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Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No.* SR - 2012 - * 57
Amendment No. (req. for Amendments *)

Proposed Rule Change by NASDAQ OMX PHLX LLC.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
☑	☐	☐	☐	☑	☐

Pilot	Extension of Time Period for Commission Action *	Date Expires *
☐	☐	

Rule

☐ 19b-4(f)(1)	☐ 19b-4(f)(4)
☑ 19b-4(f)(2)	☐ 19b-4(f)(5)
☐ 19b-4(f)(3)	☐ 19b-4(f)(6)

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *).

Complex Order rebates and fees

Contact Information

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name * Angela Last Name * Dunn

Title * Associate General Counsel

E-mail * angela.dunn@nasdaqomx.com

Telephone * (215) 496-5692 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date 04/30/2012

By Richard S. Rudolph
(Name *)

Associate General Counsel
(Title *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Richard Rudolph,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information (required) Add Remove View	The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.
Exhibit 1 - Notice of Proposed Rule Change (required) Add Remove View	The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)
Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications Add Remove View Exhibit Sent As Paper Document ☐	Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.
Exhibit 3 - Form, Report, or Questionnaire Add Remove View Exhibit Sent As Paper Document ☐	Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.
Exhibit 4 - Marked Copies Add Remove View	The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.
Exhibit 5 - Proposed Rule Text Add Remove View	The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.
Partial Amendment Add Remove View	If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) NASDAQ OMX PHLX LLC ("Phlx" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4 thereunder,[2] proposes to amend Section I of the Exchange's Pricing Schedule entitled "Rebates and Fees for Adding and Removing Liquidity in Select Symbols." The Exchange previously filed an immediately effective rule change, SR-Phlx-2012-27,[3] to amend certain fees and rebates in Section I, which filing was temporarily suspended by the Commission as of April 30, 2012 ("Suspension Order").[4] At this time, to continue the effectiveness of certain fees and rebates that were contained in SR-Phlx-2012-27, the Exchange is filing this rule change. The Exchange is also proposing additional amendments.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and a copy of the applicable portion of the Exchange's Pricing Schedule is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange on August 19, 2011. Exchange staff will advise the Board of Directors of any action taken pursuant to

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] See Securities Exchange Act Release No. 66551 (March 9, 2012), 77 FR 15400 (March 15, 2012) (SR-Phlx-2012-27).

[4] By order dated April 30, 2012, the Commission suspended SR-Phlx-2012-27 and SR-Phlx-2012-54. See Securities Exchange Release No. 66884 (April 30, 2012).

delegated authority. No other action by the Exchange is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to Angela Saccomandi Dunn, Associate General Counsel, at (215) 496-5692.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

a. Purpose

The Exchange proposes to continue the effectiveness of certain rebates and fees originally proposed in SR-Phlx-2012-27, which fees and rebates were temporarily suspended by the Commission. Specifically, the Exchange is proposing to continue the effectiveness of: (i) an increased Customer Complex Order[5] Rebate for Adding Liquidity; (ii) the adoption of a Rebate for Removing Liquidity category and Customer Complex Order Rebate for Removing Liquidity; and (iii) increased Firm, Broker-Dealer and Professional[6] Complex Order Fees for Removing Liquidity. Also, the Exchange proposes to increase the Directed Participant and Market Maker Complex Order Fees for Removing Liquidity in this proposal. Specifically, the Exchange is proposing to amend the Complex Order fees and rebates in Section I of the Exchange's Pricing Schedule,

[5] A Complex Order is any order involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, priced at a net debit or credit based on the relative prices of the individual components, for the same account, for the purpose of executing a particular investment strategy. Furthermore, a Complex Order can also be a stock-option order, which is an order to buy or sell a stated number of units of an underlying stock or exchange-traded fund ("ETF") coupled with the purchase or sale of options contract(s). See Exchange Rule 1080, Commentary .08(a)(i).

