Proposed Rule Change by NASDAQ OMX PHLX LLC.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

<table>
<thead>
<tr>
<th>Initial</th>
<th>Amendment</th>
<th>Withdrawal</th>
<th>Section 19(b)(2)</th>
<th>Section 19(b)(3)(A)</th>
<th>Section 19(b)(3)(B)</th>
<th>Rule</th>
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<th>Pilot</th>
<th>Extension of Time Period for Commission Action</th>
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<th>Description</th>
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<td>Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *).</td>
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**Rebates and Fees Adding and Removing Select Symbols**

<table>
<thead>
<tr>
<th>Contact Information</th>
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<tbody>
<tr>
<td>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.</td>
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<table>
<thead>
<tr>
<th>First Name</th>
<th>Last Name</th>
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</thead>
<tbody>
<tr>
<td>Angela</td>
<td>Dunn</td>
</tr>
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<table>
<thead>
<tr>
<th>Title</th>
<th>E-mail</th>
<th>Telephone</th>
</tr>
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<tbody>
<tr>
<td>Associate General Counsel</td>
<td><a href="mailto:Angela.dunn@nasdaqomx.com">Angela.dunn@nasdaqomx.com</a></td>
<td>(215) 496-5692</td>
</tr>
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<th>Signature</th>
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<tr>
<td>Pursuant to the requirements of the Securities Exchange Act of 1934,</td>
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has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

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<tr>
<th>Date</th>
<th>By</th>
<th>Signature</th>
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<tr>
<td>03/28/2012</td>
<td>Edward S. Knight</td>
<td>Executive Vice President and General Counsel</td>
</tr>
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</table>

(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.)
| Form 19b-4 Information (required) | 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) | 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 | 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 | 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 | 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 | 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 | 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")\(^1\) and Rule 19b-4 thereunder,\(^2\) proposes to amend Section I of the Exchange’s Pricing Schedule entitled “Rebates and Fees for Adding and Removing Liquidity in Select Symbols,” specifically to remove various Select Symbols.\(^3\)

   While changes to the Pricing Schedule pursuant to this proposal are effective upon filing, the Exchange has designated these changes to be operative on April 2, 2012.

   A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and a copy of the applicable portion of the Exchange’s Pricing 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.

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\(^3\) The term “Select Symbols” refers to the symbols which are subject to the Rebates and Fees for Adding and Removing Liquidity in Section I of the Exchange’s Pricing Schedule.
Questions and comments on the proposed rule change may be directed to Angela Saccomandi Dunn, Associate General Counsel, at (215) 496-5692.

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

   **a. Purpose**

   The purpose of the proposed rule change is to amend the list of Select Symbols in Section I of the Exchange’s Pricing Schedule, entitled “Rebates and Fees for Adding and Removing Liquidity in Select Symbols” in order to attract additional order flow to the Exchange.

   The Exchange displays a list of Select Symbols in its Pricing Schedule at Section I, “Rebates and Fees for Adding and Removing Liquidity in Select Symbols,” which are subject to the rebates and fees in that section. The Exchange is proposing to delete the following symbols from the list of Select Symbols in Section I of the Pricing Schedule: Apple Inc. (“AAPL”); Citigroup, Inc. (“C”); JP Morgan Chase & Co. (“JPM”); Amazon.com, Inc. (“AMZN”); AT&T Inc. (“T”), Caterpillar, Inc. (“CAT”); Exxon Mobil Corporation Common (“XOM”); International Business Machines (“IBM”); and American Express Company Common (“AXP”) (collectively “Proposed Deleted Symbols”). These Proposed Deleted Symbols would be subject to the rebates and fees in Section II of the Pricing Schedule entitled “Equity Options Fees.”

   While changes to the Pricing Schedule pursuant to this proposal are effective upon filing, the Exchange has designated these changes to be operative on April 2, 2012.

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4 Section II includes options overlying equities, ETFs, ETNs, indexes and HOLDRs which are Multiply Listed.
b. **Statutory Basis**

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with Section 6(b) of the Act\(^5\) in general, and furthers the objectives of Section 6(b)(4) of the Act\(^6\) in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities.

The Exchange believes that it is reasonable to remove the Proposed Deleted Symbols from its list of Select Symbols to attract additional order flow to the Exchange. The Exchange believes that applying the fees in Section II of the Pricing Schedule to the Proposed Deleted Symbols, including the opportunity to receive payment for order flow, will attract order flow to the Exchange.

