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All submissions should refer to File Number SR-MSRB-2011-07. 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 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 Web site 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 a.m. and 3 p.m.. Copies of such filing also will be available for inspection and copying at the MSRB's offices. 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-MSRB-2011-07 and should be submitted on or before August 1, 2011.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>10</sup>

**Cathy H. Ahn,**

*Deputy Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64809; File No. SR-NYSE-2011-20]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change To Add New Section 907.00 to the Listed Company Manual That Sets Forth Certain Complimentary Products and Services That Are Offered to Currently and Newly Listed Issuers

July 5, 2011.

On May 5, 2011, the New York Stock Exchange LLC ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to amend the NYSE's Listed Company Manual to set forth certain complimentary products and services, and their commercial value, that are offered by the Exchange to currently and newly listed issuers. The proposed rule change was published for comment in the **Federal Register** on May 23, 2011.<sup>3</sup> The Commission received sixteen comment letters on the proposal.<sup>4</sup>

The Commission also received a comment letter from NYSE in response to the commenters.<sup>5</sup>

Section 19(b)(2) of the Act<sup>6</sup> provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period

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

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

<sup>3</sup> See Securities Exchange Act Release No. 64506 (May 17, 2011), 76 FR 29806 (May 23, 2011).

<sup>4</sup> See Letters to the Commission, from Ronald Russo, GLX, Inc., dated May 18, 2011; Bryan Degan, Taylor Rafferty Associates, dated May 19, 2011; Jennifer Kaminsky, dated May 19, 2011; Anonymous, dated May 19, 2011; Todd Allen, dated May 19, 2011; Brian Rivet, President, Rivet Research Group, dated May 20, 2011; Jerry Falkner, dated May 22, 2011; Enzo Villani, President, MZ North America, dated June 6, 2011; John Fairir, dated June 7, 2011; Michael Pepe, CEO, PrecisionIR Group, dated June 7, 2011; Michael O'Connell, Director IR Solutions, SNL Financial, dated June 10, 2011; Dominic Jones, President, IR Web Reporting International, Inc., dated June 15, 2011; Darrell Heaps, CEO, Q4 Web System, dated June 16, 2011; Dominic Jones, President, IR Web Reporting International, Inc., dated June 29, 2011; and e-mails to Robert Cook, Director, Division of Trading and Markets and David Shillman, Associate Director, Division of Trading and Markets, from Patrick Healy, CEO, Issuer Advisory Group, LLC, dated June 26, 2011 and June 28, 2011.

<sup>5</sup> See Letter to Elizabeth M. Murphy, Secretary, Commission, from Janet L. McGinness, Senior Vice President—Legal and Corporate Secretary, NYSE, dated June 27, 2011.

<sup>6</sup> 15 U.S.C. 78s(b)(2).

to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is July 7, 2011.

The Commission is extending the 45-day time period for Commission action on the proposed rule change. The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the Exchange's proposal, as described above, and to consider the comment letters that have been submitted in connection with the proposed rule change.

Accordingly, pursuant to Section 19(b)(2) of the Act,<sup>7</sup> the Commission designates August 21, 2011 as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File Number SR-NYSE-2011-20).

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

**Cathy H. Ahn,**

*Deputy Secretary.*

[FR Doc. 2011-17305 Filed 7-8-11; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64805; File No. SR-ISE-2011-30]

### Self-Regulatory Organizations; International Securities Exchange, LLC; Order Approving a Proposed Rule Change Relating to Complex Orders

July 5, 2011.

#### I. Introduction

On May 23, 2011, the International Securities Exchange, LLC (the "Exchange" or "ISE"), filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to allow complex orders in options classes traded on the ISE's Optimise trading platform to be entered into the Price

<sup>7</sup> 15 U.S.C. 78s(b)(2).

<sup>8</sup> 17 CFR 200.30-3(a)(31).

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

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

<sup>10</sup> 17 CFR 200.30-3(a)(12).

Improvement Mechanism (“PIM”). The proposed rule change was published for comment in the **Federal Register** on May 31, 2011.<sup>3</sup> The Commission received no comment letters regarding the proposal. This order approves the proposed rule change.

## II. Description

The ISE proposes to amend ISE Rule 723, “Price Improvement Mechanism for Crossing Transactions” to allow complex orders in options classes traded on the ISE’s Optimise trading platform to be entered into the PIM.<sup>4</sup> Under ISE Rule 723, an ISE member may enter an agency order (the “Agency Order”) in the PIM, together with a counter-side order (the “Counter-Side Order”) for the full size of the Agency Order, at a price that is better than the ISE best bid or offer (“ISE BBO”) and equal to or better than the national best bid or offer (“NBBO”).<sup>5</sup> The Agency Order and the Counter-Side Order (together, the “Crossing Transaction”) are exposed to all ISE members for a one-second exposure period.<sup>6</sup> During the exposure period, all ISE members may submit Improvement Orders for their own account or for the account of a Public Customer at the same price as the Crossing Transaction or at an improved price.<sup>7</sup> At the end of the exposure period, the Agency Order is executed in full at the best prices available, taking into consideration orders and quotes in the Exchange market, Improvement Orders, Customer Participation Orders, and the Counter-Side Order.<sup>8</sup>

