SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-71451; File No. SR-NYSEMKT-2014-11)

January 31, 2014

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending its Price List to Introduce Fees and Credits for A New Order Type Called a Midpoint Passive Liquidity Order

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 January 22, 2014, NYSE MKT LLC (the "Exchange" or "NYSE MKT") 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 Price List to introduce fees for a new order type called a Midpoint Passive Liquidity ("MPL") Order. The proposed fees would be operative on January 27, 2014. The text of the proposed rule change is available on the Exchange's website 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

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

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

[3] 17 CFR 240.19b-4.

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 its Price List to introduce fees for a new order type called a MPL Order. The proposed fees would be operative on January 27, 2014.

The Exchange recently introduced the MPL Order type,[4] which is an undisplayed limit order that automatically executes at the mid-point of the protected best bid or offer ("PBBO"). An MPL Order is not eligible for manual executions, including openings, re-openings, or closing transactions. An MPL Order also is not eligible to trade if it would trade at a price below $1.00 or if the execution price would be out to five decimal places above $1.00. All market participants – customers, Floor brokers, Designated Market Makers ("DMMs"), and Supplemental Liquidity Providers ("SLPs") – may use the MPL order type.

The Exchange proposes to charge $0.0028 for listed securities and $0.0030 for NASDAQ securities traded pursuant to Unlisted Trading Privileges ("UTP") for all MPL Orders that remove liquidity from the Exchange if the security is priced $1.00 or more. The Exchange also proposes to offer a credit of $0.0016 for listed securities and $0.0025 for NASDAQ securities traded pursuant to UTP for all MPL Orders that provide liquidity to the Exchange if the security is priced $1.00 or more.[5] The fees and credits will apply to all market participants. MPL Orders

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4 See Rule 13 - Equities and Securities Exchange Act Release No. 71329 (January 16, 2014) (SR-NYSEMKT-2013-84).

5 The Exchange's current rates for transactions in securities with a per share price less of than $1.00 would continue to apply.

that add liquidity will contribute to any adding liquidity requirements. However, the Exchange notes that MPL Orders will not be eligible for any additional credits or reduced fees even if the MPL Orders contribute to a member organization qualifying for an additional credit. For example, if a DMM qualified for the $0.0042 equity per share credit when adding liquidity to the Exchange because its consolidated average daily volume in all Exchange-listed stocks during the current month was equal to or greater than 135 million shares per day, the DMM will receive the proposed $0.0016 per share credit for MPL Orders, not $0.0042 per share credit for such order. Where the MPL Order fee or credit does not differ from the current fee or credit, the Exchange has not proposed a change to the Price List.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[6] in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,[7] in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that the proposed fees of $0.0028 for listed securities and $0.0030 for NASDAQ securities traded pursuant to UTP for all MPL Orders that remove liquidity from the Exchange and the proposed credits of $0.0016 for listed securities and $0.0025 for NASDAQ securities traded pursuant to UTP for all MPL Orders that provide liquidity to the Exchange if the security is priced $1.00 or more are reasonable because the fees and credits would be the same as the fees and credits that would otherwise apply for all other transactions (i.e., $0.0028 or

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78f(b)(4) and (5).

$0.0030 fee for taking liquidity from the Exchange and $0.0016 or $0.0025 credit when adding liquidity to the Exchange). The Exchange notes that the proposed credits and fees are within the same range as at least one other exchange for MPL Orders.[8] The Exchange also believes that the proposed fees and credits are equitable and not unfairly discriminatory because they may provide opportunities for market participants to interact with orders priced at the midpoint of the PBBO, thus providing price improving liquidity to market participants and thereby increase the quality of order execution on the Exchange's market, which benefits all market participants. The Exchange also believes that providing the same fees and credits for MPL Orders that would otherwise apply is equitable and not unfairly discriminatory. Moreover, all market participants will be eligible for the proposed fees and credits. The Exchange believes that it is reasonable, equitable, and not unfairly discriminatory to limit higher credits for MPL Orders for which market participants may otherwise qualify because it will ensure that all market participants pay the same fees and receive the same credits regardless of Floor broker, DMM, or SLP designation. The Exchange believes that it is reasonable to allow MPL Orders to count toward adding liquidity because it is consistent with the purpose of those credits. The Exchange also believes it is equitable and not unfairly discriminatory because all market participants that use the MPL Order type will pay the same fee and receive the same credit.

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

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8 For Tape A Securities under its Tier 1, Tier 2, and Basic Rate Tier, the Exchange's affiliate, NYSE Arca Equities, Inc., currently charges $0.0030 per share for all MPL Orders that remove liquidity and provides a credit of $0.0015 per share for all MPL Orders that provide liquidity. See NYSE Arca Equities, Inc. Schedule of Fees and Charges, available at https://usequities.nyx.com/sites/usequities.nyx.com/files/nyse_arca_marketplace_fees__for_1-2-14.pdf.

In accordance with Section 6(b)(8) of the Act,[9] 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. The Exchange believes the proposed MPL Order fees and credits will enhance order execution opportunities for member organizations. Further, the Exchange believes that providing the same fees and credits for MPL Orders that would otherwise apply will enhance competition between the Exchange and other exchanges that currently offer similar order types by offering investors another option to access liquidity at the midpoint of the PBBO.

Finally, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee or credit levels at a particular venue to be unattractive. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For these reasons, the Exchange believes that the proposed rule change reflects this competitive environment and is therefore consistent with 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 solicited or received with respect to the proposed rule change.

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)[10] of the Act and subparagraph (f)(2) of Rule 19b-4[11] thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

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9 15 U.S.C. 78f(b)(8).

10 15 U.S.C. 78s(b)(3)(A).

11 17 CFR 240.19b-4(f)(2).

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. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)[12] of the Act 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 proposal 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-NYSEMKT-2014-11 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-NYSEMKT-2014-11. 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

12 15 U.S.C. 78s(b)(2)(B).

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-NYSEMKT-2014-11 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

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[13] 17 CFR 200.30-3(a)(12).