

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

Because the market for order execution is extremely competitive, Members may choose to preference other market centers ahead of the Exchange if they believe that they can receive better fees or rebates elsewhere. The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange believes that its pricing for the RPI program is appropriately competitive vis-à-vis the Exchange's competitors. Further, the Exchange believes that providing a more straight-forward pricing structure will encourage increased participation in the RPI program and will continue to incentivize the entry of aggressively priced, displayed liquidity, which fosters intra-market competition to the benefit of all market participants that enter orders on the Exchange, including Retail Orders.

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.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹² and paragraph (f) of Rule 19b-4 thereunder.¹³ 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
- Send an email to rule-comments@sec.gov. Please include File

Number SR-BYX-2013-020 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-BYX-2013-020. This file number should be included on the subject line if email 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 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 Web site 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 such 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-BYX-2013-020, and should be submitted on or before July 12, 2013.

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

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2013-14792 Filed 6-20-13; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-69776; File No. SR-BYX-2013-019]

Self-Regulatory Organizations; BATS Y-Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to Fees for Use of BATS Y-Exchange, Inc.

June 17, 2013.

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 June 4, 2013, BATS Y-Exchange, Inc. (the "Exchange" or "BYX") 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 Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposed rule change effective upon filing with the Commission. 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend the fee schedule applicable to Members⁵ and non-members of the Exchange pursuant to BYX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal will be effective upon filing.

The text of the proposed rule change is available at the Exchange's Web site at <http://www.batstrading.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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ A Member is any registered broker or dealer that has been admitted to membership in the Exchange.

¹² 15 U.S.C. 78s(b)(3)(A)(ii).

¹³ 17 CFR 240.19b-4(f).

¹⁴ 17 CFR 200.30-3(a)(12).

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 modify its fee schedule applicable to use of the Exchange effective June 4, 2013, in order to modify pricing related to executions that occur on EDGA EXCHANGE, Inc. ("EDGA") through either a BYX + EDGA Destination Specific Order⁶ or through the Exchange's TRIM routing strategies.⁷ EDGA implemented certain pricing changes effective June 3, 2013, including modification from a rebate of \$0.0004 per share when removing liquidity to a rebate of \$0.0003 per share when removing liquidity. To maintain a direct pass through of the applicable economics for executions at EDGA, the Exchange proposes to rebate \$0.0003 per share for an order routed through its TRIM routing strategies and executed on EDGA, rather than the rebate of \$0.0004 per share that it currently offers for such orders. Similarly, because EDGA is part of the Exchange's "One Under/Better" pricing program for Destination Specific Orders, the Exchange intends to rebate \$0.0001 per share more than if a Member executed an order directly on EDGA. Accordingly, the Exchange proposes to rebate \$0.0004 per share for an order routed as a Destination Specific Order to EDGA and executed on EDGA, which is \$0.0001 per share more than EDGA rebates directly. The Exchange's "One Under/Better" pricing does not apply to securities priced below \$1.00. In addition, the Exchange will maintain the pricing currently charged by the Exchange for all other Destination Specific Orders.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.⁸ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,⁹ in that

it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. The Exchange believes that the proposed changes to certain of the Exchange's non-standard routing fees and strategies are equitably allocated, fair and reasonable, and non-discriminatory in that they are equally applicable to all Members and are designed to mirror or provide an improvement over the rebate applicable to the execution if such routed orders were executed directly by the Member at EDGA Exchange.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. Because the market for order execution is extremely competitive, Members may readily opt to disfavor the Exchange's routing services if they believe that alternatives offer them better value. For orders routed through the Exchange and executed at EDGA Exchange, the proposed fee change is designed to equal or exceed the rebate that a Member would have received if such routed orders would have been executed directly by a Member at EDGA Exchange.

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.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁰ and paragraph (f) of Rule 19b-4 thereunder.¹¹ 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
- Send an email to rule-comments@sec.gov. Please include File Number SR-BYX-2013-019 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-BYX-2013-019. This file number should be included on the subject line if email 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 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 Web site 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 such 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-BYX-2013-019 and should be submitted on or before July 12, 2013.

⁶ As defined in BYX Rule 11.9(c)(12).

⁷ As defined in BYX Rule 11.13(a)(3)(G).

⁸ 15 U.S.C. 78f.

⁹ 15 U.S.C. 78f(b)(4).

