SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–69087; File No. SR–NSX–2013–09]

Self-Regulatory Organizations; National Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange's Rules To Comply With the Requirements of the Plan To Address Extraordinary Market Volatility Submitted to the Commission Pursuant to Rule 608 of Regulation NMS

March 8, 2013.

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 March 1, 2013, National Stock Exchange, Inc. (''NSX®'' or the ''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 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

The Exchange is proposing to amend its Rules to comply with the National Market System Plan, also known as Limit Up/Limit Down, established pursuant to Rule 608 of the Exchange Act, to address extraordinary market volatility (the ''Regulation NMS Plan to Address Extraordinary Market Volatility'' or ''Plan'').[3] Specifically, the Exchange proposes to: (1) Adopt new Exchange Rule 11.24 incorporating the requirements of the Regulation NMS Plan to Address Extraordinary Market Volatility into the Exchange Rules by discussing how the Exchange will handle orders and halt trading pursuant to the Plan; (2) amend Exchange Rule 11.11 to discuss how undisplayed ''pegged'' orders would be handled under proposed Exchange Rule 11.24; (3) amend Exchange Rule 11.15 to explicitly state that orders must be executed in accordance with proposed Exchange Rule 11.24; and (4) amend Exchange Rule 11.20 so that the portion addressing trading pauses conform with the Plan. The Exchange has designated this proposal as non-controversial and provided the Commission with the notice required by Rule 19b–4(f)(6)(iii) under the Act.[4] The text of the proposed rule change is available on the Exchange's Web site at *http://www.nsx.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 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 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: (1) Adopt new Exchange Rule 11.24 incorporating the requirements of the Regulation NMS Plan to Address Extraordinary Market Volatility into the Exchange Rules by discussing how the Exchange will handle orders and halt trading pursuant to the Plan; (2) amend Exchange Rule 11.11 to discuss how undisplayed ''pegged'' orders would be handled under proposed Exchange Rule 11.24; (3) amend Exchange Rule 11.15 to explicitly state that orders must be executed in accordance with proposed Exchange Rule 11.24; and (4) amend Exchange Rule 11.20B so that the provisions relating to Trading Pauses [5] conform with the Plan.

Summary

Since May 6, 2010, when the markets experienced excessive volatility in an abbreviated time period, i.e., the ''flash crash,'' the national securities exchanges that list and trade equity securities and the Financial Industry Regulatory Authority (''FINRA'') have implemented market-wide measures that are designed to restore investor confidence in the markets by reducing the potential for excessive volatility. The measures adopted include pilot plans for stock-by-stock trading pauses [6] and related changes to the equities market clearly erroneous execution rules,[7] and more stringent equity market maker quoting requirements.[8] On May 31, 2012, the Commission approved the Plan, on a pilot basis.[9] In addition, the Commission approved changes to the equity market-wide circuit breaker rules on a pilot basis to coincide with the pilot period of the Plan.[10]

The Plan is designed to prevent trades in NMS Stocks from occurring outside of specified Price Bands. As described more fully below, the Price Bands are coupled with Trading Pauses to accommodate more fundamental price moves (as opposed to erroneous trades or momentary gaps in liquidity). All trading centers in NMS Stocks, including both those operated by Participants and those operated by members of Participants, are required to establish, maintain, and enforce written policies and procedures that are reasonably designed to comply with the requirements specified in the Plan.[11]

As set forth in more detail in the Plan, Price Bands consisting of a Lower Price Band and an Upper Price Band for each NMS Stock are calculated by the Processors.[12] When the National Best Bid (Offer) is below (above) the Lower (Upper) Price Band, the Processors shall disseminate such National Best Bid (Offer) with an appropriate flag identifying it as unexecutable. When the National Best Bid (Offer) is equal to the Upper (Lower) Price Band, the Processors shall distribute such National Best Bid (Offer) with an appropriate flag identifying it as a Limit State Quotation.[13] All trading centers in NMS Stocks must maintain written policies and procedures that are reasonably designed to prevent the display of offers below the Lower Price Band and bids above the Upper Price Band for NMS Stocks. Notwithstanding this requirement, the Processor shall display an offer below the Lower Price

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

[2] 17 CFR 240.19b–4.

[3] *See* Appendix A to Securities Exchange Act Release No. 67091 (May 31, 2012) 77 FR 33498 (June 6, 2012).

[4] 17 CFR 240.19b–4(f)(6)(iii).

