proposed rule change furthers the objectives of Section 6(c)(3)(C) of the Exchange Act,[29] which provides, among other things, that a national securities exchange may bar any person from becoming associated with a member if such person does not agree to supply the exchange with such information with respect to its dealings with the member as may be specified by the rules of the exchange and to permit the examination of its books and records to verify the accuracy of any information so supplied. The Exchange believes the Series 56 examination program establishes the appropriate qualifications for an individual associated person that is required to register as a Proprietary Trader under proposed Chapter II, Section 8 of the BOX Rules, including, but not limited to, Market-Makers, proprietary traders and individuals effecting transactions on behalf of other broker-dealers. The Exchange also believes the Series 56 addresses industry topics that establish the foundation for the regulatory and procedural knowledge necessary for individuals required to register as Market Maker Authorized Trader [sic] under proposed Chapter VI, Section 2 of the BOX Rules.

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

The Exchange has neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

(A) By order approve or disapprove such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

[29] 15 U.S.C. 78f(c)(3)(C).

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 email to *rule-comments@sec.gov.* Please include File Number SR–BX–2012–020 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–2012–020. This file number should be included on the subject line if email 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 on business days between the hours of 10 a.m. and 3 p.m. in the Commission's Public Reference Room located at 100 F Street NE., Washington, DC 20549. Copies of such 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–2012–020 and should be submitted on or before May 1, 2012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[30]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2012–8521 Filed 4–9–12; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–66741; No. SR–NASDAQ–2012–040]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Modify NASDAQ's Transaction Execution Fee and Credit Schedule

April 5, 2012.

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 23, 2012, The NASDAQ Stock Market LLC (''NASDAQ'' or the ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') a proposed rule change as described in Items I and II 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

NASDAQ proposes to modify the Exchange's transaction execution fee and credit schedule in Rule 7018. NASDAQ will implement the proposed change on April 2, 2012. The text of the proposed rule change is available at *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 self-regulatory organization 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 those 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,

[30] 17 CFR 200.30–3(a)(12).

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

[2] 17 CFR 240.19b–4.

of the most significant parts of such statements.

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

1. Purpose

NASDAQ is amending its fee and credit schedule for transaction executions in Rule 7018(a).[3] First, with respect to orders that route to the New York Stock Exchange (''NYSE'') to participate in its closing process, NASDAQ is increasing the fee from $0.00085 per share executed to $0.00095 per share executed. The proposed change mirrors an identical change to the fee charged by NYSE for executing such orders.[4] Second, NASDAQ is increasing the monthly cap on fees charged for routed orders that execute in the NYSE opening process from $10,000 to $15,000. The proposed change also mirrors an identical change made by NYSE.[5]

Third, NASDAQ is amending Rule 7018(e) to increase the monthly cap for orders executed in the NASDAQ Opening Cross from $10,000 to $15,000 per firm. The change is intended to keep the charges incurred by members to participate in the NASDAQ Opening Cross comparable to the charges incurred by NYSE members to participate in its opening process. Fourth, NASDAQ is increasing the charge for LIST orders that are routed for participation in the NYSEAmex closing process from $0.00085 to $0.00095. The change is intended to maintain consistency between the fees charged for closing process orders that route to NYSE and NYSEAmex.

Fifth, NASDAQ is amending Rule 7018(a) to introduce rebates with respect to NASDAQ's new Supplemental Order type, which is expected to be introduced in April 2012.[6] Supplemental Orders, which resemble the Tracking Orders that have long been in use at NYSEArca, are non-displayed orders that post to the book, that are accessed only after other liquidity on the NASDAQ book, and that execute only at the national best bid or best offer (''NBBO''). NASDAQ is setting rebates for use of these orders at a level that is equal to or slightly higher than prevailing rebate rates for other forms of non-displayed orders but lower than the rates for displayed liquidity. The goal of setting the rebate at these levels is to encourage use of the new order type, while maintaining consistency with NASDAQ's overall pricing philosophy of encouraging displayed liquidity. Specifically, the rebate will be $0.0018 per share executed for Supplemental Orders entered through a market participant identifier (''MPID'') through which a member provides an average daily volume during the month of more than 1 million shares of liquidity via Supplemental Orders, and $0.0015 per share executed for all other Supplemental Orders.

2. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,[7] in general, and with Sections 6(b)(4) and (5) of the Act,[8] 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 NASDAQ operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers or dealers. All similarly situated members are subject to the same fee structure, and access to NASDAQ is offered on fair and non-discriminatory terms.

The proposed changes to the fee to route orders to the NYSE closing process and the monthly cap on fees charged for orders routed to the NYSE opening process are reasonable because they correspond directly to the fees charged by NYSE. These changes reflect an equitable allocation of fees because they reflect the costs incurred by NASDAQ's routing broker when sending orders to NYSE. Finally, the changes are not unfairly discriminatory because they are charged to members that route orders to NYSE and thereby require NASDAQ to incur the costs of routing such orders.

