

minimize the burdens of the collections of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to Thomas Bayer, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 6432 General Green Way, Alexandria, VA 22312; or send an email to: PRA_Mailbox@sec.gov.

Dated: September 19, 2012.

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2012-23538 Filed 9-24-12; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Investor Education and Advocacy, Washington, DC 20549-0213.

Extension:

Regulation R, Rule 701, OMB Control No. 3235-0624, SEC File No. 270-562.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) ("PRA"), the Securities and Exchange Commission ("Commission") is soliciting comments on the existing collection of information provided for in Regulation R, Rule 701 (17 CFR 247.701) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*). The Commission plans to submit this existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

Regulation R, Rule 701 requires a broker or dealer (as part of a written agreement between the bank and the broker or dealer) to notify the bank if the broker or dealer makes certain determinations regarding the financial status of the customer, a bank employee's statutory disqualification status, and compliance with suitability or sophistication standards.

The Commission estimates that brokers or dealers would, on average, notify 1,000 banks approximately two times annually about a determination regarding a customer's high net worth or institutional status or suitability or sophistication standing as well as a bank employee's statutory disqualification status. Based on these

estimates, the Commission anticipates that Regulation R, Rule 701 would result in brokers or dealers making approximately 2,000 notices to banks per year. The Commission further estimates (based on the level of difficulty and complexity of the applicable activities) that a broker or dealer would spend approximately 15 minutes per notice to a bank. Therefore, the estimated total annual third party disclosure burden for the requirements in Regulation R, Rule 701 is 500¹ hours for brokers or dealers.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

The Commission may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

Please direct your written comments to: Thomas Bayer, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 6432 General Green Way, Alexandria, VA 22312 or send an email to: PRA_Mailbox@sec.gov.

Dated: September 19, 2012.

Kevin M. O'Neill,
Deputy Secretary.

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¹ (2000 notices × 15 minutes) = 30,000 minutes/60 minutes = 500 hours.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-67892; File No. SR-CBOE-2012-071]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change To Increase the Maximum Term for LEAPS to Fifteen Years

September 19, 2012.

On July 24, 2012, the Chicago Board Options Exchange, Incorporated ("Exchange" or "CBOE") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to increase the maximum term for Long-Term Equity Options Series ("LEAPS") to fifteen years. The proposed rule change was published for comment in the **Federal Register** on August 10, 2012.³ The Commission received one comment on the proposed rule change and a response to the comment from CBOE.⁴

Section 19(b)(2) of the Act⁵ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is September 24, 2012. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposal, the comment received, and CBOE's response to the comment. Currently, the maximum term for equity and interest rate LEAPS is three years and the maximum term for index LEAPS is five years. The proposal

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 67600 (August 6, 2012), 77 FR 47890.

⁴ See letters to Elizabeth M. Murphy, Secretary, Commission, from: Christopher Nagy, President, KOR Trading LLC, dated August 17, 2012; and Jenny Klebes-Golding, Senior Attorney, CBOE, dated September 6, 2012.

⁵ 15 U.S.C. 78s(b)(2).

would increase the maximum term for all LEAPS to fifteen years.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁶ designates November 8, 2012 as the date by which the Commission should either approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2012-23537 Filed 9-24-12; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-67888; File No. SR-BATS-2012-030]

Self-Regulatory Organizations; BATS Exchange, Inc.; Order Granting Approval of Proposed Rule Change To Amend BATS Rule 14.11, Entitled "Other Securities"

September 19, 2012.

I. Introduction

On July 20, 2012, BATS Exchange, Inc. ("Exchange" or "BATS") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act" or "Exchange Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to amend BATS Rule 14.11, entitled "Other Securities" to modify the criteria for certain securities listed on BATS as Index Fund Shares. The proposed rule change was published for comment in the **Federal Register** on August 8, 2012.³ The Commission received no comments on the proposal. This order grants approval of the proposed rule change.

II. Description of the Proposed Rule Change

Proposal To Amend Index Fund Shares Rules

The Exchange proposes certain changes to Rule 14.11(c) relating to Index Fund Shares, commonly referred to as exchange-traded funds, to conform the Exchange's listings criteria for Index Fund Shares with the analogous criteria in place for NYSE Arca Equities, Inc.