[5] Unless otherwise specified, capitalized terms used in this rule filing are based on defined terms in the Plan.

[6] *See e.g.,* NSX Rule 11.20B.

[7] *See e.g.,* NSX Rule 11.19.

[8] *See e.g.,* NSX Rule 11.8(a)(1)(B)(iv) and (v).

[9] *See* Securities Exchange Act Release No. 67091 (May 31, 2012) 77 FR 33498 (June 6, 2012) (Order approving, on a Pilot Basis, the National Market System Plan to Address Extraordinary Market Activity).

[10] *See* Securities Exchange Act Release No. 67090 (May 31, 2012), 77 FR 33531 (June 6, 2012) (SR–BATS–2011–038; SR–BYX–2011–025; SR–BX–2011–068; SR–CBOE–2011–087; SR–C2–2011–024; SR–CHX–2011–30; SR–EDGA–2011–31; SR–EDGX–2011–30; SRFINRA–2011–054; SR–ISE–2011–61; SR–NASDAQ–2011–131; SR–NSX–2011–11; SRNYSE–2011–48; SR–NYSEAmex–2011–73; SR–NYSEArca–2011–68; SR–Phlx–2011–129).

[11] The Exchange is a Participant in the Plan.

[12] See Section (V)(A) of the Plan.

[13] See Section VI(A) of the Plan.

Band or a bid above the Upper Price Band, but with a flag that it is non-executable. Such bids or offers shall not be included in the National Best Bid or National Best Offer calculations.[14]

Trading in an NMS Stock immediately enters a Limit State if the National Best Bid/Offer equals but does not cross the Upper (Lower) Price Band.[15] Trading for an NMS stock exits in a Limit State if, within 15 seconds of entering the Limit State, all Limit State Quotations were executed or canceled in their entirety. If the market does not exit a Limit State within 15 seconds, then the Primary Listing Exchange would declare a five-minute trading pause pursuant to Section VII of the LULD Plan, which would be applicable to all markets trading the security.[16]

In addition, the Plan defines a Straddle State as when the National Best Bid (Offer) is below (above) the Lower (Upper) Price Band and the NMS Stock is not in a Limit State. For example, assume the Lower Price Band for an NMS Stock is $9.50 and the Upper Price Band is $10.50, such NMS stock would be in a Straddle State if the National Best Bid were below $9.50, and therefore non-executable, and the National Best Offer were above $9.50 (including a National Best Offer that could be above $10.50). If an NMS Stock is in a Straddle State and trading in that stock deviates from normal trading characteristics, the Primary Listing Exchange may declare a trading pause for that NMS Stock.

Proposed Exchange Rule 11.24, Limit Up-Limit Down

Under the Plan, the Exchange is required to establish, maintain, and enforce written policies and procedures reasonably designed to comply with the Limit Up-Limit Down and Trading Pause requirements of the Plan. The Exchange, therefore, proposes to adopt new Exchange Rule 11.24, Limit Up-Limit Down, to address the treatment of certain orders on the Exchange in order to prevent executions outside the Price Bands and to comply with the requirements of the Plan.

Implementation Schedule

To coincide with the effective date of the Regulation NMS Plan to Address Extraordinary Market Volatility, the Exchange proposes to add Exchange Rule 11.24(a) the Exchange will implement the proposed rule change as a one-year pilot program in two Phases: Phase I of the Plan implementation will begin on April 8, 2013, and apply to select symbols from the Tier 1 NMS Stocks identified in Appendix A of the Plan, with full Phase I implementation for all Tier I NMS Stocks completed three months later. Phase II of the Plan will commence six months after April 8, 2013 and apply to all remaining NMS Stocks (except rights and warrants).

The Exchange proposes to add Exchange Rule 11.24(b)(1) to define that the ''Plan'' means the Plan to Address Extraordinary Market Volatility pursuant to Rule 608 of Regulation NMS under the Securities Exchange Act of 1934, Exhibit A to Securities Exchange Act Release No. 67091 (May 31, 2012) 77 FR 33498 (June 6, 2012), as it may be amended from time to time. In addition, proposed Rule 11.24(b)(2) provides that all capitalized terms, not otherwise defined in this Rule, shall have the meanings set forth in the Plan or Exchange Rules. The Exchange proposes to add Rule 11.24(c) to state that the Exchange is a Participant in, and subject to the applicable requirements of, the Plan, which establishes procedures to address extraordinary volatility in NMS Stocks.

