

Required fields are shown with yellow backgrounds and asterisks.

Filing by NASDAQ OMX PHLX LLC.
 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 *).

Regarding Rule 1014

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 * 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.

(Title *)

Date

By

(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 *

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, 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

Add Remove View

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

Add Remove View

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) NASDAQ OMX PHLX LLC (“Exchange”) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“Commission”) a proposal to amend Exchange Rule 1014, entitled “Obligations and Restrictions Applicable to Specialists and Registered Options Traders.” The Exchange proposes to specify the manner in which the trading system will round fractional shares and allocate residual contracts in the Order Book. The Exchange believes that this detail will provide market participants with transparency and certainty on execution of orders.

A notice of the proposed rule change for publication in the Federal Register is at Exhibit 1. The text of the proposed rule change is at Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management of the Exchange approved the proposed rule change under authority delegated by the Exchange’s Board of Directors (“Board”) on July 1, 2015. The Exchange’s staff will advise the Board 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, 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 Rule 1014 entitled “Obligations and Restrictions Applicable to Specialists and Registered Options Traders” to provide specificity in the Exchange Rules regarding the manner in which the trading system will (i) round fractional shares and (ii) allocate residual contracts, commonly known in the industry as odd lots.

Rounding of Fractional Shares

Under Rule 1014, Specialists³ and Registered Options Traders⁴ are subject to certain obligations and restrictions and entitled to certain allocations.⁵ Under Rule 1014, for contracts that result in fractional amounts of contracts to be allocated to crowd participants, the number of contracts to be allocated shall be rounded in a fair and equitable manner. The Exchange proposes to precisely describe the rounding as down to the nearest integer. The Exchange believes that this detail will provide market participants with information to determine the method in which the Exchange shall allocate fractional shares.

³ A Specialist is an Exchange member who is registered as an options specialist. See Phlx Rule 1020(a).

⁴ A Registered Options Trader (“ROT”) includes a Streaming Quote Trader or “SQT,” a Remote Streaming Quote Trader or “RSQT” and a Non-SQT, which by definition is neither a SQT nor a RSQT. A ROT is defined in Exchange Rule 1014(b) as a regular member of the Exchange located on the trading floor who has received permission from the Exchange to trade in options for his own account. See Exchange Rule 1014 (b)(i) and (ii).

⁵ See Phlx Rule 1014.

Allocating of Odd Lots

The Exchange proposes to amend Rule 1014 to add rule text to describe how odd lots will be allocated to ROTs and also off-Exchange brokers. If odd lots arise when allocating interest for simple interest among equally priced ROTs, such odd lots will be allocated by randomly assigning ROTs an order of allocation each trading day, and allocating orders, quotes and sweeps in accordance with the trading day's order assignment, provided the ROT is at the best price at which the order, quote or sweep is being traded. For example, presume the following ROT or "MM" participants have executed orders on Phlx:

MM A 1.10(10) x 1.20(10)

MM B 1.10(10) x 1.20(10)

MM C 1.10(10) x 1.20(10)

Presuming the above information, the Exchange would allocate odd lots as follows:

Incoming market order #1 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM A.

Incoming market order #2 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM B.

Incoming market order #3 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM C.

Incoming market order #4 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM A.

If odd lots arise when allocating interest among equally priced off-floor broker-dealers, such odd lots will be allocated in time priority, provided the off-floor broker-dealers are at the best price at which the order is being traded.

The Exchange believes that these amendments will provide market participants with more information on the allocation of these odd lots.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁷ 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 providing additional specificity with respect to the manner in which orders are allocated on the Exchange. The Exchange believes that describing the manner in which the trading system will round fractional shares and allocate residual contracts will provide market participants with transparency and certainty on execution of orders.

The Exchange currently provides that rounding shall occur in a fair and equitable manner. The Exchange proposes to amend this rule to provide that rounding shall be down to the nearest integer. The Exchange believes that rounding down uniformly for all members and member organizations is consistent with the Act because it provides for the equitable allocation of shares among the Exchange's market participants. Also, this rule change will provide market participants with transparency as to the number of shares that they are entitled to receive as the result of rounding.

The Exchange proposes to amend its Rules to indicate the manner in which odd lots are allocated among market participants. The Exchange's proposal specifies that for

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

ROTS, odd lots allocated among equally priced ROTs are by random assignment of ROTs each trading day in accordance with the trading day's order assignment, provided the ROT is at the best price at which the order is being traded. For off-floor broker-dealers, odd lots are allocated in time priority, provided the off-floor broker-dealers are at the best price at which the order is being traded. The Exchange believes that the allocation of odd lots uniformly for all ROTs, and separately for all off-floor broker-dealers, is consistent with the Act because it provides for the equitable allocation of shares among the Exchange's market participants. With respect to off-floor broker-dealers, the method is consistent with the Act because it relies simply on time priority, an accepted method of allocation utilized by many options exchange to prioritize orders.

