes to offer any potential incentive via its Fees Schedule in light of the operational risks that dividend spreads may present. The Exchange also believes that the proposed change is equitable and not unfairly discriminatory because it would apply equally to all market participants and because the remaining strategy executions that would continue to be subject to the fee caps do not present the same type of potential operational risks.

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

CBOE does not believe that the proposed rule change will 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 neither solicited nor received comments on the proposed rule change.

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)⁹ of the Act and paragraph (f) 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 email to rule-comments@sec.gov. Please include File Number SR-CBOE-2012-104 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-CBOE-2012-104. 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

⁵ *Id.*

⁶ See CBOE Fees Schedule, Footnote 11.

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(4).

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 C.F.R. 240.19b-4(f).

business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the 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 Number SR-CBOE-2012-104 and should be submitted on or before December 5, 2012.

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

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 68175; File No. SR-NSX-2012-17]

Self-Regulatory Organizations; National Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Its Fee and Rebate Schedule

November 7, 2012.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Exchange Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on October 31, 2012, National Stock Exchange, Inc. ("NSX" 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 comment 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 proposing to amend its Fee and Rebate Schedule (the "Fee Schedule") issued pursuant to Exchange Rule 16.1(a) to implement a monthly FIX Port fee for ETP Holders. The text of the proposed rule change is available on the Exchange's Web site at www.nsx.com, at the Exchange's principal office, and at the Commission's Public Reference Room.

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 parts of such statements.

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

1. Purpose

The Exchange is proposing to amend its Fee Schedule to add a monthly FIX Port fee for ETP Holders of \$100 per FIX Port. ETP Holders who participate in the NSX's Order Delivery mode of interaction are required to maintain at least two (2) FIX Ports (one to receive inbound trade notifications and another to send the Exchange order instructions.) To date, the NSX has not charged ETP Holders for FIX Port connections to the Exchange. NSX recently made sizable investments to upgrade computer equipment during a server relocation, including certain hardware technology and FIX Port enhancements. This fee will help recover some cost associated with the upgrade and help maintain the equipment in the future.

The Exchange notes that the amount the port fee is identical to that charged by the Chicago Stock Exchange, Inc. ("CBSX").³ Moreover, following these changes, NSX connectivity costs will still be lower than those assessed for connectivity at other exchanges. For example, ("BATS") assesses a FIX fee of \$400 per month,⁴ and the NASDAQ Stock Market LLC assesses a fee of \$500 per FIX port per month.⁵

Operative Date and Notice

The Exchange currently intends to implement the proposed FIX Port Fee, which is effective on filing of this proposed rule, operative as of

³ See CBSX's Fee Schedule at <http://www.cboe.com/publish/cbsxfeeschedule/cbsxfeeschedule.pdf> (dated September 7, 2012).

⁴ See BAT's Fee Schedule at http://cdn.batstrading.com/resources/regulation/rule_book/BATS-Exchanges_Fee_Schedules.pdf (dated October 1, 2012).

⁵ See Nasdaq's Fee Schedule at <http://www.nasdaqtrader.com/trader.aspx?id=pricelisttrading2>.

commencement of trading on November 1, 2012. Pursuant to NSX Rule 16.1(c), the Exchange will "provide ETP Holders with notice of all relevant dues, fees, assessments and charges of the Exchange" through the issuance of a Regulatory Circular of the changes to the Fee Schedule and will post a copy of the rule filing on the Exchange's Web site (www.nsx.com). ETP Holders must notify the Exchange by November 15, 2012 to reduce unused or unwanted FIX Ports so as not be charged for them for the month of November 2012.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b) of the Securities Exchange Act of 1934⁶ (the "Act"), in general, and Section 6(b)(4) of the Act,⁷ in particular in that it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using the facilities of the Exchange. The proposed fee assessed FIX Ports is reasonable because the amounts of such fees are significantly lower than those assessed on other exchanges,⁸ and because such increases will assist in recovering expenditures recently made to upgrade the NSX connectivity equipment. This proposed change is equitable and not unfairly discriminatory because the fees will be assessed to all ETP Holders. Requiring ETP Holders who participate in the NSX's Order Delivery mode of interaction to maintain at least two (2) FIX Ports is not unfairly discriminatory because per port fee is significantly lower than those of other exchanges and more than one port is required for ETP Holders to efficiently send and receive trade notifications regarding their posted Order Delivery orders.

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 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 neither solicited nor received written comments on the proposed rule change.

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4).

⁸ See *supra* notes 3, 4, and 5.

¹¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.