

Required fields are shown with yellow backgrounds and asterisks.

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| Page 1 of * 15 | SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4 | File No.* SR - 2012 - * 006 Amendment No. (req. for Amendments *) |
| Proposed Rule Change by NASDAQ OMX BX, Inc. Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934 | | |
| Initial * <input checked="" type="checkbox"/> | Amendment * <input type="checkbox"/> | Withdrawal <input type="checkbox"/> |
| Section 19(b)(2) * <input type="checkbox"/> | | |
| Section 19(b)(3)(A) * <input checked="" type="checkbox"/> | | |
| Section 19(b)(3)(B) * <input type="checkbox"/> | | |
| Rule | | |
| Pilot <input type="checkbox"/> | Extension of Time Period for Commission Action * <input type="checkbox"/> | Date Expires * <input type="text"/> |
| <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input checked="" type="checkbox"/> 19b-4(f)(6) | | |
| Exhibit 2 Sent As Paper Document <input type="checkbox"/> | | |
| Exhibit 3 Sent As Paper Document <input type="checkbox"/> | | |
| Description | | |
| Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *). | | |
| Proposal to amend Chapter V, Section 20 (Obvious and Catastrophic Errors) of the BOX Trading Rules to amend the definition of theoretical price. | | |
| Contact Information | | |
| Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change. | | |
| First Name * Maura | Last Name * Looney | |
| Title * | Associate Vice President | |
| E-mail * | maura.looney@nasdaqomx.com | |
| Telephone * (617) 235-2073 | Fax | <input type="text"/> |
| Signature | | |
| Pursuant to the requirements of the Securities Exchange Act of 1934, | | |
| has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer. | | |
| Date | 01/20/2012 | |
| By | Maura Looney | Associate Vice President |
| | (Name *) | (Title *) |
| NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed. | | |
| <div style="border: 1px solid black; background-color: #cccccc; display: inline-block; padding: 5px 20px;">Maura A. Looney,</div> | | |

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information (required)

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change (required)

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

Item 1. Text of Proposed Rule Change

a) NASDAQ OMX BX, Inc. (the “Exchange”) proposes to amend Chapter V, Section 20 (Obvious and Catastrophic Errors) of the Rules of the Boston Options Exchange Group, LLC (“BOX”) to amend the definition of theoretical price. The text of the proposed rule change is attached as Exhibit 5.

b) Not applicable to application of any other Exchange rule.

c) Not applicable.

Item 2. The Procedures of the Self-Regulatory Organization

The proposed rule change has been approved by Boston Options Exchange Regulation, LLC (“BOXR”), pursuant to authority delegated to BOXR by the Exchange.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

a) Purpose

The Exchange is proposing a change to Chapter V, Section 20 (Obvious and Catastrophic Errors). An obvious error occurs when the execution price of a transaction is above or below the Theoretical Price for the series by a specified amount. The Exchange recently submitted an immediately effective rule change to amend the definition of Theoretical Price.¹ Under the recently effective rule, the “Theoretical Price” of an option series is defined, if the series is traded on at least one other options exchange, as the mid-point of the National Best Bid or Offer (“NBBO”), just prior to the

¹ See Securities Exchange Act Release No. 66093 (January 4, 2012), 77 FR 1543 (January 10, 2012) (SR-BX-2011-086) Notice of Filing and Immediate Effectiveness of a Proposal To Amend the Definition of Theoretical Price (“BX-2011-086”).

trade in question. If there are no quotes for comparison, the Theoretical Price is determined by the Market Regulation Center (“MRC”).²

The rule change proposed in BX-2011-086 was immediately effective upon filing, but not operative for 30 days. As such, it is not yet operative. The goal of the rule change in BX-2011-086 was to improve the BOX process for addressing potentially erroneous trades to the benefit of all BOX market participants. While proposing the rule change, BOX discussed BX-2011-086 with several BOX Options Participants, and has continued these discussions following the effective date of the proposal. Based on these discussions with its Participants, BOX, after considering the potential impact of the change on BOX market participants and the liquidity on BOX, believes there is sufficient reason to reverse the rule change proposed in BX-2011-086. In addition, BOX will continue analyzing potential refinements to the BOX process for addressing potentially erroneous trades.

As such, the Exchange is proposing to amend the definition of Theoretical Price so that when the series is traded on at least one other options exchange, the Theoretical Price will be the “National Best Bid with respect to an erroneous sell transaction, and National Best Offer with respect to an erroneous buy transaction, just prior to the trade in question.” Alternatively, if there are no quotes for comparison, the Theoretical Price will continue to be determined by the MRC. This proposed rule change would reverse the effective rule change identified in note 1 and amend this provision of the BOX Rules so that the Theoretical Price continues to be the National Best Bid or Offer.

