

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 - * 32	Amendment No. (req. for Amendments *)
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Filing by EDGX Exchange, Inc.  
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 3C(b)(2) <input type="checkbox"/>
Section 806(e)(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 \*).

EDGX Exchange, Inc. proposes to eliminate Rule 13.4, "Assigning of Registered Securities in the Name of a Member or Member Organization."

**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 * Jeffrey	Last Name * Rosenstock
Title * General Counsel	
E-mail * jrosenstock@directedge.com	
Telephone * (201) 942-8295	Fax <input type="text"/>

**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 08/07/2013	General Counsel
By Jeffrey S. Rosenstock	<input type="text"/>
(Name *)	

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 \***

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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 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**

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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

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> EDGX Exchange, Inc. (“EDGX” or the “Exchange”), proposes to eliminate Rule 13.4, “Assigning of Registered Securities in the Name of a Member or Member Organization.” The text of the proposed rule change is attached as Exhibit 5. The Exchange has designated this proposal as non-controversial and provided the Securities and Exchange Commission (“SEC” or the “Commission”) with the notice required by Rule 19b-4(f)(6)(iii) under the Act.<sup>3</sup>

(b) The Exchange does not believe that the proposed rule change will have any direct or significant indirect effect on any other Exchange rule in effect at the time of this filing.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The Exchange submits the proposed rule change pursuant to authority delegated by the Board of Directors of the Exchange on April 27, 2010. Exchange staff will advise the Exchange’s Board of Directors of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change and, therefore, the Exchange’s internal procedures with respect to the proposed change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

Thomas N. McManus  
Chief Regulatory Officer  
EDGX Exchange, Inc.  
201-418-3471

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

(a) Purpose

The Exchange proposes to eliminate Rule 13.4, “Assigning of Registered Securities in the Name of a Member or Member Organization,” which permits the

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 17 CFR 240.19b-4(f)(6)(iii).

Exchange to establish a signature guarantee program. In sum, a signature guarantee program allows an investor who seeks to transfer or sell securities held in physical certificate form to have their signature on the certificate “guaranteed.” Rule 13.4 permits Members to guarantee their signatures by authorizing one or more of their employees to assign registered securities in the Member’s name and to guarantee assignments of registered securities on behalf of the Member where the security had been signed by one of the partners of the Member or by one of the authorized officers of the Member by executing and filing with the Exchange a separate Power of Attorney, also known as a traditional signature card program. Transfer agents often insist that a signature be guaranteed before they accept the transaction because it limits their liability and losses if a signature turns out to be forged.

Rule 17Ad-15 under the Act permits transfer agents to reject signature guarantees from eligible guarantor institutions that are not part of a signature guarantee program.<sup>4</sup> The rule encouraged a movement away from the traditional signature card programs administered by the exchanges towards signature guarantee programs that use a medallion imprint or stamp which evidences their participation in the program and is an acceptable signature guarantee (“Medallion Signature Guarantee Program”).<sup>5</sup> The Commission has also noted that:

[a]n investor can obtain a signature guarantee from a financial institution – such as a commercial bank, savings bank, credit union, or broker dealer – that participates in one of the Medallion signature guarantee programs. . . . If a financial institution is not a member of a recognized Medallion Signature Guarantee Program, it would not be able to provide signature guarantees. Also, if [an investor is] not a customer of a participating financial institution, it is likely the financial institution will not guarantee [the investor’s] signature. Therefore, the best source of a Medallion Guarantee would be a bank, savings and loan association, brokerage firm, or credit union with which [the investor does] business.<sup>6</sup>

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<sup>4</sup> See 17 CFR 240.17Ad-15; Securities Exchange Act Release No. 30146 (January 10, 1992), 57 FR 1082 (February 24, 1992) (adopting Rule 17Ad-15).

<sup>5</sup> See, e.g., Securities Exchange Act Release No. 33669 (February 23, 1994), 59 FR 10189 (March 3, 1994) (SR-MSTC-93-13) (“[t]his newly adopted Rule 17Ad-15 rule rendered [Midwest Securities Trust Company’s (“MSTC”)] Signature Distribution Program and Signature Guarantee Program obsolete. Therefore, to avoid costs that produce no benefits, MSTC eliminated its Signature Distribution and Signature Guarantee Programs and deleted MSTC Rule 5, Sections 1 and 2 which govern these programs”).

<sup>6</sup> See “Signature Guarantees: Preventing the Unauthorized Transfer of Securities,” <http://www.sec.gov/answers/sigguar.htm> (last modified May 20, 2009).