Under the proposal, a complex order submitted to the PIM must be entered at a net price that is better than the best net price (i) Available on the complex order book; and (ii) achievable from the ISE best bids and offers for the individual legs of the order (an “improved net price”), and complex orders that are not entered at an

improved net price will be rejected.<sup>9</sup> If an improved net price for a complex order being executed in the PIM can be achieved from bids and offers for the individual legs of the complex order in the ISE’s auction market, the complex order being executed will receive an execution at the better net price.<sup>10</sup>

The priority provisions in ISE Rule 722(b)(2) will continue to apply to complex orders executed in the PIM.<sup>11</sup>

References to the NBBO in ISE Rule 723 and the Supplementary Material are inapplicable.<sup>12</sup> In addition, ISE Rule 723, Supplementary Material .08, is not applicable to complex orders.<sup>13</sup> The provisions of ISE Rule 723(c)(5) will apply with respect to the receipt of orders for the same complex order, rather than to the receipt of orders for the individual legs of the complex order.<sup>14</sup>

Under ISE Rule 723, Supplementary Material .03 and Supplementary Material .05, the Exchange provides the Commission with monthly statistics related to PIM order executions. The ISE represents that these statistics will include complex orders executed through the PIM.<sup>15</sup>

## III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>16</sup> In particular, the

Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>17</sup> which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, 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 allowing ISE members to enter complex orders in the PIM, the Commission believes that the proposal could provide an opportunity for complex orders to receive price improvement. Under the proposal, a complex order must be entered in the PIM at a net price that is better than the best net price (i) Available on the complex order book; and (ii) achievable from the ISE best bids and offers for the individual legs of the order (an “improved net price”), and complex orders that are not entered at an improved net price will be rejected.<sup>18</sup> As noted above, an ISE member enters an Agency Order in the PIM with a Counter-Side Order for the full size of the Agency Order.<sup>19</sup> At the conclusion of the PIM exposure period, the Agency Order is executed in full at the best prices available, taking into consideration orders and quotes in the ISE market, Improvement Orders, Customer Participation Orders, and the Counter-Side Order.<sup>20</sup> Thus, a complex order entered in the PIM would receive an execution at the best price available at the conclusion of the PIM and, at a minimum, would be executed in full at the improved net price. In addition, if an improved net price for a complex order entered in the PIM could be achieved from bids and offers for the individual legs of the complex order in the ISE’s auction market, the complex order would be executed at the better net price.<sup>21</sup>

ISE Rule 723, Supplementary Material .08, which allows a Crossing Transaction to be entered at the ISE BBO when the ISE BBO is equal to the NBBO and the Agency Order is on the opposite side of the market from the ISE BBO, will not apply to complex orders entered into the PIM because complex orders entered into the PIM must be entered at a price that is better than the best net price (i) Available on the complex order book; and (ii) achievable

<sup>3</sup> See Securities Exchange Act Release No. 64538 (May 24, 2011); 76 FR 31385 (“Notice”).

<sup>4</sup> The Optimise platform is the ISE’s enhanced technology trading platform. See Securities Exchange Act Release No. 63117 (October 15, 2010), 75 FR 65042 (October 21, 2010) (notice of filing and immediate effectiveness of File No. SR-ISE-2010-101); and Securities Exchange Act Release No. 64275 (April 8, 2011), 76 FR 21087 (April 14, 2011) (notice of filing and immediate effectiveness of File No. SR-ISE-2011-24). The Exchange is in the process of migrating options classes from its current trading platform to the Optimise platform. The same options cannot trade on both platforms simultaneously.

<sup>5</sup> See ISE Rule 723(b) and (b)(1).

<sup>6</sup> See ISE Rule 723(c).

<sup>7</sup> See ISE Rule 723(c)(2). Members also may enter Improvement Orders with respect to Customer Participation Orders, as defined in ISE Rule 715(f). See ISE Rule 723, Supplementary Material .06.

<sup>8</sup> See ISE Rule 723(d).

<sup>9</sup> See ISE Rule 723, Supplementary Material .10.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.* ISE Rule 722(b)(2) states that a complex order may be executed at a total credit or debit price with one other member without giving priority to bids or offers established in the marketplace that are no better than the bids or offers comprising such total credit or debit; provided, however, that if any of the bids or offers established in the marketplace consist of a Priority Customer Order, the price of at least one leg of the complex order must trade at a price that is better than the corresponding bid or offer in the marketplace by at least one minimum trading increment as defined in ISE Rule 710.

<sup>12</sup> See ISE Rule 723, Supplementary Material .10.

<sup>13</sup> *Id.* ISE Rule 723, Supplementary Material .08 provides that, when the ISE BBO is equal to the NBBO, a Crossing Transaction may be entered at a price equal to the ISE BBO if the Agency Order is on the opposite side of the market from the ISE BBO.

