

*Required fields are shown with yellow backgrounds and asterisks.*

Page 1 of * <input type="text" value="20"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2012"/> - * <input type="text" value="06"/> Amendment No. (req. for Amendments *) <input type="text"/>
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Proposed Rule Change by NASDAQ OMX PHLX LLC.  
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"/>
Pilot <input type="checkbox"/>			Rule		
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 Exhibit 3 Sent As Paper Document **Description**

Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked \*).

Amending the Real-time Risk Management Fee and Other Clarifying Amendments

**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 \*  Last Name \*   
 Title \*   
 E-mail \*   
 Telephone \*  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 officer.

Date By   
(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.

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**

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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**

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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 the Proposed Rule Change

(a) NASDAQ OMX PHLX LLC ("Phlx" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> proposes to amend the Real-Time Risk Management Fee to further clarify the application of the Fee. The Exchange also proposes to relocate the FLEX and Cabinet Options Transaction Fees within Section II of the Exchange's Fee Schedule and add clarifying text.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and a copy of applicable portion of the Exchange's Fee Schedule 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 the Exchange pursuant to authority delegated by the Board of Directors of the Exchange on August 19, 2011. Exchange staff will advise the Board of Directors of any action taken pursuant to delegated authority. No other action by the Exchange 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, at (215) 496-5692.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 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 memorialize the Exchange's practice of limiting the assessment of the Real-time Risk Management Fee to two (2) ports. The Exchange also proposes to add language to clarify the types of ports that are subject to this fee.

The Exchange initially filed to adopt a real-time, trade information fee (Real-time Risk Management Fee) for members receiving option trading information on-line (i.e., electronically) from the Exchange.<sup>3</sup> The purpose of the fee was to provide members and member organizations with option trade information electronically on a real-time basis. Members and member organizations were able to log on to an interface with AUTOM to receive options (among other information) transaction information real-time. When adopted, the Exchange limited the assessment of the Real-Time Risk Management Fee to two ports.<sup>4</sup> The Exchange has not assessed any member or member organization in excess of two ports since this Fee was adopted in 2000.<sup>5</sup> The Exchange proposes to memorialize this practice in its Fee Schedule. The port may be either a Specialized

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<sup>3</sup> See Securities Exchange Act Release No. 43719 (December 13, 2000), 65 FR 80975 (December 22, 2000) (SR-Phlx-00-97). The Exchange initially assessed \$.0025 per contract and later raised this fee to \$.003 per contract. See also Securities Exchange Act Release No. 61685 (March 10, 2010), 75 FR 13187 (March 18, 2010) (SR-Phlx-2010-39).

<sup>4</sup> See Securities Exchange Act Release No. 43719 (December 13, 2000), 65 FR 80975 (December 22, 2000) (SR-Phlx-00-97). The information included symbol, volume, price, time and clearing information.

<sup>5</sup> It was always the intent of the Exchange to limit this Fee to two ports, although the initial filing does not state this limitation, this has always been the practice of the Exchange.

Quote Feed (“SQF”)<sup>6</sup> Port or a Clearing Trade Interface (“CTI”)<sup>7</sup> Port. The member/member organization is assessed up to two ports. The Exchange proposes to add the following language to the Fee Schedule: “\$.003 per contract for **members and member organizations** receiving information on a real-time basis **up to a maximum of**

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<sup>6</sup> SQF is an interface that allows specialists, streaming quote traders and remote streaming quote traders to connect and send quotes into Phlx XL. SQF 6.0 allows participants to access information in a single feed available to all participants, rather than through accessing multiple feeds. The information available includes execution reports and other relevant data. Non quoting firms may also receive relevant information available over SQF by connecting to the SQF interface, but they may not send quotes. The set of data offered over this data feed is administrative in nature or is used to attract liquidity to the Exchange in response to an auction. Participants who write interfaces to the Phlx system use the administrative data to determine the current state of the trading system. For example, this data displays which symbols are trading on the Phlx, the current state of an options symbol (i.e., open for trading, trading, halted or closed from trading), as well as similar information regarding complex order strategies. This administrative data also includes the definition of complex order strategies. See Securities Exchange Act Release No. 63034 (October 4, 2010), 75 FR 62441 (October 8, 2010) (SR-Phlx-2010-124).

