

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="16"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2012"/> - * <input type="text" value="28"/> Amendment No. (req. for Amendments *) <input type="text"/>
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="text"/>	Date Expires * <input type="text"/>
<input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input checked="" type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input 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 *).		
<input type="text" value="A proposed rule change to modify pricing for BX members using the NASDAQ OMX BX Equities System."/>		
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 *	<input type="text" value="John"/>	Last Name * <input type="text" value="Yetter"/>
Title *	<input type="text" value="Vice President"/>	
E-mail *	<input type="text" value="john.yetter@nasdaqomx.com"/>	
Telephone *	<input type="text" value="(301) 978-8497"/>	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	<input type="text" value="04/26/2012"/>	
By	<input type="text" value="Edward S. Knight"/>	<input type="text" value="Executive Vice President & General Counsel"/>
	(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.		
<input type="button" value="Edward S Knight"/>		

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)

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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.

1. Text of Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² NASDAQ OMX BX, Inc. (“BX” or “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to modify pricing for BX members using the NASDAQ OMX BX Equities System. The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of BX pursuant to authority delegated by the Board of Directors of BX on August 19, 2011. BX staff will advise the Board of Directors of BX of any action taken pursuant to delegated authority. No other action by BX is necessary for the filing of the rule change.

BX will implement the proposed change on May 1, 2012. Questions regarding this rule filing may be directed to John M. Yetter, Vice President and Deputy General Counsel, The NASDAQ OMX Group, at (301) 978-8497 (telephone) or (301) 978-8472 (facsimile).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

a. Purpose

BX is proposing to modify its rebate schedule with respect to orders that access liquidity at BX.³ Currently, BX pays a rebate of \$0.0014 per share executed with respect to:

- an order entered by a member through a BX Equities System Market Participant Identifier ("MPID") through which the member (i) accesses an average daily volume of 3.5 million or more shares of liquidity, or (ii) provides an average daily volume of 25,000 or more shares of liquidity during the month; or
- a BSTG, BSCN, BMOP, BTFY or BCRT order that accesses liquidity in the NASDAQ OMX BX Equities System.

BX pays a rebate of \$0.0005 with respect to all other liquidity-accessing orders. BX is proposing to eliminate the rebate with respect to all orders that access liquidity provided by a midpoint pegged order.⁴ Because such orders access liquidity at the midpoint between the best bid and offer, they receive price improvement of at least \$0.005 per

³ The change applies to securities priced at \$1 or more per share. Fees and rebates for lower-priced securities are unchanged.

⁴ "Pegged Orders" are orders that, after entry, have their price automatically adjusted by the System in response to changes in either the NASDAQ OMX BX Equities Market inside bid or offer or bids or offers in the national market system, as appropriate. A Pegged Order can specify that its price will equal the inside quote on the same side of the market ("Primary Peg"), the opposite side of the market ("Market Peg"), or the midpoint of the national best bid and offer ("Midpoint Peg"). A Midpoint Peg Order is priced based upon the national best bid and offer, excluding the effect that the Midpoint Peg Order itself has on the inside bid or inside offer. Midpoint Pegged Orders will never be displayed. A Midpoint Pegged Order may be executed in sub-pennies if necessary to obtain a midpoint price. A new timestamp is created for the order each time it is automatically adjusted.

share. Accordingly, BX does not believe that it is necessary also to pay a rebate to encourage the submission of such orders. Rather, the execution of such orders will be free of charge.

b. Statutory Basis

BX believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁵ in general, and with Sections 6(b)(4) and (5) of the Act,⁶ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which BX operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers or dealers. All similarly situated members are subject to the same fee structure, and access to BX is offered on fair and non-discriminatory terms.

The elimination of the rebate for orders that access liquidity provided by midpoint pegged orders is reasonable because the execution of such orders will be free of charge. Moreover, the change is consistent with an equitable allocation of fees because such orders invariably receive price improvement of at least \$0.005 per share, and therefore do not need an additional rebate of \$0.0005 to \$0.0014 to encourage their submission to BX. Finally, BX believes that the change is not unfairly discriminatory because the price improvement provided to these orders provides a rational basis for treating them differently from other orders that access liquidity at BX.

