



8011-01p
SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-68280; File No. SR-NYSEArca-2012-127)

November 21, 2012

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending its Schedule of Fees and Charges for Exchange Services to Revise Certain Aspects of the Listing Fees Applicable to Structured Products

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 November 13, 2012, NYSE Arca, Inc. (“Exchange” or “NYSE Arca”) 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 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 its Schedule of Fees and Charges for Exchange Services (“Fee Schedule”) to revise certain aspects of the Listing Fees applicable to Structured Products listed on NYSE Arca, LLC (“NYSE Arca Marketplace”), the equities facility of NYSE Arca Equities. 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, on the Commission’s website, 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

¹ 15 U.S.C.78s(b)(1).

² 17 CFR 240.19b-4.

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 its Fee Schedule to revise certain aspects of the Listing Fees applicable to Structured Products listed on the NYSE Arca Marketplace pursuant to NYSE Arca Equities Rule 5.2(j)(1) (Other Securities); NYSE Arca Equities Rule 5.2(j)(2) (Equity Linked Notes); NYSE Arca Equities Rule 5.2(j)(4) (Index-Linked Exchangeable Notes); NYSE Arca Equities Rule 5.2(j)(6) (Equity Index-Linked Securities, Commodity-Linked Securities, Currency-Linked Securities, Fixed Income Index-Linked Securities, Futures-Linked Securities, and Multifactor Indexed-Linked Securities); NYSE Arca Equities Rule 5.2(j)(7) (Trust Certificates); NYSE Arca Equities Rule 8.3 (Currency and Index Warrants); and NYSE Arca Equities Rule 8.400 (Paired Trust Shares). Specifically, the Exchange proposes to remove a provision in the Fee Schedule that provides for the assessment of a fee for subsequent listing of additional shares of Structured Products that are already listed on the Exchange.

Under the current Fee Schedule, a Listing Fee is assessed when an issuer initially lists a Structured Product. Additionally, fees are assessed if an issuer subsequently lists additional shares of the same Structured Product. The Listing Fees for Structured Products are as follows:

<u>Shares Outstanding</u>	<u>Fee</u>
Up to 1 million	\$ 5,000
1+ to 2 million	10,000
2+ to 3 million	15,000
3+ to 4 million	20,000
4+ to 5 million	25,000
5+ to 6 million	30,000
6+ to 7 million	30,000
7+ to 8 million	30,000
8+ to 9 million	30,000
9+ to 10 million	32,500
10+ to 15 million	37,500
in excess of 15 million	45,000

Effective January 1, 2013, the Exchange proposes to eliminate the current fee for subsequent listings of additional shares of Structured Products that are already listed on the Exchange and, accordingly, were assessed a fee upon initial listing. As a result, the Structured Product Listing Fees would apply when an issuer initially lists a series of a Structured Product and, therefore, would not apply to subsequent listings of additional shares of such listed products. In this regard, and as is currently the case, the Exchange treats each series of a Structured Product as a separate issue for which fees are charged, as provided above.

The Exchange notes that the proposed changes are not otherwise intended to address any other issues surrounding Structured Products or Listing Fees associated therewith and that the

Exchange is not aware of any problems that issuers would have in complying with the proposed change.

The Exchange proposes to implement the fee changes on January 1, 2013. In this regard, the changes proposed in the Exhibit 5 attached hereto³ describe the manner in which the fees shall continue to apply through December 31, 2012 as well as the manner in which fees shall apply effective January 1, 2013.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁴ in general, and furthers the objectives of Section 6(b)(4) of the Act,⁵ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers, and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers.

Specifically, the Exchange believes that the proposed change is reasonable because it would eliminate the current fee for subsequent listings of additional shares of Structured Products that are already listed on the Exchange and, accordingly, are assessed a fee upon initial listing. Accordingly, eliminating the fee is reasonable because it would result in subsequent listings of additional shares of a product that is already listed on the Exchange being more affordable for all issuers of Structured Products. In this regard, the Exchange also believes that the proposed change is reasonable because eliminating such fees is consistent with the Exchange's Listing Fees for derivative securities products, such as exchange-traded funds

³ The Commission notes that Exhibit 5 is attached to the filing, not to this Notice.

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(4).

(“ETFs”), which are not charged an additional fee for subsequent listings of additional shares of the same product.

The Exchange believes that the proposed change is equitable and not unfairly discriminatory because it would apply equally to all issuers of Structured Products listed on the Exchange. The Exchange also believes that the proposed change is equitable and not unfairly discriminatory because it would align the fee structure applicable to Structured Products with that of derivative securities products, like ETFs, that are listed on the Exchange. In this regard, the Exchange believes that derivative securities products and Structured Products share certain characteristics, such that, in the Exchange’s opinion, they should also be treated the same with respect to the method of billing for listing subsequent shares of the same product that is already listed on the Exchange.

Finally, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. 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.

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 foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act⁶ and subparagraph (f)(2) of Rule 19b-4⁷ thereunder, because it establishes a due, fee, or other charge imposed by NYSE Arca.

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:

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-NYSEArca-2012-127 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-2012-127. This file number should be included on the subject line if e-mail is used. To help the Commission process and review

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)(2).

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 Section, 100 F Street, NE, Washington, DC 20549-1090 on official business days between 10:00 a.m. and 3:00 p.m. Copies of the filing will also be available for inspection and copying at the New York Stock Exchange's principal office and on its Internet website at www.nyse.com. 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-2012-127 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.⁸

Kevin M. O'Neill
Deputy Secretary

[FR Doc. 2012-28796 Filed 11/27/2012 at 8:45 am; Publication Date: 11/28/2012]

⁸ 17 CFR 200.30-3(a)(12).