

Required fields are shown with yellow backgrounds and asterisks.

Filing by NASDAQ OMX BX, Inc.
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			Rule		
Pilot	Extension of Time Period for Commission Action *	Date Expires *	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<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)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) *	Section 806(e)(2) *
<input type="checkbox"/>	<input type="checkbox"/>
	Section 3C(b)(2) *
	<input type="checkbox"/>

Exhibit 2 Sent As Paper Document	Exhibit 3 Sent As Paper Document
<input type="checkbox"/>	<input type="checkbox"/>

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Order Exposure

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 action.

First Name * Angela Last Name * Dunn

Title * Associate General Counsel

E-mail * angela.dunn@nasdaq.com

Telephone * (215) 496-5692 Fax

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.

(Title *)

Date 12/02/2015 Executive Vice President and General Counsel

By Edward S. Knight

(Name *)

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.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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 *

Add Remove View

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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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, security-based swap submission, or advance notice 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

Add Remove View

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 the 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 the “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposal to amend BX Rules at Chapter VII, Section 12, entitled “Order Exposure Requirements,” to make clear that BX PRISM is an exception to this rule.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and the text of the proposed rule change is attached hereto 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 July 1, 2015. 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. Questions and comments on the proposed rule change may be directed to Angela Saccomandi Dunn, Associate General Counsel, Nasdaq, Inc. at (215) 496-5692.

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

The Exchange proposes to amend BX Rules at Chapter VII, Section 12, entitled “Order Exposure Requirements” to specifically state that orders entered into BX PRISM are not subject to the rule at Section 12. Recently, the Exchange’s BX PRISM rule was approved by the Commission.³ BX PRISM is a price-improvement mechanism on the Exchange's options platform, in which a BX Participant (an “Initiating Participant”) may electronically submit for execution a two-sided paired order, where one side is an order it represents as agent on behalf of a Public Customer, Professional customer, broker-dealer, or any other entity (“PRISM Order”) and the other side is principal interest or any other order it represents as agent (an “Initiating Order”) provided that the member first exposes the PRISM Order in the PRISM Auction (“Auction”) pursuant to the Rule. This mechanism is an exception to the general rule in Chapter VII, Section 12, which requires BX Options Participants to expose principal orders they represent as agent for at least one (1) second prior to receiving an agency order that is executable against such bid or offer. The Exchange notes that other options exchanges have similar order exposure exceptions.⁴

³ See Securities Exchange Act Release No. 76301 (October 29, 2015), 80 FR 68347 (November 4, 2015) (SR-BX-2015-032) (Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, To Adopt a New Price Improvement Auction, BX PRISM).

⁴ See International Securities Exchange LLC (“ISE”) Rule 717(d) and BOX Options Exchange LLC (“BOX”) Rule 7140.

The Exchange is also proposing certain minor technical amendments to the rule to remove the word “Commentary” and re-letter the remainder of the rule. The Exchange is also deleting a reserved section. The Exchange believes amending Chapter VII, Section 12 will highlight this exception concerning BX PRISM and also conform BX Rules for internal consistency.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act⁶ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by explicitly stating an exception to the general rule regarding the requirements to expose certain principal orders which are represented as agent.

The Exchange’s proposal will make clear that BX PRISM is an exception to the general rule, which requires BX Participants to expose principal orders they represent as agent for at least one (1) second prior to receiving an agency order that is executable against such bid or offer. BX PRISM permits Participants to enter paired orders without first exposing those orders for one second. The Exchange believes that providing an exception to the order exposure rule for orders entered into BX PRISM is consistent with the Act, because BX PRISM’s auction has an auction period which is no less than one hundred milliseconds and no more than one second. Only one Auction may be conducted

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

at a time in any given series. Once commenced, an Auction may not be cancelled. To initiate the Auction, the Initiating Participant entering the order into BX PRISM must mark the PRISM Order for Auction processing, and specify either: (a) a single price at which it seeks to execute the PRISM Order (a “stop price”); (b) that it is willing to automatically match as principal or as agent on behalf of an Initiating Order the price and size of all PRISM Auction Notifications (“PAN”) responses, and trading interest (“auto-match”) in which case the PRISM Order will be stopped at the NBBO on the Initiating Order side; or (c) that it is willing to either: (i) stop the entire order at a single stop price and auto-match PAN responses and trading interest at a price or prices that improve the stop price to a specified price (a “No Worse Than” or “NWT” price); (ii) stop the entire order at a single stop price and auto-match all PAN responses and trading interest at or better than the stop price; or (iii) stop the entire order at the NBBO on the Initiating Order side, and auto-match PAN responses and trading interest at a price or prices that improve the stop price up to the NWT price.⁷ Initiating Participants entering orders into BX PRISM are required to guarantee an execution at the NBBO or at a better price, and are subject to market risk while their BX PRISM Order is exposed to other BX Participants in this competitive auction.

