

9. In the event the Commission adopts a rule under the Act providing substantially similar relief to that in the order requested in the application, the requested order will expire on the effective date of that rule.

For the Commission, by the Division of Investment Management, under delegated authority.

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2012-27875 Filed 11-15-12; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold a Closed Meeting on Wednesday, November 14, 2012 at 9:30 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters also may be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(4), (8), (9)(A)(i) and (ii), and 17 CFR 200.402(a)(4), (8), (9)(A)(i) and (ii), permit consideration of the scheduled matter at the Closed Meeting.

Commissioner Walter, as duty officer, voted to consider the item listed for the Closed Meeting in a closed session, and determined that no earlier notice was possible.

The subject matter of the Closed Meeting will be an examination of a financial institution.

At times, changes in Commission priorities require alterations in the scheduling of meeting item.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 551-5400.

Dated: November 13, 2012.

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2012-28048 Filed 11-14-12; 4:15 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-68202; File Nos. SR-Phlx-2012-27; SR-Phlx-2012-54]

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing of Amendments No. 1, and Order Granting Accelerated Approval for Proposed Rule Changes as Modified by Amendments No. 1 Relating to Complex Order Fees and Rebates for Adding and Removing Liquidity in Select Symbols

November 9, 2012.

I. Introduction

On March 1, 2012 and April 23, 2012, NASDAQ OMX PHLX LLC ("Phlx" or "Exchange") filed with the Securities and Exchange Commission (the "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act")¹ and Rule 19b-4 thereunder,² two proposed rule changes relating to the transaction fees for certain complex order ("Complex Order") transactions.³ The notice of filing of Phlx-2012-27 was published for comment in the **Federal Register** on March 15, 2012,⁴ and the notice of filing of Phlx-2012-54 was published for comment in the **Federal Register** on May 4, 2012.⁵

On April 30, 2012, the Commission suspended the proposals and instituted proceedings to determine whether to approve or disapprove the proposals.⁶ Following the institution of the proceedings, the Commission received a letter from the Exchange in support of its proposals.⁷ On September 11, 2012,

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ A Complex Order is any order involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, priced at a net debit or credit based on the relative prices of the individual components, for the same account, for the purpose of executing a particular investment strategy. A Complex Order may also be a stock-option order, which is an order to buy or sell a stated number of units of an underlying stock or exchange-traded fund ("ETF") coupled with the purchase or sale of options contract(s). See Exchange Rule 1080, Commentary .08(a)(i).

⁴ See Securities Exchange Act Release No. 66551 (March 9, 2012), 77 FR 15400 (SR-Phlx-2012-27) ("Notice I").

⁵ See Securities Exchange Act Release No. 66883 (April 30, 2012), 77 FR 26591 (SR-Phlx-2012-54) ("Notice II").

⁶ See Securities Exchange Act Release No. 66884 (April 30, 2012), 77 FR 26595 (May 4, 2012) ("Order Instituting Proceedings"). The Order Instituting Proceedings suspended the fees adopted in SR-Phlx-2012-27 and SR-Phlx-2012-54.

Consequently, these fees were in effect for only two months, from March 1, 2012 to April 30, 2012.

⁷ See Letter from Joan C. Conley, Senior Vice President and Corporate Secretary, Nasdaq OMX, to

the Commission issued a notice of designation of a longer period for Commission action on the proceedings to determine whether to disapprove the proposed rule changes.⁸ On October 24, 2012, the Exchange filed Amendment No. 1 to each of the proposed rule changes. In the amendments, the Exchange proposed to put certain of the fees (for Complex Order executions by Directed Participants⁹ and Market Makers)¹⁰ on a one-year pilot program, and stated that the proposed fees would be operative on December 3, 2012. The Exchange committed to provide publicly available data and data analyses of those fees to the Commission during the pilot.¹¹ The Exchange also represented that, prior to and at the time of a complex order transaction, Market Makers, including Directed Participants, are unaware of the identity of the contra-party to the transaction. The Exchange stated that Rule 707 is intended to prohibit coordinated actions between Directed Participants and order flow providers ("OFPs"), and that the Exchange proactively conducts surveillance for, and enforces against, such violations.¹²

The Commission received no comment letters on the proposals. This order approves the proposed rule changes, as modified by Amendments No. 1, and approves, as a one-year pilot program, those fees which the Exchange proposes to implement on a pilot basis.

II. Description of the Proposals

The Exchange's first proposal amended Complex Order fees and rebates for adding and removing liquidity in its Select Symbols.¹³ Specifically, Phlx's proposal: (1) Increased the customer rebate for adding liquidity from \$0.30 per contract to

Elizabeth M. Murphy, Secretary, Commission, dated July 26, 2012 ("Response").

⁸ See Securities Exchange Act Release No. 67825 (September 11, 2012), 77 FR 57168 (September 17, 2012).

⁹ The term "Directed Participant" applies to transactions for the account of a Specialist, Streaming Quote Trader ("SQT") or Remote Streaming Quote Trader ("RSQT") resulting from a Customer order that is (1) directed to the Specialist, SQT or RSQT by an order flow provider, and (2) executed by that Specialist, SQT or RSQT electronically on Phlx XL II. See Phlx Fee Schedule at 3.

¹⁰ A "Market Maker" includes Specialists (see Exchange Rule 1020) and Registered Options Traders ("ROTs") (see Exchange Rule 1014(b)(i) and (ii), which includes SQTs (see Exchange Rule 1014(b)(ii)(A)) and RSQTs (see Exchange Rule 1014(b)(ii)(B)).

¹¹ See Amendment No. 1 to SR-Phlx-2012-27 and SR-Phlx-2012-54, filed October 24, 2012.

¹² See Amendment No. 1 to each filing, *supra* note 11.

¹³ The Select Symbols are listed in Section I of the Phlx Fee Schedule.