Finally, BX 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

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(4) and (5).

venue to be excessive. In such an environment, BX must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because numerous alternatives exist to the execution and routing services offered by BX, if BX increases its fees to an excessive extent, it will lose customers to its competitors. Accordingly, BX believes that competitive market forces help to ensure that the fees it charges for execution and routing are reasonable, equitably allocated, and non-discriminatory.

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

BX does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. Because the market for order execution and routing is extremely competitive, members may readily opt to disfavor BX's execution and routing services if they believe that alternatives offer them better value. For these reasons and the reasons discussed in connection with the statutory basis for the proposed rule change, BX does not believe that the proposed changes will unfairly affect the ability of members or competitors to maintain their competitive standing in the financial markets.

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

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act⁷, BX has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Exhibits

1. Completed notice of proposed rule change for publication in the Federal Register.

5. Text of the proposed rule change.

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-BX-2012-028)

April __, 2012

Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Modify Pricing for BX Members Using the NASDAQ OMX BX Equities System

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 April 26, 2012, NASDAQ OMX BX, Inc. (“BX” or “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 BX. 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

BX proposes to modify pricing for BX members using the NASDAQ OMX BX Equities System. BX will implement the proposed change on May 1, 2012. The text of the proposed rule change is available at <http://nasdaqomxbx.cchwallstreet.com>, at BX’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, BX 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

specified in Item IV below. BX 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

BX is proposing to modify its rebate schedule with respect to orders that access liquidity at BX.³ Currently, BX pays a rebate of \$0.0014 per share executed with respect to:

- an order entered by a member through a BX Equities System Market Participant Identifier ("MPID") through which the member (i) accesses an average daily volume of 3.5 million or more shares of liquidity, or (ii) provides an average daily volume of 25,000 or more shares of liquidity during the month; or
- a BSTG, BSCN, BMOP, BTFY or BCRT order that accesses liquidity in the NASDAQ OMX BX Equities System.

BX pays a rebate of \$0.0005 with respect to all other liquidity-accessing orders. BX is proposing to eliminate the rebate with respect to all orders that access liquidity provided by a midpoint pegged order.⁴ Because such orders access liquidity at the midpoint

³ The change applies to securities priced at \$1 or more per share. Fees and rebates for lower-priced securities are unchanged.

⁴ "Pegged Orders" are orders that, after entry, have their price automatically adjusted by the System in response to changes in either the NASDAQ OMX BX Equities Market inside bid or offer or bids or offers in the national market system, as appropriate. A Pegged Order can specify that its price will equal the inside quote on the same side of the market ("Primary Peg"), the opposite side of the market ("Market Peg"), or the midpoint of the national best bid and offer ("Midpoint Peg"). A Midpoint Peg Order is priced based upon the national best bid and offer, excluding the effect that the Midpoint Peg Order itself has on the inside bid or inside offer. Midpoint Pegged Orders will never be displayed. A Midpoint Pegged Order may be executed in sub-pennies if necessary to obtain a

between the best bid and offer, they receive price improvement of at least \$0.005 per share. Accordingly, BX does not believe that it is necessary also to pay a rebate to encourage the submission of such orders. Rather, the execution of such orders will be free of charge.

2. Statutory Basis

BX believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁵ in general, and with Sections 6(b)(4) and (5) of the Act,⁶ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which BX operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers or dealers. All similarly situated members are subject to the same fee structure, and access to BX is offered on fair and non-discriminatory terms.

The elimination of the rebate for orders that access liquidity provided by midpoint pegged orders is reasonable because the execution of such orders is free of charge. Moreover, the change is consistent with an equitable allocation of fees because such orders invariably receive price improvement of at least \$0.005 per share, and therefore do not need an additional rebate of \$0.0005 to \$0.0014 to encourage their submission to BX. Finally, BX believes that the change is not unfairly discriminatory because the price

midpoint price. A new timestamp is created for the order each time it is automatically adjusted.

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(4) and (5).

improvement provided to these orders provides a rational basis for treating them differently from other orders that access liquidity at BX.

