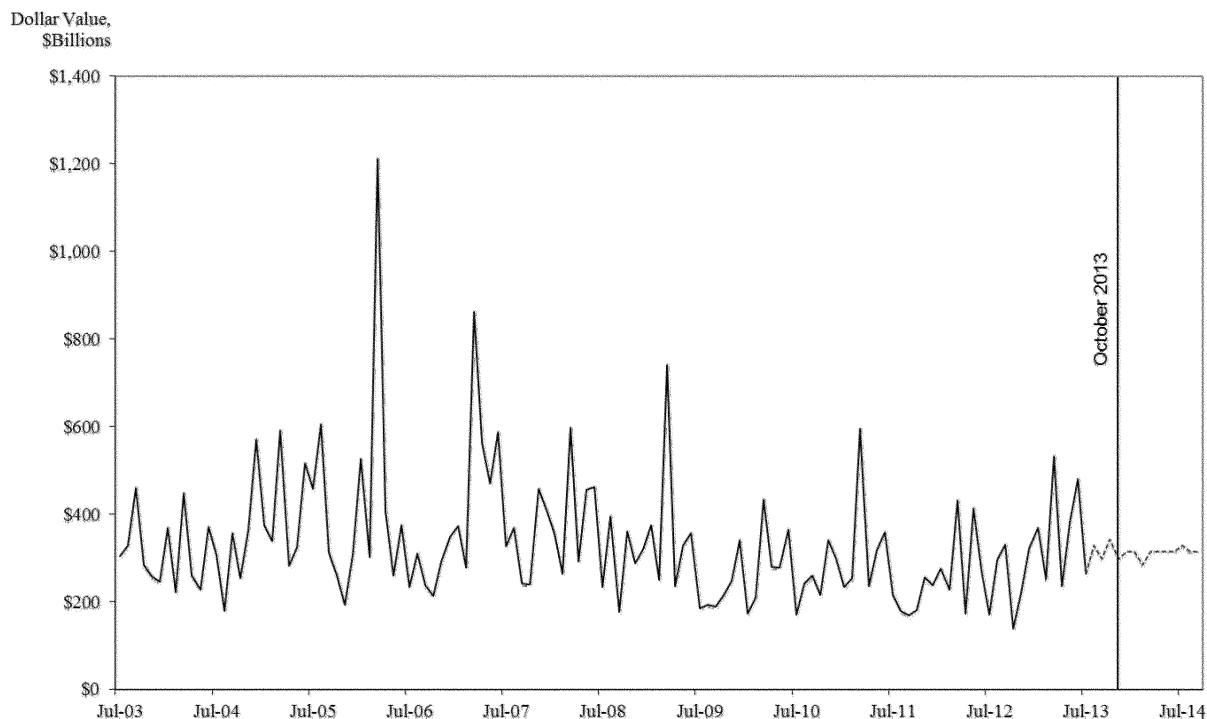


Figure A
Aggregate Maximum Offering Prices Subject to Securities Act Section 6(b)
(Dashed Line Indicates Forecast Values)



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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-70295; File No. SR-BX-2013-016]

Self-Regulatory Organizations; NASDAQ OMX BX Inc.; Notice of Designation of Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove the Proposed Rule Change To Adopt a Directed Order Process

August 30, 2013.

On February 21, 2013, NASDAQ OMX BX, Inc. ("Exchange" or "BX") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² a proposed rule change to establish a directed order process. The proposed rule change was published for comment in the **Federal Register** on March 11, 2013.³ The Commission received a comment letter

from one commenter on the proposal,⁴ a letter responding to the comment,⁵ and a follow up comment letter from the same commenter.⁶ In addition, on April 17, 2013, the Exchange filed Amendment No. 1 to the proposed rule change.⁷ On April 22, 2013, the Exchange extended to June 6, 2013, the time period within which the Commission must approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change. On June 3, 2013, the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule change.⁸ On July 1, 2013, BX submitted a letter in further support of its proposed rule change.⁹ On July 15, 2013, the

Commission received a comment in response to BX's letter,¹⁰ and on August 28, 2013, BX submitted a letter responding to the comment letter.¹¹

Section 19(b)(2) of the Act¹² 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 the notice of the 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 March 11, 2013. September 7, 2013 is 180 days from that date and November 6, 2013 is an additional 60 days from that date.

The Commission finds it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed

⁴ See Letter, dated April 2, 2013, to Elizabeth M. Murphy, Secretary, Commission, from Janet McGuinness, Executive Vice President, Secretary and General Counsel, NYSE Euronext.

⁵ See Letter, dated April 17, 2013, to Elizabeth M. Murphy, Secretary, Commission, from Edith Hallahan, Principal Associate General Counsel, BX.

