The text of the proposed rule change is available on the Exchange’s website at http://nasdaqphlx.cboiwallstreet.com/, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

In its filing with the Commission, the 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 relocate Execution Protections currently located at Phlx Rule 1080(p) to new Phlx Rule 1099 and entitle the rule “Order Protections.” The Exchange also proposes to conform certain rule text within the current rule throughout new Rule 1099.

The Exchange proposes to utilize the term “System” throughout new Rule 1099 instead of the terms “Phlx XL” or “system.” The Exchange also proposes to remove the term “Phlx” and replace it with the word “Exchange.” These non-substantive rule changes are meant to simply conform terms within the new Rule for consistency.

Locating these order protection rules within new Rule 1099 will make them easier to locate and also shorten the length of Rule 1080 for ease of reading that rule.

The Exchange also proposes to update cross-references to Rule 1080(p) to Rule 1099.

2. Statutory Basis
The Exchange believes that its proposal is consistent with Section 6(b) of the Act, in general, and furthers the objectives of Section 6(b)(5) of the Act, in particular, in that it is designed to promote just and equitable principles of commerce.