

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-67071; File No. SR-Phlx-2012-67)

May 29, 2012

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the MSCI EAFE Index

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 May 16, 2012, NASDAQ OMX PHLX LLC (“Phlx” 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 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 proposes to amend the trading hours for options on the MSCI EAFE Index.³

The text of the proposed rule change is available on the Exchange’s Website at <http://www.nasdaqtrader.com/micro.aspx?id=PHLXRulefilings>, 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Exchange has entered into a license agreement with MSCI Inc. (“MSCI”) to list this product.

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 Exchange Rule 1101A entitled "Terms of Option Contracts" to change the trading hours for options on the MSCI EAFE Index on the last trading day prior to expiration. Specifically, the Exchange proposes to amend Commentary .01 of Exchange Rule 1101A to note that "Transactions in options on the Full Value MSCI EAFE Index may be effected on the Exchange until 4:15 P.M. each business day, except that on the last trading day prior to expiration transactions may be effected on the Exchange until 11:00 A.M." For example, for the month of May 2012, options on the MSCI EAFE Index would trade until 4:15 each day except for May 18, 2012. Because May 19, 2012 is an expiration day, the Exchange would trade options on the MSCI EAFE Index until 11:00 A.M. on May 18, 2012, the last trading day prior to expiration.⁴

Futures on the MSCI EAFE Index currently trade at NYSE Liffe and these futures cease trading at 11:00 A.M. on the third Friday of the month.⁵ The Exchange proposes to similarly cease trading options on the MSCI EAFE Index at 11:00 A.M. on the trading day preceding

⁴ The expiration date for options on the MSCI EAFE index is the Saturday following the third Friday of the expiration month. These options expire each month of the calendar year.

⁵ NYSE Liffe futures based on the MSCI EAFE Mini Index utilizes P.M. closing prices for settlement. Futures for the MSCI EAFE Index were listed for trading on September 8, 2009. See <http://www.nyse.com/pdfs/19-2009.pdf>. On June 20, 2011, NYSE Liffe became the sole Designated Contract Market to list futures on the MSCI EAFE Index. See <http://www.nyse.com/pdfs/15-2011.pdf>. Futures on the MSCI EAFE Index expire on a quarterly cycle.

expiration.⁶ At the time that the Exchange filed to list options on the MSCI EAFE Index,⁷ it inadvertently did not amend the trading hours to reflect similar hours as that of the futures products. The Exchange believes that closing the trading of options on the MSCI EAFE Index early on the last trading day prior to expiration would align the trading of options with that of futures on the MSCI EAFE Index, which today closes at 11:00 A.M. on the trading day preceding expiration in each cycle month.⁸

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁹ in general, and furthers the objectives of Section 6(b)(5) of the Act¹⁰ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by amending the trading hours to coincide with the trading hours of futures on the MSCI EAFE Index.

The Exchange believes closing the trading of options on the MSCI EAFE Index early on the last trading day prior to expiration, similar to MSCI EAFE futures products would align both

⁶ The settlement value for expiring options on the MSCI EAFE Index would be based on the closing prices of the component stocks on the last trading day prior to expiration, usually a Friday. Specifically, the MSCI EAFE Index components open with the start of trading in Asia at 6:00 P.M. E.T. (prior day) and closes with the end of trading in Europe at 12:30 P.M. E.T. (the next day) as closing prices from Ireland are accounted for in the closing calculation. The closing index level value is distributed by MSCI between 2:00 and 2:30 P.M. E.T. each trading day.

⁷ See Securities Exchange Act Release No. 66861 (April 26, 2012), 77 FR 26056 (May 2, 2012) (SR-Phlx-2012-28).

⁸ The Exchange would issue an Options Trader Alert when this filing becomes effective to notify its members when the close of trading hours will change to 11:00 A.M.

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

options and futures on the MSCI EAFE Index. The Exchange also believes that aligning the trading hours for products which trade on the MSCI EAFE Index would provide investors and market makers a greater ability to hedge.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change: (1) does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) by its terms does not become operative for 30 days after the date of this filing, 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 Act¹¹ and Rule 19b-4(f)(6) thereunder.¹²

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.

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to provide the Commission with written notice of its 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 fulfilled this requirement.

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-Phlx-2012-67 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-Phlx-2012-67. 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 website (<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 website 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 the 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-Phlx-2012-67 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Kevin M. O'Neill
Deputy Secretary

¹³ 17 CFR 200.30-3(a)(12).