[6] The term "professional" means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). See Rule 1000(b)(14).

entitled "Rebates and Fees for Adding and Removing Liquidity in Select Symbols."[7] The proposed amendments will enable the Exchange to continue to reward market participants that add liquidity to the Exchange and allow the Exchange to compete more effectively respecting Complex Orders. The increased Complex Order fees will continue to offset the costs of offering Complex Order rebates to Customers to bring liquidity to the market.

Specifically, SR-Phlx-2012-27 proposed to: (1) increase the Customer Complex Order Rebate for Adding Liquidity from $0.30 to $0.32 per contract, (2) create a new Complex Order Rebate for Removing Liquidity and specifically pay a Customer a $0.06 Complex Order Rebate for Removing Liquidity, and (3) increase the Complex Order Fees for Removing Liquidity for Firms, Broker-Dealers and Professionals from $0.35 per contract to $0.38 per contract. The Exchange is proposing to continue to pay the rebates and assess the fees, as noted above, which were initially proposed in SR-Phlx-2012-27.

The Exchange is also proposing to increase the Complex Order Directed Participant[8] Fee for Removing Liquidity from $0.30 per contract[9] to $0.34 per contract

[7] The Select Symbols are listed in Section I of the Pricing Schedule.

[8] The term "Directed Participant" applies to transactions for the account of a Specialist, Streaming Quote Trader ("SQT") or Remote Streaming Quote Trader ("RSQT") resulting from a Customer order that is (1) directed to it by an order flow provider, and (2) executed by it electronically on Phlx XL II.

[9] The Suspension Order reverted the Complex Order Directed Participant Fee for Removing Liquidity from $0.32 per contract to $0.30 per contract as of the date of the Suspension Order.

and the Complex Order Market Maker[10] Fee for Removing Liquidity from $0.32 per contract[11] to $0.36 per contract.

The Exchange is not proposing any amendments to Parts A or C of Section I of the Pricing Schedule.[12]

b. Statutory Basis

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with Section 6(b) of the Act[13] in general, and furthers the objectives of Section 6(b)(4) of the Act[14] in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities. The Exchange also believes that it is an equitable allocation of reasonable rebates among Exchange members and other persons using its facilities.

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[10] A "Market Maker" includes Specialists (see Rule 1020) and Registered Options Traders ("ROTs") (Rule 1014(b)(i) and (ii), which includes SQTs (see Rule 1014(b)(ii)(A)) and RSQTs (see Rule 1014(b)(ii)(B)).

[11] The Suspension Order reverted the Complex Order Market Maker Fee for Removing Liquidity from $0.37 per contract to $0.32 per contract as of the date of the Suspension Order.

[12] As part of SR-Phlx-2012-27, the Exchange proposed a volume incentive for Market Makers that executed more than 25,000 contracts per day in a month of Complex Orders, either adding or removing liquidity, in Select Symbols. Market Makers that met the aforementioned volume criteria received a $0.01 per contract reduction of both the Directed Participant and Market Maker Complex Order Fees for Removing Liquidity, as applicable, on all of their transactions for the month. The Suspension Order would eliminate this incentive. The Exchange is not proposing to reinstate that incentive, which will no longer be effective as of the Suspension Order.

[13] 15 U.S.C. 78f(b).

[14] 15 U.S.C. 78f(b)(4).

Complex Order Customer Rebates

Customer Complex Orders are becoming an increasingly important segment of options trading. The Exchange believes that it is reasonable to increase the current Customer Complex Order Rebate for Adding Liquidity to $0.32 per contract and create a new Customer Complex Order Rebate for Removing Liquidity of $0.06 per contract, because the Exchange seeks to incentivize market participants to direct and transact a greater number of Customer Complex Orders at the Exchange. Creating these incentives and attracting Customer Complex Orders to the Exchange, in turn, benefits all market participants through increased liquidity at the Exchange. A higher percentage of Customer Complex Orders leads to increased Complex Order auctions and better opportunities for price improvement.