⁶ See Letter, dated May 10, 2013, to Elizabeth M. Murphy, Secretary, Commission, from Janet McGuinness, Executive Vice President, Secretary and General Counsel, NYSE Euronext.

⁷ For a description of Amendment No. 1, see Securities Exchange Act Release No. 69684, 78 FR 34683 (June 10, 2013) ("Order Instituting Proceedings").

⁸ See Order Instituting Proceedings, *supra* note 7.

⁹ See Letter, dated July 1, 2013 to Elizabeth M. Murphy, Secretary, Commission, from Edith Hallahan, Principal Associate General Counsel, BX.

¹⁰ See Letter, dated July 15, 2013 to Elizabeth M. Murphy, Secretary, Commission, from Janet McGuinness, Executive Vice President, Secretary and General Counsel, NYSE Euronext.

¹¹ See Letter, dated August 28, 2013 to Elizabeth M. Murphy, Secretary, Commission, from Edith Hallahan, Principal Associate General Counsel, BX.

¹² 15. U.S.C. 78s(b)(2).

¹ 15 U.S.C. 78a.

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 69040 (March 5, 2013), 78 FR 15385 (March 11, 2013).

rule change so that it has sufficient time to consider the proposed rule change, the issues raised in the comment letters that have been submitted in connection with the proposed rule change, and the Exchange's response to such issues in its response letter.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹³ designates November 6, 2013, as the date by which the Commission shall either approve or disapprove the Proposal.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2013-21632 Filed 9-5-13; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-70296; File No. SR-Topaz-2013-03]

Self-Regulatory Organizations; Topaz Exchange, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Schedule of Fees

August 30, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 26, 2013, the Topaz Exchange, LLC (the "Exchange" or "Topaz") filed with the Securities and Exchange Commission ("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 the Substance of the Proposed Rule Change

Topaz is proposing to amend its Schedule of Fees to establish a surcharge fee of \$0.22 per contract for non-Priority Customer orders in options on the Nasdaq-100 Stock Index. The text of the proposed rule change is available on the Exchange's Internet Web site at <http://www.ise.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 the 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 Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B and C below, of the most significant aspects 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 Exchange has entered into a license agreement with The NASDAQ OMX Group, Inc. in connection with the listing and trading of options on the Nasdaq-100 Stock Index ("NDX"), and is proposing to adopt a surcharge fee of \$0.22 per contract applicable to non-Priority Customer orders in these options to defray the licensing costs. Absent the license agreement, market participants would be unable to trade NDX options on the Exchange.

This fee reflects the pass-through charges associated with the licensing of this product, and the Exchange believes that charging the participants that trade these instruments is the most equitable means of recovering the costs of the license. The Exchange notes that the proposed surcharge fee does not apply to Priority Customer orders in this product.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,³ in general, and Section 6(b)(4) of the Act,⁴ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities.

The proposed surcharge fee is reasonable because it is a direct result of the licensing fee charged to the Exchange by the index provider that owns the intellectual property associated with the index, and reflects the pass-through charges associated with obtaining the license to trade NDX options, which the Exchange believes is the most equitable means of recovering

the costs of the license. The proposed fee is equitable and not unfairly discriminatory in that it applies uniformly to all similarly situated Exchange participants, and is assessed only on those non-Priority Customer participants who choose to transact in NDX options. The Exchange believes it is equitable and not unfairly discriminatory to assess this surcharge on all participants except Priority Customers because the Exchange seeks to encourage Priority Customer order flow and the liquidity such order flow brings to the marketplace, which in turn benefits all market participants.

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

In accordance with Section 6(b)(8) of the Act,⁵ 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. By providing all participants on the Exchange with the ability to hedge via NDX options, the Exchange is not placing any burden on competition among its various participants. The Exchange further notes that the licensing agreement it has secured is not an exclusive agreement as many other option exchanges currently trade NDX options and charge a fee related to such license.⁶ As such, there is no burden on competition among exchanges for the trading of NDX options.

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 levels at a particular venue to be excessive. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has not solicited, and does not intend to solicit, comments on

⁵ 15 U.S.C. 78f(b)(8).

⁶ For example, NYSE Amex Options ("Amex"), NYSE Arca Options ("Arca"), BOX Options Exchange LLC ("BOX"), and the International Securities Exchange, LLC ("ISE") each also charge a surcharge fee of \$0.22 for trades in NDX options. See Amex Fee Schedule, Royalty Fees; Arca Fees and Charges, Royalty Fees; BOX Fee Schedule, Section I, Exchange Fees, Options Surcharge; and ISE Schedule of Fees, Section VI, Other Options Fees and Rebates, Non-Priority Customer License Surcharge for Index Options.

¹³ 15 U.S.C. 78s(b)(2).

¹⁴ 17 CFR 200.30-3(a)(57).

¹⁵ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78f.

⁴ 15 U.S.C. 78f(b)(4).