

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 19	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2013 - * 78	Amendment No. (req. for Amendments *)
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Filing by NASDAQ OMX PHLX LLC.
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) <input type="checkbox"/>	Section 806(e)(2) <input type="checkbox"/>
	Section 3C(b)(2) <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

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

Relating to Trading Halts

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 action.

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.

(Title *)

Date 07/25/2013

By Edward S. Knight

Executive Vice President and General Counsel

Edward S Knight,

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.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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 *

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies

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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, security-based swap submission, or advance notice 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 (“Exchange” or “Phlx”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“Commission”) a proposal to amend Exchange Rules 1047 and 1047A to expressly state another factor that is considered in determining whether trading on the Exchange in any class of option contracts should be halted or suspended.

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 rule text 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 July 10, 2012. Exchange staff will advise the Board of Directors of any action taken pursuant to 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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

a. Purpose

The Exchange is proposing to amend Exchange Rule 1047, entitled “Trading Rotations, Halts and Suspensions” and Rule 1047A, entitled “Trading Rotations, Halts or Reopenings” to expressly state a factor which is considered today in determining whether to halt or suspend trading in any class of option on the Exchange. Today, Exchange Rule 1047 contains four factors that an Options Exchange Official³ may consider appropriate in the interests of a fair and orderly market and to protect investors when determining whether to halt or suspend options trading. The current factors are as follows: (i) trading in the underlying stock or Exchange-Traded Fund Share has been halted or suspended in the primary market; (ii) the opening of such underlying stock or Exchange-Traded Fund Share in the primary market has been delayed because of unusual circumstances; (iii) the Exchange has been advised that the issuer of the underlying stock or Exchange-Traded Fund Share is about to make an important announcement affecting such issuer; or (iv) other unusual conditions or circumstances are present. This fourth factor is the basis on which Options Exchange Officials today halt or suspend options trading for technical issues on Phlx.

The Exchange is proposing to expressly state that technical failures may be considered when determining to halt or suspend options trading. Specifically, the

³ See Rule 1. An “Option Exchange Official” is an Exchange staff member or contract employee designated as such by the Chief Regulatory Officer. A list of individual Options Exchange Officials shall be displayed on the Exchange website. The Chief Regulatory Officer shall maintain the list of Options Exchange Officials and update the website each time a name is added to, or deleted from, the list of Options Exchange Officials. In the event no Options Exchange Official is available to rule on a particular matter, the Chief Regulatory Officer or his/her designee shall rule on such matter.

Exchange proposes to expressly note that an Options Exchange Official may consider a Trading System technical failure or failures including, but not limited to, the failure of the central processing system, a number of member or member organization trading applications, or the electrical power supply to the system itself or any related system in determining when to halt or suspend options trading. The Exchange proposes to define Trading System for purposes of this Rule as Phlx XL II, or any other Exchange quotation, transaction reporting, execution, order routing or other systems for trading options.

The Exchange believes that a Trading System failure may be considered as an unusual condition or circumstance as noted in Rule 1047(iv) and Rule 1047A(iii), however the Exchange desires to include specific language regarding a technical failure within the list of considerations, similar to other options exchanges. Today, this factor is included in the list of factors for halting or suspending options trading on The NASDAQ Options Market LLC (“NOM”) and the NASDAQ OMX BX, Inc. (“BX Options”).⁴ NOM and BX Options today halt or suspend options trading for technical failures utilizing the corresponding rules at Chapter V, Section 3. The Exchange believes that expressly stating this factor within Rules 1047 and 1047A will provide clearer guidance to Options Exchange Officials when they are determining whether to halt or suspend options trading on Phlx.

