

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

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

**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) of the Act<sup>5</sup> and paragraph (f) of Rule 19b-4<sup>6</sup> thereunder. 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 will institute proceedings to determine whether the proposed rule change should be approved or 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](mailto:rule-comments@sec.gov). Please include File Number SR-CBOE-2013-023 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-CBOE-2013-023. 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 10:00 a.m. and 3:00 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 available publicly. All submissions should refer to File Number SR-CBOE-2013-023, and should be submitted on or before March 26, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>7</sup>

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2013-04992 Filed 3-4-13; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-68999; File No. SR-C2-2013-010]

**Self-Regulatory Organizations; C2 Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Fees Schedule**

February 27, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 20, 2013, C2 Options Exchange, Incorporated (the "Exchange" or "C2") filed with the Securities and Exchange Commission (the "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.

<sup>7</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.

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

The Exchange proposes to amend its Fees Schedule. The text of the proposed rule change is available on the Exchange's Web site (<http://www.c2exchange.com/Legal/>), at the Exchange's Office of the Secretary, and at the Commission.

**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 Exchange proposes to amend its Fees Schedule with regard to the data reports it provides to Trading Permit Holders ("TPHs"), Options Clearing Company ("OCC") firms and other interested parties at their requests. These persons and organizations often approach the Exchange and request that the Exchange prepare and provide various reports regarding their trading activity. The production of these reports sometimes requires that employees put in a significant amount of time and work to write and develop the programs necessary to be able to run or generate such reports. Currently, Section 9 of the Fees Schedule ("Miscellaneous") merely states that "Ad Hoc Information Services Requests" are provided at production costs. The Exchange proposes to eliminate this statement and replace it with a more comprehensive, consistent and standard structure regarding the provision of Exchange data reports (including those being deleted).

The Exchange proposes to establish three different tiers of data report requests. The first, most basic tier (referred to as "C Level" requests) will regard requests for standard reports regularly generated and run by the Exchange and made available on a daily, weekly or monthly basis (for example, Monthly LP Scorecard, Daily Firm

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>6</sup> 17 CFR 240.19b-4(f).

Report, etc.) that do not require historical data generation, customization beyond a standard format (PDF, HTML, etc.) or distribution frequency (daily, weekly, monthly, etc.), or specialized development. There will be no cost for such requests, regardless of whether they are one-time, initial, or daily, weekly, or monthly requests.

The second tier (referred to as "B Level" requests) will regard initial report requests (or enhancements to existing report subscriptions) that require less than one (1) man-hour to develop and/or generate. The [sic] will be no cost for such requests. The third tier (referred to as "A Level" requests) will regard initial report requests (or enhancements to existing subscriptions) that require one (1) or more man-hours to develop and/or generate. The cost for such requests will be \$100 for first 5 man-hours and \$100 per hour for each additional man-hour. Fees for reports will be estimated in advance and such estimates will be provided to the requester. If the estimate changes once creation of the report begins, a revised estimate will be provided to the requester. For parties requesting to receive B or A Level reports on a recurring basis, subscriptions to such reports will be provided at a cost of \$100 per month for monthly reports and \$200 per month for daily or weekly reports.

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>3</sup> Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>4</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities. The Exchange believes that the proposed new fee structure for data reports is reasonable because it is designed to reflect the Exchange's costs in creating such reports. The Exchange believes that the proposed new fee structure for data reports is equitable and not unfairly discriminatory because it will apply to all requesting parties equally. The Exchange believes it is equitable and not unfairly discriminatory to assess no fees for C Level reports because these are standard reports that do not require specific development, customization or

generation. The Exchange believes that it is equitable and not unfairly discriminatory to assess no fees for initial B Level requests because these reports do not require very much (less than one man-hour) work on the Exchange's part to create and produce. The Exchange believes that it is equitable and not unfairly discriminatory to assess a fee of \$100 for the first five man-hours of work for A Level requests because these reports take at least one man-hour of work on the Exchange's part to develop and generate and the Exchange must begin to recoup the costs of such work, while still desiring to be able to provide requesting market participants with a reasonable amount of information to assist them. The Exchange believes that it is equitable and not unfairly discriminatory to assess a fee of \$100 per man-hour above five hours for A Level requests because such requests can take up a significant amount of Exchange resources and at this point the Exchange must begin to be more fully-compensated for dedicating resources to these tasks. The Exchange believes that it is equitable and not unfairly discriminatory to assess subscription fees for requests for information on a more regular basis (as opposed to re-assessing the initial fees) because the development for such work has already been done.

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

C2 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. The Exchange does not believe that the proposed fees structure will impose an unnecessary burden on intramarket competition because it will apply equally to all requesting parties. The Exchange does not believe that the proposed fees structure will impose an unnecessary burden on intermarket competition because the Exchange is providing reports specific to activity on C2, and other exchanges may provide reports specific to activity on those exchanges, and the costs for development, generation and production of such reports may be different on those exchanges. Further, to the extent that the proposed fees structure for data reports may attract market participants on other exchanges to C2, such market participants can always elect to become C2 market participants.

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

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

### **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) of the Act<sup>5</sup> and paragraph (f) of Rule 19b-4<sup>6</sup> thereunder. 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 will institute proceedings to determine whether the proposed rule change should be approved or 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](mailto:rule-comments@sec.gov). Please include File Number SR-C2-2013-010 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-C2-2013-010. 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

<sup>3</sup> 15 U.S.C. 78ff(b).

