SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–69904; File No. SR–NYSEArca–2013–64]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending the NYSE Arca Equities Schedule of Fees and Charges for Exchange Services To Change the Monthly Fees for the Use of Certain Ports

July 1, 2013.

Pursuant to Section 19(b)(1) [1] of the Securities Exchange Act of 1934 (the ''Act'') [2] and Rule 19b–4 thereunder,[3] notice is hereby given that, on June 28, 2013, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') 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 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend the NYSE Arca Equities Schedule of Fees and Charges for Exchange Services (the ''Fee Schedule'') to change the monthly fees for the use of certain ports. The Exchange proposes to implement the fee changes on July 1, 2013. The text of the proposed rule change is available on the Exchange's Web site at *www.nyse.com,* at the principal office of the Exchange, 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 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend the NYSE Arca Equities Fee Schedule to change the monthly fees for the use of certain ports. The Exchange proposes to implement the fee changes on July 1, 2013.[4]

The Exchange currently makes ports available that provide connectivity to the Exchange's trading systems (i.e., ports for entry of orders and/or quotes (''order/quote entry ports'')) and charges $200 per port per month.[5] The Fee Schedule currently provides that no fees apply to ports in the backup datacenter that are not utilized during the relevant month.

The Exchange proposes that the $200 fee per port per month would apply to users with five or fewer order/quote entry ports and that the fee for users with more than five order/quote entry ports would be $500 per port per month, including for the first five ports.[6] The Exchange is proposing this change in order to permit the Exchange to offset, in part, its infrastructure costs associated with making such ports available. The proposed change would also encourage users to become more efficient with, and reduce the number of, their order/quote ports, thereby resulting in a corresponding increase in the efficiency that the Exchange would be able to realize with respect to managing its own infrastructure. In this regard, as users decrease the number of order/quote ports that they utilize, the Exchange would similarly be able to decrease the amount of its hardware that it is required to support to interface with such ports.

The Exchange also proposes to add text to the Fee Schedule to add further detail about charges for ports in the backup datacenter. Specifically, the Exchange proposes to add text stating that no fee will apply to ports in the backup datacenter that are utilized when the primary datacenter is unavailable but that a fee will apply if such ports are utilized when the primary datacenter is available.[7]

The Exchange notes that the proposed change is not otherwise intended to address any other issues, and the Exchange is not aware of any problems that member organizations would have in complying with the proposed change.

The Exchange believes that it is subject to significant competitive forces, as described below in the Exchange's statement regarding the burden on competition.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[8] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[9] in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that the proposed change to the monthly rates is reasonable because the fees charged for order/quote entry ports are expected to permit the Exchange to offset, in part, its infrastructure costs associated with making such ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support. In this regard, the Exchange believes that the proposed fees are competitive with those charged by other exchanges.[10] The proposed change is also reasonable because the proposed per port rates would encourage users to become more efficient with, and reduce the number of, ports used for order/quote entry, thereby resulting in a corresponding

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] The Exchange notes that billing for ports is based on the number of ports on the third business day prior to the end of the month. In addition, the level of activity with respect to a particular port does not affect the assessment of monthly fees, such that, except for ports that are not charged and ports considered established for backup purposes, even if a particular port is not used, a port fee still applies. Additionally, separate port fees are charged for an order/quote entry port that is authorized for both equity and option order/quote entry.

[5] The Fee Schedule provides that users of the Exchange's Risk Management Gateway service (''RMG'') are not charged for order/quote entry ports if such ports are designated as being used for RMG purposes. *See* Securities Exchange Act Release No. 68227 (November 14, 2012), 77 FR 69679 (November 20, 2012) (SR–NYSEArca–2012–123).

[6] For example, a user with five ports would be charged $200 per port per month for a total of $1,000 per month for all five ports. A user with six ports would be charged $500 per port per month, including for the first five ports, for a total of $3,000 per month for all six ports.

[7] The Exchange notes that it monitors usage of backup ports for billing purposes. Since the primary datacenter in Mahwah, New Jersey, was established, it has always been available, and the backup datacenter has not yet been utilized for disaster recovery.

[8] 15 U.S.C. 78f(b).