The Exchange also believes it is reasonable, equitable and not unfairly discriminatory to only offer rebates to Customers and not other market participants. Customer Complex Order flow brings unique benefits to the marketplace in terms of liquidity and order interaction. It is an important Exchange function to provide an opportunity to all market participants to trade against Customer Complex Orders. The Exchange believes that it is equitable and not unfairly discriminatory to increase the current Customer Complex Order Rebate for Adding Liquidity to $0.32 per contract and create a new Customer Complex Order Rebate for Removing Liquidity of $0.06 per contract, because the Exchange will uniformly pay these rebates to all Customer orders from any member organization.

Complex Order Fees for Removing Liquidity

The Exchange believes that it is reasonable to increase the Complex Order Fees for Removing Liquidity for Directed Participants, Market Makers, Firms, Broker-Dealers and Professionals so that the Exchange can offer increased rebates to Customers. As previously noted, the Exchange is proposing to increase the Customer Complex Order Rebate for Adding Liquidity and offer a new Customer Complex Order Rebate for Removing Liquidity.

The Exchange believes that it is equitable and not unfairly discriminatory to increase the Complex Order Fees for Removing Liquidity for Directed Participants, Market Makers, Firms, Broker-Dealers and Professionals because, the Exchange is increasing these fees for all market participants, except Customers who are not assessed a fee, to position itself to offer greater Customer Complex Order rebates. The Exchange is consistently assessing lower Complex Order Fees for Removing Liquidity to Directed Participants and Market Makers as compared to Firms, Broker-Dealers and Professionals, because, as has been described in previous filings, these participants have requisite quoting obligations in the series in which they are assigned. Market Makers[15] have burdensome quoting obligations to the market which do not apply to Firms, Professionals and Broker-Dealers. Also, Market Makers that receive Directed Orders[16] have higher quoting obligations compared to other Market Makers and therefore are assessed a lower fee when they transact with a Customer order that was directed to them for execution as

[15] See Rule 1014 titled "Obligations and Restrictions Applicable to Specialists and Registered Options Traders."

[16] Id.

compared to Market Makers. In addition, the fee differential of $0.02 per contract as between a Market Maker and Directed Participant is comparable to the fee differential at the International Stock Exchange, Inc. ("ISE")[17] and is lower than the fee differential at NYSE Amex, LLC ("Amex").[18] Firms, Broker-Dealers and Professionals are being assessed the same $0.38 per contract fees. Customers are not assessed a Fee for Removing Liquidity, as is the case on competing exchanges.[19]

The Exchange operates in a highly competitive market, comprised of nine exchanges, in which market participants can easily and readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or rebates offered to be insufficient. Accordingly, the fees that are assessed by the Exchange and the rebates it pays for options overlying the various Select Symbols in Complex Orders must remain competitive with fees and rebates charged/paid by other venues and therefore must continue to be reasonable and equitably allocated to those members that opt to direct orders to the Exchange rather than competing venues.

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[17] ISE has a $.02 fee differential as between ISE Market Makers who remove liquidity from the Complex Order Book by trading with orders that are preferenced to them ($0.32 per contract) and non-preferenced ISE Market Makers ($0.34 per contract). See ISE's Fee Schedule.

[18] Amex assesses directed and non-directed Specialists and eSpecialists (termed Market Makers at Phlx) a fee of $.13 per contract for removing liquidity in complex orders and a non-directed Market Maker a fee of $0.20 per contract for removing liquidity in complex orders. This $.07 fee differential is greater than Phlx's proposed $.02 fee differential.

[19] See the Chicago Board Options Exchange Incorporated's ("CBOE") Fees Schedule.

4. 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 not necessary or appropriate in furtherance of the purposes of the Act.