Finally, BX 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, BX must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because numerous alternatives exist to the execution and routing services offered by BX, if BX increases its fees to an excessive extent, it will lose customers to its competitors. Accordingly, BX believes that competitive market forces help to ensure that the fees it charges for execution and routing are reasonable, equitably allocated, and non-discriminatory.

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

BX does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. Because the market for order execution and routing is extremely competitive, members may readily opt to disfavor BX's execution and routing services if they believe that alternatives offer them better value. For these reasons and the reasons discussed in connection with the statutory basis for the proposed rule change, BX does not believe that the proposed changes will unfairly affect the ability of members or competitors to maintain their competitive standing in the financial markets.

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

Written comments were neither solicited nor 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 Act.⁷ 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, as amended, 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-2012-028 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-2012-028. This file number should be included on the subject line if e-mail is used.

⁷ 15 U.S.C. 78s(b)(3)(a)(ii).

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 website 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 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-2012-028, and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁸

Kevin M. O'Neill
Deputy Secretary

⁸ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

The text of the proposed rule change is below. Proposed new language is underlined; proposed deletions are bracketed.

7018. NASDAQ OMX BX Equities System Order Execution and Routing

(a) The following charges and credits shall apply to the use of the order execution and routing services of the NASDAQ OMX BX Equities System by members for all securities priced at \$1 or more per share that it trades.

Credit for entering order that accesses liquidity in the NASDAQ OMX BX Equities System:

<u>Order that executes against a midpoint pegged order:</u>	<u>\$0</u>
Order entered by a member through a BX Equities System Market Participant Identifier ("MPID") through which the member (i) accesses an average daily volume of 3.5 million or more shares of liquidity, or (ii) provides an average daily volume of 25,000 or more shares of liquidity during the month <u>(excluding an order that executes against a midpoint pegged order)</u> :	\$0.0014 per share executed
BSTG, BSCN, BMOP, BTFY or BCRT order that accesses liquidity in the NASDAQ OMX BX Equities System <u>(excluding an order that executes against a midpoint pegged order)</u> :	\$0.0014 per share executed
All other orders:	\$0.0005 per share executed
Charge for providing liquidity through the NASDAQ OMX BX Equities System:	
Displayed order entered by a Qualified Liquidity Provider through a Qualified MPID:	\$0.0015 per share executed
All other orders:	\$0.0018 per share executed

For purposes of this rule, a Qualified Liquidity Provider is a member with (i) shares of liquidity provided and (ii) total shares of liquidity accessed and provided in all securities through one or more of its NASDAQ OMX BX Equities System MPIDs that represent more than 0.40% and 0.50%, respectively, of the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during the month. A Qualified MPID is an MPID of a Qualified Liquidity Provider through which, for at least 150 securities, it quotes at the national best bid or offer ("NBBO") an average of at least 25% of the time during regular market hours (9:30 a.m. through 4:00 p.m.) during the month.

Charge for BSTG or BSCN order that executes in a venue other than the NASDAQ OMX BX Equities System:	\$0.0023 per share executed at NYSE
	\$0.0030 per share executed at venues other than NYSE

Charge for BMOP order that executes in a venue other than the NASDAQ OMX BX Equities System:	\$0.0025 per share executed at NYSE
	\$0.0035 per share executed at venues other than NYSE

Charge for BTFY order that executes in a venue other than the NASDAQ OMX BX Equities System:	\$0.0023 per share executed at NYSE
	\$0.0007 per share executed at venues other than NYSE, NASDAQ or NASDAQ OMX PSX

For orders that execute at NASDAQ OMX PSX, NASDAQ OMX BX will pass through all fees assessed and rebates offered by NASDAQ OMX PSX

For orders that execute at NASDAQ, NASDAQ OMX BX will pass through all fees assessed and rebates offered by NASDAQ

Charge for BCRT order that executes in a venue other than the NASDAQ OMX BX Equities System:	For orders that execute at NASDAQ OMX PSX, NASDAQ OMX BX will pass through all fees assessed and rebates offered by NASDAQ OMX PSX
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For orders that execute at NASDAQ, NASDAQ OMX BX will pass through all fees assessed and rebates

offered by NASDAQ

(b) – (c) No change.