

deem fee structures to be unreasonable or excessive. The proposed changes are generally intended to enhance the rebates for liquidity added to the Exchange, which is intended to draw additional liquidity to the Exchange. In addition, the Exchange believes that the proposed non-substantive change to add the word "Volume" in front of "Tier 2" under Additional Rebates would not affect intermarket nor intramarket competition because the change does not alter the criteria necessary to achieve the tiers nor the rates offered by the tiers. As such, the proposal is a competitive proposal that is intended to add additional liquidity to the Exchange, which will, in turn, benefit the Exchange and all Exchange participants.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

**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 Act<sup>20</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>21</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
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-BATS-2014-017 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-BATS-2014-017. 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 at 100 F Street NE., Washington, DC 20549-1090 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-BATS-2014-017, and should be submitted on or before June 4, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>22</sup>

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014-11032 Filed 5-13-14; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-72124; File No. SR-ICC-2014-06]

**Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change To Provide for the Clearance of Additional Non-Investment Grade Instruments on Standard North American Corporate Single Name Reference Entities**

May 8, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder<sup>2</sup> notice is hereby given that on April 25, 2014, ICE Clear Credit LLC ("ICC") 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 primarily by ICC. 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**

ICC proposes expanding its product offering to provide for the clearance of additional non-investment grade instruments on Standard North American Corporate Single Name reference entities. The addition of this product does not require any changes to the ICC Rules.

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

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

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

ICC proposes to expand its product offering to provide for the clearance of additional non-investment grade instruments on Standard North American Corporate Single Name

<sup>20</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>21</sup> 17 CFR 240.19b-4(f).

<sup>22</sup> 17 CFR 200.30-3(a)(12).

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

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

reference entities. Non-investment grade refers to those Standard North American Corporate Single Names which reference an entity that has been assigned a debt rating of below “BBB-” by Moody’s, below “Baa3” by S&P, or is not rated. The risk profiles (as related to underlying debt rating) of these additional non-investment grade instruments on Standard North American Corporate Single Name reference entities are similar to certain Standard North American Corporate Single Name and Standard Emerging Sovereign Single Name CDS contracts currently cleared at ICC with similar debt ratings to the proposed non-investment grade instruments. Specifically, ICC clears investment grade instruments on Standard North American Corporate Single Name reference entities. The debt ratings of the entities that these contracts reference may change over time, resulting in an investment grade single name becoming a non-investment grade single name. As a result of these described changes, ICC currently clears eleven non-investment grade instruments on Standard North American Corporate Single Name reference entities. ICC also clears certain Standard Emerging Sovereign Single Name CDS contracts, which reference countries with debt ratings similar to the additional non-investment grade instruments on Standard North American Corporate Single Name reference entities that ICC is proposing to clear.

The additional non-investment grade instruments on Standard North American Corporate Single Name reference entities have terms consistent with the Standard North American Corporate Single Names currently cleared by ICC and governed by Section 26B of the ICC Rules.

Section 17A(b)(3)(F) of the Act<sup>3</sup> requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions. The proposed rule change will provide for clearing of additional CDS contracts on non-investment grade reference entities. These contracts are substantially similar to the Standard North American Corporate Single Name contracts currently cleared by ICC, and the new contracts will be cleared pursuant to ICC’s existing clearing arrangements and related financial safeguards, protections and risk management procedures. In

ICC’s view, acceptance of the new contracts, on the terms and conditions set out in the ICC rules, is consistent with the prompt and accurate clearance of and settlement of securities transactions and derivative agreements, contracts and transactions cleared by ICC, the safeguarding of securities and funds in the custody or control of ICC and the protection of investors and the public interest, within the meaning of Section 17A(b)(3)(F) of the Act.<sup>4</sup>

Clearing of the additional non-investment grade instruments on Standard North American Corporate Single Name reference entities will also satisfy the requirements of Rule 17Ad–22.<sup>5</sup> In particular, in terms of financial resources, ICC will apply its existing margin methodology to the additional contracts. ICC believes that this model will provide sufficient margin to cover its credit exposure to its clearing members from clearing such contracts, consistent with the requirements of Rule 17Ad–22(b)(2)<sup>6</sup> and Rule 17Ad–22(d)(14).<sup>7</sup> In addition, ICC believes its Guaranty Fund, under its existing methodology, will, together with the required margin, provide sufficient financial resources to support the clearing of the additional contracts consistent with the requirements of Rule 17Ad–22(b)(3).<sup>8</sup> ICC also believes that its existing operational and managerial resources will be sufficient for clearing of the additional contracts, consistent with the requirements of Rule 17Ad–22(d)(4),<sup>9</sup> as the new contracts are substantially the same from an operational perspective as existing contracts. Similarly, ICC will use its existing settlement procedures and account structures for the new contracts, consistent with the requirements of Rule 17Ad–22(d)(5), (12) and (15)<sup>10</sup> as to the finality and accuracy of its daily settlement process and avoidance of the risk to ICC of settlement failures. Finally, ICC will apply its existing default management policies and procedures for the new contracts. ICC believes that these procedures allow for it to take timely action to contain losses and liquidity pressures and to continue meeting its obligations in the event of clearing member insolvencies or defaults in respect of the additional single names, in accordance with Rule 17Ad–22(d)(11).<sup>11</sup>

<sup>4</sup> 15 U.S.C. 78q–1(b)(3)(F).