Specifically, with respect to the allocation method for odd lots for ROTs, this random assignment is basically a round robin approach to the allocation. The Exchange believes that this method results in a fair and equitable allocation of shares to these market participants because each trading day the Exchange creates a new order of assignment to allocate ROTs and that order provides an independent method to assign evenly among ROTs. Also, each trading day that assignment changes so that no one ROT would have the ability to receive a greater allocation than another ROT. The Exchange believes that its assignment method is not subject to gaming since it is random and therefore complies with the Act because it is aimed at the protection of investors.

Also, this rule change will provide market participants with transparency as to the number of shares that they are entitled to receive as the result of allocation of odd lots.

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. The Exchange does not believe that the proposal to round all fractional shares down to the nearest integer imposes an undue burden on competition because the Exchange will uniformly round in this matter. Also, the Exchange does not believe that the proposal to allocate odd lots for ROTs by random assignment creates an undue burden on competition because the method, which is basically round robin, results in a fair and equitable allocation of shares to these market participants. Finally, the Exchange does not believe that allocating odd lots to off-floor broker-dealers in time priority creates an undue burden on competition because the method will be applied uniformly among these participants.

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.

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6).

The Exchange does not believe that its proposal to amend the rule text to specify the Exchange will round down to the nearest integer significantly affects the protection of investors or the public interest because rounding down uniformly for all members and member organizations provides for the equitable allocation of shares among the Exchange's market participants. The Exchange does not believe that rounding down imposes any significant burden on competition because the Exchange will uniformly apply this method of rounding among market participants. The Exchange does not believe that its proposal to allocate odd lots among ROTs in a random fashion significantly affects the protection of investors or the public interest because each trading day the Exchange creates a new order of assignment to allocate ROTs and that order provides an independent method to assign evenly among ROTs. Also, each trading day that assignment changes so that no one ROT would have the ability to receive a greater allocation than another ROT. The Exchange does not believe that its proposal to allocate odd lots among ROTs in a random fashion imposes any significant burden on competition because this random method of allocation results in a fair and equitable allocation of shares to these market participants. The Exchange does not believe that its proposal to allocate odd lots among off-floor broker-dealers in time priority significantly affects the protection of investors or the public interest because off-floor broker-dealers will all be subject to this methodology. The Exchange does not believe that its proposal to allocate odd lots among off-floor broker-dealers in time priority imposes any significant burden on competition because this method of allocation results in a fair and equitable allocation of shares of these market participants.

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

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

Not applicable.

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. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-Phlx-2015-116)

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Regarding Rule 1014

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 28, 2015, 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 Exchange Rule 1014, entitled “Obligations and Restrictions Applicable to Specialists and Registered Options Traders.” The Exchange proposes to specify the manner in which the trading system will round fractional shares and allocate residual contracts in the Order Book. The Exchange believes that this detail will provide market participants with transparency and certainty on execution of orders.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

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

In its filing with the Commission, 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 Rule 1014 entitled "Obligations and Restrictions Applicable to Specialists and Registered Options Traders" to provide specificity in the Exchange Rules regarding the manner in which the trading system will (i) round fractional shares and (ii) allocate residual contracts, commonly known in the industry as odd lots.

Rounding of Fractional Shares

Under Rule 1014, Specialists³ and Registered Options Traders⁴ are subject to certain obligations and restrictions and entitled to certain allocations.⁵ Under Rule 1014,

³ A Specialist is an Exchange member who is registered as an options specialist. See Phlx Rule 1020(a).

⁴ A Registered Options Trader ("ROT") includes a Streaming Quote Trader or "SQT," a Remote Streaming Quote Trader or "RSQT" and a Non-SQT, which by definition is neither a SQT nor a RSQT. A ROT is defined in Exchange Rule

for contracts that result in fractional amounts of contracts to be allocated to crowd participants, the number of contracts to be allocated shall be rounded in a fair and equitable manner. The Exchange proposes to precisely describe the rounding as down to the nearest integer. The Exchange believes that this detail will provide market participants with information to determine the method in which the Exchange shall allocate fractional shares.

Allocating of Odd Lots

The Exchange proposes to amend Rule 1014 to add rule text to describe how odd lots will be allocated to ROTs and also off-Exchange brokers. If odd lots arise when allocating interest for simple interest among equally priced ROTs, such odd lots will be allocated by randomly assigning ROTs an order of allocation each trading day, and allocating orders, quotes and sweeps in accordance with the trading day's order assignment, provided the ROT is at the best price at which the order, quote or sweep is being traded. For example, presume the following ROT or "MM" participants have executed orders on Phlx:

MM A 1.10(10) x 1.20(10)

MM B 1.10(10) x 1.20(10)

MM C 1.10(10) x 1.20(10)

Presuming the above information, the Exchange would allocate odd lots as follows:

Incoming market order #1 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM A.

1014(b) as a regular member of the Exchange located on the trading floor who has received permission from the Exchange to trade in options for his own account. See Exchange Rule 1014 (b)(i) and (ii).

⁵ See Phlx Rule 1014.

Incoming market order #2 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM B.