<sup>14</sup> See ISE Rule 723, Supplementary Material .10. Under ISE Rule 723(c)(5)(ii) and (iii), the exposure period will terminate automatically upon the receipt of a market or marketable limit order on the Exchange in the same series, or upon the receipt of a non-marketable limit order in the same series on the same side of the market as the Agency Order that would cause the price of the Crossing Transaction to be outside of the best bid or offer on the Exchange.

<sup>15</sup> See Notice, *supra* note 3, at note 7.

<sup>16</sup> In approving this proposal, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>17</sup> 15 U.S.C. 78f(b)(5).

<sup>18</sup> See ISE Rule 723, Supplementary Material .10.

<sup>19</sup> See ISE Rule 723(b).

<sup>20</sup> See ISE Rule 723(d).

<sup>21</sup> See ISE Rule 723, Supplementary Material .10.

from the best ISE bids and offers for the individual legs.<sup>22</sup> In addition, for complex orders entered into the PIM, the provisions in ISE Rule 723(c)(5)(ii) and (iii), which provide for the automatic termination of the PIM exposure period following the receipt of certain orders in the same series as the order being exposed for price improvement, will apply only upon the receipt of a complex order that satisfies the conditions in ISE Rule 723(c)(5)(ii) or (iii), rather than upon the receipt of an order for one of the individual legs of the complex order.<sup>23</sup>

The Commission notes that the priority rules in ISE Rule 722(b)(2) relating to complex orders will continue to apply to complex orders entered into the PIM.<sup>24</sup> In addition, the monthly statistics relating to PIM order executions that ISE provides to the Commission pursuant to ISE Rule 723, Supplementary Material .03 and Supplementary Material .05 will include complex orders executed through the PIM.<sup>25</sup>

#### IV. Conclusion

*It Is Therefore Ordered*, pursuant to Section 19(b)(2) of the Act,<sup>26</sup> that the proposed rule change (SR-ISE-2011-30) is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>27</sup>

**Cathy H. Ahn,**

*Deputy Secretary.*

[FR Doc. 2011-17331 Filed 7-8-11; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64803; File No. SR-Phlx-2011-88]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NASDAQ OMX PHLX LLC To Modify Its Fee Schedule Regarding Co-Location Fees to Establish Fees for Access to Market Data Feeds From the Toronto Stock Exchange and the TSX Venture Exchange

July 5, 2011.

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 June 23, 2011, 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 modify its Fee Schedule regarding co-location fees to establish fees for access to market data feeds from the Toronto Stock Exchange (“TSX”) and the TSX Venture Exchange (“TSXV”).

The Exchange will implement the proposed change on July 1, 2011. The text of the proposed rule change is available on the Exchange’s Web site at <http://nasdaqtrader.com/micro.aspx?id=PHLXfilings>, 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 purpose of the proposed rule change is to modify the Exchange’s Fee Schedule regarding co-location fees to establish fees for access to market data feeds from TSX and TSXV. The Exchange proposes: (1) A one-time fee of \$1,000 for the installation of telecommunications connectivity for selected TSX and TSXV real-time market data feeds, along with (2) a per-month connectivity fee of \$300 if a client wishes to receive the TSX and

TSXV Level 1 Feed; a per-month connectivity fee of \$1,000 if a client wishes to receive the TSX and TSXV Level 2 Feed; a per-month connectivity fee of \$100 if a client wishes to receive the TSX Quantum Level 1 Feed; and a per-month connectivity fee of \$300 if a client wishes to receive the TSX Quantum Level 2 Feed.

The Exchange is making the TSX market data feeds available as a convenience to customers and notes that receipt of these feeds is completely voluntary. The Exchange also notes that such feeds may be freely obtained from other vendors for use by customers in the datacenter. These fees are similar to fees already charged by Phlx for receipt of market data from other exchanges in the data center. See also the market data connectivity fees for SIAC, the Chicago Mercantile Exchange, and the BATS Exchange on the Exchange’s Fee Schedule.

###### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>3</sup> in general, and with Section 6(b)(4) of the Act,<sup>4</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which the Exchange operates or controls.

The Exchange operates in a highly competitive market in which exchanges offer co-location services as a means to facilitate the trading activities of those members who believe that co-location enhances the efficiency of their trading. Accordingly, fees charged for co-location services are constrained by the active competition for the order flow of such members. If a particular exchange charges excessive fees for co-location services, affected members will opt to terminate their co-location arrangements with that exchange, and adopt a possible range of alternative strategies, including co-locating with a different exchange, placing their servers in a physically proximate location outside the exchange’s data center, or pursuing trading strategies not dependent upon co-location. Accordingly, the exchange charging excessive fees would stand to lose not only co-location revenues but also revenues associated with the execution of orders routed to it by affected members. The Exchange believes that this competitive dynamic imposes powerful restraints on the ability of any exchange to charge

<sup>22</sup> See ISE Rule 723, Supplementary Material .10.

<sup>23</sup> *Id.*

<sup>24</sup> *Id.*

<sup>25</sup> See Notice, *supra* note 3, at note 7.

<sup>26</sup> 15 U.S.C. 78s(b)(2).

<sup>27</sup> 17 CFR 200.30-3(a)(12).

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

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

<sup>3</sup> 15 U.S.C. 78f.

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