<sup>7</sup> CTI provides Exchange members with real-time clearing trade updates. The updates include the members clearing trade messages on a low latency, real-time basis. The trade messages are routed to a member's connection containing certain information. The information includes, among other things, the following: (i) The Clearing Member Trade Agreement or "CMTA" or The Options Clearing Corporation or "OCC" number; (ii) Exchange badge or house number; and (iii) the Exchange internal firm identifier. The administrative and market event messages include, but are not limited to: System event messages to communicate operational-related events; options directory messages to relay basic option symbol and contract information for options traded on the Exchange; complex strategy messages to relay information for those strategies traded on the Exchange; and trading action messages to inform market participants when a specific option or strategy is halted or released for trading on the Exchange. The information related to complex order strategy messages includes information that lists the legs and the leg ratios, which uniquely defines this strategy for an underlying. In addition, the interface contains an indicator which distinguishes electronic and non-electronic delivered orders. This information will be available to members on a real-time basis. See Securities Exchange Act Release No. 62155 (May 24, 2010), 75 FR 30081 (May 28, 2010) (SR-Phlx-2010-67).

**two ports, which may be either an SQF Port or a CTI Port**” (new language in bold), to memorialize its current practice.

The Exchange also proposes to relocate the FLEX<sup>8</sup> and Cabinet<sup>9</sup> Options transaction fees within Section II of the Fee Schedule, entitled “Equity Option Fees,” and add additional text to clarify that the transaction fees for FLEX<sup>10</sup> and Cabinet<sup>11</sup> Options are not in addition to the Options Transaction Charges. The Exchange also proposes to include text concerning the waiver of facilitation orders, currently in Section II in another part of Section II which addresses other facilitation waivers. The Exchange believes that relocating this text and adding a sentence which states “Cabinet and FLEX Option Fees

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<sup>8</sup> A FLEX option is a customized option that provides parties to the transaction with the ability to fix terms including the exercise style, expiration date, and certain exercise prices. See Exchange Rule 1079. FLEX Options are a trademark of the Chicago Board Options Exchange.

<sup>9</sup> An "accommodation" or "cabinet" trade refers to trades in listed options on the Exchange that are worthless or not actively traded. Cabinet trading is generally conducted in accordance with Exchange Rules, except as provided in Exchange Rule 1059 entitled "Accommodation Trading", which sets forth specific procedures for engaging in cabinet trading below \$ 1 per option contract. Cabinet or accommodation trading of option contracts is intended to accommodate persons wishing to effect closing transactions in those series of options dealt in on the Exchange for which there is no auction market.

<sup>10</sup> FLEX transaction fees are \$0.10 per contract side for all participants, except Customers. Specifically, the Exchange assess a \$.10 transaction charge on Professionals, Specialists, Registered Options Traders, Streaming Quote Traders, Remote Streaming Quote Traders, Broker-Dealers and Firms. Customers are not assessed a transaction charge for FLEX Options. See Securities Exchange Act Release No. 62379 (June 25, 2010), 75 FR 38163 (July 1, 2010) (SR-Phlx-2010-87).

<sup>11</sup> Cabinet transaction fees are \$ 0.10 per contract side for all participants, except Customers. Specifically, the Exchange assess a \$.10 transaction charge on Professionals, Specialists, Registered Options Traders, Streaming Quote Traders, Remote Streaming Quote Traders, Broker-Dealers and Firms. Customers are not assessed a transaction charge for Cabinet Options. See Securities Exchange Act Release No. 65740 (November 18, 2011), 76 FR 72744 (November 25, 2011) (SR-Phlx-2011-150).

above are not in addition to the Options Transaction Charges” will add more clarity to the Fee Schedule.

b. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act<sup>12</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>13</sup> in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The Exchange believes that amending the Fee Schedule to memorialize the Exchange’s practice of not assessing the Real-time Risk Management Fee on more than two ports is reasonable because this practice will be clearly stated on the Fee Schedule. Also, the Exchange believes that it is reasonable to clearly note the types of ports that are subject to this Fee. The Exchange also believes that this amendment is equitable and not unfairly discriminatory because the Exchange is uniformly assessing the Real-time Risk Management Fee on all members and member organizations. Every member or member organization will not be assessed the Real-time Risk Management Fee in excess of two ports, either an SQF Port or a CTI Port.

