

dealers also bidding on same day comparable issues to lose their competitiveness.

UMB's concern is addressed in part by the limitation of the applicability of the proposed rule change to communications occurring from and after the time of initial award. In addition, the proposed rule change would not prohibit a dealer, concerned about a change in pricing between the initial and final awards, from indicating in any communication that prices or yields disseminated prior to the final award may be subject to change. Furthermore, the proposed rule change would not compel an underwriter to disseminate a new issue scale before the formal award; rather, it simply would prohibit the underwriter from stating that some or all of the securities were not reoffered in such communication without also including the initial offering prices or yields. The MSRB also believes that adjusting the time frame during which the rule is applicable would address the concern about competitiveness because underwriters would have been awarded their bid by the time the requirements of the proposed rule change become applicable. By prohibiting the use of the term not reoffered or NRO without accompanying initial price or yield information from and after the time of initial award, the MSRB believes the proposed rule change would be applicable during the period when the information about pricing would be most useful to market participants.

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 self-regulatory organization 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.

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-MSRB-2012-06 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-MSRB-2012-06. 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 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-2012-06, and should be submitted on or before July 31, 2012.

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

Kevin M. O'Neill,

Deputy Secretary.

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⁸ 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-67346; File No. SR-NYSEMKT-2012-15]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Certain Exchange Rules Related to Floor Official Duties and Responsibilities in the Exchange's Marketplace

July 3, 2012.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 21, 2012, NYSE MKT LLC ("NYSE MKT" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 certain Exchange Rules related to Floor Official duties and responsibilities in the Exchange's marketplace. The text of the proposed rule change is available on the Exchange's Web site at www.nyse.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 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, 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

The Exchange proposes to amend certain Exchange Rules pertaining to the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

duties and responsibilities of Floor Officials in the Exchange marketplace.

The role of the Floor Official evolved out of the self-regulatory scheme of the Securities Exchange Act of 1934, as amended (the "Act").³ A number of Exchange Rules specify involvement in the marketplace by Floor Officials, senior-level Floor Officials (*i.e.*, Floor Governors, Executive Floor Officials, Senior Floor Officials and Executive Floor Governors), or both.⁴

Typically, the Floor Official's role on the Floor of the Exchange involves the consideration of requests to execute a particular kind of transaction or the supervision of specified trading situations. In addition to their formal role prescribed by the Exchange rules, Floor Officials also provide a more general level of oversight to the marketplace on a day-to-day basis.

Given the evolution of the equities markets away from manual executions and manual enforcement of rules toward an electronic market that automates executions and in many cases hard codes the rule requirements into the execution logic, many of the trading procedures and situations originally requiring Floor Officials involvement have been automated; in other cases, the Floor Official approval has become *pro forma* rather than substantive. In light of this, the Exchange determined that several Exchange Rules should be amended with respect to the duties and responsibilities once assigned to Floor Officials to better comport with today's Exchange market structure.

Proposed Amendments

NYSE MKT Rule 122—Equities provides that, to avoid unfair allocation of securities traded, no member or member organization shall maintain with more than one broker on the Exchange market orders or orders at the same price for the purchase or sale of the same security for the account of the same principal unless permission has been obtained from a Floor Official. The Exchange proposes to amend the rule to remove this approval as a Floor Official function and therefore ban this practice outright.

The Exchange also proposes amending NYSE MKT Rule 128B—Equities, which prescribes the procedures for the publication of changes, cancellations or other errors on the consolidated tape (the "Tape"). Specifically, Rule 128B.10—Equities requires Floor Official approval to

change or correct a transaction that previously appeared on the Tape, cancel a transaction that previously appeared on the Tape and that has been agreed to by all buyers and sellers, and publish a transaction omitted from the Tape (*i.e.*, a sold or sold last sale). In addition, Rule 128B.13—Equities requires Floor Official approval for the publication of a correction to a transaction erroneously reported to "a reporter" by a party to the transaction. In the interests of maintaining the integrity of the Tape, the Exchange proposes to elevate the level of approval required under Rules 128B.10—Equities and .13—Equities from Floor Official to senior-level Floor Official (*i.e.*, Floor Governors, Executive Floor Officials, Senior Floor Officials and Executive Floor Governors). In addition, the Exchange proposes to delete "to a reporter" in NYSE MKT Rule 128B.13—Equities. Historically, Floor reporters were Exchange employees responsible for collecting and inputting transaction data into the ticker system. The position was eliminated many years ago.