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

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,[20] the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Exhibits

1. Notice of proposed rule for publication in the Federal Register.

5. Applicable portion of the Exchange's Pricing Schedule.

[20] 15 U.S.C. 78s(b)(3)(A)(ii).

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-Phlx-2012-57)

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NASDAQ OMX PHLX LLC Relating to Complex Order Fees for Removing Liquidity in Select Symbols

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 April 30, 2012, NASDAQ OMX PHLX LLC ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. 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 Section I of the Exchange's Pricing Schedule entitled "Rebates and Fees for Adding and Removing Liquidity in Select Symbols." The Exchange previously filed an immediately effective rule change, SR-Phlx-2012-27,[3] to amend certain fees and rebates in Section I, which filing was temporarily suspended by the Commission as of April 30, 2012 ("Suspension Order").[4] At this time, to continue the effectiveness of certain fees and rebates that were contained in SR-Phlx-2012-27, the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] See Securities Exchange Act Release No. 66551 (March 9, 2012), 77 FR 15400 (March 15, 2012) (SR-Phlx-2012-27).

[4] By order dated April 30, 2012, the Commission suspended SR-Phlx-2012-27 and SR-Phlx-2012-54. See Securities Exchange Release No. 66884 (April 30, 2012).

Exchange is filing this rule change. The Exchange is also proposing additional amendments.

The text of the proposed rule change is available on the Exchange's Website at http://nasdaqtrader.com/micro.aspx?id=PHLXfilings, 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 Item IV below. The Exchange 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to continue the effectiveness of certain rebates and fees originally proposed in SR-Phlx-2012-27, which fees and rebates were temporarily suspended by the Commission. Specifically, the Exchange is proposing to continue the effectiveness of: (i) an increased Customer Complex Order[5] Rebate for Adding Liquidity; (ii) the adoption of a Rebate for Removing Liquidity category and Customer Complex

[5] A Complex Order is any order involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, priced at a net debit or credit based on the relative prices of the individual components, for the same account, for the purpose of executing a particular investment strategy. Furthermore, a Complex Order can also be a stock-option order, which is an order to buy or sell a stated number of units of an underlying stock or exchange-traded fund ("ETF") coupled with the purchase or sale of options contract(s). See Exchange Rule 1080, Commentary .08(a)(i).

Order Rebate for Removing Liquidity; and (iii) increased Firm, Broker-Dealer and Professional[6] Complex Order Fees for Removing Liquidity. Also, the Exchange proposes to increase the Directed Participant and Market Maker Complex Order Fees for Removing Liquidity in this proposal. Specifically, the Exchange is proposing to amend the Complex Order fees and rebates in Section I of the Exchange's Pricing Schedule, entitled "Rebates and Fees for Adding and Removing Liquidity in Select Symbols."[7] The proposed amendments will enable the Exchange to continue to reward market participants that add liquidity to the Exchange and allow the Exchange to compete more effectively respecting Complex Orders. The increased Complex Order fees will continue to offset the costs of offering Complex Order rebates to Customers to bring liquidity to the market.

Specifically, SR-Phlx-2012-27 proposed to: (1) increase the Customer Complex Order Rebate for Adding Liquidity from $0.30 to $0.32 per contract, (2) create a new Complex Order Rebate for Removing Liquidity and specifically pay a Customer a $0.06 Complex Order Rebate for Removing Liquidity, and (3) increase the Complex Order Fees for Removing Liquidity for Firms, Broker-Dealers and Professionals from $0.35 per contract to $0.38 per contract. The Exchange is proposing to continue to pay the rebates and assess the fees, as noted above, which were initially proposed in SR-Phlx-2012-27.

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[6] The term "professional" means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). See Rule 1000(b)(14).

[7] The Select Symbols are listed in Section I of the Pricing Schedule.

The Exchange is also proposing to increase the Complex Order Directed Participant[8] Fee for Removing Liquidity from $0.30 per contract[9] to $0.34 per contract and the Complex Order Market Maker[10] Fee for Removing Liquidity from $0.32 per contract[11] to $0.36 per contract.