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

¹¹ 17 CFR 240.19b-4(f).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2013-14831 Filed 6-20-13; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[(Release No. 34-69771; File No. SR-OCC-2013-09]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of Proposed Rule Change, as Modified by Amendment No. 1, To Separate the Powers and Duties Currently Combined in the Office of OCC's Chairman into Two Offices, Executive Chairman and President, and Create an Additional Directorship To Be Occupied by the President

June 17, 2013.

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 June 4, 2013, The Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by OCC. On June 10, 2013, OCC filed Amendment No. 1 to the proposed rule change.³ The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 1, from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

OCC proposes to separate the powers and duties currently combined in the office of OCC's Chairman into two offices, Executive Chairman and President, and create an additional directorship to be occupied by the President.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, OCC 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. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of this proposed rule change is to provide for separation of the powers and duties currently combined in the office of OCC's Chairman into two offices, Executive Chairman and President, and create an additional directorship to be occupied by the President. These changes resulted from a review of the structure of OCC's Board, with particular consideration given to the trend in many corporations toward separating the positions of Chief Executive Officer and Chairman of the Board. OCC's Board of Directors ultimately determined that as a corporate governance matter dividing the powers and duties of the Chairman into two positions was desirable. Under the proposal, the Executive Chairman would be responsible for the control functions of OCC, including enterprise risk management, internal audit and compliance, as well as for external affairs, and for presiding at all meetings of the Board and the stockholders. The President would report to the Chairman and be responsible for all aspects of OCC's business that do not report directly to the Chairman. OCC intends that the President, who would be OCC's Chief Executive Officer,⁴ would focus on the effectiveness of OCC's day-to-day operations, as well as strategic initiatives for the future, while the Chairman would provide objective oversight over the entire organization, including the President.

OCC believes that the proposed change would enhance oversight of management because the Chairman will be independent of most management functions. The separation would also avoid concentrating too much power over OCC's operations in the hands of a single individual, and heighten accountability of management to the Board. Furthermore, the Board of Directors found that separation of these offices would better align OCC's governance structure with global standards for financial services organizations.

While OCC's Board of Directors determined that its Chairman should no longer function as its chief executive

officer, in light of OCC's status as a registered clearing organization and designated clearing organization, it concluded that the Chairman should have executive responsibilities relating to risk management, compliance and similar issues. The Board of Directors believes that the Chairman's direct oversight of these control functions will increase independence by limiting management's influence over them.⁵ The Board also believes that the significance of these control functions for a clearing organization warrants full-time oversight, which can only be provided by an executive of OCC.

To reflect the above changes in its governance structure, OCC is proposing to revise Section 7 of Article III of its By-Laws to include OCC's President as a Management Director, along with OCC's Chairman. Accordingly, Sections 1, 7 and 12 of Article III will also be amended to reflect the existence of an additional Management Director. Furthermore, OCC proposes to amend Section 15 of Article III to grant the President the same authority to act in the case of an emergency as the Chairman and, consequently, OCC also proposes to remove the President as one of the "Designated Officers" to whom such authority would devolve if certain enumerated officers are unavailable. Section 3 of Article III would also be amended to clarify the timing of the annual meetings at which the initial election of each class of Member Directors in fact occurred.

OCC is proposing to revise Article IV of its By-Laws to include references to the President in certain provisions governing OCC's officers. In particular, Section 8 of Article IV would no longer give the Board the option of electing a President, but would make such office required, and, accordingly, Section 1 of Article IV would include the President, along with the Chairman, as an officer elected by the Board of Directors. Sections 6 and 8 would also be amended to specify the Chairman's duties and the President's duties, respectively, as described above. OCC also proposes to amend Sections 2, 3 and 13 of Article IV to provide that, like the Chairman, the President may appoint and remove certain officers and

⁵ The proposed structure of OCC's Board, including the utilization of an executive chairman, is similar to that employed by the Depository Trust & Clearing Corporation and CME Group Inc. See Article III of the Depository Trust & Clearing Corporation's By-Laws, effective April 2012, available at http://www.dtcc.com/legal/rules_proc/dtc_rules.pdf, and Article V of CME Group Inc.'s Tenth Amended and Restated By-Laws, effective as of April 17, 2013, available at <http://investor.cmegroup.com/investor-relations/groupBylaws.cfm>.

¹² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1 modified Exhibit 3A to the original filing to correct an erroneous reference contained therein.

⁴ While the By-Laws would make it clear that the President is OCC's Chief Executive Officer, for simplicity the officer in question would be referred to only as the "President."