SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-68239; File No. SR-NYSEARCA-2012-125)

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending NYSE Arca Equities Rule 7.31(x) to Clarify That When There Is an Early Scheduled Close, the 3:45 p.m. ET Time Specified in the Rule Is Adjusted to 15 Minutes Before the Early Scheduled Close

November 15, 2012

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 November 6, 2012, NYSE Arca, Inc. (the “Exchange” or “NYSE Arca”) 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 NYSE Arca Equities Rule 7.31(x) to clarify that when there is an early scheduled close, the 3:45 p.m. ET time specified in the rule is adjusted to 15 minutes before the early scheduled close. 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 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 NYSE Arca Equities Rule 7.31(x) to clarify that when there is an early scheduled close, the 3:45 p.m. ET time specified in the rule is adjusted to 15 minutes before the early scheduled close.

NYSE Arca Equities Rule 7.31(x) defines the Exchange’s Primary Only Order (“PO Order”), which is a market or limit order to be routed to the primary market. The rule currently provides that PO Orders routed to the New York Stock Exchange LLC (“NYSE”) or NYSE MKT LLC (“NYSE MKT”) that are designated as Market on Close (“MOC”) or Limit on Close (“LOC”) may not be electronically cancelled or reduced in size after 3:45 PM ET and that any electronic submissions after 3:45 PM ET will be automatically rejected.

The 3:45 PM ET time specified in NYSE Arca Equities Rule 7.31(x) is based on NYSE Rule 123C and NYSE MKT Rule 123C – Equities requirements governing the entry and cancellation of MOC and LOC Orders after 3:45 PM ET. In the case of an early scheduled close,
NYSE and NYSE MKT use a time based on 15 minutes before the early scheduled close instead of the 3:45 PM time specified in the rule.\(^4\)

The Exchange proposes to clarify NYSE Arca Equities Rule 7.31(x) to similarly provide that in the case of an early scheduled close, the 3:45 PM ET time would instead be 15 minutes before the early scheduled close. In addition, because the rules of NYSE MKT regarding the designation “DNS” are the same as the rules of the NYSE, the Exchange proposes to further clarify the rule to add references to NYSE MKT in addition to the existing references to NYSE when discussing routing PO Orders to the NYSE.

2. **Statutory Basis**

The proposed rule change is consistent with Section 6(b)\(^5\) of the Securities Exchange Act of 1934 (the “Act”), in general, and furthers the objectives of Section 6(b)(5),\(^6\) in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest, and it is not designed to permit unfair discrimination among customers, brokers, or dealers. In particular, the Exchange believes that the proposed rule change to clarify that the 3:45 PM ET time specified in NYSE Arca Equities Rule 7.31(x) is adjusted in the case of an

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\(^4\) The Exchange notes that the NYSE and NYSE MKT have filed rule proposals to amend their respective rules to clarify that when the scheduled close of trading is before 4:00 p.m., the times specified in NYSE Rule 123C and NYSE MKT Rule 123C – Equities shall be adjusted based on the early closing time, and specifically, that references to 3:45 p.m. shall mean 15 minutes before the early scheduled close. See SR-NYSE-2012-62 and SR-NYSEMKT-2012-63.


early scheduled close removes impediments to and perfects the mechanism of a free and open market and national market system because it provides transparency in Exchange rules of how times are adjusted in NYSE Arca Equities Rule 7.31(x) in the case of an early scheduled close.

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**

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act\(^7\) and Rule 19b-4(f)(6) thereunder.\(^8\) Because the 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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)\(^9\) normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),\(^10\) the Commission may designate a shorter time if such action is consistent with

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the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. NYSE Arca believes that because the proposed rule change proposes to clarify NYSE Arca Equities Rule 7.31(x), the public will benefit from immediate implementation of the rule due to the additional transparency to the rule. NYSE Arca also believes that adding clarity to its rules before the next early scheduled close, November 23, 2012, could reduce any potential confusion regarding how NYSE Arca treats the routing of PO Orders designated as MOC or LOC orders on that day. The Commission believes that adding clarity to NYSE Arca’s rules before the next early scheduled close on November 23, 2012 could reduce potential confusion. Therefore, the Commission believes that waiver of the operative delay is consistent with investor protection and the public interest. As a result, the Commission is hereby waiving the 30-day operative delay.\(^\text{11}\)

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 may be submitted by any of the following methods:

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\(^{11}\) For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).
Electronic comments:

- Use the Commission's Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comment@sec.gov. Please include File Number SR-NYSEARCA-2012-125 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-NYSEARCA-2012-125. 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 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 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-NYSEARCA-2012-125, 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. ¹²

Kevin M. O'Neill
Deputy Secretary