

Register on November 30, 2010.² No comment letters were received. This order approves the proposed rule change.

II. Description of the Proposal

The proposed rule change will enable NSCC to offer a new automated service for the transfer, replacement, or exchange (collectively referred to as a "Replacement") of an existing insurance contract that is eligible for NSCC's IPS. Specifically, NSCC will add new Section 11 to Rule 57 (Insurance and Retirement Processing Services) that will centralize and automate Replacement processing and will decrease the administrative burden on and risk to NSCC Members, Insurance Carrier/Retirement Service Members, Mutual Fund/Insurance Services Members, and Data Services Only Members. Prior to this rule change, the Replacement process was not conducted through a centralized or automated process and requires extensive manual processing of paper forms and other documents. The insurance industry utilized Transfer of Assets forms, 1035 Exchange Forms, or other similar paperwork (collectively referred to as "TOA") to document the request and the authorization for a Replacement.

Under the new service, an Insurance Carrier/Retirement Services Member will be able to initiate a Replacement ("Receiving Carrier") by submitting an instruction to NSCC to process a Replacement ("Request for Replacement"). NSCC will then transmit the Request for Replacement to the designated Insurance Carrier/Retirement Services Member ("Delivering Carrier"). The Delivery Member will have to confirm, reject, or request modification to the Request for Replacement in the format and by such time as established by NSCC. NSCC will delete from the IPS Requests for Replacement that are not confirmed or rejected. The IPS will also incorporate and will automate the settlement of confirmed Replacements into NSCC's existing IPS settlement process.

Also under the new Section 11, the Delivering Carrier will waive the obligation of the Receiving Carrier to submit a signed physical copy of the TOA unless specifically required by state or local law. The transfer of any physical documents related to Replacements that are required under state law would continue to be transferred outside of NSCC. It will be the sole obligation of the Insurance Carrier/Retirement Services Members

involved in the Replacement to confirm that all legal requirements, including any requirement to obtain a signed physical copy of the TOA imposed by applicable State or local law, are satisfied prior to confirming a Request for Replacement. The Replacement service will permit the transfer of documentation as an attachment to the Request for Replacement but this will not be a requirement to utilize the Replacement service. The waiver of the obligation to submit signed physical documents is intended to improve the orderly processing of Replacements.

Finally, NSCC will update the Fee Schedule to incorporate the fees associated with processing a Request for Replacement. The fee associated with a Request for Replacement, including submitting incremental replacement status messages and money settlement, will be \$5.00 per Request for Replacement. The cost will be divided between the carriers associated with the transaction with the Receiving Carrier responsible for \$3.75 per transaction, which is three-fourths of the cost of the Replacement service, and the Delivering Carrier responsible for the remaining \$1.25, which is one-fourth of the cost. The fee associated with obtaining the status of a pending Request for Replacement, including incremental statuses, will be \$1.00 per pending status request. The cost will be divided evenly between the Receiving Carrier and the Distributor, each of which will be responsible for paying a fee of \$0.50. Members will be advised of the specific implementation date through the issuance of an NSCC Important Notice.

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules thereunder applicable to NSCC. In particular, the Commission finds that the proposal is consistent with Section 17A(b)(3)(F) of the Act,³ which requires, among other things, that the rules of a registered clearing agency are designed to promote the prompt and accurate clearance and settlement of securities transactions. NSCC's new Replacement service is designed to process Replacements in a more timely and efficient manner by reducing manual errors, lowering costs, and providing a uniform platform for Replacements processing. In addition, the new service should increase the speed of processing Replacements through the use of automation, which should also decrease NSCC's operational risk posed by

processing paper documentation. Accordingly, NSCC's proposal should promote the prompt and accurate clearance and settlement of securities transactions.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular Section 17A of the Act⁴ and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁵ that the proposed rule change (File No. SR-NSCC-2010-15) be and hereby is approved.⁶

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

Cathy H. Ahn,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64198; File No. SR-BX-2011-020]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NASDAQ OMX BX, Inc. To Amend the Fee Schedule of the Boston Options Exchange Facility

April 6, 2011.

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 31, 2011, NASDAQ OMX BX, Inc. (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 self-regulatory organization. The Exchange filed the proposed rule change pursuant to Section 19(b)(3)(A)(ii) of the Act,³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to

¹ 15 U.S.C. 78q-1.

² 15 U.S.C. 78s(b)(2).

³ In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

⁴ 17 CFR 200.30-3(a)(12).

⁵ 15 U.S.C. 78s(b)(1).

⁶ 17 CFR 240.19b-4.

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

² Securities Exchange Act Release No. 63368 (Nov. 23, 2010), 75 FR 74117.

³ 15 U.S.C. 78q-1(b)(3)(F).

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 the Fee Schedule of the Boston Options Exchange Group, LLC ("BOX"). While changes to the BOX Fee Schedule pursuant to this proposal will be effective upon filing, the changes will become operative on April 1, 2011. The text of the proposed rule change is available from the principal office of the Exchange, at the Commission's Public Reference Room, on the Exchange's Internet Web site at <http://nasdaqomxbx.cchwallstreet.com/NASDAQOMXBX/Filings/>, and on the Commission's Web site at <http://www.sec.gov>.