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

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>6</sup> 17 CFR 240.19b-4(f).

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 10:00 a.m. and 3:00 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 available publicly. All submissions should refer to File Number SR-C2-2013-010, and should be submitted on or before March 26, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>7</sup>

**Kevin M. O'Neill,**  
*Deputy Secretary.*

[FR Doc. 2013-04993 Filed 3-4-13; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-69002; File No. SR-EDGA-2013-08]

### Self-Regulatory Organizations; EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend EDGA Rules 1.5, 11.5, 11.8, 11.9 and 11.14 in Connection With the Implementation of the National Market System Plan To Address Extraordinary Market Volatility

February 27, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 13, 2013, EDGA Exchange, Inc. (the "Exchange" or "EDGA") 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 Rules 1.5, 11.5, 11.8, 11.9 and 11.14 regarding the implementation of the National Market System Plan to Address Extraordinary Market Volatility (as amended, the "Plan") as approved by the Securities and Exchange Commission.<sup>3</sup> All of the changes described herein are applicable to EDGA Members. The text of the proposed rule change is available on the Exchange's Internet Web site at [www.directedge.com](http://www.directedge.com), at the Exchange's principal office, on the Commission's Internet Web site at [www.sec.gov](http://www.sec.gov), 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 these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

EDGA proposes to amend Rules 1.5, 11.5, 11.8, 11.9 and 11.14 in connection with the implementation of the Plan.

###### Background

On April 5, 2011, NYSE Euronext, on behalf of the New York Stock Exchange LLC ("NYSE"), NYSE Amex LLC, and NYSE Arca, Inc. ("Arca"), and the following parties to the Plan: BATS Exchange, Inc., BATS Y-Exchange, Inc. (together, "BATS"), Chicago Board Options Exchange, Incorporated, Chicago Stock Exchange, Inc., EDGA, EDGX Exchange, Inc., Financial Industry Regulatory Authority, Inc., NASDAQ OMX BX, Inc., NASDAQ OMX PHLX LLC, the Nasdaq Stock Market LLC, and National Stock

Exchange, Inc. (collectively with NYSE, NYSE MKT, and Arca, the "Participants"), filed with the Commission pursuant to Section 11A of the Securities Exchange Act of 1934 ("Act"),<sup>4</sup> and Rule 608 thereunder,<sup>5</sup> the Plan to create a market-wide limit up-limit down ("LULD") mechanism that is intended to address extraordinary market volatility in NMS Stocks.<sup>6</sup> The Plan sets forth procedures that provide for market-wide LULD requirements that would be designed to prevent trades in individual NMS Stocks from occurring outside of specified price bands. These LULD requirements would be coupled with trading pauses<sup>7</sup> to accommodate more fundamental price moves (as opposed to erroneous trades or momentary gaps in liquidity).

The price bands would consist of a Lower Price Band (the "Lower Price Band") and an Upper Price Band (the "Upper Price Band"—each a "Price Band" and, together with the Lower Price Band, the "Price Bands") for each NMS Stock. The Price Bands would be calculated by the Securities Information Processors (the "SIP" or "Processors") responsible for consolidation of information for an NMS Stock pursuant to Rule 603(b) of Regulation NMS under the Act.<sup>8</sup> The Price Bands would be based on a Reference Price<sup>9</sup> that equals the arithmetic mean price of Eligible Reported Transactions<sup>10</sup> for the NMS Stock over the immediately preceding five-minute period. The Price Bands for an NMS Stock would be calculated by applying the Percentage Parameter<sup>11</sup> for

<sup>4</sup> 15 U.S.C. 78k-1.

<sup>5</sup> 17 CFR 242.608.

<sup>6</sup> See Letter from Janet M. McGinness, Senior Vice President, Legal and Corporate Secretary, NYSE Euronext, to Elizabeth M. Murphy, Secretary, Commission, dated April 5, 2011 ("Transmittal Letter"). The term "NMS Stock" shall have the meaning provided in Rule 600(b)(47) of Regulation NMS under the Act.

<sup>7</sup> As defined in Section I(X) of the Plan.

<sup>8</sup> 17 CFR 242.603(b).

<sup>9</sup> As defined in Section I(T) of the Plan.

<sup>10</sup> As defined in the proposed Plan, Eligible Reported Transactions would have the meaning prescribed by the Operating Committee for the proposed Plan, and generally mean transactions that are eligible to update the sale price of an NMS Stock.

<sup>11</sup> As initially proposed by the Participants, the Percentage Parameters for Tier 1 NMS Stocks (i.e., stocks in the S&P 500 Index or Russell 1000 Index and certain ETPs) with a Reference Price of \$1.00 or more would be five percent and less than \$1.00 would be the lesser of (a) \$0.15 or (b) 75 percent. The Percentage Parameters for Tier 2 NMS Stocks (i.e., all NMS Stocks other than those in Tier 1) with a Reference Price of \$1.00 or more would be 10 percent and less than \$1.00 would be the lesser of (a) \$0.15 or (b) 75 percent. The Percentage Parameters for a Tier 2 NMS Stock that is a leveraged ETP would be the applicable Percentage Parameter set forth above multiplied by the leverage ratio of such product. On May 24, 2012, the

<sup>7</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> See Securities Exchange Release No. 67091 (May 31, 2012), 77 FR 33498 (June 6, 2012) (approving the Plan on a pilot basis).