

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-70085; File Nos. SR-NYSE-2011-55; SR-NYSEAmex-2011-84)

July 31, 2013

Self-Regulatory Organizations; New York Stock Exchange LLC; NYSE MKT LLC; Order Granting an Extension to Limited Exemptions From Rule 612(c) of Regulation NMS In Connection With the Exchanges' Retail Liquidity Programs

On July 3, 2012, the Commission issued an order pursuant to its authority under Rule 612(c) of Regulation NMS (“Sub-Penny Rule”)¹ that granted the New York Stock Exchange LLC (“NYSE” or “Exchange”) and NYSE MKT LLC² (“NYSE MKT” and, together with NYSE, the “Exchanges”) limited exemptions from the Sub-Penny Rule in connection with the operation of each Exchange’s Retail Liquidity Program (“Programs”).³ The limited exemptions were granted concurrently with the Commission’s approval of the Exchanges’ proposals to adopt their respective Retail Liquidity Programs for one-year pilot terms.⁴ The exemptions were granted coterminous with the effectiveness of the pilot Programs; both the pilot Programs and exemptions are scheduled to expire on July 31, 2013.

The Exchanges now seek to extend the exemptions until July 31, 2014.⁵ The Exchanges’ request was made in conjunction with immediately effective filings that extend the operation of

¹ 17 CFR 242.612(c).

² At the time it filed the original proposal to adopt the Retail Liquidity Program, NYSE MKT went by the name NYSE Amex LLC. On May 14, 2012, the Exchange filed a proposed rule change, immediately effective upon filing, to change its name from NYSE Amex LLC to NYSE MKT LLC. See Securities Exchange Act Release No. 67037 (May 21, 2012), 77 FR 31415 (May 25, 2012) (SR-NYSEAmex-2012-32).

³ See Securities Exchange Act Release No. 67347, 77 FR 40673 (July 10, 2012) (SR-NYSE-2011-55; SR-NYSEAmex-2011-84) (“Order”).

⁴ See id.

⁵ See Letter from Janet McGinness, SVP and Corporate Secretary, NYSE Euronext, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated July 30, 2013.

the Programs for one year, until July 31, 2014.⁶ In their request to extend the exemptions, the Exchanges note that the Programs took some time after they were adopted to develop and implement fully. Accordingly, the Exchanges have asked for additional time to allow themselves and the Commission to analyze more robust data concerning the Programs, which the Exchanges committed to provide to the Commission.⁷ For this reason and the reasons stated in the Order originally granting the limited exemptions, the Commission finds that extending the exemptions, pursuant to its authority under Rule 612(c) of Regulation NMS, is appropriate in the public interest and consistent with the protection of investors.

THEREFORE, IT IS HEREBY ORDERED that, pursuant to Rule 612(c) of Regulation NMS, each Exchange is granted a one-year extension of the limited exemption from Rule 612 of Regulation NMS that allows it to accept and rank orders priced equal to or greater than \$1.00 per share in increments of \$0.001, in connection with the operation of its Retail Liquidity Program.

⁶ See SR-NYSE-2013-48 and SR-NYSEMKT-2013-60.

⁷ See Order, supra note 3, 77 FR at 40681.

The limited and temporary exemptions extended by this Order are subject to modification or revocation if at any time the Commission determines that such action is necessary or appropriate in furtherance of the purposes of the Exchange Act. Responsibility for compliance with any applicable provisions of the federal securities laws must rest with the persons relying on the exemptions that are the subject of this Order.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁸

Kevin M. O'Neill
Deputy Secretary

⁸ 17 CFR 200.30-3(a)(83).