The Exchange believes that it is equitable and not unfairly discriminatory to amend its list of Select Symbols to remove the Proposed Deleted Symbols because the list of Select Symbols would apply uniformly to all categories of participants in the same manner. All market participants who trade the Select Symbols would be subject to the rebates and fees in Section I of the Pricing Schedule, which would not include the Proposed Deleted Symbols. Also, all market participants would be uniformly subject to the fees in Section II, which would include the Proposed Deleted Symbols.

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.

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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, 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. The applicable portion of the Exchange’s Pricing Schedule.

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Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-Phlx-2012-43)

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of
Proposed Rule Change by NASDAQ OMX PHLX LLC Rebates and Fees for Adding and
Removing Select Symbols

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 March 28, 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 Section I of the Exchange’s Pricing Schedule
entitled “Rebates and Fees for Adding and Removing Liquidity in Select Symbols,”
specifically to remove various Select Symbols.\(^3\)

While changes to the Pricing Schedule pursuant to this proposal are effective
upon filing, the Exchange has designated these changes to be operative on April 2, 2012.

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\(^3\) The term “Select Symbols” refers to the symbols which are subject to the Rebates and
Fees for Adding and Removing Liquidity in Section I of the Exchange’s Pricing
Schedule.

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 purpose of the proposed rule change is to amend the list of Select Symbols in Section I of the Exchange’s Pricing Schedule, entitled “Rebates and Fees for Adding and Removing Liquidity in Select Symbols” in order to attract additional order flow to the Exchange.

The Exchange displays a list of Select Symbols in its Pricing Schedule at Section I, “Rebates and Fees for Adding and Removing Liquidity in Select Symbols,” which are subject to the rebates and fees in that section. The Exchange is proposing to delete the following symbols from the list of Select Symbols in Section I of the Pricing Schedule: Apple Inc. ("AAPL"); Citigroup, Inc. ("C"); JP Morgan Chase & Co. ("JPM"); Amazon.com, Inc. ("AMZN"); AT&T Inc. ("T"), Caterpillar, Inc. ("CAT"); Exxon Mobil Corporation Common ("XOM"); International Business Machines ("IBM"); and
American Express Company Common ("AXP") (collectively "Proposed Deleted Symbols"). These Proposed Deleted Symbols would be subject to the rebates and fees in Section II of the Pricing Schedule entitled "Equity Options Fees."\(^4\)

While changes to the Pricing Schedule pursuant to this proposal are effective upon filing, the Exchange has designated these changes to be operative on April 2, 2012.

2. **Statutory Basis**

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with Section 6(b) of the Act\(^5\) in general, and furthers the objectives of Section 6(b)(4) of the Act\(^6\) in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities.

The Exchange believes that it is reasonable to remove the Proposed Deleted Symbols from its list of Select Symbols to attract additional order flow to the Exchange. The Exchange believes that applying the fees in Section II of the Pricing Schedule to the Proposed Deleted Symbols, including the opportunity to receive payment for order flow, will attract order flow to the Exchange.

The Exchange believes that it is equitable and not unfairly discriminatory to amend its list of Select Symbols to remove the Proposed Deleted Symbols because the list of Select Symbols would apply uniformly to all categories of participants in the same manner. All market participants who trade the Select Symbols would be subject to the rebates and fees in Section I of the Pricing Schedule, which would not include the

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\(^4\) Section II includes options overlying equities, ETFs, ETNs, indexes and HOLDRs which are Multiply Listed.


Proposed Deleted Symbols. Also, all market participants would be uniformly subject to the fees in Section II, which would include the Proposed Deleted Symbols.

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. 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-Phlx-2012-43 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-2012-43. 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-2012-43 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.\textsuperscript{8}

Kevin M. O’Neill  
Deputy Secretary

\textsuperscript{8} 17 CFR 200.30-3(a)(12).
Exhibit 5

New text is underlined; deleted text is in brackets.

NASDAQ OMX PHLX LLC
PRICING SCHEDULE

* * * * *

I. Rebates and Fees for Adding and Removing Liquidity in Select Symbols

Select Symbols shall be defined as options overlying the following symbols: AA, [AAPL,] ABX, AMD, [AMZN, AXP,] BAC, [C, CAT,] CSCO, DELL, DIA, EBAY, EEM, EFA, EWZ, F, FAS, FAZ, FXI, GDX, GE, GLD, GLW, [IBM,] INTC, IWM, [JPM,] MSFT, NEM, NOK, ORCL, PFE, PG, POT, QQQ, RIMM, SBX, SDS, SIRI, SLV, SNDK, SPY, [T,] TBT, TLT, TZA, UAL, UNG, USO, VALE, VXX, VZ, XLE, XLF, XLI, [XOM,] and YHOO. The following fees in this Section I shall only apply to Select Symbols.

* * * * *