[9] 15 U.S.C. 78f(b)(4) and (5).

[10] For example, the charge on the NASDAQ Stock Market LLC (''NASDAQ'') for a FIX Trading Port is $500 per port per month. *See* Nasdaq Rule 7015. A separate charge for Pre-Trade Risk Management ports also is applicable, which ranges from $400 to $600 and is capped at $25,000 per firm per month. *See* Nasdaq Rule 7016. EDGA Exchange, Inc. (''EDGA'') and EDGX Exchange, Inc. (''EDGX'') also each charge $500 per port per month.

increase in the efficiency that the Exchange would be able to realize with respect to managing its own infrastructure.

The Exchange also believes that these changes to the fees are equitable and not unfairly discriminatory because they would apply to all users of order/quote entry ports on the Exchange, subject to the exceptions noted above.[11] The Exchange also believes that it is equitable and not unfairly discriminatory to charge a higher fee to users with more than five order/quote entry ports, as compared to users with five or fewer order/quote entry ports, because the Exchange believes that users with more than five order/quote entry ports would be incentivized to become more efficient with their utilization of ports.[12]

The Exchange has considered multiple factors in proposing the tiered approach to order/quote entry port pricing, including that the fee increase would occur once a user has more than five order/quote entry ports. The Exchange believes that this approach to pricing is equitable and not unfairly discriminatory, including for the following reasons. Specifically, the Exchange believes that there is a correlation between the number of order/quote entry ports utilized by users and the level of trading volume sent to the Exchange by such users, such that a user with significant trading activity sent to the Exchange likely utilizes a greater number of order/quote entry ports than a user with minimal trading activity sent to the Exchange. However, despite this correlation, and regardless of the amount of activity a user sends to the Exchange via its order/quote entry ports, or the size of the firm, every user that connects its systems to the Exchange's trading systems requires at least one port for order/quote entry. Many users also maintain a certain number of additional order/quote entry ports for redundancy and/or hardware configuration purposes. These users have a limited opportunity to become more efficient with their use of ports. Accordingly, the Exchange believes that five is a reasonable number of ports that would permit a user that sends a lesser amount of trading activity to the Exchange to manage its ports in such a way that it could sufficiently address these redundancy and configuration concerns without crossing the threshold for which higher fees apply.

In this regard, the Exchange anticipates that, as a result of the proposed increase of the order/quote entry port fee under the tiered structure, users would become more efficient with their utilization of order/quote entry ports and would decrease the number of order/quote entry ports so as to qualify for the $200 rate per port. Such a decrease in order/quote entry port use would result in a corresponding decrease in the infrastructure that the Exchange is required to support for connectivity to its trading systems and a decrease in the costs related thereto.

The Exchange also believes that the proposed change to the Fee Schedule concerning backup datacenter ports is reasonable because it will result in ETP Holders not being charged when the ports are solely used for backup purposes, which the Exchange believes will encourage appropriate business continuity planning. However, if a port in the backup datacenter were used for quote or order entry when the primary datacenter was available (i.e., not for backup purposes), then it would be charged like any other port. The Exchange believes that this is also equitable and not unfairly discriminatory because it would apply equally to all users that request ports in the backup datacenter and, furthermore, because it would contribute to the fair, efficient, and appropriate use of the backup datacenter.

For the reasons above, the Exchange believes that the proposal is consistent with the Act.

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

In accordance with Section 6(b)(8) of the Act,[13] 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. Instead, the Exchange believes that the proposed change will permit the Exchange to set fees for ports that are competitive with those charged by other exchanges.[14] Moreover, the Exchange believes that charging different rates for users with five or fewer order/quote entry ports as compared to users with more than five ports would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act because the Exchange believes that a reduction in the number of order/quote entry ports would result in a decrease in the infrastructure that the Exchange is required to support for connectivity to its trading systems. This would also provide incentive for users to become more efficient with their use of ports and could therefore result in such users becoming more competitive due to decreased costs. In this regard, the Exchange notes that at least one of the Exchange's competitors charges different rates depending on the number of ports utilized.[15]

Additionally, adding detail to the Fee Schedule to provide that no fee will apply to ports in the backup datacenter that are utilized when the primary data center is unavailable, but that a fee will apply when a port in the backup datacenter is utilized when the primary datacenter is available, will provide better notice to ETP Holders and encourage them to only use the backup datacenter for its intended purpose, which is to help preserve business continuity and competition if the Exchange's primary datacenter were unavailable.