<sup>5</sup> 17 CFR 240.17Ad–22.

<sup>6</sup> 17 CFR 240.17Ad–22(b)(2).

<sup>7</sup> 17 CFR 240.17Ad–22(d)(14).

<sup>8</sup> 17 CFR 240.17Ad–22(b)(3).

<sup>9</sup> 17 CFR 240.17Ad–22(d)(4).

<sup>10</sup> 17 CFR 240.17Ad–22(d)(5), (12) and (15).

<sup>11</sup> 17 CFR 240.17Ad–22(d)(11).

### *B. Self-Regulatory Organization’s Statement on Burden on Competition*

The additional non-investment grade instruments on Standard North American Corporate Single Name reference entities will be available to all ICC Participants for clearing. The clearing of additional non-investment grade instruments on Standard North American Corporate Single Name reference entities by ICC does not preclude the offering of these instruments for clearing by other market participants. Therefore, ICC does not believe the proposed product offering would have any impact, or impose any burden, on competition.

### *C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove the proposed rule change or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

### **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](mailto:rule-comments@sec.gov). Please include File Number SR–ICC–2014–06 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

<sup>3</sup> 15 U.S.C. 78q–1(b)(3)(F).

All submissions should refer to File Number SR-ICC-2014-06. 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 filings will also be available for inspection and copying at the principal office of ICE Clear Credit and on ICE Clear Credit's Web site at <https://www.theice.com/notices/Notices.shtml?regulatoryFilings>.

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-ICC-2014-06 and should be submitted on or before June 4, 2014.

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

**Kevin M. O'Neill,**  
*Deputy Secretary.*

[FR Doc. 2014-11028 Filed 5-13-14; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-72126; File No. SR-NASDAQ-2014-047]**

**Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify Fees Set Forth in Rule 7015(e) Governing WebLink ACT and the ACT Workstation**

May 8, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on May 2, 2014, The NASDAQ Stock Market LLC ("NASDAQ" or the "Exchange") filed with the Securities and Exchange

Commission ("Commission") a 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 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**

NASDAQ is proposing to modify fees set forth in Rule 7015(e) governing WebLink ACT and the ACT Workstation. The text of the proposed rule change is below; proposed new language is italicized; proposed deletions are in brackets.

\* \* \* \* \*

**7015. Access Services**

The following charges are assessed by Nasdaq for connectivity to systems operated by NASDAQ, including the Nasdaq Market Center, the FINRA/NASDAQ Trade Reporting Facility, and FINRA's OTCBB Service. The following fees are not applicable to the NASDAQ Options Market LLC. For related options fees for Access Services refer to Chapter XV, Section 3 of the Options Rules.

(a)-(d) No change.

(e) Specialized Services Related to FINRA/NASDAQ Trade Reporting Facility

WebLink ACT or Nasdaq Workstation Post Trade.	\$525/month (full functionality) or \$275/month (up to an average of twenty transactions per day each month) (For the purposes of this service only, a transaction is defined as an original trade entry, either on trade date or as-of transactions per month.) A subscription includes: the Trade Reporting File Upload service, which allows members to upload multiple trade reports in batches to ACT; and the ACT Reject Scan service, which provides a list of all of a member's rejected ACT trade entries and a copy of each rejected trade report form submitted to ACT. \$225 per month for the ACT Trade History service which provides searchable access to a member's trades that are older than six months dating back to 2009.
ACT Workstation .....	\$525/logon/month. \$225 per month for the ACT Trade History service which provides searchable access to a member's trades that are older than six months dating back to 2009.

(f)-(h) No change.

\* \* \* \* \*

**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 those 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 purpose of the proposed rule change is to amend Rule 7015 relating to the ACT Workstation ("Workstation") and WebLink ACT ("WebLink")

subscription. WebLink, also referred to as NASDAQ Workstation Post Trade, is a web-based application used for submission of trade reports. WebLink provides basic front-end access to the Trade Reporting Facility ("TRF") operated by NASDAQ and the Financial Industry Regulatory Authority, Inc. ("FINRA"),<sup>3</sup> FINRA's OTC Reporting Facility, as well as access to ACT functionality still offered by NASDAQ under authority delegated by FINRA.

Currently, in Rule 7015(e), the Exchange assesses a fee for subscription to the Workstation of \$525 per logon per

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

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

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

<sup>3</sup> NASDAQ notes that most FINRA members seeking access to the TRF use a proprietary front-end system developed by the broker-dealer or a

product offered by a service bureau. WebLink is designed as a basic front-end system for low volume users.