Finally, NYSE MKT Rule 128B.10—Equities provides that, in addition to (proposed senior-level) Floor Official approval, both "buying and selling members" must agree to the publication of (1) A change or a correction in a transaction that previously appeared on the Tape, (2) the cancellation of a transaction which previously appeared on the Tape and which was properly rescinded, or (3) a transaction omitted from the Tape made on the Tape on the day of the transaction. The Exchange proposes to add "or member organizations" after "buying and selling members." NYSE MKT Rule 2—Equities defines a "member" as a natural person. A significant number of Exchange member organizations, however, no longer have Floor-based members, and nearly all transactions printed to the Tape are executed by automated systems. The proposed change to NYSE MKT Rule 128B.10—Equities reflects the changes in the NYSE MKT marketplace away from Floor-based members manually executing the majority of trades printed to the Tape to more automated trading by an increasing number of non-Floor based member organizations.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁵ in general, and Section 6(b)(4) of the Act,⁶ in particular, in that it is designed

to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system. Specifically, the Exchange believes that the proposed rule changes support the objectives of the Act by amending and/or delegating duties and responsibilities once assigned to Floor Officials to better comport with the Exchange's current market structure and to reflect rapidly changing market technology and the development of automated systems.

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 that is 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 solicited or received with respect to the proposed rule change.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸ Because the 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 prior to 30 days from the date on which it was filed the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.⁹

The Exchange has requested that the Commission waive the 30-day operative delay. The Commission believes that waiver of the operative delay is consistent with the protection of investors and the public interest because the proposal will assist the

⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

⁸ 17 CFR 240.19b-4(f)(6).

⁹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange's intent to file the proposed rule change, along with a brief description and text of 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.

³ 15 U.S.C. 78f.

⁴ See NYSE MKT Rules 46—Equities and 46A—Equities (defining Floor Official, Floor Governor, Executive Floor Official, Senior Floor Official and Executive Floor Governors).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).

Exchange in maintaining a fair and orderly market by allowing market participants who agree to cancel a transaction to do so more efficiently, thereby potentially reducing the likelihood that transactions will be printed to the Tape incorrectly. Therefore, the Commission designates the proposal operative upon filing.¹⁰

At any time within 60 days of the filing of such 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 email to rule-comments@sec.gov. Please include File Number SR-NYSEMKT-2012-15 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-NYSEMKT-2012-15. 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

¹⁰ For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rules impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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 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 publicly available. All submissions should refer to File Number SR-NYSEMKT-2012-15 and should be submitted on or before July 31, 2012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-67347; File Nos. SR-NYSE-2011-55; SR-NYSEAmex-2011-84]

Self-Regulatory Organizations; New York Stock Exchange LLC; NYSE Amex LLC; Order Granting Approval to Proposed Rule Changes, as Modified by Amendments Nos. 1 and 2, Adopting NYSE Rule 107C To Establish a Retail Liquidity Program for NYSE-Listed Securities on a Pilot Basis Until 12 Months From Implementation Date, and Adopting NYSE Amex Rule 107C To Establish a Retail Liquidity Program for NYSE Amex Equities Traded Securities on a Pilot Basis Until 12 Months From Implementation Date, and Granting Exemptions Pursuant to Rule 612(c) of Regulation NMS

July 3, 2012.

