

Proposed Rule Change by National Stock Exchange
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"/>
			Rule		
			<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)	

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 proposed rule change (limit 250 characters).

National Stock Exchange, Inc. proposes to amend NSX Rules 11.2 and 11.11 governing the definition of the terms "round lot", "odd lot" and "mixed lot", and the treatment of the odd lot component of mixed lot orders.

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	<input type="text" value="James C."/>	Last Name	<input type="text" value="Yong"/>
Title	<input type="text" value="Chief Regulatory Officer"/>		
E-mail	<input type="text" value="james.yong@nsx.com"/>		
Telephone	<input type="text" value="(312) 786-8893"/>	Fax	<input type="text" value="(312) 939-7239"/>

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	<input type="text" value="12/17/2009"/>
By	<input type="text" value="James C. Yong"/>
	(Name)
	<input type="text" value="Chief Regulatory Officer"/>
	(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.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information

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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

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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 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

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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

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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

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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

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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

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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

National Stock Exchange, Inc. (“NSX[®]” or the “Exchange”), proposes to amend NSX Rules 11.2 and 11.11 governing the definition of the terms “round lot”, “odd lot” and “mixed lot”, and the treatment of the odd lot component of mixed lot orders. The text of the proposed rule change is attached as Exhibit 5. A copy of this filing is available on the Exchange’s website at www.nsx.com, at the Exchange’s principal office, and at the Commission’s public reference room.

2. Procedures of the Self-Regulatory Organization

(a) The rule filing was approved by the Exchange’s Board of Directors (“Board”) and the Regulatory Oversight Committee on December 9, 2009. No further action is required.

(b) Questions and comments regarding the proposed rule change may be directed to James C. Yong, Chief Regulatory Officer of the Exchange, at 312.786.8893.

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

(a) Purpose

The Exchange proposes to amend NSX Rules 11.2 and 11.11(c)(4) in order to clarify the Exchange’s rules regarding round lots, odd lots and fixed lots. The proposed changes are part of an effort to provide clarity with respect to such definitions in the context of an overriding interest in maintaining a fair and orderly market, protecting investors and protecting the public interest. The proposed changes are more fully discussed below.

Definitions

The definitions of “round lot”, “odd lot” and “mixed lot” in Rule 11.2 are proposed to be modified in order to clarify their meanings and to conform with common usage and

treatment within the financial industry.¹ The definition of “round lot” is being modified to mean a normal unit of trading, which is most frequently (but not always) 100 shares. Similarly, the definitions of “odd lot” and “mixed lot” are rephrased for purposes of clarity and transparency.

In addition, in proposed Rule 11.11(c)(4), the definition of “Mixed Lot Order” is modified in order to clarify the Exchange’s treatment of the odd lot portion of Mixed Lot Orders. The newly added language in proposed Rule 11.11(c)(4) confirms that Mixed Lot Orders may be entered, and clarifies that the Exchange will treat the odd lot component of a Mixed Lot Order for purposes of order interaction as an Odd Lot Order. This language is intended to clarify for purposes of certainty and transparency how the Exchange treats the odd lot portions of Mixed Lot Orders. Consistent with the new language, the revised rule retains the existing statement that the odd lot components of Mixed Lot Orders are only eligible to be protected quotations if aggregated to form a round lot.² Providing this clarity with respect to the treatment of the odd lot component of a mixed lot order is consistent with the rules of other markets which specifically provide for the treatment of the odd lot components of mixed lot orders.³ Further, such treatment is consistent with Reg NMS, including Rules 610 and 611, which permit market centers to establish rules for the handling of odd-lot orders and the odd-lot portions of mixed-lot orders.⁴

¹ See FINRA Rule 6320A (“Normal unit of trading’ means 100 shares of a security unless, with respect to a particular security, FINRA determines that a normal unit of trading shall constitute other than 100 shares”).

² The round lot component of a Mixed Lot Order is treated as a round lot order.

³ See NYSE Rule 124 on Odd Lot Orders and Supplementary Material .40 thereto; see also ISE Rule 2105(c)(3) (providing that the odd lot component of a mixed lot order will be treated the same as an odd lot order, i.e., rejected unless it meets certain requirements).

⁴ See Responses to Frequently Asked Questions Concerning Rule 611 and Rule 610 of Regulation NMS Question 7.03: Odd-Lot Orders and Odd-Lot Portions of Mixed-Lot Orders (“trading centers are permitted to establish their own rules for handling odd-lot orders and the odd-lot portions of mixed-lot orders”).