Incoming market order #3 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM C.

Incoming market order #4 of 4 lots, will be equally allocated 1 lot to each MM and then the residual 1 lot is allocated to MM A.

If odd lots arise when allocating interest among equally priced off-floor broker-dealers, such odd lots will be allocated in time priority, provided the off-floor broker-dealers are at the best price at which the order is being traded.

The Exchange believes that these amendments will provide market participants with more information on the allocation of these odd lots.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁷ 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 providing additional specificity with respect to the manner in which orders are allocated on the Exchange. The Exchange believes that describing the manner in which the trading system will round fractional shares and allocate residual contracts will provide market participants with transparency and certainty on execution of orders.

The Exchange currently provides that rounding shall occur in a fair and equitable manner. The Exchange proposes to amend this rule to provide that rounding shall be

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

down to the nearest integer. The Exchange believes that rounding down uniformly for all members and member organizations is consistent with the Act because it provides for the equitable allocation of shares among the Exchange's market participants. Also, this rule change will provide market participants with transparency as to the number of shares that they are entitled to receive as the result of rounding.

The Exchange proposes to amend its Rules to indicate the manner in which odd lots are allocated among market participants. The Exchange's proposal specifies that for ROTS, odd lots allocated among equally priced ROTs are by random assignment of ROTs each trading day in accordance with the trading day's order assignment, provided the ROT is at the best price at which the order is being traded. For off-floor broker-dealers, odd lots are allocated in time priority, provided the off-floor broker-dealers are at the best price at which the order is being traded. The Exchange believes that the allocation of odd lots uniformly for all ROTs, and separately for all off-floor broker-dealers, is consistent with the Act because it provides for the equitable allocation of shares among the Exchange's market participants. With respect to off-floor broker-dealers, the method is consistent with the Act because it relies simply on time priority, an accepted method of allocation utilized by many options exchange to prioritize orders.

Specifically, with respect to the allocation method for odd lots for ROTs, this random assignment is basically a round robin approach to the allocation. The Exchange believes that this method results in a fair and equitable allocation of shares to these market participants because each trading day the Exchange creates a new order of assignment to allocate ROTs and that order provides an independent method to assign evenly among ROTs. Also, each trading day that assignment changes so that no one

ROT would have the ability to receive a greater allocation than another ROT. The Exchange believes that its assignment method is not subject to gaming since it is random and therefore complies with the Act because it is aimed at the protection of investors.

Also, this rule change will provide market participants with transparency as to the number of shares that they are entitled to receive as the result of allocation of odd lots.

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. The Exchange does not believe that the proposal to round all fractional shares down to the nearest integer imposes an undue burden on competition because the Exchange will uniformly round in this matter. Also, the Exchange does not believe that the proposal to allocate odd lots for ROTs by random assignment creates an undue burden on competition because the method, which is basically round robin, results in a fair and equitable allocation of shares to these market participants. Finally, the Exchange does not believe that allocating odd lots to off-floor broker-dealers in time priority creates an undue burden on competition because the method will be applied uniformly among these participants.

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: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) 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)(iii) of the Act⁸ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁹

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.

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-2015-116 on the subject line.

⁸ 15 U.S.C. 78s(b)(3)(a)(iii).

⁹ 7 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-Phlx-2015-116. 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-2015-116 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.¹⁰

Robert W. Errett
Deputy Secretary

¹⁰ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined and deleted text is in brackets.

NASDAQ OMX PHLX Rules

* * * * *

Options Rules

* * * * *

Rule 1014. Obligations and Restrictions Applicable to Specialists and Registered Options Traders

(a) – (f) No change.

(g) *Equity Option, Index Option and U.S. dollar-settled Foreign Currency Option Priority and Parity*

(i) – (iv) No change.

(v) *Allocation of the Remainder of the Order Among Specialist and ROTs on Parity.* After the application of Rule 1014(g)(i) to an Initiating Order, the Remainder of the Order shall be allocated by the Allocating Participant (as defined in Rule 1014(g)(vi)) as follows:

(A) – (D) No change.

(E) *Rounding and Residual Contracts (“odd lots”).* In situations where the allocation of contracts pursuant to this Rule results in fractional amounts of contracts to be allocated to crowd participants, the number of contracts to be allocated shall be rounded [in a fair and equitable manner]down to the nearest integer. In the event that there are odd lots to be allocated for simple interest after rounding, if odd lots arise when allocating interest among equally priced ROTs, such odd lots will be allocated by randomly assigning ROTs an order of allocation each trading day, and allocating orders, quotes and sweeps in accordance with the trading day’s order assignment, provided the ROT is at the best price at which the order, quote or sweep is being traded. In the event that there are odd lots to be allocated after rounding, if odd lots arise when allocating interest among equally priced off-floor broker-dealers, such odd lots will be allocated in time priority, provided the off-floor broker-dealers are at the best price at which the order is being traded.

(F) and (G) No change.

(vi) - (viii) No change.

••• *Commentary:* -----

.01 - .19 No change.

* * * * *