

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-69363; File No. SR-NASDAQ-2012-117)

April 11, 2013

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Designation of Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change with Respect to INAV Pegged Orders for ETFs

On October 2, 2012, The NASDAQ Stock Market LLC (“NASDAQ” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to amend NASDAQ Rule 4751(f)(4) to include a new Intraday Net Asset Value (“INAV”) Pegged Order for Exchange-Traded Funds (“ETFs”) where the component stocks underlying the ETFs are U.S. Component Stocks as defined by Rule 5705(a)(1)(C) and 5705(b)(1)(D). The proposed rule change was published for comment in the Federal Register on October 18, 2012.<sup>3</sup> The Commission received one comment letter on the proposal.<sup>4</sup> On November 21, 2012, pursuant to Section 19(b)(2) of the Act,<sup>5</sup> the Commission extended the time period for Commission action on the proposed rule change to January 16, 2013.<sup>6</sup> The Commission thereafter received one response letter from the Exchange.<sup>7</sup> On January 16, 2013, the Commission instituted proceedings to determine whether to approve or disapprove the

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 68042 (Oct. 12, 2012), 77 FR 64167.

<sup>4</sup> See Letter from Dorothy Donohue, Deputy General Counsel, Investment Company Institute, dated Nov. 8, 2012.

<sup>5</sup> 15 U.S.C. 78s(b)(2).

<sup>6</sup> See Securities Exchange Act Release No. 68279, 77 FR 70857 (Nov. 27, 2012).

<sup>7</sup> See Letter from Stephen Matthews, Senior Associate General Counsel, NASDAQ OMX, dated Jan. 15, 2013.

proposed rule change.<sup>8</sup> The Commission thereafter received one comment letter and one response letter from the Exchange.<sup>9</sup>

Section 19(b)(2) of the Act<sup>10</sup> provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the Federal Register on October 18, 2012. April 16, 2013 is 180 days from that date, and June 15, 2013 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider this proposed rule change, the issues raised in the comment letters that have been submitted in response to the proposed rule change, including comment letters submitted in response to the Order Instituting Proceedings, and the Exchange's responses to such comments.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>11</sup> designates June 15, 2013 as the date by which the Commission should either approve or disapprove the proposed

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<sup>8</sup> See Securities Exchange Act Release No. 68672, 78 FR 4949 (Jan. 23, 2013).

<sup>9</sup> See Letter from Dorothy Donohue, Deputy General Counsel, Investment Company Institute, dated Feb. 13, 2013. See Letter from Jeffrey S. Davis, Vice President and Deputy General Counsel, NASDAQ OMX, dated Feb. 27, 2013.

<sup>10</sup> 15 U.S.C. 78s(b)(2).

<sup>11</sup> 15 U.S.C. 78s(b)(2).

rule change (File Number SR-NASDAQ-2012-117).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>12</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>12</sup> 17 CFR 200.30-3(a)(57).