Effective Date

The Exchange requests that the effective date for the instant rule change be thirty days after the date of filing of this rule change, or such earlier date as the Commission determines.

(b) Statutory Basis

The proposed rule change is consistent with Section 6(b)⁵ of the Securities Exchange Act of 1934 (the "Exchange Act"), in general, and furthers the objectives of Section 6(b)(5)⁶ in particular in that it is designed, among other things, 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. The proposed rule change advances these objectives by providing transparency and certainty with respect to the definitions of terms frequently used in the Exchange's rules and by clarifying the Exchange's treatment of the odd lot component of Mixed Lot Orders.

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 that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

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

Written comments on the proposed rule change were neither solicited nor received.

6. Extension of Time Period for Commission Action

Not applicable.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

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

(a) The proposed rule change is being filed pursuant to Section 19(b)(3)(A) of the Act.⁷

(b) The proposed rule change will take effect 30 days from the date of filing (or such shorter time as the Commission may designate) pursuant to Section 19(b)(3)(A)(ii) of the Act⁸ and subparagraph (f)(6) of Rule 19b-4⁹ thereunder, because the proposal: (1) does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days from the date of filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest; provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change at least five business days prior to the filing date of the proposed rule change.¹⁰

Pursuant to Rule 19b-4(f)(6)(iii) under the Act,¹¹ the Commission may designate a shorter time period if such action is consistent with the protection of investors and the public interest.

(c) Not applicable.

(d) Not applicable.

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

The proposed rule change is based on the rules of ISE and NYSE.¹²

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 15 U.S.C. §78s(b)(3)(A)(ii).

⁹ 17 CFR §240.19b-4.

¹⁰ As required under Rule 19b-4(f)(6)(iii), NSX provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date.

¹¹ 17 CFR 19b-4(f) (6)(iii).

9. Exhibits

Exhibit 1 - Form of Notice of Proposed Rule Change for Federal Register

Exhibit 5 - Text of the Proposed Rule Change

¹² See *supra* footnotes 1 and 3.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. _____ ; File No. SR-NSX-2009-08)

Dated:

Self-Regulatory Organizations; National Stock Exchange, Inc.; Notice of Filing of Proposed Rule Change to Amend NSX Rule 11 Governing Round Lots, Odd Lots and Mixed Lots.

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 _____, 2009, National Stock Exchange, Inc. 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 comment on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

National Stock Exchange, Inc. ("NSX[®]" or the "Exchange") is proposing to amend NSX Rules 11.2 and 11.11 governing round, odd and mixed lots.

The text of the proposed rule change is available on the Exchange's website at <http://www.nsx.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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

Purpose

The Exchange proposes to amend NSX Rules 11.2 and 11.11(c)(4) in order to clarify the Exchange's rules regarding round lots, odd lots and fixed lots. The proposed changes are part of an effort to provide clarity with respect to such definitions in the context of an overriding interest in maintaining a fair and orderly market, protecting investors and protecting the public interest. The proposed changes are more fully discussed below.

Definitions

The definitions of "round lot", "odd lot" and "mixed lot" in Rule 11.2 are proposed to be modified in order to clarify their meanings and to conform with common usage and treatment within the financial industry³. The definition of "round lot" is being modified to mean a normal unit of trading, which is most frequently (but not always) 100 shares. Similarly, the definitions of "odd lot" and "mixed lot" are rephrased for purposes of clarity and transparency.

In addition, in proposed Rule 11.11(c)(4), the definition of "Mixed Lot Order" is modified in order to clarify the Exchange's treatment of the odd lot portion of Mixed Lot Orders. The newly added language in proposed Rule 11.11(c)(4) confirms that Mixed Lot Orders may be entered, and clarifies that the Exchange will treat the odd lot component of a Mixed Lot Order for purposes of order interaction as an Odd Lot Order. This language is intended to clarify for purposes of certainty and transparency how the Exchange treats the odd lot portions of Mixed Lot Orders. Consistent with the new language, the revised rule retains the existing statement that the odd lot components of Mixed Lot Orders are only eligible to be protected quotations if

³ See FINRA Rule 6320A ("Normal unit of trading" means 100 shares of a security unless, with respect to a particular security, FINRA determines that a normal unit of trading shall constitute other than 100 shares").

aggregated to form a round lot.⁴ Providing this clarity with respect to the treatment of the odd lot component of a mixed lot order is consistent with the rules of other markets which specifically provide for the treatment of the odd lot components of mixed lot orders.⁵ Further, such treatment is consistent with Reg NMS, including Rules 610 and 611, which permit market centers to establish rules for the handling of odd-lot orders and the odd-lot portions of mixed-lot orders.⁶

Effective Date

The Exchange requests that the effective date for the instant rule change be thirty days after the date of filing of this rule change, or such earlier date as the Commission determines.

Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b) of the Act,⁷ in general, and furthers the objectives of Section 6(b)(5)⁸ in particular in that it is designed, among other things, 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. The Exchange believes that the proposed rule change advances these objectives by providing transparency and certainty with respect to the definitions of terms frequently used in the Exchange's rules and by clarifying the Exchange's treatment of the odd lot component of Mixed Lot Orders.

⁴ The round lot component of a Mixed Lot Order is treated as a round lot order.

⁵ See NYSE Rule 124 on Odd Lot Orders and Supplementary Material .40 thereto; see also ISE Rule 2105(c)(3) (providing that the odd lot component of a mixed lot order will be treated the same as an odd lot order, i.e., rejected unless it meets certain requirements).

⁶ See Responses to Frequently Asked Questions Concerning Rule 611 and Rule 610 of Regulation NMS, Question 7.03: Odd-Lot Orders and Odd-Lot Portions of Mixed-Lot Orders ("trading centers are permitted to establish their own rules for handling odd-lot orders and the odd-lot portions of mixed-lot orders").

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(4).

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 Exchange Act.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

The proposed rule change will take effect 30 days from the date of filing (or such shorter time as the Commission may designate) pursuant to Section 19(b)(3)(A)(ii) of the Act⁹ and subparagraph (f)(6) of Rule 19b-4¹⁰ thereunder, because the proposal: (1) does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days from the date of filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest; provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change at least five business days prior to the filing date of the proposed rule change.¹¹

Pursuant to Rule 19b-4(f)(6)(iii) under the Act,¹² the Commission may designate a shorter time period if such action is consistent with the protection of investors and the public interest.

⁹ 15 U.S.C. §78s(b)(3)(A)(ii).

¹⁰ 17 CFR §240.19b-4.

¹¹ As required under Rule 19b-4(f)(6)(iii), NSX provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date.

¹² 17 CFR 19b-4(f) (6)(iii).

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate 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.¹³

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-NSX-2009-08 on the subject line.

Paper Comments

- Send paper comments in triplicate to Florence E. Harmon, Deputy Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, D.C. 20549-9303.

All submissions should refer to File No. SR-NSX-2009-08. This file number should be included in the subject line if e-mail is used. To help the Commission process and review 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 inspection and copying in the Commission's Public Reference Section, 100 F Street, NE, Washington, DC 20549. Copies of such filings will also be available for inspection

¹³ 15 U.S.C. §78s(b)(3)(C).

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-NSX-2009-08 and should be submitted on or before

_____.

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

Florence E. Harmon
Deputy Secretary

¹⁴ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Proposed new language is underlined;
proposed deletions are marked by [brackets].

CHAPTER XI. Trading Rules

* * * *

Rule 11.2. Units of Trading

A normal unit of trading shall constitute one hundred (100) shares unless otherwise designated by the Exchange. A "round lot" shall mean a normal unit of trading. An "odd lot" shall mean any amount less than a round lot. A "mixed lot" shall mean any amount greater than a round lot that is not a multiple of such round lot. [One hundred (100) shares shall constitute a "round lot," any amount less than 100 shares shall constitute an "odd lot," and any amount greater than 100 shares that is not a multiple of a round lot shall constitute a "mixed lot."]

* * * *

Rule 11.11. Orders and Modifiers

Users may enter into the System the types of orders listed in this Rule 11.11, subject to the limitations set forth in this Rule or elsewhere in these Rules.

- (a) *No Change.*
- (b) *No Change.*
- (c) *Other Types of Orders and Order Modifiers.*

(1) – (3) *No Change.*

(4) Mixed Lot Order. An order to buy or sell a mixed lot. Mixed Lot Orders may be entered, but the odd lot component of a Mixed Lot Order will be treated for purposes of order interaction as an Odd Lot Order. Odd lot components [portions] of Mixed Lot Orders are only eligible to be protected quotations if aggregated to form a round lot.

(5) – (9) *No Change.*

- (d) *No Change.*

* * * *