The Exchange proposes to add Rule 11.24(d) to provide that member organizations shall comply with the applicable provisions of the Plan. The Exchange believes that this requirement will help ensure the compliance by its members with the provisions of the Plan as required pursuant to Section II(B) of the Plan.[17]

Order Execution and Re-Pricing

The Exchange also proposes to add Exchange Rule 11.24(e) explicitly stating that the Exchange will not execute or display orders outside of a specified Price Band for an NMS Stock during Regular Trading Hours, unless specifically exempted from the Plan.[18] The Exchange believes that this requirement is reasonably designed to help ensure the compliance with the limit up-limit down and trading pause requirements specified in the Plan, by preventing executions outside the Price Bands as required pursuant to Section VI(A)(1) of the Plan.[19]

Depending on the User's [20] instruction, however, under proposed Rule 11.24(f)(1), any incoming limit-priced order (other than an IOC order) to buy (sell) that is priced above (below) the upper (lower) Price Band shall be repriced to the upper (lower) Price Band. Exchange systems shall also re-price the resting limit-priced interest to buy (sell) to the upper (lower) Price Band if the Price Band moves and the price of the resting limit-priced interest to buy (sell) moves above (below) the upper (lower) Price Band. Any interest that is re-priced pursuant to this Rule shall retain the time stamp of original order entry. Proposed Exchange Rule 11.24(f)(2), would permit a User to instruct the Exchange, on an order-by-order basis, to not re-price its order to the upper or lower Price Band. In such cases, the order will only execute against orders posted on the NSX Book resting within the Price Bands. Any unexecuted portion will be cancelled if it would result in an execution outside of the Price Bands. Under proposed Rule 11.24(f)(3), should the Price Band move so that a previously accepted limit-priced order is now priced outside of the Price Band, the order will either be re-priced to the new Price Band or cancelled if the User instructed the Exchange not to re-price its order. Under proposed Exchange Rule 11.24(g), an incoming limit-priced order (other than an IOC order) to sell (buy) that is priced below (above) the upper (lower) Price Band will be accepted by the Exchange and eligible for inclusion in the Exchange's Protected BBO.[21] However, the Exchange will not execute such orders until the Price Band moves in such a way that the order is now priced within the Price Band.

In addition, the Exchange proposes the following provisions regarding the re-pricing and/or cancelling of certain trading interest:

- *Immediate-or-Cancel Orders.* Under Exchange Rule 11.11(b)(1), an ''Immediate-or-Cancel (''IOC'') Order'' is a ''limit order that is to be executed in whole or in part as soon as such order is received, and the portion not so executed is to be treated as cancelled.'' [22] Under the proposed Exchange Rule 11.24(f), the Exchange will accept an IOC Order that is priced, explicitly or not, outside of the Price

[14] See Section VI(A)(3) of the Plan.

[15] See Section VI(B)(1) of the Plan.

[16] The primary listing market would declare a trading pause in an NMS Stock; upon notification by the primary listing market, the Processor would disseminate this information to the public. No trades in that NMS Stock could occur during the trading pause, but all bids and offers may be displayed. See Section VII(A) of the Plan.

[17] *See* Section II(B) of the Plan.

[18] Under Exchange Rule 1.5(R), ''Regular Trading Hours'' means between 9:30 a.m. and 4:00 p.m. Eastern Time.

[19] *See* Section II(B) of the Plan.

[20] Under Exchange Rule 1.5(U), ''User'' means any ETP Holder or Sponsored Participant who is authorized to obtain access to the System pursuant to Exchange Rule 11.9.

[21] Under Exchange Rule 1.5(P), ''Protected BBO'' means the better of either the protected national best bid or offer or the displayed top-of-book.

[22] IOC Orders are not eligible for routing away pursuant to Exchange Rule 11.15.

Band. However, the IOC Order will only execute against orders posted on the NSX Book resting within the Price Band. Any unexecuted portion of an IOC Order will be cancelled if it would result in an execution outside of the Price Band.

• *Market Orders.* Under Exchange Rule 11.11(a)(1), a ''Market Order'' is ''an order to buy or sell a stated amount of a security that is to be executed at the best price obtainable when the order reaches the Exchange.'' [23] Under proposed Rule 11.24(g), the Exchange will execute Market Orders at or better than the opposite side of the Price Band (i.e., a sell order to the lower Price Band and a buy order to the upper Price Band). Any unexecuted portion of a Market Order will be cancelled if it would result in an execution outside of the Price Band.