The Exchange believes that its proposal to relocate the Cabinet and FLEX Options section within Section II of the Fee Schedule and add more clarity concerning the assessment of these fees is reasonable, equitable and not unfairly discriminatory because the amendments will further clarify the application of Section II fees. The proposed amendments are not substantive. The Exchange believes the amendments

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<sup>12</sup> 15 U.S.C. 78f(b).

<sup>13</sup> 15 U.S.C. 78f(b)(4).

would create a more user-friendly Fee Schedule.

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.

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)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,<sup>14</sup> the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed 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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Exhibits

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

5. Applicable portion of the Exchange's Fee Schedule.

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<sup>14</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION  
(Release No. \_\_\_\_\_ ; File No. SR-Phlx-2012-06)

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NASDAQ OMX PHLX LLC Amending the Real-time Risk Management Fee and Other Clarifying Amendments

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup>, and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 10, 2012, NASDAQ OMX PHLX LLC ("Phlx" 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 the Real-Time Risk Management Fee to further clarify the application of the Fee. The Exchange also proposes to relocate the FLEX and Cabinet Options Transaction Fees within Section II of the Exchange's Fee Schedule and add clarifying text.

The text of the proposed rule change is available on the Exchange's Website at <http://nasdaqtrader.com/micro.aspx?id=PHLXfilings>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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 memorialize the Exchange's practice of limiting the assessment of the Real-time Risk Management Fee to two (2) ports. The Exchange also proposes to add language to clarify the types of ports that are subject to this fee.

The Exchange initially filed to adopt a real-time, trade information fee (Real-time Risk Management Fee) for members receiving option trading information on-line (i.e., electronically) from the Exchange.<sup>3</sup> The purpose of the fee was to provide members and member organizations with option trade information electronically on a real-time basis. Members and member organizations were able to log on to an interface with AUTOM to receive options (among other information) transaction information real-time. When adopted, the Exchange limited the assessment of the Real-Time Risk Management Fee to

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<sup>3</sup> See Securities Exchange Act Release No. 43719 (December 13, 2000), 65 FR 80975 (December 22, 2000) (SR-Phlx-00-97). The Exchange initially assessed \$.0025 per contract and later raised this fee to \$.003 per contract. See also Securities Exchange Act Release No. 61685 (March 10, 2010), 75 FR 13187 (March 18, 2010) (SR-Phlx-2010-39).

two ports.<sup>4</sup> The Exchange has not assessed any member or member organization in excess of two ports since this Fee was adopted in 2000.<sup>5</sup> The Exchange proposes to memorialize this practice in its Fee Schedule. The port may be either a Specialized Quote Feed (“SQF”)<sup>6</sup> Port or a Clearing Trade Interface (“CTI”)<sup>7</sup> Port. The

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<sup>4</sup> See Securities Exchange Act Release No. 43719 (December 13, 2000), 65 FR 80975 (December 22, 2000) (SR-Phlx-00-97). The information included symbol, volume, price, time and clearing information.

<sup>5</sup> It was always the intent of the Exchange to limit this Fee to two ports, although the initial filing does not state this limitation, this has always been the practice of the Exchange.

<sup>6</sup> SQF is an interface that allows specialists, streaming quote traders and remote streaming quote traders to connect and send quotes into Phlx XL. SQF 6.0 allows participants to access information in a single feed available to all participants, rather than through accessing multiple feeds. The information available includes execution reports and other relevant data. Non quoting firms may also receive relevant information available over SQF by connecting to the SQF interface, but they may not send quotes. The set of data offered over this data feed is administrative in nature or is used to attract liquidity to the Exchange in response to an auction. Participants who write interfaces to the Phlx system use the administrative data to determine the current state of the trading system. For example, this data displays which symbols are trading on the Phlx, the current state of an options symbol (i.e., open for trading, trading, halted or closed from trading), as well as similar information regarding complex order strategies. This administrative data also includes the definition of complex order strategies. See Securities Exchange Act Release No. 63034 (October 4, 2010), 75 FR 62441 (October 8, 2010) (SR-Phlx-2010-124).