Similarly, the Exchange proposes to add identical language to Rule 1047A which relates to the trading of options on indices. Rule 1047A currently provides that “[t]rading on the Exchange in any option may be halted with the approval of an Options Exchange Official, whenever trading on the primary market in any underlying security is halted or

⁴ See NOM and BX Options Rules at Chapter V, Section 3.

suspended. Trading shall be halted whenever an Options Exchange Official deems such action appropriate in the interests of a fair and orderly market and to protect investors. Among the factors that may be considered are the following: (i) trading has been halted or suspended in the market that is the primary market for a plurality of the underlying stocks; (ii) the current calculation of the index derived from the current market prices of the stocks is not available; (iii) other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.” The Exchange proposes to amend Rule 1047A by adding identical language to that proposed for Rule 1047. The Exchange also proposes to renumber Rules 1047 and 1047(A) to include the added factor.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act⁶ in particular, in that it is designed to promote just and equitable principles of trade, 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, by specifically noting that Options Exchange Officials may consider technical failures when halting or suspending options trading.

The Exchange believes that expressly noting that a system technical failure should be among the factors considered by an Options Exchange Official in halting or suspending options trading provides greater clarity to the factors which may cause such a market halt or suspension. Today, a technical failure of either the exchange’s Trading

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

System or that of a number of Participants would be considered in halting or suspending options trading on NOM and BX Options.⁷ An Options Exchange Official must determine whether halting or suspending options trading is appropriate to ensure a fair and orderly market and also to protect investors. Options Exchange Officials must consider the factors enumerated within Rules 1047 and 1047A, depending on the options impacted, and make decisions as to whether to halt or suspend trading after an analysis of the facts. The Exchange believes that expressly noting Trading System failures as a consideration is appropriate because such failures could prevent a fair and orderly market and impact investors. The Exchange believes that the addition of the proposed text provides greater clarity to the factors to be considered by Options Exchange Officials.

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. The Exchange believes this proposed rule change will benefit investors by specifically noting that technical issues are a consideration for an Options Exchange Official when determining whether to halt or suspend options trading. Today, the Exchange halts and suspends options trading for such technical failures when those failures impact investors as do other options exchanges. This proposal will provide greater clarity to Options Exchange Officials in making these determinations.

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.

⁷ See NOM and BX Options Rules at Chapter V, Section 3.

6. Extension of Time Period for Commission Action

The Exchange does not consent to an extension of the time period for Commission action.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)⁸ of the Act and Rule 19b-4(f)(6) thereunder⁹ in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The Exchange believes that the proposal provides additional clarity to the Exchange Rules and aligns the factors with those at NOM and BX Options when considering halting and suspending options trading.

Furthermore, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice. 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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6).

action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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

The proposal is similar to rules on NOM and BX Options.¹⁰

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

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

¹⁰ See NOM and BX Options Rules at Chapter V, Section 3. The NOM and BX rules are the same with varied wording. NOM and BX define a Trading System as the automated trading system used by the respective exchange for trading options contracts. Phlx has no such definition, so the word Trading System was defined within the rule as Phlx XL II, or any other Exchange quotation, transaction reporting, execution, order routing or other systems for trading options.

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-Phlx-2013-78)

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Trading Halts

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 July 25, 2013, 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 Exchange Rules 1047 and 1047A to expressly state another factor that is considered in determining whether trading on the Exchange in any class of option contracts should be halted or suspended.

The text of the proposed rule change is available on the Exchange’s Website at <http://www.nasdaqtrader.com/micro.aspx?id=PHLXRulefilings>, 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 is proposing to amend Exchange Rule 1047, entitled “Trading Rotations, Halts and Suspensions” and Rule 1047A, entitled “Trading Rotations, Halts or Reopenings” to expressly state a factor which is considered today in determining whether to halt or suspend trading in any class of option on the Exchange. Today, Exchange Rule 1047 contains four factors that an Options Exchange Official³ may consider appropriate in the interests of a fair and orderly market and to protect investors when determining whether to halt or suspend options trading. The current factors are as follows: (i) trading in the underlying stock or Exchange-Traded Fund Share has been halted or suspended in the primary market; (ii) the opening of such underlying stock or Exchange-Traded Fund Share in the primary market has been delayed because of unusual circumstances; (iii) the Exchange has been advised that the issuer of the underlying stock or Exchange-Traded Fund Share is about to make an important announcement affecting such issuer; or (iv) other unusual conditions or circumstances are present. This fourth factor is the basis on