² MRC is defined in the BOX Rules to mean the Exchange's facilities for surveilling and regulating the conduct of business for options on BOX. MRC personnel are employees of BOXR and are not affiliated with BOX Options Participants.

b) Statutory Basis

This proposed rule change is designed to provide the personnel of the MRC (i.e., BOXR) with a clearly defined measure of the price on which to base a determination as to whether or not a particular transaction was the result of an obvious error and continue utilizing the rule that BOX has had in place prior to the operative date of BX-2011-086. The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder and, in particular, the requirements of Section 6(b) of the Act.³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁴ requirements that the rules of an exchange be 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 facilitating transactions in securities, and 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 maintaining the obvious error process in existence on BOX.

The Exchange believes that using the NBBO as the Theoretical Price will maintain an objective approach in determining obvious errors that is consistent with other options exchanges. The Exchange believes that continuing to use an objective standard when making adjustment decisions would benefit investors and market participants that are members of multiple exchanges participating in a national market system. The Exchange, after considering the potential impact of the rule change proposed in BX-2011-086 on BOX market participants and the liquidity on BOX, believes continuing to

³ 15 U.S.C. 78f(b).

⁴ 15 U.S.C. 78f(b)(5).

use its current process for evaluating potentially erroneous trades is appropriate for BOX. As such, the Exchange believes that its process for rendering and reviewing trade adjustment determinations is consistent with the Act, and with the maintenance of a fair and orderly market and the protection of investors and the public interest.

Item 4. 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.

Item 5. 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 comments on the proposed rule change.

Item 6. Extension of Time Periods for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

(a) This proposed rule change is filed pursuant to paragraph (A) of section 19(b)(3) of the Exchange Act⁵ and Rule 19b-4(f)(6) thereunder.⁶

(b) This proposed rule change does not significantly affect the protection of investors or the public interest, does not impose any significant burden on competition, and, by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The Exchange respectfully requests that the

⁵ 15 U.S.C. 78s(b)(3)(A).

⁶ 17 CFR 240.19b-4(f)(6).

Commission waive the 30-day operative delay period for “non-controversial” proposals and make the proposed rule change effective and operative upon filing.⁷ The proposed rule change simply reverses a rule change that had become effective, but was not yet operative. The Exchange believes that a waiver of the operative delay is appropriate in this instance so that BOXR and BOX market participants can continue to operate within the same process that currently exists for them to address potentially erroneous trades. The Exchange believes that maintaining this operational continuity within the BOX market is consistent with the protection of investors and the public interest. As such, the Exchange believes the requested waiver of the operative delay is appropriate.

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.

Item 8. Proposed Change Based Upon Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

Item 9. Exhibits

1. Form of Notice of the Proposed Rule Change for Publication in the Federal Register.
5. Text of the Proposed Rule Change.

⁷ As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-BX-2012-006)

_____, 2012

Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Amend the Definition of Theoretical Price

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 January 20, 2012, NASDAQ OMX BX, Inc. (the “Exchange”) filed with the Securities and Exchange Commission (“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 Exchange filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act,³ and Rule 19b-4(f)(6) thereunder,⁴ which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule from interested persons.

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

The Exchange proposes to amend Chapter V, Section 20 (Obvious and Catastrophic Errors) of the Rules of the Boston Options Exchange Group, LLC (“BOX”) to amend the definition of theoretical price. The text of the proposed rule change is available from the principal office of the Exchange, at the Commission’s Public Reference

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)(6).

Room and also on the Exchange's Internet website at

<http://nasdaqomxbx.cchwallstreet.com/NASDAQOMXBX/Filings/>.

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 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 Exchange is proposing a change to Chapter V, Section 20 (Obvious and Catastrophic Errors). An obvious error occurs when the execution price of a transaction is above or below the Theoretical Price for the series by a specified amount. The Exchange recently submitted an immediately effective rule change to amend the definition of Theoretical Price.⁵ Under the recently effective rule, the "Theoretical Price" of an option series is defined, if the series is traded on at least one other options exchange, as the mid-point of the National Best Bid or Offer ("NBBO"), just prior to the trade in question. If there are no quotes for comparison, the Theoretical Price is determined by the Market Regulation Center ("MRC").⁶

⁵ See Securities Exchange Act Release No. 66093 (January 4, 2012), 77 FR 1543 (January 10, 2012) (SR-BX-2011-086) Notice of Filing and Immediate Effectiveness of a Proposal To Amend the Definition of Theoretical Price ("BX-2011-086").