In response to Rule 17Ad-15, certain exchanges have decommissioned or amended their rules to no longer provide for traditional signature card program.<sup>7</sup> While the Exchange adopted Rule 13.4 as part of its Form 1 exchange application,<sup>8</sup> it has never offered, and does not now intend to offer, a signature guarantee service. The move towards Medallion Signature Guarantee Programs has also rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Therefore, the Exchange proposes to eliminate Rule 13.4.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>9</sup> and furthers the objectives of Section 6(b)(5) of the Act,<sup>10</sup> in that it is designed promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest by eliminating unnecessary confusion with respect to the Exchange's rules. Rule 17Ad-15 encouraged a movement away from

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<sup>7</sup> See Securities Exchange Act Release No. 34188 (June 9, 1994), 59 FR 30820 (June 15, 1994) (SR-MSTC-93-13) (order approving the elimination of MSTC's signature guarantee program stating that Rule 17Ad-15 rendered it obsolete); Securities Exchange Act Release No. 32590 (July 7, 1993), 58 FR 37978 (July 14, 1993) (order approving SR-PHLX-92-39 eliminating the PHLX's signature guarantee program in light of Rule 17Ad-15) (noting that "[b]y eliminating its signature guarantee program, PHLX will streamline the signature guarantee process. In place of the cumbersome signature card system, PHLX will require participation in a Rule 17Ad-15 Signature Guarantee Program"). In 2006, the Philadelphia Stock Exchange, Inc. (currently Nasdaq OMX PHLX LLC) ("PHLX") eliminated Rules 327 – 340 regarding signature guarantees in their entirety from its rulebook, noting that they are "being deleted as obsolete because they refer to the delivery and settlement of securities, which is not done by the Exchange, but by registered clearing agencies." Securities Exchange Act Release No. 54329 (August 17, 2006), 71 FR 504538 (August 25, 2006) (SR-PHLX-2006-43); Securities Exchange Act Release No. 54538 (September 28, 2006), 71 FR 59184 (October 6, 2006) (order approving SR-PHLX-2006-43).

<sup>8</sup> See Securities Exchange Act Release No. 60651 (September 11, 2009), 74 FR 47827 (September 17, 2009) (File Nos. 10.193 and 10-194) (Notice of Filing of Exchange Applications for EDGX and EDGA Exchange, Inc. ("EDGA")); Securities Exchange Act Release No. 61698 (March 12, 2010), 75 FR 13151 (March 18, 2010) (File Nos. 10-193 and 10-194) (Order Approving Exchange Applications for EDGX and EDGA).

<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(5).

the traditional signature card programs administered by the exchanges towards certain Medallion Signature Guarantee Programs. In response, certain exchanges have decommissioned or amended their rules to no longer provide for a traditional signature card program.<sup>11</sup> The Exchange has never offered, and does not now intend to offer, a signature guarantee service. Also, the move towards Medallion Signature Guarantee Programs has rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Therefore, the Exchange believes eliminating Rule 13.4 would clarify the Exchange's rules by eliminating rules that account for services the Exchange does not provide. The Exchange also believes the elimination of unnecessary and obsolete rules removes impediments to the perfection of the mechanisms for a free and open market system consistent with the requirements of Section 6(b)(5) of the Act.<sup>12</sup>

4. Self-Regulatory Organization's Statement on Burden on Competition

The proposed rule change does not impose any burden on competition. Rule 17Ad-15 encouraged a movement away from the traditional signature card programs administered by the exchanges towards certain Medallion Signature Guarantee Programs. In response, certain exchanges have decommissioned or amended their rules to no longer provide for a traditional signature card program.<sup>13</sup> An investor may still obtain a signature guarantee from a financial institution that participates in one of the Medallion Signature Guarantee Programs. The Exchange has never offered, and does not intend to offer, a signature guarantee service. Also, the move towards Medallion Signature Guarantee Programs has rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Therefore, the Exchange believes eliminating Rule 13.4 would not impose any burden on competition.

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<sup>11</sup> See Securities Exchange Act Release No. 34188 (June 9, 1994), 59 FR 30820 (June 15, 1994) (SR-MSTC-93-13) (order approving the elimination of MSTC's signature guarantee program stating that Rule 17Ad-15 rendered it obsolete); Securities Exchange Act Release No. 32590 (July 7, 1993), 58 FR 37978 (July 14, 1993) (SR-PHLX-92-39) (order approving SR-PHLX-92-39 eliminating the PHLX's signature guarantee program in light of Rule 17Ad-15).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

<sup>13</sup> See Securities Exchange Act Release No. 34188 (June 9, 1994), 59 FR 30820 (June 15, 1994) (SR-MSTC-93-13) (order approving the elimination of MSTC's signature guarantee program stating that Rule 17Ad-15 rendered it obsolete); Securities Exchange Act Release No. 32590 (July 7, 1993), 58 FR 37978 (July 14, 1993) (SR-PHLX-92-39) (order approving SR-PHLX-92-39 eliminating the PHLX's signature guarantee program in light of Rule 17Ad-15).