³ See Rule 1. An “Option Exchange Official” is an Exchange staff member or contract employee designated as such by the Chief Regulatory Officer. A list of individual Options Exchange Officials shall be displayed on the Exchange website. The Chief Regulatory Officer shall maintain the list of Options Exchange Officials and update the website each time a name is added to, or deleted from, the list of Options Exchange Officials. In the event no Options Exchange Official is available to rule on a particular matter, the Chief Regulatory Officer or his/her designee shall rule on such matter.

which Options Exchange Officials today halt or suspend options trading for technical issues on Phlx.

The Exchange is proposing to expressly state that technical failures may be considered when determining to halt or suspend options trading. Specifically, the Exchange proposes to expressly note that an Options Exchange Official may consider a Trading System technical failure or failures including, but not limited to, the failure of the central processing system, a number of member or member organization trading applications, or the electrical power supply to the system itself or any related system in determining when to halt or suspend options trading. The Exchange proposes to define Trading System for purposes of this Rule as Phlx XL II, or any other Exchange quotation, transaction reporting, execution, order routing or other systems for trading options.

The Exchange believes that a Trading System failure may be considered as an unusual condition or circumstance as noted in Rule 1047(iv) and Rule 1047A(iii), however the Exchange desires to include specific language regarding a technical failure within the list of considerations, similar to other options exchanges. Today, this factor is included in the list of factors for halting or suspending options trading on The NASDAQ Options Market LLC (“NOM”) and the NASDAQ OMX BX, Inc. (“BX Options”).⁴ NOM and BX Options today halt or suspend options trading for technical failures utilizing the corresponding rules at Chapter V, Section 3. The Exchange believes that expressly stating this factor within Rules 1047 and 1047A will provide clearer guidance to Options Exchange Officials when they are determining whether to halt or suspend options trading on Phlx.

⁴ See NOM and BX Options Rules at Chapter V, Section 3.

Similarly, the Exchange proposes to add identical language to Rule 1047A which relates to the trading of options on indices. Rule 1047A currently provides that “[t]rading on the Exchange in any option may be halted with the approval of an Options Exchange Official, whenever trading on the primary market in any underlying security is halted or suspended. Trading shall be halted whenever an Options Exchange Official deems such action appropriate in the interests of a fair and orderly market and to protect investors. Among the factors that may be considered are the following: (i) trading has been halted or suspended in the market that is the primary market for a plurality of the underlying stocks; (ii) the current calculation of the index derived from the current market prices of the stocks is not available; (iii) other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.” The Exchange proposes to amend Rule 1047A by adding identical language to that proposed for Rule 1047. The Exchange also proposes to renumber Rules 1047 and 1047(A) to include the added factor.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act⁶ in particular, in that it is designed to promote just and equitable principles of trade, 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, by specifically noting that Options Exchange Officials may consider technical failures when halting or suspending options trading.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

The Exchange believes that expressly noting that a system technical failure should be among the factors considered by an Options Exchange Official in halting or suspending options trading provides greater clarity to the factors which may cause such a market halt or suspension. Today, a technical failure of either the exchange's Trading System or that of a number of Participants would be considered in halting or suspending options trading on NOM and BX Options.⁷ An Options Exchange Official must determine whether halting or suspending options trading is appropriate to ensure a fair and orderly market and also to protect investors. Options Exchange Officials must consider the factors enumerated within Rules 1047 and 1047A, depending on the options impacted, and make decisions as to whether to halt or suspend trading after an analysis of the facts. The Exchange believes that expressly noting Trading System failures as a consideration is appropriate because such failures could prevent a fair and orderly market and impact investors. The Exchange believes that the addition of the proposed text provides greater clarity to the factors to be considered by Options Exchange Officials.