I. Introduction

On October 19, 2011, the New York Stock Exchange LLC ("NYSE") and NYSE Amex LLC ("NYSE Amex" and together with NYSE, the "Exchanges") each filed with the Securities and Exchange Commission ("Commission") pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to establish a Retail Liquidity Program ("Program") on a pilot basis for a period of one year from the date of implementation, if

¹¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

approved. The proposed rule changes were published for comment in the **Federal Register** on November 9, 2011.³ The Commission received 28 comments on the NYSE proposal⁴ and 4 comments on the NYSE Amex proposal.⁵ On December 19, 2011, the Commission extended the time for Commission action on the proposed rule changes until February 7, 2012.⁶ In connection

³ See Securities Exchange Act Release Nos. 65671 (November 2, 2011), 76 FR 69774 (SR-NYSE Amex-2011-84); and 65672 (November 2, 2011), 76 FR 69788 (SR-NYSE-2011-55).

On May 14, 2012, NYSE Amex filed a proposed rule change, immediately effective upon filing, to change its name to NYSE MKT LLC. See SR-NYSEAmex-2012-32. To remain consistent with the previous documents that were submitted in connection with these proposals, the Commission will refer to NYSE MKT LLC as NYSE Amex throughout this order.

⁴ See Letters to the Commission from Sal Arnuk, Joe Saluzzi and Paul Zajac, Themis Trading LLC, dated October 17, 2011 ("Themis Letter"); Garret Cook, dated November 4, 2011 ("Cook Letter"); James Johannes, dated November 27, 2011 ("Johannes Letter"); Ken Voorhies, dated November 28, 2011 ("Voorhies Letter"); William Wuepper, dated November 28, 2011 ("Wuepper Letter"); A. Joseph, dated November 28, 2011 ("Joseph Letter"); Leonard Amoroso, General Counsel, Knight Capital, Inc., dated November 28, 2011 ("Knight Letter I"); Kevin Basic, dated November 28, 2011 ("Basic Letter"); J. Fournier, dated November 28, 2011 ("Fournier Letter"); Ulrich Fischer, CTO, PairCo, dated November 28, 2011 ("PairCo Letter"); James Angel, Associate Professor of Finance, McDonough School of Business, Georgetown University, dated November 28, 2011 ("Angel Letter"); Jordan Wollin, dated November 29, 2011 ("Wollin Letter"); Aaron Schafter, President, Great Mountain Capital Management LLC, dated November 29, 2011 ("Great Mountain Capital Letter"); Wayne Koch, Trader, Bright Trading, dated November 29, 2011 ("Koch Letter"); Kurt Schact, CFA, Managing Director, and James Allen, CFA, Head, Capital Markets Policy, CFA Institute, dated November 30, 2011 ("CFA Letter I"); David Green, Bright Trading, dated November 30, 2011 ("Green Letter"); Robert Bright, Chief Executive Officer, and Dennis Dick, CFA, Market Structure Consultant, Bright Trading LLC, dated November 30, 2011 ("Bright Trading Letter"); Bodil Jelsness, dated November 30, 2011 ("Jelsness Letter"); Christopher Nagy, Managing Director, Order Routing and Market Data Strategy, TD Ameritrade, dated November 30, 2011 ("TD Ameritrade Letter"); Laura Kenney, dated November 30, 2011 ("Kenney Letter"); Suhas Daftuar, Hudson River Trading LLC, dated November 30, 2011 ("Hudson River Trading Letter"); Bosier Parsons, Bright Trading LLC, dated November 30, 2011 ("Parsons Letter"); Mike Stewart, Head of Global Equities, UBS, dated November 30, 2011 ("UBS Letter"); Dr. Larry Paden, Bright Trading, dated December 1, 2011 ("Paden Letter"); Thomas Dercks, dated December 1, 2011 ("Dercks Letter"); Eric Swanson, Secretary, BATS Global Markets, Inc., dated December 6, 2011 ("BATS Letter"); Ann Vlcek, Director and Associate General Counsel, Securities Industry and Financial Markets Association, dated December 7, 2011 ("SIFMA Letter I"); and Al Patten, dated December 29, 2011 ("Patten Letter").

⁵ See Knight Letter I; CFA Letter I; TD Ameritrade Letter; and letter to the Commission from Shannon Jennewein, dated November 30, 2011 ("Jennewein Letter").

⁶ See Securities Exchange Act Release No. 66003, 76 FR 80445 (December 23, 2011).