The proposed amendment will amend the current order exposure rule to except orders entered into BX PRISM from the rule. The Exchange believes that this amendment will protect investors and the public interest by providing additional information in the Rules concerning exceptions.

⁷ See BX Rules at Chapter VI, Section 9(ii)(A)(1).

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

BX 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. The proposed changes do not impose any burden on competition, rather, the amendment provides an exception to the order exposure rule for orders entered into BX PRISM for all Participants. The Exchange believes that this exception will further inform BX Participants of their obligations with respect to order exposure. Initiating Participants entering orders into BX PRISM are subject to market risk while their PRISM Order is exposed to other BX Participants in this competitive auction.

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

No written comments were either solicited or received.

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)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)⁸ of the Act and Rule 19b-4(f)(6) thereunder⁹ in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) 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

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6).

proposed rule change does not significantly affect the protection of investors, because it amends the order exposure rule to indicate that orders entered into BX PRISM are not subject to the order exposure rule in Chapter VII, Section 12. Initiating Participants entering orders into BX PRISM are required to guarantee an execution at the NBBO or at a better price, and are subject to market risk while their PRISM Order is exposed to other BX Participants in this competitive auction. Also, the proposed rule change does not impose any significant burden on competition, because all Participants may enter orders into BX PRISM and will be subject to this exception.

Furthermore, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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.

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

The rule change is similar to ISE and CBOE rules.¹⁰

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

¹⁰ See ISE Rule 717(d) and BOX Rule 7140.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

1. Notice of proposed rule for publication in the Federal Register.

5. Applicable portion of the rule text.

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-BX-2015-078)

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NASDAQ OMX BX, Inc. Relating to Order Exposure

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 December 2, 2015, NASDAQ OMX BX, Inc. (“BX” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend BX Rules at Chapter VII, Section 12, entitled “Order Exposure Requirements,” to make clear that BX PRISM is an exception to this rule.

The Exchange requests that the Commission waive the 30-day operative delay period contained in Exchange Act Rule 19b-4(f)(6)(iii).³

The text of the proposed rule change is available on the Exchange’s Website at <http://nasdaqomxbx.cchwallstreet.com>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 17 CFR 240.19b-4(f)(6)(iii).

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 BX Rules at Chapter VII, Section 12, entitled “Order Exposure Requirements” to specifically state that orders entered into BX PRISM are not subject to the rule at Section 12. Recently, the Exchange’s BX PRISM rule was approved by the Commission.⁴ BX PRISM is a price-improvement mechanism on the Exchange's options platform, in which a BX Participant (an “Initiating Participant”) may electronically submit for execution a two-sided paired order, where one side is an order it represents as agent on behalf of a Public Customer, Professional customer, broker-dealer, or any other entity (“PRISM Order”) and the other side is principal interest or any other order it represents as agent (an “Initiating Order”) provided that the member first exposes the PRISM Order in the PRISM Auction (“Auction”) pursuant to the Rule. This mechanism is an exception to the general rule in Chapter VII, Section 12, which requires BX Options Participants to expose principal orders they represent as agent for at least one

⁴ See Securities Exchange Act Release No. 76301 (October 29, 2015), 80 FR 68347 (November 4, 2015) (SR-BX-2015-032) (Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, To Adopt a New Price Improvement Auction, BX PRISM).

(1) second prior to receiving an agency order that is executable against such bid or offer. The Exchange notes that other options exchanges have similar order exposure exceptions.⁵

The Exchange is also proposing certain minor technical amendments to the rule to remove the word “Commentary” and re-letter the remainder of the rule. The Exchange is also deleting a reserved section. The Exchange believes amending Chapter VII, Section 12 will highlight this exception concerning BX PRISM and also conform BX Rules for internal consistency.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁶ in general, and furthers the objectives of Section 6(b)(5) of the Act⁷ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by explicitly stating an exception to the general rule regarding the requirements to expose certain principal orders which are represented as agent.

The Exchange’s proposal will make clear that BX PRISM is an exception to the general rule, which requires BX Participants to expose principal orders they represent as agent for at least one (1) second prior to receiving an agency order that is executable against such bid or offer. BX PRISM permits Participants to enter paired orders without

⁵ See International Securities Exchange LLC (“ISE”) Rule 717(d) and BOX Options Exchange LLC (“BOX”) Rule 7140.

