of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Under Rule 19b–4(f)(6) of the Act,[19] a proposal does not become operative for 30 days after the date of its filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The Commission is waiving the 30-day operative period for this filing so that it may become effective and operative upon filing.[20] The Commission believes waiving the 30-day operative delay is consistent with the protection of investors and the public interest as the waiver will allow the Exchange to adopt the content outline, and provide notice of having done so to associated persons of its members, near the same time as other exchanges. The Commission, therefore, designates the proposed rule change to be operative upon filing with the Commission.

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.

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 No. SR–ISE–2011–36 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–ISE–2011–36. 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 Commissions 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 Web site viewing and printing in the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of the ISE. 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–ISE–2011–36 and should be submitted by September 2, 2011.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[21]

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2011–20578 Filed 8–11–11; 8:45 am]

BILLING CODE 8011–01–P

[19] *Id.*

[20] For purposes only of waiving the operative delay of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f). *See also* 17 CFR 200.30–3(a)(59).

[21] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–65056; File No. SR–BX–2011–053]

Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a Limited Category of Principal Registration for Proprietary Traders

August 8, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4[2] thereunder, notice is hereby given that on August 3, 2011, NASDAQ OMX BX, Inc. (''Exchange'' or ''BX'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a ''non-controversial'' rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6) thereunder.[4] The Commission is publishing this notice to solicit comments on the proposal from interested persons.

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

BX is filing with the Commission a proposed rule change to amend its Rule 1022, Categories of Principal Registration, to adopt a new limited category of principal registration for proprietary traders, as described further below. BX will implement the proposal upon notice to its membership.

The text of the proposed rule change is available at *http://nasdaqomxbx.cchwallstreet.com/*, at BX's principal office, 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 recognize a new category of limited principal registration. Specifically, the Exchange proposes to recognize the new Proprietary Trader Principal category as a limited principal category in Rule 1022(h). Currently, Exchange Rule 1021 requires all persons engaged or to be engaged in the investment banking or securities business of a member who are to function as principals shall be registered as such with the Exchange in the category of registration appropriate to the function to be performed as specified in Rule 1022. Before their registration can become effective, they shall pass a Qualification Examination for Principals appropriate to the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6).

category of registration as specified by the Exchange Board. Pursuant to Rule 1021(b), persons associated with a member, enumerated in subparagraphs (1) through (5) hereafter, who are actively engaged in the management of the member's investment banking or securities business, including supervision, solicitation, conduct of business or the training of persons associated with a member for any of these functions are designated as principals. Such persons shall include: (1) Sole Proprietors; (2) Officers; (3) Partners; (4) Managers of Offices of Supervisory Jurisdiction, and (5) Directors of Corporations.

Rule 1021(e), Requirement of Two Registered Principals for Members, spells out that an Exchange member, except a sole proprietorship, shall have at least two officers or partners who are registered as principals with respect to each aspect of the member's investment banking and securities business pursuant to the applicable provisions of Rule 1022; provided, however, that a proprietary trading firm with 25 or fewer registered representatives shall only be required to have one officer or partner who is registered as a principal.

Rule 1022 lists the categories of principal registration. In addition to ''General Securities Principal,'' which is the broadest category, there are two limited categories of principal registration: Financial and Operations, and General Securities Sales Supervisor.

The Exchange proposes to add another category of limited principal. The new Proprietary Trader Principal category would be available for persons whose supervisory responsibilities in the investment banking and securities business are limited to the activities of a member that involve proprietary trading. Furthermore, it would require that he or she be registered pursuant to Exchange rules as a Proprietary Trader,[5] be qualified to be so registered by passing the Series 24 examination, and not function in a principal capacity with responsibility over any area of business activity other than proprietary trading.

The Exchange has been working with other exchanges and the Financial Industry Regulatory Authority (''FINRA'') to develop this registration category. This category is in lieu of registration as a General Securities Principal, for which the prerequisite qualification examination is the Series 7. The appropriate qualification examination for the proposed new registration category of Proprietary Trader Principal is the Series 24, which is the same qualification required for registration as a General Securities Principal; no new examination has been developed. However, the prerequisite examination for the new Proprietary Trader Principal category is the new Series 56. Accordingly, a person who has passed the Series 56 can register as a Proprietary Trader Principal and take the Series 24 examination, under this proposal, but cannot register as a General Securities Principal without first qualifying as a General Securities Representative and passing the Series 7. Thus, although the Series 24 will now be the appropriate qualification examination for both categories (General Securities Principal and Proprietary Trader Principal), different prerequisites apply and different registration categories result.