⁶ MRC is defined in the BOX Rules to mean the Exchange's facilities for surveilling and regulating the conduct of business for options on BOX. MRC personnel are employees of BOXR and are not affiliated with BOX Options Participants.

The rule change proposed in BX-2011-086 was immediately effective upon filing, but not operative for 30 days. As such, it is not yet operative. The goal of the rule change in BX-2011-086 was to improve the BOX process for addressing potentially erroneous trades to the benefit of all BOX market participants. While proposing the rule change, BOX discussed BX-2011-086 with several BOX Options Participants, and has continued these discussions following the effective date of the proposal. Based on these discussions with its Participants, BOX, after considering the potential impact of the change on BOX market participants and the liquidity on BOX, believes there is sufficient reason to reverse the rule change proposed in BX-2011-086. In addition, BOX will continue analyzing potential refinements to the BOX process for addressing potentially erroneous trades.

As such, the Exchange is proposing to amend the definition of Theoretical Price so that when the series is traded on at least one other options exchange, the Theoretical Price will be the “National Best Bid with respect to an erroneous sell transaction, and National Best Offer with respect to an erroneous buy transaction, just prior to the trade in question.” Alternatively, if there are no quotes for comparison, the Theoretical Price will continue to be determined by the MRC. This proposed rule change would reverse the effective rule change identified in note 1 and amend this provision of the BOX Rules so that the Theoretical Price continues to be the National Best Bid or Offer.

2. Statutory Basis

This proposed rule change is designed to provide the personnel of the MRC (i.e., BOXR) with a clearly defined measure of the price on which to base a determination as to whether or not a particular transaction was the result of an obvious error and continue utilizing the rule that BOX has had in place prior to the operative date of BX-2011-086.

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder and, in particular, the requirements of Section 6(b) of the Act.⁷ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁸ requirements that the rules of an exchange be 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 facilitating transactions in securities, and 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 maintaining the obvious error process in existence on BOX.

The Exchange believes that using the NBBO as the Theoretical Price will maintain an objective approach in determining obvious errors that is consistent with other options exchanges. The Exchange believes that continuing to use an objective standard when making adjustment decisions would benefit investors and market participants that are members of multiple exchanges participating in a national market system. The Exchange, after considering the potential impact of the rule change proposed in BX-2011-086 on BOX market participants and the liquidity on BOX, believes continuing to use its current process for evaluating potentially erroneous trades is appropriate for BOX. As such, the Exchange believes that its process for rendering and reviewing trade adjustment determinations is consistent with the Act, and with the maintenance of a fair and orderly market and the protection of investors and the public interest.

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

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

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

The Exchange has neither solicited nor received comments on the proposed rule change.

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

Effectiveness Pursuant to Section 19(b)(2)

This proposed rule change is filed pursuant to paragraph (A) of section 19(b)(3) of the Exchange Act⁹ and Rule 19b-4(f)(6) thereunder.¹⁰ This proposed rule change does not significantly affect the protection of investors or the public interest, does not impose any significant burden on competition, and, by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The Exchange respectfully requests that the Commission waive the 30-day operative delay period for “non-controversial” proposals and make the proposed rule change effective and operative upon filing.¹¹ The proposed rule change simply reverses a rule change that had become effective, but was not yet operative. The Exchange believes that a waiver of the operative delay is appropriate in this instance so that BOXR and BOX market

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(6).

¹¹ As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has requested and the Commission has granted a waiver of this requirement.

participants can continue to operate within the same process that currently exists for them to address potentially erroneous trades. The Exchange believes that maintaining this operational continuity within the BOX market is consistent with the protection of investors and the public interest. As such, the Exchange believes the requested waiver of the operative delay is appropriate.

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-BX-2012-006 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-BX-2012-006. 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 inspection and copying in the Commission's Public Reference Room, on business days between the hours of 10 a.m. and 3 p.m., located at 100 F Street, NE, Washington, DC 20549. 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-BX-2012-006 and should be submitted on or before [date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Kevin M. O'Neill
Secretary

¹² 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New language
[deleted language]

Boston Options Exchange Group LLC

* * * * *

CHAPTER V. DOING BUSINESS ON BOX

* * * * *

Sec. 20 Obvious and Catastrophic Errors

(a) through (b) No change.

(c) *Definition of Theoretical Price.* For purposes of this Section only, the Theoretical Price of an options series is:

- i. if the series is traded on at least one other options exchange, [the mid-point of the] National Best Bid [and Offer] with respect to an erroneous sell transaction, and National Best Offer with respect to an erroneous buy transaction, just prior to the trade in question; or
- ii. if there are no quotes for comparison purposes, as determined by the MRC.

(d) through (j) No change.

Supplementary Material to Section 20

.01 through .03 No change.

* * * * *