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

first exposing those orders for one second. The Exchange believes that providing an exception to the order exposure rule for orders entered into BX PRISM is consistent with the Act, because BX PRISM's auction has an auction period which is no less than one hundred milliseconds and no more than one second. Only one Auction may be conducted at a time in any given series. Once commenced, an Auction may not be cancelled. To initiate the Auction, the Initiating Participant entering the order into BX PRISM must mark the PRISM Order for Auction processing, and specify either: (a) a single price at which it seeks to execute the PRISM Order (a "stop price"); (b) that it is willing to automatically match as principal or as agent on behalf of an Initiating Order the price and size of all PRISM Auction Notifications ("PAN") responses, and trading interest ("auto-match") in which case the PRISM Order will be stopped at the NBBO on the Initiating Order side; or (c) that it is willing to either: (i) stop the entire order at a single stop price and auto-match PAN responses and trading interest at a price or prices that improve the stop price to a specified price (a "No Worse Than" or "NWT" price); (ii) stop the entire order at a single stop price and auto-match all PAN responses and trading interest at or better than the stop price; or (iii) stop the entire order at the NBBO on the Initiating Order side, and auto-match PAN responses and trading interest at a price or prices that improve the stop price up to the NWT price.⁸ Initiating Participants entering orders into BX PRISM are required to guarantee an execution at the NBBO or at a better price, and are subject to market risk while their BX PRISM Order is exposed to other BX Participants in this competitive auction.

⁸ See BX Rules at Chapter VI, Section 9(ii)(A)(1).

The proposed amendment will amend the current order exposure rule to except orders entered into BX PRISM from the rule. The Exchange believes that this amendment will protect investors and the public interest by providing additional information in the Rules concerning exceptions.

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

BX 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. The proposed changes do not impose any burden on competition, rather, the amendment provides an exception to the order exposure rule for orders entered into BX PRISM for all Participants. The Exchange believes that this exception will further inform BX Participants of their obligations with respect to order exposure. Initiating Participants entering orders into BX PRISM are subject to market risk while their PRISM Order is exposed to other BX Participants in this competitive auction.

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

No written comments were either solicited or received.

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

Because the foregoing 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 from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)⁹ of the Act and Rule 19b-4(f)(6) thereunder.¹⁰

⁹ 15 U.S.C. 78s(b)(3)(A).

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: necessary or appropriate in the public interest; for the protection of investors; or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-BX-2015-078 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-2015-078. 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

¹⁰ 17 CFR 240.19b-4(f)(6).

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, 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 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-BX-2015-078 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.¹¹

Robert W. Errett
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined; deleted text is in brackets.

NASDAQ OMX BX Rules

* * * * *

Options Rules

* * * * *

Chapter VII Market Participants

* * * * *

Sec. 12 Order Exposure Requirements

(a) With respect to orders routed to BX Options, Options Participants may not execute as principal orders they represent as agent unless (i) agency orders are first exposed on BX Options for at least one (1) second or (ii) the Options Participant has been bidding or offering on BX Options for at least one (1) second prior to receiving an agency order that is executable against such bid or offer or (iii) orders entered into BX PRISM pursuant to Chapter VI, Section 9.

[Commentary:]

(b) [.01] Section 12 prevents Options Participants from executing agency orders to increase its economic gain from trading against the order without first giving other trading interest on BX Options an opportunity to either trade with the agency order or to trade at the execution price when the Options Participant was already bidding or offering on the book. However, the Exchange recognizes that it may be possible for an Options Participant to establish a relationship with a customer or other person to deny agency orders the opportunity to interact on BX Options and to realize similar economic benefits as it would achieve by executing agency orders as principal. It will be a violation of Section 12 for an Options Participant to be a party to any arrangement designed to circumvent Section 12 by providing an opportunity for a customer to regularly execute against agency orders handled by the Options Participant immediately upon their entry into BX Options.

(c) [.02] It will be a violation of Section 12 for an Options Participant to cause the execution of an order it represents as agent on BX Options against orders it solicited from members and non-member broker-dealers, whether such solicited orders are entered into BX Options directly by the Options Participant or by the solicited party (either directly or through another Options Participant), if the Options Participant fails to expose orders on BX Options as required by Section 12.

[.03 Reserved.]

(d) [.04] Prior to or after submitting an order to BX Options, an Options Participant cannot inform another Options Participant or any other third party of any of the terms of the order.

* * * * *