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 Statutory Basis for, the Proposed Rule Change

1. Purpose

Fees and Credits in Section 7

Currently, Section 7 of the BOX Fee Schedule specifies a \$0.25 credit and fee for transactions in the BOX Price Improvement Period ("PIP"). These credits and fees apply equally to all account types, whether Public Customer, Broker Dealer or Market Maker, and across options classes, both those within the Penny Pilot program and non-Penny classes, and are in addition to any applicable trading fees, as described in Sections 1 through 3 of the BOX Fee Schedule. The Exchange proposes to increase the existing credits and fees within Section 7 for transactions in the PIP, from \$0.25 to \$0.30. This increase in credits and fees for PIP transactions is designed to provide all BOX market participants an additional incentive to submit their orders to the PIP and the opportunity to

benefit from its potential price improvement.

BOX believes that the change to PIP transaction fees and credits are competitive, fair and reasonable, and non-discriminatory in that they apply to all account types and options classes.

2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act,⁵ in general, and Section 6(b)(4) of the Act,⁶ in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities. The Exchange believes the proposal is an equitable allocation of reasonable fees and other charges among BOX Options Participants. The Exchange also believes that there is an equitable allocation of reasonable credits among BOX Options Participants.

The Exchange believes that it is equitable to provide a credit to any Participant that removes liquidity through the PIP on behalf of its customer. The Exchange believes this credit will attract additional order flow to BOX, and to the PIP in particular, to the benefit of all market participants. The Exchange believes that it is an equitable allocation of the fees and credits for PIP transactions because such fees and credits apply uniformly to all categories of participants in PIP transactions, across all account types and options classes. All market participants that trade within the PIP, and all PIP transactions would be subject to the fees and credits in Section 7 of the BOX Fee Schedule.

Further, the Exchange believes the proposed fees and credits related to PIP transactions to be reasonable. BOX operates within a highly competitive market in which market participants can readily direct order flow to any of eight other competing venues if they deem fee levels at a particular venue to be excessive. The changes to BOX credits and fees proposed by this filing are intended to attract order flow to BOX by offering incentives to all market participants to submit their orders to the PIP for potential price improvement. BOX notes that this proposed rule change will increase both the fees and credit for PIP transactions. The result is that BOX will collect a \$.30 fee from Participants that add liquidity in the PIP and credit another Participant \$.30 for removing liquidity. Stated otherwise, the fees collected will not necessarily

result in additional revenue to BOX, but will simply allow BOX to provide the credit incentive to Participants to attract additional order flow to the PIP. BOX believes it is appropriate to provide incentives to market participants to use PIP, resulting in potential benefit to customers through potential price improvement, and to all market participants from greater liquidity.

In particular, the proposed change will allow the fees charged on BOX to remain competitive with other exchanges as well as apply such fees in a manner which is equitable among all BOX Participants. The Exchange believes that the PIP transaction fees and credits it assesses are fair and reasonable and must be competitive with fees and credits in place on other exchanges. Further, the Exchange believes that this competitive marketplace impacts the fees and credits present on BOX today and influences the proposal set forth above.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁷ and Rule 19b-4(f)(2) thereunder,⁸ because it establishes or changes a due, fee, or other charge applicable only to a member.

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.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

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 e-mail to rule-comments@sec.gov. Please include File Number SR-BX-2011-020 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-2011-020. This file number should be included on the subject line if e-mail 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, NW., 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 available publicly. All submissions should refer to File Number SR-BX-2011-020 and should be submitted on or before May 3, 2011.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Cathy H. Ahn,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64195; File No. SR-NYSEAmex-2011-21]

Self-Regulatory Organizations; NYSE Amex LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending the Exchange Price List

April 5, 2011.

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 29, 2011, NYSE Amex LLC ("NYSE Amex" or the "Exchange") 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 Substance of the Proposed Rule Change

The Exchange proposes to amend its 2011 Price List ("Price List") for equities to amend the fees charged for taking liquidity in Nasdaq securities priced at \$1.00 or more and traded pursuant to unlisted trading privileges ("UTP"). The Exchange proposes to create a new tier with a reduced "take" fee of \$0.0019 per share (compared with \$0.0027 currently) for market participants and Designated Market Makers ("DMMs") that meet certain average daily executed volume requirements in either shares or a combination of shares and contracts traded on the NYSE Amex options market. Market participants and DMMs who meet these executed volume requirements will also qualify for a reduced routing fee of \$0.0019 per share (compared with \$0.0029 currently) for executions on other markets as a result of routing. The Exchange also proposes to eliminate all fees shown in the Price List for Supplemental Liquidity

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

Providers ("SLPs"), regardless of price, for taking liquidity and for routing because those categories are not applicable to SLPs. The amended pricing will become operative on April 1, 2011. The text of the proposed rule change is available at the Exchange, on the Exchange's Web site at <http://www.nyse.com>, on the Commission's Web site at <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 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its Price List for equities to modify the fees charged to market participants and DMMs for taking liquidity in Nasdaq securities traded pursuant to UTP whose share price is \$1.00 or more. The corresponding fees for such securities whose share price is below \$1.00 will remain unchanged from the current formulation regardless of whether the volume requirements described below are met.

Currently, market participants and DMMs are charged a fee of \$0.0027 per share for orders in Nasdaq securities traded pursuant to unlisted trading privileges and priced at \$1.00 or more that take liquidity. Under the proposal, the fee will be reduced to \$0.0019 per share for orders that take liquidity if either of the following volume requirements is met:

- Execution of an average daily volume ("ADV") in the current month of greater than three million shares when taking liquidity and routing to other markets for execution (combined); or
- Execution of an ADV in the current month of greater than 1 million shares when taking liquidity and routing to other markets for execution (combined) and execution of an ADV of 130,000 total contracts or more on the NYSE Amex options market.