

SECURITIES AND EXCHANGE COMMISSION
(Release No. 68175; File No. SR-NSX-2012-17)

November 7, 2012

Self-Regulatory Organizations; National Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend its Fee and Rebate Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Exchange Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on October 31, 2012, National Stock Exchange, Inc. (“NSX[®]” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “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 comment 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 Fee and Rebate Schedule (the “Fee Schedule”) issued pursuant to Exchange Rule 16.1(a) to implement a monthly FIX Port fee for ETP Holders. The text of the proposed rule change is available on the Exchange’s website at www.nsx.com, at the Exchange’s principal office, 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,

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 is proposing to amend its Fee Schedule to add a monthly FIX Port fee for ETP Holders of \$100 per FIX Port. ETP Holders who participate in the NSX's Order Delivery mode of interaction are required to maintain at least two (2) FIX Ports (one to receive inbound trade notifications and another to send the Exchange order instructions.) To date, the NSX has not charged ETP Holders for FIX Port connections to the Exchange. NSX recently made sizable investments to upgrade computer equipment during a server relocation, including certain hardware technology and FIX Port enhancements. This fee will help recover some cost associated with the upgrade and help maintain the equipment in the future.

The Exchange notes that the amount the port fee is identical to that charged by the Chicago Stock Exchange, Inc. ("CBSX").³ Moreover, following these changes, NSX connectivity costs will still be lower than those assessed for connectivity at other exchanges. For example, ("BATS") assesses a FIX fee of \$400 per month,⁴ and the NASDAQ Stock Market LLC assesses a fee of \$500 per FIX port per month.⁵

³ See CBSX's Fee Schedule at <http://www.cboe.com/publish/cbsxfeeschedule/cbsxfeeschedule.pdf> (dated September 7, 2012).

⁴ See BAT's Fee Schedule at http://cdn.batstrading.com/resources/regulation/rule_book/BATS-Exchanges_Fee_Schedules.pdf (dated October 1, 2012).

⁵ See Nasdaq's Fee Schedule at <http://www.nasdaqtrader.com/trader.aspx?id=pricelisttrading2>.

Operative Date and Notice

The Exchange currently intends to implement the proposed FIX Port Fee, which is effective on filing of this proposed rule, operative as of commencement of trading on November 1, 2012. Pursuant to NSX Rule 16.1(c), the Exchange will “provide ETP Holders with notice of all relevant dues, fees, assessments and charges of the Exchange” through the issuance of a Regulatory Circular of the changes to the Fee Schedule and will post a copy of the rule filing on the Exchange’s website (www.nsx.com). ETP Holders must notify the Exchange by November 15, 2012 to reduce unused or unwanted FIX Ports so as not be charged for them for the month of November 2012.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b) of the Securities Exchange Act of 1934⁶ (the “Act”), in general, and Section 6(b)(4) of the Act,⁷ in particular in that it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using the facilities of the Exchange. The proposed fee assessed FIX Ports is reasonable because the amounts of such fees are significantly lower than those assessed on other exchanges,⁸ and because such increases will assist in recovering expenditures recently made to upgrade the NSX connectivity equipment. This proposed change is equitable and not unfairly discriminatory because the fees will be assessed to all ETP Holders. Requiring ETP Holders who participate in the NSX’s Order Delivery mode of interaction to maintain at least two (2) FIX Ports is not unfairly discriminatory

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4).

⁸ See supra notes 3,4, and 5.

because per port fee is significantly lower than those of other exchanges and more than one port is required for ETP Holders to efficiently send and receive trade notifications regarding their posted Order Delivery orders.

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.

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 written comments on the proposed rule change.

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

The proposed rule change has taken effect upon filing pursuant to Section 19(b)(3)(A)(ii) of the Exchange Act⁹ and subparagraph (f)(2) of Rule 19b-4¹⁰ thereunder, because, as provided in (f)(2), it changes “a due, fee or other charge applicable only to a member” (known on the Exchange as an ETP Holder). 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

⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁰ 17 CFR 240.19b-4.

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-NSX-2012-17 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, D.C. 20549-1090.

All submissions should refer to File No. SR-NSX-2012-17. This file number should be included in the subject line if e-mail is used. To help the Commission process and review 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 a.m. and 3 p.m. eastern time. Copies of such filings will also 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-NSX-2012-17 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 the delegated authority.¹¹

Kevin M. O'Neill
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).