The proposed change to the monthly cap on fees charged for participation in the NASDAQ Opening Cross is reasonable because it ensures that total monthly costs of members to participate in the NASDAQ Opening Cross are comparable to the monthly costs of members to participate in the opening process of NASDAQ's primary competitor. As is currently the case, once a member reaches the cap, its marginal rate thereafter will be zero and its blended rate will decrease with each additional transaction. NASDAQ believes that the proposed change reflects an equitable allocation of fees because it believes that the NASDAQ Opening Cross provides an extremely robust price discovery process for its members, and that accordingly, it is equitable to increase the maximum fees payable by members that participate in the process. Finally, NASDAQ believes that the change is not unfairly discriminatory because it applies solely to members that opt to participate in the Opening Cross.

The proposed change to the fee to route orders to the NYSEAmex closing process is reasonable because it allows NASDAQ to maintain an identical fee for routing to the NYSE and NYSEAmex close. Moreover, although the fee charged to NASDAQ by NYSEAmex remains $0.00085 per share, NASDAQ believes that it is reasonable to charge a $0.0001 per share markup on such routed orders as a means of assisting NASDAQ in covering its own costs of operations and earning a profit. NASDAQ believes that the change reflects an equitable allocation of fees because NYSEAmex is not a widely used routing destination, and accordingly, it is equitable for NASDAQ to charge members a markup for making use of NASDAQ's connection to it. Finally, NASDAQ believes that the change is not unfairly discriminatory because it applies solely to members that route orders to NYSEAmex.

The proposed rebates for Supplemental Orders are reasonable because they are consistent with or slightly higher than rebates currently paid with respect to other non-displayed orders. NASDAQ believes that it is reasonable to set the rebate at this level as a means of promoting use of this new feature of its market. NASDAQ further believes that the rebates reflect an equitable allocation of fees because Supplemental Orders are designed to provide an additional means by which members may offer liquidity at the NBBO. Accordingly, the orders are designed to benefit not only members that enter them, but also members that can access additional liquidity at the NBBO. NASDAQ believes that it is equitable to set the rebates associated with use of these orders at a level that is designed to provide these benefits. Finally, NASDAQ believes that the rebates are not unfairly discriminatory, in that they are set at levels that NASDAQ believes to be consistent with both its overall pricing philosophy with respect to non-displayed orders and the goal of

[3] Rule 7018(a) applies to executions of transactions at a price of $1 or more. Fees for transactions at a price below $1 remain unchanged.

[4] Securities Exchange Act Release No. 66600 (March 14, 2012), 77 FR 16298 (March 20, 2012) (SR–NYSE–2012–07).

[5] *Id.*

[6] Securities Exchange Act Release No. 66540 (March 8, 2012), 77 FR 15167 (March 14, 2012) (SR–NASDAQ–2012–031).

[7] 15 U.S.C. 78f.

[8] 15 U.S.C. 78f(b)(4) and (5).

introducing Supplemental Orders to the market.

Finally, NASDAQ notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, NASDAQ must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because numerous alternatives exist to the execution and routing services offered by NASDAQ, if NASDAQ increases its fees to an excessive extent, it will lose customers to its competitors. Accordingly, NASDAQ believes that competitive market forces help to ensure that the fees it charges for execution and routing are reasonable, equitably allocated, and non-discriminatory.

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

NASDAQ does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. Because the market for order and routing execution is extremely competitive, members may readily opt to disfavor NASDAQ's execution services if they believe that alternatives offer them better value. Accordingly, NASDAQ does not believe that the proposed changes will unfairly affect the ability of members or competitors to maintain their competitive standing in the financial markets.

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

Written comments were neither solicited nor 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.[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 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.

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

IV. Solicitation of Comments

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

Electronic Comments

• Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or

• Send an email to *rule-comments@sec.gov*. Please include File Number SR–NASDAQ–2012–040 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–NASDAQ–2012–040. This file number should be included on the subject line if email 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–NASDAQ–2012–040 and should be submitted on or before May 1, 2012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[10]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2012–8581 Filed 4–9–12; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–66740; File No. SR–NASDAQ–2012–042]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Re-Organize NASDAQ's Rules Governing the Fees Applicable to NASDAQ's Depth-of-Book Market Data

April 5, 2012.

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, The NASDAQ Stock Market LLC ("NASDAQ") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by NASDAQ. 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 the Substance of the Proposed Rule Change

NASDAQ proposes to: (1) Re-organize NASDAQ's rules governing the fees applicable to NASDAQ's Depth-of-Book market data; and (2) establish an Enterprise License for Non-Professional Usage of certain NASDAQ Depth-of-Book market data.

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, NASDAQ 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

[10] 17 CFR 200.30–3(a)(12).

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

[2] 17 CFR 240.19b–4.