<sup>7</sup> CTI provides Exchange members with real-time clearing trade updates. The updates include the members clearing trade messages on a low latency, real-time basis. The trade messages are routed to a member's connection containing certain information. The information includes, among other things, the following: (i) The Clearing Member Trade Agreement or "CMTA" or The Options Clearing Corporation or "OCC" number; (ii) Exchange badge or house number; and (iii) the Exchange internal firm identifier. The administrative and market event messages include, but are not limited to: System event messages to communicate operational-related events; options directory messages to relay basic option symbol and contract information for options traded on the Exchange; complex strategy messages to relay information for those strategies traded on the Exchange; and trading action messages to inform market participants when a specific option or strategy is halted or released for trading on the Exchange. The information related to complex order strategy messages includes information that lists the legs and the leg ratios, which uniquely defines this strategy for an underlying. In addition, the interface contains an indicator which distinguishes electronic and non-electronic

member/member organization is assessed up to two ports. The Exchange proposes to add the following language to the Fee Schedule: “\$.003 per contract for **members and member organizations** receiving information on a real-time basis **up to a maximum of two ports, which may be either an SQF Port or a CTI Port**” (new language in bold), to memorialize its current practice.

The Exchange also proposes to relocate the FLEX<sup>8</sup> and Cabinet<sup>9</sup> Options transaction fees within Section II of the Fee Schedule, entitled “Equity Option Fees,” and add additional text to clarify that the transaction fees for FLEX<sup>10</sup> and Cabinet<sup>11</sup> Options

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delivered orders. This information will be available to members on a real-time basis. See Securities Exchange Act Release No. 62155 (May 24, 2010), 75 FR 30081 (May 28, 2010) (SR-Phlx-2010-67).

<sup>8</sup> A FLEX option is a customized option that provides parties to the transaction with the ability to fix terms including the exercise style, expiration date, and certain exercise prices. See Exchange Rule 1079. FLEX Options are a trademark of the Chicago Board Options Exchange.

<sup>9</sup> An "accommodation" or "cabinet" trade refers to trades in listed options on the Exchange that are worthless or not actively traded. Cabinet trading is generally conducted in accordance with Exchange Rules, except as provided in Exchange Rule 1059 entitled "Accommodation Trading", which sets forth specific procedures for engaging in cabinet trading below \$ 1 per option contract. Cabinet or accommodation trading of option contracts is intended to accommodate persons wishing to effect closing transactions in those series of options dealt in on the Exchange for which there is no auction market.

<sup>10</sup> FLEX transaction fees are \$0.10 per contract side for all participants, except Customers. Specifically, the Exchange assess a \$.10 transaction charge on Professionals, Specialists, Registered Options Traders, Streaming Quote Traders, Remote Streaming Quote Traders, Broker-Dealers and Firms. Customers are not assessed a transaction charge for FLEX Options. See Securities Exchange Act Release No. 62379 (June 25, 2010), 75 FR 38163 (July 1, 2010) (SR-Phlx-2010-87).

<sup>11</sup> Cabinet transaction fees are \$ 0.10 per contract side for all participants, except Customers. Specifically, the Exchange assess a \$.10 transaction charge on Professionals, Specialists, Registered Options Traders, Streaming Quote Traders, Remote Streaming Quote Traders, Broker-Dealers and Firms. Customers are not assessed a transaction

are not in addition to the Options Transaction Charges. The Exchange also proposes to include text concerning the waiver of facilitation orders, currently in Section II in another part of Section II which addresses other facilitation waivers. The Exchange believes that relocating this text and adding a sentence which states “Cabinet and FLEX Option Fees above are not in addition to the Options Transaction Charges” will add more clarity to the Fee Schedule.

2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act<sup>12</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>13</sup> in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The Exchange believes that amending the Fee Schedule to memorialize the Exchange’s practice of not assessing the Real-time Risk Management Fee on more than two ports is reasonable because this practice will be clearly stated on the Fee Schedule. Also, the Exchange believes that it is reasonable to clearly note the types of ports that are subject to this Fee. The Exchange also believes that this amendment is equitable and not unfairly discriminatory because the Exchange is uniformly assessing the Real-time Risk Management Fee on all members and member organizations. Every member or member organization will not be assessed the Real-time Risk Management Fee in excess of two ports, either an SQF Port or a CTI Port.

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charge for Cabinet Options. See Securities Exchange Act Release No. 65740 (November 18, 2011), 76 FR 72744 (November 25, 2011) (SR-Phlx-2011-150).