The Exchange is not proposing any amendments to Parts A or C of Section I of the Pricing Schedule.[12]

2. Statutory Basis

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with Section 6(b) of the Act[13] in general, and furthers the objectives of Section

[8] The term “Directed Participant” applies to transactions for the account of a Specialist, Streaming Quote Trader (“SQT”) or Remote Streaming Quote Trader (“RSQT”) resulting from a Customer order that is (1) directed to it by an order flow provider, and (2) executed by it electronically on Phlx XL II.

[9] The Suspension Order reverted the Complex Order Directed Participant Fee for Removing Liquidity from $0.32 per contract to $0.30 per contract as of the date of the Suspension Order.

[10] A “Market Maker” includes Specialists (see Rule 1020) and Registered Options Traders (“ROTs”) (Rule 1014(b)(i) and (ii), which includes SQTs (see Rule 1014(b)(ii)(A)) and RSQTs (see Rule 1014(b)(ii)(B)).

[11] The Suspension Order reverted the Complex Order Market Maker Fee for Removing Liquidity from $0.37 per contract to $0.32 per contract as of the date of the Suspension Order.

[12] As part of SR-Phlx-2012-27, the Exchange proposed a volume incentive for Market Makers that executed more than 25,000 contracts per day in a month of Complex Orders, either adding or removing liquidity, in Select Symbols. Market Makers that met the aforementioned volume criteria received a $0.01 per contract reduction of both the Directed Participant and Market Maker Complex Order Fees for Removing Liquidity, as applicable, on all of their transactions for the month. The Suspension Order would eliminate this incentive. The Exchange is not proposing to reinstate that incentive, which will no longer be effective as of the Suspension Order.

[13] 15 U.S.C. 78f(b).

6(b)(4) of the Act[14] in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities. The Exchange also believes that it is an equitable allocation of reasonable rebates among Exchange members and other persons using its facilities.

Complex Order Customer Rebates

Customer Complex Orders are becoming an increasingly important segment of options trading. The Exchange believes that it is reasonable to increase the current Customer Complex Order Rebate for Adding Liquidity to $0.32 per contract and create a new Customer Complex Order Rebate for Removing Liquidity of $0.06 per contract, because the Exchange seeks to incentivize market participants to direct and transact a greater number of Customer Complex Orders at the Exchange. Creating these incentives and attracting Customer Complex Orders to the Exchange, in turn, benefits all market participants through increased liquidity at the Exchange. A higher percentage of Customer Complex Orders leads to increased Complex Order auctions and better opportunities for price improvement.

The Exchange also believes it is reasonable, equitable and not unfairly discriminatory to only offer rebates to Customers and not other market participants. Customer Complex Order flow brings unique benefits to the marketplace in terms of liquidity and order interaction. It is an important Exchange function to provide an opportunity to all market participants to trade against Customer Complex Orders. The Exchange believes that it is equitable and not unfairly discriminatory to increase the

[14] 15 U.S.C. 78f(b)(4).

current Customer Complex Order Rebate for Adding Liquidity to $0.32 per contract and create a new Customer Complex Order Rebate for Removing Liquidity of $0.06 per contract, because the Exchange will uniformly pay these rebates to all Customer orders from any member organization.

Complex Order Fees for Removing Liquidity

The Exchange believes that it is reasonable to increase the Complex Order Fees for Removing Liquidity for Directed Participants, Market Makers, Firms, Broker-Dealers and Professionals so that the Exchange can offer increased rebates to Customers. As previously noted, the Exchange is proposing to increase the Customer Complex Order Rebate for Adding Liquidity and offer a new Customer Complex Order Rebate for Removing Liquidity.