5. 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.

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) or Section 19(b)(7)(D)

The proposed rule change has become effective pursuant to Section 19(b)(3)(A)<sup>14</sup> of the Act and Rule 19b-4(f)(6)<sup>15</sup> thereunder. The proposed rule change effects a change that (A) does not significantly affect the protection of investors or the public interest; (B) does not impose any significant burden on competition; and (C) 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; provided that the self-regulatory organization has given 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, or such shorter time as designated by the Commission.

The Exchange provided the Commission with 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 (5) business days prior to the date of filing.<sup>16</sup>

The Exchange believes that the proposed rule change meets the criteria of subparagraph (f)(6) of Rule 19b-4<sup>17</sup> because it would clarify the Exchange's rules by eliminating rules that account for services the Exchange does not provide. The Exchange has never offered, and does not intend to offer, a signature guarantee service. Rule 17Ad-15 encouraged a movement away from the traditional signature card programs administered by the exchanges towards certain Medallion Signature Guarantee Programs. This move towards Medallion Signature Guarantee Programs has rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Today, an investor can obtain a signature guarantee from a financial institution that participates in one of the

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<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 17 CFR 240.19b-4(f)(6).

<sup>16</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>17</sup> 17 CFR 240.19b-4(f)(6).

Medallion Signature Guarantee Programs. Therefore, the Exchange believes eliminating Rule 13.4 is non-controversial because it would clarify the Exchange's rules by eliminating rules that account for services the Exchange does not provide. Accordingly, the Exchange has designated this rule filing as non-controversial under Section 19(b)(3)(A) of the Act<sup>18</sup> and paragraph (f)(6) of Rule 19b-4 thereunder.<sup>19</sup>

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.

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

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

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

(a) – (e) Not applicable.

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

(a) – (e) Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Federal Register.

Exhibit 5 – Text of the proposed rule change.

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<sup>18</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>19</sup> 17 CFR 240.19b-4(f)(6).

## EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-EDGX-2013-32)

[Date]

Self-Regulatory Organizations; EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Eliminate EDGX Rule 13.4

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on August 7, 2013, EDGX Exchange, Inc. (the “Exchange” or “EDGX”) 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 self-regulatory organization. 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 eliminate Rule 13.4, “Assigning of Registered Securities in the Name of a Member or Member Organization,” which permits the Exchange to establish a signature guarantee program. All of the changes described herein are applicable to Members.<sup>3</sup> The text of the proposed rule change is available on the Exchange’s Internet website at [www.directedge.com](http://www.directedge.com), at the Exchange’s principal office, and at the Public Reference Room of the Commission.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> A Member is any registered broker or dealer, or any person associated with a registered broker or dealer that has been admitted to membership in the Exchange.

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 received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to eliminate Rule 13.4, "Assigning of Registered Securities in the Name of a Member or Member Organization," which permits the Exchange to establish a signature guarantee program. In sum, a signature guarantee program allows an investor who seeks to transfer or sell securities held in physical certificate form to have their signature on the certificate "guaranteed." Rule 13.4 permits Members to guarantee their signatures by authorizing one or more of their employees to assign registered securities in the Member's name and to guarantee assignments of registered securities on behalf of the Member where the security had been signed by one of the partners of the Member or by one of the authorized officers of the Member by executing and filing with the Exchange a separate Power of Attorney, also known as a traditional signature card program. Transfer agents often insist that a signature be guaranteed before they accept the transaction because it limits their liability and losses if a signature turns out to be forged.

Rule 17Ad-15 under the Act permits transfer agents to reject signature guarantees from eligible guarantor institutions that are not part of a signature guarantee program.<sup>4</sup>

The rule encouraged a movement away from the traditional signature card programs administered by the exchanges towards signature guarantee programs that use a medallion imprint or stamp which evidences their participation in the program and is an acceptable signature guarantee (“Medallion Signature Guarantee Program”).<sup>5</sup> The Commission has also noted that:

[a]n investor can obtain a signature guarantee from a financial institution – such as a commercial bank, savings bank, credit union, or broker dealer – that participates in one of the Medallion signature guarantee programs. . . . If a financial institution is not a member of a recognized Medallion Signature Guarantee Program, it would not be able to provide signature guarantees. Also, if [an investor is] not a customer of a participating financial institution, it is likely the financial institution will not guarantee [the investor’s] signature. Therefore, the best source of a Medallion

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<sup>4</sup> See 17 CFR 240.17Ad-15; Securities Exchange Act Release No. 30146 (January 10, 1992), 57 FR 1082 (February 24, 1992) (adopting Rule 17Ad-15).