Pegged Orders Under Exchange Rule 11.11(c)(2)(A)

Under Exchange Rule 11.11(c)(2)(A), a ''Zero Display Reserve Order'' is a Reserve Order [24] with zero display quantity. The price of a Zero Display Reserve Order may be set (''pegged'') to track the buy-side of the Protected Best Bid or Offer (''BBO''),[25] the sell-side of the Protected BBO, or the midpoint of the Protected BBO. A pegged Zero Display Reserve Order that tracks the midpoint is defined as a Midpoint Peg Zero Display Reserve Order. Exchange Rule 11.11(c)(2)(A) also defines a ''Market Peg'' order as ''[a] pegged Zero Display Reserve Order which tracks the inside quote of the opposite side of the market and a pegged Zero Display Reserve Order that tracks the inside quote of the same side of the market is defined as a ''Primary Peg.''

The Pegging of a Market Peg, Primary Peg or a Midpoint Peg Zero Display Reserve Order could result in the order being re-priced to a price outside of the Price Bands. To avoid such an occurrence, the Exchange proposed under Exchange Rules 11.11(c)(2)(A) and 11.24(h) that Market Peg or Midpoint Peg Zero Display Orders that would be ''pegged'' to a price outside of the Price Bands to instead be ''pegged'' to the upper or lower Price Band, respectively (i.e., a buy order to the upper Price Band and a sell order to the lower Price Band). In accordance with proposed Exchange Rule 11.24(d), a User may indicate to the Exchange, on an order-by-order basis, to not peg the order to the upper or lower Price Band, respectively. In such case, the System will reject the order if it would result in a price outside of the Price Band.

The following examples describe how Market Peg, Primary Peg and Midpoint Peg Zero Display Orders would be repriced under the proposed Exchange Rule 11.11(c)(2)(A) and 11.24(g). The Exchange's Protected BBO is 26.00 × 27.00 and Price Bands are 26.51 × 27.50.

• A Market Peg buy order would be pegged to the opposite side of the Exchange Protected BBO unless pegging to the upper Price Band provides the User a better price. In this example, the Exchange would price the order at 27.00.

• A Market Peg sell order would be pegged to the opposite side of the Exchange's Protected BBO unless pegging to the lower Price Band provides the User a better price. In this example, the Exchange would price the order at 26.51.

• A Primary Peg buy order would be pegged to the same side of the Exchange's Protected BBO unless pegging to the upper Price Band provides the User a better price. In this example, the Exchange would price the order at 26.00.

• A Primary Peg sell order would be pegged to the same side of the Exchange's Protected BBO unless pegging to the lower Price Band provides the User a better price. In this example, the Exchange would price the order at 27.00.

• A Midpoint Peg would be pegged to the midpoint of the Exchange's Protected BBO unless pegging to the lower Price Band (for a sell order) or pegging to the upper Price Band (for a buy order) provides the User with a better price. In this example, midpoint buy orders would be priced at 26.50; midpoint sell orders would be priced at 26.51.

The Exchange believes these provisions are reasonably designed to prevent executions outside the Price Bands as required by the Limit Up-Limit Down and Trading Pause requirements specified in the Plan. The Exchange believes that allowing a trading interest that would otherwise execute outside the Prices Bands to re-price and keep its original time stamp helps to ensure that a trading interest retains its priority while preventing executions in violation with the Limit Up-Limit Down and Trading Pause requirements. The Exchange notes that retention of an original timestamp, when an interest is re-priced, occurs only under the operation of this Rule in order to prevent executions outside of the Price Bands and to comply with the new Plan. The Exchange believes that adding certainty to the treatment and priority of a trading interest in these situations will encourage market participants to continue to provide liquidity to the Exchange, and thus promoting a fair and orderly market.

The Exchange proposes Rule 11.24(k) that provides that the Exchange shall route orders to an away market in accordance with Rule 11.15(a)(ii) regardless of whether the away market is displaying a sell (buy) quote that is above (below) the Upper (Lower) Price Band. The Exchange believes that this provision is reasonable since the Price Bands may move while the order is en route thereby permitting the away market center to execute the order in compliance with the Limit Up-Limit Down and Trading Pause requirements specified in the Plan.