The Exchange believes that the new principal registration category is an appropriate corollary to the new Proprietary Trader representative registration category, filed separately, and reflects a substantial joint-exchange effort to develop a registration framework specific to principals supervising persons engaged in proprietary trading, market making and effecting transactions on behalf of broker-dealers. Furthermore, BX believes that the Series 24 is the appropriate examination for Proprietary Trader Principals, because it tests knowledge and understanding of supervision-related rules.

The Proprietary Trader Principal registration counts towards the two principal requirements in Rule 1021(e). The Exchange believes that this is appropriate because the same comprehensive qualification examination, the Series 24, is required.

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: (1) Section 6(c)(3)(B) of the Act,[7] pursuant to which a national securities exchange prescribes standards of training, experience and competence for members and their associated persons; and (2) Section 6(b)(5) of the Act,[8] in that it is designed, among other things, 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 offering a new, limited principal registration category to Exchange members. The Exchange believes that the requirements of this new category should help ensure that principals who supervise proprietary traders and proprietary trading are, and will continue to be, properly trained and qualified to perform their functions, because the new Proprietary Trader Principal category is limited and tailored to persons supervising proprietary trading functions.

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

BX does not believe that the proposed rule change will impose any burden on competition 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

Pursuant to Section 19(b)(3)(A) of the Act[9] and Rule 19b–4(f)(6)[10] thereunder, the Exchange has designated this proposal as one that 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. Rule 19b–4(f)(6)[11] 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.

Under Rule 19b–4(f)(6) of the Act,[12] a proposal does not become operative for 30 days after the date of its filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30 day operative period for this filing so that it may become effective and operative upon filing with the Commission pursuant to

[5] BX Rule 1032(b). *See* SR–BX–2011–051.

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78(c)(3)(B) [sic].

[8] 15 U.S.C. 78f(b)(5).

[9] 15 U.S.C. 78s(b)(3)(A).

[10] 17 CFR 240.19b–4(f)(6).

[11] *Id.*

[12] *Id.*

Section 19(b)(3)(A)[13] of the Act and subparagraph (f)(6) thereunder. The Commission believes waiving the 30-day operative delay is consistent with the protection of investors and the public interest as the waiver will allow the Exchange to make the new registration category available near the same time as other exchanges.[14] The Commission, therefore, designates the proposal to be operative upon filing with the Commission.

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.

IV. Solicitation of Comments

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

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an e-mail to *rule-comments@sec.gov.* Please include File Number SR–BX–2011–053 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–BX–2011–053. 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 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 the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR–BX–2011–053 and should be submitted on or before September 2, 2011.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2011–20580 Filed 8–11–11; 8:45 am]

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[13] 15 U.S.C. 78s(b)(3)(A).

[14] For purposes only of waiving the operative delay of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f). *See also* 17 CFR 200.30–3(a)(59).

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–65055; File No. SR–NASDAQ–2011–106]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a Limited Category of Principal Registration for Proprietary Traders

August 8, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1], and Rule 19b–4[2] thereunder, notice is hereby given that on August 1, 2011, The NASDAQ Stock Market LLC (the ''Exchange'' or ''NASDAQ'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6) thereunder.[4] 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

NASDAQ is filing with the Commission a proposal to amend NASDAQ Rule 1022, Categories of Principal Registration, to adopt a new limited category of principal registration for proprietary traders, as described further below. NASDAQ will implement the proposal upon notice to its membership.

The text of the proposed rule change is available at *http://nasdaq.cchwallstreet.com/,* at NASDAQ's principal office, 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 recognize a new category of limited principal registration. Specifically, NASDAQ proposes to recognize the new Proprietary Trader Principal category as a limited principal category in Rule 1022(h). Currently, NASDAQ Rule 1021 requires all persons engaged or to be engaged in the investment banking or securities business of a member who are to function as principals shall be registered as such with NASDAQ in the category of registration appropriate to the function to be performed as specified in Rule 1022. Before their registration can become effective, they shall pass a Qualification Examination for Principals appropriate to the category of registration as specified by the NASDAQ Board. Pursuant to Rule 1021(b), persons associated with a member, enumerated in subparagraphs (1) through (5) hereafter, who are actively engaged in the management of

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6).