<sup>12</sup> 15 U.S.C. 78f(b).

<sup>13</sup> 15 U.S.C. 78f(b)(4).

The Exchange believes that its proposal to relocate the Cabinet and FLEX Options section within Section II of the Fee Schedule and add more clarity concerning the assessment of these fees is reasonable, equitable and not unfairly discriminatory because the amendments will further clarify the application of Section II fees. The proposed amendments are not substantive. The Exchange believes the amendments would create a more user-friendly Fee Schedule.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

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

No written comments were either solicited or 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.<sup>14</sup> 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.

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<sup>14</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

#### 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](mailto:rule-comments@sec.gov). Please include File Number SR-Phlx-2012-06 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-Phlx-2012-06. 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 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-Phlx-2012-06 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.<sup>15</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>15</sup> 17 CFR 200.30-3(a)(12).

## EXHIBIT 5

NASDAQ OMX PHLX LLC  
FEE SCHEDULE

\* \* \* \* \*

## II. Equity Options Fees

(Includes options overlying equities, ETFs, ETNs, indexes and HOLDRS which are Multiply Listed)

	Customer	Professional	Specialist, ROT, SQT and RSQT		Broker-Dealer		Firm
			Electronic	Non- Electronic	Electronic	Non- Electronic	
<b>Options Transaction Charge (Penny Pilot)</b>	\$ .00	\$ .20	\$ .22	\$ .25	\$ .45	\$ .25	\$ .25
<b>Options Transaction Charge (non-Penny Pilot)</b>	\$ .00	\$ .20	\$ .23	\$ .25	\$ .45	\$ .25	\$ .25
<b>Options Surcharge in RUT, MNX and NDX</b>	N/A	N/A	\$ .15	\$ .15	\$ .15	\$ .15	\$ .15
<b>Options Surcharge in BKX</b>	N/A	N/A	\$ .10	\$ .10	\$ .10	\$ .10	\$ .10
<b><u>FLEX Options</u></b>	<u>\$ .00</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>
<b><u>Cabinet Options</u></b>	<u>\$ .00</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>	<u>\$ .10</u>

- These fees are per contract.
- The Cabinet and FLEX Option Fees above are not in addition to the Options Transaction Charges.
- QCC Transaction Fees for a Specialist, ROT, SQT, RSQT, Professional, Firm and Broker-Dealer are \$0.20 per contract. QCC Transaction Fees apply to QCC Orders, as defined in Exchange Rule 1080(o), and Floor QCC Orders, as defined in 1064(e). A rebate of \$0.07 per contract will be paid for all executed QCC Orders, as defined in Exchange Rule 1080(o) and Floor QCC Orders, as defined in 1064(e) except where the transaction is either: (i) Customer-to-Customer; or (ii) a dividend, merger or short stock interest strategy and execution subject to the Reversal and Conversion Cap (as defined in Section II).
- A rebate of \$0.05 per contract will be paid for Customer Complex Orders that are electronically-delivered.
- ROTs and Specialists are subject to a "Monthly Market Maker Cap" of \$550,000 for equity option transaction fees and QCC Transaction Fees, as defined in this section above. The trading activity of separate ROTs and Specialist member organizations will be aggregated in calculating the Monthly Market Maker Cap if there is at least 75% common ownership between the member organizations. All dividend, merger, short stock interest and reversal and conversion strategy executions (as defined in this Section II)

will be excluded from the Monthly Market Maker Cap. In addition, ROTs and Specialists that (i) are on the contra-side of an electronically-delivered and executed Customer complex order; and (ii) have reached the Monthly Market Maker Cap will be assessed a \$0.05 per contract fee. For QCC Orders as defined in Exchange Rule 1080(o), and Floor QCC Orders, as defined in 1064(e), a Service Fee of \$0.07 per side will apply once a ROT or Specialist has reached the Monthly Market Maker Cap. This \$0.07 Service Fee will apply to every contract side of the QCC Order and Floor QCC Order after a ROT or Specialist has reached the Monthly Market Maker Cap. The Service Fee will not be assessed to a ROT or Specialist that does not reach the Monthly Market Maker Cap in a particular calendar month.