Trading Pauses in Individual Securities Due to Extraordinary Market Volatility

Consistent with the Plan's requirements for the Exchange to establish, maintain, and enforce policies and procedures that are reasonably designed to comply with the Trading Pause requirements specified in the Plan, the Exchange also proposes to amend the Rules regarding Trading Pauses to correspond with the Plan. The Exchange proposes to provide that during Phase 1 of the Plan, a Trading Pause in Tier 1 NMS Stocks subject to the requirements of the Plan, shall be subject to the Plan requirements and Exchange Rule 11.20(b); a Trading Pause in Tier 1 NMS Stocks not yet subject to the requirements of the Plan shall be subject to the requirements in paragraphs (a)–(f) of this Rule; and a Trading Pause in Tier 2 NMS Stocks shall be subject to the requirements set forth in Exchange Rule 11.20(a)(1)(B)–(f). The proposed change will allow the Trading Pause requirements in Exchange Rule 11.24(a)(1) to continue to apply to Tier 1 NMS Stocks during the beginning of Phase I until they are subject to the Plan requirements. Once the Plan has been fully implemented and all NMS Stocks are subject to the Plan, a Trading Pause under the Plan shall be subject to Exchange Rule 11.20(b). In addition, the Exchange proposes to replace references to ''Circuit Breaker Security'' with

[23] Under Exchange Rule 11.11(a)(1), a market order that is designated as ''NSX Only'' will be cancelled if when reaching the Exchange, it cannot be executed in accordance with Rule 11.15(a)(i) on the System. Market orders that are not designated as ''NSX Only'' and that cannot be executed in accordance with Rule 11.15(a)(i) on the System when reaching the Exchange will be eligible for routing away pursuant to Rule 11.15.

[24] Under Exchange Rule 11.11(c)(2), a ''Reserve Order'' is a ''limit order with a portion of the quantity displayed (''display quantity'') and with a reserve portion of the quantity (''reserve quantity'') that is not displayed.''

[25] Exchange Rule 1.5. ''Protected BBO'' is defined as ''the better of the following: (a) [t]he Protected NBBO or (b) [t]he displayed Top of Book.''

''security'' to coincide with the terms of the Plan. These proposed changes are designed to comply with Section VIII of the Plan to ensure implementation of the Plan's requirements.[26]

In addition, the Exchange proposes Rule 11.20(g) that provides that the Exchange may declare a Trading Pause for an NMS Stock listed on the Exchange when (i) the National Best Bid (Offer) is below (above) the Lower (Upper) Price Band and the NMS Stock is not in a Limit State; and (ii) trading in that NMS Stock deviates from normal trading characteristics. An Officer of the Exchange, or other senior level employee, may declare such Trading Pause during a Straddle State if such Trading Pause would support the Plan's goal to address extraordinary market volatility.[27] The Exchange believes that this provision is reasonably designed to comply with the requirements of Section VII(a)(2) of the Plan.[28]

Exchange Rule 11.15, Order Execution

Under Exchange Rule 11.15, any execution to occur during Regular Trading Hours must be priced equal to or better than the Protected NBBO,[29] unless the order is marked and an Intermarket Sweep Order [30] or unless the execution falls within another exception set forth in Rule 611(b) of Regulation NMS of the Act. The Exchange proposes to amend Exchange Rule 11.15 to also require that the order must be executable in accordance with Exchange Rule 11.24, Limit Up-Limit Down. This change is designed to add consistency to Exchange Rules and to explicitly require that orders be executed in accordance with Exchange Rule 11.24, which set forth the Plan's requirements.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b) of the Exchange Act.[31] In addition, the rule furthers the objective of Section 6(b)(5) of the Exchange Act [32] by promoting just and equitable principles of trade, removing impediments to, and perfecting the mechanisms of, a free and open national market system while protecting investors and the public interest. The proposal furthers this cause by ensuring that the Exchange systems will not display or execute a trading interest outside the Price Bands as required by the limit up-limit down and trading pause requirements specified in the Plan.

The proposal will also ensure that a trading interest on the Exchange is either re-priced to maintain priority, or canceled in a manner that promotes just and equitable principles of trade and removes impediments to, and perfects the mechanism of, a free and open market and a national market system. Specifically, the proposal will help allow market participants to continue to trade NMS Stocks within Price Bands in compliance with the Plan and with certainty on how varying orders and trading interests will be treated. Ultimately, by reducing uncertainty regarding the treatment and priority of a trading interest with the Price Bands, market participants will be encouraged to continue to provide liquidity during times of extraordinary market volatility that occur during Regular Trading Hours.