("NYSE Arca")⁴ and to correct a typographical error. Specifically, the Exchange proposes to amend Exchange Rule 14.11(c) to: (1) Modify the weight and volume requirements for component stocks comprising the applicable index or portfolio for any U.S. index or portfolio and any international or global index or portfolio upon which Index Fund Shares are based; (2) exclude Index Fund Shares, Portfolio Depositary Receipts, Trust Issued Receipts, and Managed Fund Shares (collectively, "Derivative Securities Products")⁵ when applying the quantitative generic listing criteria in Rule 14.11(c); and (3) modify the minimum number of component stocks for any U.S. index or portfolio and any international or global index or portfolio upon which Index Fund Shares are based to adopt certain exceptions for any index or portfolio that is partially or wholly comprised of Index Fund Shares or other Derivative Securities Products.

Rule 14.11(c)(3) provides that the Exchange may approve a series of Index Fund Shares for listing and trading pursuant to Rule 19b-4(e) under the Act⁶ if such series satisfies the criteria set forth in that rule. The Exchange proposes to amend Rule 14.11(c)(3) to amend the index weight requirements and adopt notional volume traded per month⁷ to the initial listing standards for Index Fund Shares. The Exchange proposes to amend the minimum component stock weight requirement for monthly trading volumes from 90% to 70% of the weight of the underlying index. In addition, the Exchange proposes to adopt an alternative notional volume traded per month.

Rule 14.11(c)(3)(A)(i)(b) provides that, for U.S. component stock indexes, component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio, each shall have a minimum monthly trading volume during each of the last six months of at

least 250,000 shares. The Exchange proposes to reduce the minimum component stock weight requirement from 90% to 70% of the weight of the underlying index or portfolio. The Exchange is also proposing to adopt an average minimum trading volume requirement of 250,000 shares over a six-month period instead of in each of the last six months, and to adopt a notional volume traded per month of \$25,000,000 averaged over the last six months as an option for meeting the listing requirements.

The Exchange is proposing the same modifications for international or global indexes. Rule 14.11(c)(3)(A)(ii)(b) provides that, for international or global indexes, component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum worldwide monthly trading volume during each of the last six months of at least 250,000 shares. The Exchange proposes to reduce the minimum component stock weight requirement from 90% to 70% of the weight of the underlying index or portfolio. Further, the Exchange is proposing to adopt an average minimum trading volume requirement of 250,000 shares over a six-month period instead of in each of the last six months, and to adopt a worldwide notional volume traded per month of \$25,000,000 averaged over the last six months as an option for meeting the listing requirements. Further, the Exchange also proposes to clarify that the component stock trading volumes are determined on a global basis.

The Exchange believes that reducing the minimum component stock weight requirement for monthly trading volumes from 90% to 70% of the weight of the underlying index reasonably ensures that securities with substantial monthly trading volumes account for a substantial portion of the underlying index and, when applied in conjunction with the other applicable listing requirements, remain sufficiently broad-based in scope to minimize potential manipulation. The Exchange notes that the Commission has previously approved the listing and trading of exchange-traded funds based upon indices that were composed of stocks that did not meet the 90% monthly trading volume weight, but were above the proposed 70% monthly trading volume weight criteria.⁸ In addition,

⁴ The Exchange notes that NYSE Arca uses the term "Investment Company Units" to describe the same products that the Exchange calls "Index Fund Shares."

⁵ Rule 14.11 includes criteria for derivative securities that may be listed or traded on the Exchange, such as Portfolio Depositary Receipts, Trust Issued Receipts, and Managed Fund Shares.

⁶ 17 CFR 240.19b-4(e). Rule 19b-4(e) provides that the listing and trading of a new derivative securities product by a self-regulatory organization ("SRO") shall not be deemed a proposed rule change, pursuant to Rule 19b-4(c)(1), if the Commission has approved, pursuant to Section 19(b) of the Exchange Act, the SRO's trading rules, procedures, and listing standards for the product class that would include the new derivatives securities product, and the SRO has a surveillance program for the product class.

⁷ The notional volume traded per month is the number of shares traded in a calendar month multiplied by the monthly closing price.

⁸ See Securities Exchange Act Release No. 46306 (August 2, 2002), 67 FR 51916 (August 9, 2002) (SR-NYSE-2002-28) (approving the following funds for trading pursuant to unlisted trading privileges on NYSE: (1) Vanguard Total Stock Market VIPERs; (2) iShares Russell 2000 Index Funds; (3) iShares Russell 2000 Value Index Funds;

⁶ 15 U.S.C. 78s(b)(2).

⁷ 17 CFR 200.30-3(a)(31).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 67558 (August 1, 2012), 77 FR 47444.