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. The Exchange believes this proposed rule change will benefit investors by specifically noting that technical issues are a consideration for an Options Exchange Official when determining whether to halt or suspend options trading. Today, the Exchange halts and suspends options trading for such technical failures when those

⁷ See NOM and BX Options Rules at Chapter V, Section 3.

failures impact investors as do other options exchanges. This proposal will provide greater clarity to Options Exchange Officials in making these determinations.

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

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 from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁸ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁹

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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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. The Exchange has provided the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change

⁸ 15 U.S.C. 78s(b)(3)(a)(ii).

⁹ 17 CFR 240.19b-4(f)(6).

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-Phlx-2013-78 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-2013-78. 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-2013-78 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.¹⁰

Kevin M. O'Neill
Deputy Secretary

¹⁰ 17 CFR 200.30-3(a)(12).

Exhibit 5

New text is underlined; deleted text is in brackets.

NASDAQ OMX PHLX Rules

* * * * *

Rule 1047. Trading Rotations, Halts and Suspensions

(a) No change.

(b) Trading on the Exchange in any class of option contracts shall be halted or suspended whenever an Options Exchange Official deems such action appropriate in the interests of a fair and orderly market and to protect investors. Among the factors that may be considered are that:

(i) trading in the underlying stock or Exchange-Traded Fund Share has been halted or suspended in the primary market;

(ii) the opening of such underlying stock or Exchange-Traded Fund Share in the primary market has been delayed because of unusual circumstances;

(iii) the Exchange has been advised that the issuer of the underlying stock or Exchange-Traded Fund Share is about to make an important announcement affecting such issuer; [or]

(iv) a Trading System (for purposes of this Rule, "Trading System" is defined as Phlx XL II, or any other Exchange quotation, transaction reporting, execution, order routing or other systems for trading options) technical failure or failures including, but not limited to, the failure of a part of the central processing system, a number of member or member organization trading applications, or the electrical power supply to the system itself or any related system; or;

([i]v) other unusual conditions or circumstances are present. Trading in a class of options that has been the subject of a halt or suspension may be resumed upon a determination by an Options Exchange Official that the conditions that led to the halt or suspension are no longer present and that the interest of a fair and orderly market are best served by a resumption of trading.

(c) – (g) No change.

••• **Commentary** :-----

.01 - .03 No change.

* * * * *

Rule 1047A. Trading Rotations, Halts or Reopenings

(a) – (b) No change.

(c) **Halts:** Trading on the Exchange in any option may be halted with the approval of an Options Exchange Official, whenever trading on the primary market in any underlying security is halted or suspended. Trading shall be halted whenever an Options Exchange Official deems such action appropriate in the interests of a fair and orderly market and to protect investors. Among the factors that may be considered are the following:

(i) trading has been halted or suspended in the market that is the primary market for a plurality of the underlying stocks;

(ii) the current calculation of the index derived from the current market prices of the stocks is not available;

(iii) a Trading System (for purposes of this Rule, “Trading System” is defined as Phlx XL II, or any other Exchange quotation, transaction reporting, execution, order routing or other systems for trading options) technical failure or failures including, but not limited to, the failure of a part of the central processing system, a number of member or member organization trading applications, or the electrical power supply to the system itself or any related system; or;

(iv) other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

([i]v) In the event that trading is halted on the primary market in any underlying security, the specialist may halt trading in the option overlying such index, subject to the approval of an Options Exchange Official within five minutes of the halt in trading in the option.

Trading in options on any Alpha Index may be halted for the same reasons as other index options pursuant to this Rule, and shall be halted when trading is halted in options overlying either of the two index component securities.

(d) – (f) No change.

* * * * *