<sup>5</sup> See, e.g., Securities Exchange Act Release No. 33669 (February 23, 1994), 59 FR 10189 (March 3, 1994) (SR-MSTC-93-13) (“[t]his newly adopted Rule 17Ad-15 rule rendered [Midwest Securities Trust Company’s (“MSTC”)] Signature Distribution Program and Signature Guarantee Program obsolete. Therefore, to avoid costs that produce no benefits, MSTC eliminated its Signature Distribution and Signature Guarantee Programs and deleted MSTC Rule 5, Sections 1 and 2 which govern these programs”).

Guarantee would be a bank, savings and loan association, brokerage firm, or credit union with which [the investor does] business.<sup>6</sup>

In response to Rule 17Ad-15, certain exchanges have decommissioned or amended their rules to no longer provide for traditional signature card program.<sup>7</sup> While the Exchange adopted Rule 13.4 as part of its Form 1 exchange application,<sup>8</sup> it has never offered, and does not now intend to offer, a signature guarantee service. The move towards Medallion Signature Guarantee Programs has also rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Therefore, the Exchange proposes to eliminate Rule 13.4.

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<sup>6</sup> See “Signature Guarantees: Preventing the Unauthorized Transfer of Securities,” <http://www.sec.gov/answers/sigguar.htm> (last modified May 20, 2009).

<sup>7</sup> See Securities Exchange Act Release No. 34188 (June 9, 1994), 59 FR 30820 (June 15, 1994) (SR-MSTC-93-13) (order approving the elimination of MSTC’s signature guarantee program stating that Rule 17Ad-15 rendered it obsolete); Securities Exchange Act Release No. 32590 (July 7, 1993), 58 FR 37978 (July 14, 1993) (order approving SR-PHLX-92-39 eliminating the PHLX’s signature guarantee program in light of Rule 17Ad-15) (noting that “[b]y eliminating its signature guarantee program, PHLX will streamline the signature guarantee process. In place of the cumbersome signature card system, PHLX will require participation in a Rule 17Ad-15 Signature Guarantee Program”). In 2006, the Philadelphia Stock Exchange, Inc. (currently Nasdaq OMX PHLX LLC) (“PHLX”) eliminated Rules 327 – 340 regarding signature guarantees in their entirety from its rulebook, noting that they are “being deleted as obsolete because they refer to the delivery and settlement of securities, which is not done by the Exchange, but by registered clearing agencies.” Securities Exchange Act Release No. 54329 (August 17, 2006), 71 FR 504538 (August 25, 2006) (SR-PHLX-2006-43); Securities Exchange Act Release No. 54538 (September 28, 2006), 71 FR 59184 (October 6, 2006) (order approving SR-PHLX-2006-43).

<sup>8</sup> See Securities Exchange Act Release No. 60651 (September 11, 2009), 74 FR 47827 (September 17, 2009) (File Nos. 10.193 and 10-194) (Notice of Filing of Exchange Applications for EDGX and EDGA Exchange, Inc. (“EDGA”)); Securities Exchange Act Release No. 61698 (March 12, 2010), 75 FR 13151 (March 18, 2010) (File Nos. 10-193 and 10-194) (Order Approving Exchange Applications for EDGX and EDGA).

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>9</sup> and furthers the objectives of Section 6(b)(5) of the Act,<sup>10</sup> in that it is designed promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest by eliminating unnecessary confusion with respect to the Exchange's rules. Rule 17Ad-15 encouraged a movement away from the traditional signature card programs administered by the exchanges towards certain Medallion Signature Guarantee Programs. In response, certain exchanges have decommissioned or amended their rules to no longer provide for a traditional signature card program.<sup>11</sup> The Exchange has never offered, and does not now intend to offer, a signature guarantee service. Also, the move towards Medallion Signature Guarantee Programs has rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Therefore, the Exchange believes eliminating Rule 13.4 would clarify the Exchange's rules by eliminating rules that account for services the Exchange does not provide. The Exchange also believes the elimination of unnecessary and obsolete rules

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<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(5).