The Exchange believes that it is equitable and not unfairly discriminatory to increase the Complex Order Fees for Removing Liquidity for Directed Participants, Market Makers, Firms, Broker-Dealers and Professionals because, the Exchange is increasing these fees for all market participants, except Customers who are not assessed a fee, to position itself to offer greater Customer Complex Order rebates. The Exchange is consistently assessing lower Complex Order Fees for Removing Liquidity to Directed Participants and Market Makers as compared to Firms, Broker-Dealers and Professionals, because, as has been described in previous filings, these participants have requisite quoting obligations in the series in which they are assigned. Market Makers[15] have

[15] See Rule 1014 titled "Obligations and Restrictions Applicable to Specialists and Registered Options Traders."

burdensome quoting obligations to the market which do not apply to Firms, Professionals and Broker-Dealers. Also, Market Makers that receive Directed Orders[16] have higher quoting obligations compared to other Market Makers and therefore are assessed a lower fee when they transact with a Customer order that was directed to them for execution as compared to Market Makers. In addition, the fee differential of $0.02 per contract as between a Market Maker and Directed Participant is comparable to the fee differential at the International Stock Exchange, Inc. ("ISE")[17] and is lower than the fee differential at NYSE Amex, LLC ("Amex").[18] Firms, Broker-Dealers and Professionals are being assessed the same $0.38 per contract fees. Customers are not assessed a Fee for Removing Liquidity, as is the case on competing exchanges.[19]

The Exchange operates in a highly competitive market, comprised of nine exchanges, in which market participants can easily and readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or rebates offered to be insufficient. Accordingly, the fees that are assessed by the Exchange and the rebates it pays for options overlying the various Select Symbols in Complex Orders must remain competitive with fees and rebates charged/paid by other venues and

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[16] Id.

[17] ISE has a $.02 fee differential as between ISE Market Makers who remove liquidity from the Complex Order Book by trading with orders that are preferenced to them ($0.32 per contract) and non-preferenced ISE Market Makers ($0.34 per contract). See ISE's Fee Schedule.

[18] Amex assesses directed and non-directed Specialists and eSpecialists (termed Market Makers at Phlx) a fee of $.13 per contract for removing liquidity in complex orders and a non-directed Market Maker a fee of $0.20 per contract for removing liquidity in complex orders. This $.07 fee differential is greater than Phlx's proposed $.02 fee differential.

[19] See the Chicago Board Options Exchange Incorporated's ("CBOE") Fees Schedule.

therefore must continue to be reasonable and equitably allocated to those members that opt to direct orders to the Exchange rather than competing venues.

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 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 either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.[20] 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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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:

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[20] 15 U.S.C. 78s(b)(3)(A)(ii).

- 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-Phlx-2012-57 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-Phlx-2012-57. 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 Web site (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-Phlx-2012-57 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.[21]

Kevin M. O'Neill
Deputy Secretary

[21] 17 CFR 200.30-3(a)(12).

Exhibit 5

New text is underlined; deleted text is in brackets.

NASDAQ OMX PHLX LLC
PRICING SCHEDULE

* * * * *

I. Rebates and Fees for Adding and Removing Liquidity in Select Symbols

* * * * *

Part B. Complex Order

	Customer	Directed Participant	Market Maker	Firm	Broker-Dealer	Professional
Rebate for Adding Liquidity	$0.3[0]2	$0.00	$0.00	$0.00	$0.00	$0.00
Rebate for Removing Liquidity	$0.06	$0.00	$0.00	$0.00	$0.00	$0.00
Fee for Adding Liquidity	$0.00	$0.10	$0.10	$0.20	$0.20	$0.20
Fee for Removing Liquidity	$0.00	$0.3[0]4	$0.3[2]6	$0.[35]38	$0.[35]38	$0.[35]38

● Customer Complex Order Rebates for Adding and Removing Liquidity will be increased by $0.01 per contract only in SPY.

●Single contra-side orders that are executed against the individual components of Complex Orders will be assessed the fees in Part A. However, the individual components of such a Complex Order will be assessed the fees in Part B.

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