

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-66007; File No. SR-NSX-2011-15)

December 20, 2011

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 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on December 15, 2011, National Stock Exchange, Inc. 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 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

National Stock Exchange, Inc. (“NSX[®]” or “Exchange”) is proposing to continue to make available, without charge, the Exchange’s data feed, the NSX depth-of-book feed (“DOB feed”), to authorized recipients.

The text of the proposed rule change is available on the Exchange’s website at <http://www.nsx.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 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to continue to make available, without charge, the Exchange’s data feed, the NSX depth-of-book feed (“DOB feed”), to authorized recipients.³ This rule change also describes the Exchange’s practices for distributing the NSX DOB feed to authorized recipients.

The Exchange first established its DOB feed in November, 2006. The Exchange does not and has never charged authorized recipients for receipt of its DOB feed.⁴ The NSX DOB feed provides the real-time quotation and execution information, including price, size, and buy or sell, for all displayed orders in the NSX book. The DOB feed does not disclose the source of any order or identify any transaction party. A more specific description of the NSX DOB feed, including the type of data, data elements and format, is contained in two technical specification documents available for review on the NSX website (<http://www.nsx.com/content/connect-to-nsx>). The NSX DOB feed is available on a uniform basis to all ETP Holders authorized to receive the feed, as well as to any other authorized recipients. Authorized recipients must, before receiving the DOB feed, execute required Exchange documentation and be approved for receipt

³ An authorized recipient of the DOB feed must execute required documentation with, and be approved by, the Exchange prior to receiving the service. Currently, the required documentation consists of the NSX Market Data Feed License Agreement, which is available on the Exchange website (<http://www.nsx.com/resources/content/2/4/documents/MarketDataFeed062009.pdf>).

⁴ Although the Exchange does not charge authorized recipients for receipt of the NSX DOB feed, an ETP Holder recipient may incur third party costs associated with such feed, including pursuant to the Exchange’s ability to pass through third party costs to ETP Holders pursuant to section III.B of the Fee Schedule.

of the feed. A recipient's continuing eligibility to receive the feed, and the permitted uses of the data by a recipient, among other things, is governed by the Market Data Feed License Agreement, available on the NSX website, that must be executed by each authorized DOB feed recipient.

Based on NSX system architecture, market data contained in the NSX DOB feed will not be distributed to authorized recipients prior to the equivalent data being transmitted to the securities information processor ("SIP").⁵ In addition, the Exchange monitors, in real time, its data transmissions to the SIP such that, in the event of delay or interruption, the Exchange has policies and procedures in place designed to delay transmission of the equivalent data to NSX DOB feed recipients.

By making clear on the Fee Schedule that the DOB feed is available free of charge, the Exchange believes that market transparency is enhanced and competition is promoted. Should the Exchange determine at a later date to charge fees associated with the DOB feed, or develop and offer to qualified recipients any other market data feed product, the Exchange will submit a proposed rule change to the Commission concerning those subjects.

The absence of an Exchange charge to recipients for receipt of the NSX DOB feed is reflected in Section III.C of the Fee Schedule under the header "Depth of Book Feed" and in corresponding Explanatory Endnote 13.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b) of the Securities and Exchange Act of 1934 (the "Act"),⁶ in general, and Section

⁵ As measured, based on point in time that the data passes through the NSX firewall.

⁶ 15 U.S.C. 78f(b).

6(b)(5) of the Act,⁷ in particular, in that it is designed to promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest. Moreover, the proposed rule change is not discriminatory in that all qualified ETP Holders, and other qualified recipients, are eligible to receive this feed. The Exchange also believes that the proposed change is consistent with Section 6(b)(5) of the Act,⁸ which requires, among other things, that the Exchange's rules are not designed to unfairly discriminate between customers, issuers, brokers or dealers. Specially, the Exchange believes that the proposed changes to the Fee Schedule are equitable in that they apply uniformly to all data recipients.

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 Exchange 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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days after the date of the filing, or such shorter time as the

⁷ 15 U.S.C. 78f(b)(5).

⁸ 15 U.S.C. 78f(b)(5).

Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act⁹ and Rule 19b-4(f)(6)¹⁰ thereunder.

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.

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-NSX-2011-15 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-NSX-2011-15. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file 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 satisfied this requirement.

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-NSX-2011-15 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.¹¹

Kevin M. O'Neill
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).