<sup>11</sup> See Securities Exchange Act Release No. 34188 (June 9, 1994), 59 FR 30820 (June 15, 1994) (SR-MSTC-93-13) (order approving the elimination of MSTC's signature guarantee program stating that Rule 17Ad-15 rendered it obsolete); Securities Exchange Act Release No. 32590 (July 7, 1993), 58 FR 37978 (July 14, 1993) (SR-PHLX-92-39) (order approving SR-PHLX-92-39 eliminating the PHLX's signature guarantee program in light of Rule 17Ad-15).

removes impediments to the perfection of the mechanisms for a free and open market system consistent with the requirements of Section 6(b)(5) of the Act.<sup>12</sup>

B. Self-Regulatory Organization's Statement on Burden on Competition

The proposed rule change does not impose any burden on competition. Rule 17Ad-15 encouraged a movement away from the traditional signature card programs administered by the exchanges towards certain Medallion Signature Guarantee Programs. In response, certain exchanges have decommissioned or amended their rules to no longer provide for a traditional signature card program.<sup>13</sup> An investor may still obtain a signature guarantee from a financial institution that participates in one of the Medallion Signature Guarantee Programs. The Exchange has never offered, and does not intend to offer, a signature guarantee service. Also, the move towards Medallion Signature Guarantee Programs has rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Therefore, the Exchange believes eliminating Rule 13.4 would not impose any burden on competition.

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.

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<sup>12</sup> 15 U.S.C. 78f(b)(5).

<sup>13</sup> See Securities Exchange Act Release No. 34188 (June 9, 1994), 59 FR 30820 (June 15, 1994) (SR-MSTC-93-13) (order approving the elimination of MSTC's signature guarantee program stating that Rule 17Ad-15 rendered it obsolete); Securities Exchange Act Release No. 32590 (July 7, 1993), 58 FR 37978 (July 14, 1993) (SR-PHLX-92-39) (order approving SR-PHLX-92-39 eliminating the PHLX's signature guarantee program in light of Rule 17Ad-15).

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

The proposed rule change has become effective pursuant to Section 19(b)(3)(A)<sup>14</sup> of the Act and Rule 19b-4(f)(6)<sup>15</sup> thereunder. The proposed rule change effects a change that (A) does not significantly affect the protection of investors or the public interest; (B) does not impose any significant burden on competition; and (C) 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; provided that the self-regulatory organization has given 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, or such shorter time as designated by the Commission.

The Exchange provided the Commission with 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 (5) business days prior to the date of filing.<sup>16</sup>

The Exchange believes that the proposed rule change meets the criteria of subparagraph (f)(6) of Rule 19b-4<sup>17</sup> because it would clarify the Exchange's rules by eliminating rules that account for services the Exchange does not provide. The Exchange has never offered, and does not intend to offer, a signature guarantee service. Rule 17Ad-

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<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 17 CFR 240.19b-4(f)(6).

<sup>16</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>17</sup> 17 CFR 240.19b-4(f)(6).

15 encouraged a movement away from the traditional signature card programs administered by the exchanges towards certain Medallion Signature Guarantee Programs. This move towards Medallion Signature Guarantee Programs has rendered traditional card programs as provided for under Exchange Rule 13.4 obsolete. Today, an investor can obtain a signature guarantee from a financial institution that participates in one of the Medallion Signature Guarantee Programs. Therefore, the Exchange believes eliminating Rule 13.4 is non-controversial because it would clarify the Exchange's rules by eliminating rules that account for services the Exchange does not provide. Accordingly, the Exchange has designated this rule filing as non-controversial under Section 19(b)(3)(A) of the Act<sup>18</sup> and paragraph (f)(6) of Rule 19b-4 thereunder.<sup>19</sup>

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.

#### 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

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<sup>18</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>19</sup> 17 CFR 240.19b-4(f)(6).

- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-EDGX-2013-32 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-EDGX-2013-32. 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 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 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-EDGX-2013-32 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.<sup>20</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>20</sup> 17 CFR 200.30-3(a)(12).

EXHIBIT 5

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

CHAPTER XIII. MISCELLANEOUS PROVISIONS

\* \* \* \* \*

Rule 13.4. Reserved[Assigning of Registered Securities in Name of a Member or Member Organization

A Member may authorize one or more persons who are his or its employees to assign registered securities in the name of such Member and to guarantee assignments of registered securities with the same effect as if the name of such Member had been signed under like circumstances by one of the partners of the Member firm or by one of the authorized officers of the Member corporation by executing and filing with the Exchange, in a form prescribed by it, a separate Power of Attorney for each person so authorized.]

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