Finally, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

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)[16] of the Act and subparagraph (f)(2) of Rule 19b–4[17] thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

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

[11] *See supra* note 5.

[12] The Exchange also notes that at least one of its competitors charges different rates depending on the number of ports utilized. Specifically, EDGA and EDGX each provide the first five ports for free.

[13] 15 U.S.C. 78f(b)(8).

[14] *See supra* note 10.

[15] *See supra* note 12.

[16] 15 U.S.C. 78s(b)(3)(A).

[17] 17 CFR 240.19b–4(f)(2).

the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B) [18] of the Act to determine whether the proposed rule change 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 email to *rule-comments@sec.gov.* Please include File Number SR–NYSEArca–2013–64 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–2013–64. 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 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 offices of NYSE. 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–2013–64, and should be submitted on or before July 29, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[19]

Elizabeth M. Murphy,

Secretary.

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[18] 15 U.S.C. 78s(b)(2)(B).

[19] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–69903; File No. SR–CHX–2013–12]

Self-Regulatory Organizations; Chicago Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Single-Sided Order Fees and Credits and the Order Cancellation Fee

July 1, 2012.

Pursuant to Section 19(b)(1) [1] of the Securities Exchange Act of 1934 (''Act'') [2] and Rule 19b–4 thereunder,[3] notice is hereby given that on June 26, 2013, the Chicago Stock Exchange, Inc. (''CHX'' or ''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 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 the Substance of the Proposed Rule Change

CHX proposes to amend its Schedule of Participant Fees and Assessments (the ''Fee Schedule'') to amend the Single-Sided Order Fees and Credits and the Order Cancellation Fee. The Exchange proposes to implement the fee changes on July 1, 2013. The text of this proposed rule change is available on the Exchange's Web site at *http://www.chx.com/rules/proposed_rules.htm,* at the principal office of the Exchange, 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 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend Section E of the Fee Schedule, effective July 1, 2013. Specifically, the Exchange proposes to eliminate references in Sections E.1 and E.8 to ''Derivative Securities Products'' (''DSPs'') and ''Non-Derivative Securities Products'' (''Non-DSPs'') and to eliminate references in Section E.1 to ''Regular'' Trading Session and ''Early and Late'' Trading Sessions. Moreover, the Exchange proposes to amend Section E.1 to set the liquidity providing fee for all Tape A, B, and C securities priced greater than or equal to $1.00/share at $0.00250/share and the Liquidity Removing Fee for all Tape A, B, and C securities priced greater than or equal to $1.00/share at $0.0030/share.

Current Section E.1

On November 2, 2012, the Exchange adopted current Section E.1 of the Fee Schedule,[4] amended in February 2013,[5] which permits twenty-four (24) distinct sets of credits and fees. Specifically, the Section E.1 fee table distinguishes between ''Regular'' Trading Session and ''Early and Late'' Trading Sessions and divides each trading session into Tape A, B, and C securities. Moreover, each Tape is divided into DSPs and Non-DSPs and each set of DSPs and Non-DSPs are further divided into securities priced greater than or equal to $1.00/share or those that are priced less than $1.00/share.

With respect to the current values of the credits and fees of Section E.1, for transactions in Tape A and Tape B Non-DSPs priced greater than or equal to $1.00/share that are executed in the Regular Trading Session, the current Fee Schedule gives no credit for providing liquidity, and charges a $0.0030/share Liquidity Removing Fee. For transactions in Tape A and Tape B DSPs

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] *See* Securities Exchange Act Release No. 68182 (November 8, 2012), 77 FR 68167 (November 15, 2012) (SR–CHX–2012–16).

[5] *See* Securities Exchange Act Release No. 68894 (February 15, 2013), 78 FR 11258 (February 15, 2013) (SR–CHX–2013–06).