The proposal also promotes just and equitable principles of trade and removes impediments to, and perfects the mechanism of, a free and open market and a national market system by ensuring that orders in NMS Stocks are not routed to other exchanges in situations where an execution may occur outside Price Bands, and thereby is reasonably designed to prevent an execution outside the Price Bands in a manner that promotes compliance with the limit up-limit down and trading pause requirements specified in the Plan.

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. All national securities exchanges are required to establish, maintain, and enforce policies and procedures reasonably designed to comply with the requirements of the Plan. Every member of those exchanges, including ETP Holder of the Exchange, are subject to those procedures and prevented from executing an order in an NMS Stock outside of the Price Bands prescribed by the Plan. The Plan also sets forth uniform requirements under which each exchange is to halt trading in the event a NMS Stock does not exit a Limit State in a timely manner. Therefore, the Exchange believes the proposed rule change does not 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

Written comments on the proposed rule change were neither solicited nor received.

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 Act [33] and Rule 19b–4(f)(6) thereunder.[34] 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, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, 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.

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–NSX–2013–09 on the subject line.

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[26] *See* Section VIII of the Plan.

[27] The Exchange will develop written policies and procedures to determine when to declare a Trading Pause in such circumstance.

[28] *See* Section VII(a)(2) of the Plan.

[29] Under Exchange Rule 1.5(P), ''Protected NBBO'' is defined as ''the national best bid or offer that is a protected quotation.''

[30] Rule 600(b)(30) of Regulations NMS. 17 CFR 242.600(b)(30).

[31] 15 U.S.C. 78f(b).

[32] 15 U.S.C. 78f(b)(5).

[33] 15 U.S.C. 78s(b)(3)(A)(iii).

[34] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) 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.

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–NSX–2013–09. 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 publicly available. All submissions should refer to File Number SR–NSX–2013–09 and should be submitted on or before April 4, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[35]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2013–05892 Filed 3–13–13; 8:45 am]

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[35] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–69080; File No. SR–NYSEArca–2013–21]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Rules Governing Order Format and System Entry Requirements

March 8, 2013.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act'')[2] and Rule 19b–4 thereunder,[3] notice is hereby given that, on March 5, 2013, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') 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 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend rules governing Order Format and System Entry Requirements. 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 Exchange Rule 6.67(c) by revising the requirements for entering an order into the Electronic Order Capture System (''EOC''). In addition, the Exchange proposes to delete all references pertaining to the Electronic Tablet, a decommissioned Exchange order entry mechanism.

Order Format and System Entry Requirements

EOC is the Exchange's floor-based electronic audit trail and order tracking system that provides an accurate time-sequenced record of all orders and transactions entered and executed on the floor of the Exchange. EOC records the receipt of an order and documents the life of the order through the process of execution, partial execution, or cancellation. This system includes the electronic communications interface between booth terminals and the Floor Broker work stations and hand held applications. The EOC was developed by the Exchange to fulfill one of the undertakings contained in the Commission's Order Instituting Public Administrative Proceedings Pursuant to Sections 19(h)(1) of the Securities Exchange Act of 1934, Making Findings and Imposing Remedial Sanctions (''Order'').[4] Specifically, the EOC is intended to respond to Section IV.B.e.(v) of the Order, which requires, among other things, that the Exchange incorporate into its audit trail all non-electronic orders such that the audit trail provides an accurate, time-sequenced record of electronic and other orders, quotations and transactions, beginning with the receipt of the order and documenting the life of the order through the process of execution, partial execution, or cancellation.

In order to comply with the terms of Rule 6.67(c)(1), and thus be in compliance with the Order, Floor Brokers and employees of floor brokerage firms (collectively ''Floor Brokers'') upon receiving an order for execution on the Exchange must immediately, prior to representation in the trading crowd, record the details of the order into EOC. This process, commonly referred to the ''systemization'' of an order, creates an accurate time-sequenced record of orders on the Exchange.

The Exchange has prescribed certain data elements that must be entered into the EOC before an order may be represented in the Trading Crowd. These data elements, as contained in Rule 6.68—Record of Orders, include:

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

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] See Securities Exchange Act Release No. 43268 (September 11, 2000) and Administrative Proceeding File No. 3–10282.