## **II. Equity Options Fees**

**(Includes options overlying equities, ETFs, ETNs, indexes and HOLDRS which are Multiply Listed)**

- Firms are subject to a maximum fee of \$75,000 ("Monthly Firm Fee Cap"). Firm equity option transaction fees and QCC Transaction Fees, as defined in this section above, in the aggregate, for one billing month will not exceed the Monthly Firm Fee Cap per member organization when such members are trading in their own proprietary account. All dividend, merger, short stock interest and reversal and conversion strategy executions (as defined in this Section II) will be excluded from the Monthly Market Maker Cap. The Firm equity options transaction fees will be waived for members executing facilitation orders pursuant to Exchange Rule 1064 when such members are trading in their own proprietary account (including FLEX and Cabinet equity options transaction fees). QCC Transaction Fees are included in the calculation of the Monthly Firm Fee Cap. Member organizations must notify the Exchange in writing of all accounts in which the member is not trading in its own proprietary account. The Exchange will not make adjustments to billing invoices where transactions are commingled in accounts which are not subject to the Monthly Firm Fee Cap. In addition, Firms that (i) are on the contra-side of an electronically-delivered and executed Customer complex order; and (ii) have reached the Monthly Firm Fee Cap will be assessed a \$0.05 per contract fee. For QCC Orders as defined in Exchange Rule 1080(o), and Floor QCC Orders, as defined in 1064(e), a Service Fee of \$0.07 per side will apply once a Firm has reached the Monthly Firm Fee Cap. This \$0.07 Service Fee will apply to every contract side of the QCC Order and Floor QCC Order after a Firm has reached the Monthly Firm Fee Cap. The Service Fee will not be assessed to a Firm that does not reach the Monthly Firm Fee Cap in a particular calendar month.

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**II. Equity Options Fees**

**(Includes options overlying equities, ETFs, ETNs, indexes and HOLDRS which are Multiply Listed)**

**[FLEX and Cabinet Equity Option Fees]**

	<b>[Customer]</b>	<b>[Professional]</b>	<b>[Specialist, ROT, SQT and RSQT]</b>	<b>[Broker-Dealer]</b>	<b>[Firm]</b>
<b>[FLEX Options]</b>	[\$.00]	[\$.10]	[\$.10]	[\$.10]	[\$.10]
<b>[Cabinet Options]</b>	[\$.00]	[\$.10]	[\$.10]	[\$.10]	[\$.10]

[• These fees are per contract.]

[• The Firm FLEX and Cabinet equity options transaction fees will be waived for members executing facilitation orders pursuant to Exchange Rule 1064 when such members are trading in their own proprietary account.]

**Payment For Order Flow Fees**

Options that are trading in the Penny Pilot Program	\$ .25 per contract
Remaining Equity Options	\$ .70 per contract

- For trades resulting from either Directed or non-Directed Orders that are delivered electronically and executed on the Exchange: Assessed on ROTs, specialists and Directed ROTs on those trades when the specialist unit or Directed ROT elects to participate in the payment for order flow program.
- No payment for order flow fees will be assessed on trades that are not delivered electronically.
- No payment for order flow fees will be assessed on Professional orders.
- Payment for Order Flow Fees will be assessed on transactions resulting from customer orders and are available to be disbursed by the Exchange according to the instructions of the specialist units/specialists or Directed ROTs to order flow providers who are members or member organizations, who submit, as agent, customer orders to the Exchange or non-members or non-member organizations who submit, as agent, customer orders to the Exchange through a member or member organization who is acting as agent for those customer orders.
- Any excess payment for order flow funds billed but not utilized by the specialist or Directed ROT will be carried forward unless the Directed ROT or specialist elects to have those funds rebated to the applicable ROT, Directed ROT or specialist on a pro rata basis, reflected as a credit on the monthly invoices. At the end of each calendar quarter, the Exchange will calculate the amount of excess funds from the previous quarter and subsequently rebate excess funds on a pro-rata basis to the applicable ROT, Directed ROT or specialist who paid into that pool of funds.

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**VII. Other Member Fees**

**B. Port Fees**

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<b>Real-time Risk Management Fee</b>	\$.003 per contract for [firms/]members <u>and member organizations receiving information on a real-time basis up to a maximum of two ports, which may be either an SQF Port or a CTI Port.</u>
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