

include: restricting access to authorized personnel who have a “need to know”; using locks; and password protection identification features. Contractors and other recipients providing services to the Commission shall be required to maintain equivalent safeguards.

*Compatibility of routine uses:* The Privacy Act (5 U.S.C. 552a(a)(7) and (b)(3)) and SEC disclosure regulation (17 CFR 200, Subpart H) permit disclosure of information under a published routine use for a purpose that is compatible with the purpose for which the information was collected. The routine uses are appropriate and meet the relevant statutory and regulatory criteria; are compatible with the purposes of this system; and will ensure efficient administration of the records contained in the system.

*OMB Requirements:* A report of this revised system of records must be transmitted to OMB.

*OPM Requirements:* None.

### Report Of Notice To Revise A System Of Records

*System Name:* Information Pertaining or Relevant to SEC Regulated Entities and Their Activities (SEC-55).

*Introduction:* In accordance with the requirements of the Privacy Act of 1974, 5 U.S.C. 552a, the Securities and Exchange Commission (“Commission” or “SEC”) proposes to revise the system of records titled “Information Pertaining or Relevant to SEC Regulated Entities and Their Activities (SEC-55). The Information Pertaining or Relevant to SEC Regulated Entities and Their Activities (SEC-55) records are used by SEC personnel in connection with their official functions, including but not limited to, conducting examinations for compliance with federal securities law, investigating possible violations of federal securities laws, and other matters relating to SEC regulatory and law enforcement functions. Substantive changes to SEC-55 have been made to the following sections: (1) Name, to clarify the type of records in the system; (2) Categories of Individuals, to clarify the specific individuals covered in the system of records; (3) Categories of Records, modified to include specific data elements collected on individuals, name, address, telephone number, and email address; and (4) Routine Uses, to expand by one new routine use located at number 22. Additional minor administrative changes have been made to the Safeguards section, to clarify internal handling practices for the records; and to the System Manager(s) and Address Section, to update the Commission’s current address.

*Purpose:* The records are used by SEC personnel in connection with their official functions including but not limited to, conducting examinations for compliance with federal securities law, investigating possible violations of federal securities laws, and other matters relating to SEC regulatory and law enforcement functions.

*Authority:* 15 U.S.C. 78a *et seq.*, 80a-1 *et seq.*, and 80b-1 *et seq.*

*Probable effect on individual privacy or other rights:* The records in this system may reveal personal information about individuals. We will disclose information under the routine uses only as necessary to accomplish the stated purpose. We do not anticipate that the routine use disclosures will have an unwarranted adverse effect on the rights of the individuals to whom the records pertain.

*Security provided for this system:* Access to SEC facilities, data centers, and information or information systems is limited to authorized personnel with official duties requiring access. SEC facilities are equipped with security cameras and 24-hour security guard service. The records are kept in limited access areas during duty hours and secured areas at all other times. Computerized records are safeguarded in secured, encrypted environment. Security protocols meet the promulgating guidance as established by the National Institute of Standards and Technology (NIST) Security Standards from Access Control to Data Encryption, and Security Assessment & Authorization (SA&A). Records will be maintained in a secure, password-protected electronic system that will utilize commensurate safeguards that may include: firewalls, intrusion detection and prevention systems, and role-based access controls. Additional safeguards will vary by program. All records are protected from unauthorized access through appropriate administrative, operational, and technical safeguards. These safeguards include: restricting access to authorized personnel who have a “need to know”; using locks; and password protection identification features. Contractors and other recipients providing services to the Commission shall be required to maintain equivalent safeguards.

*Compatibility of routine uses:* The Privacy Act (5 U.S.C. 552a(a)(7) and (b)(3)) and SEC disclosure regulation (17 CFR 200, Subpart H) permit disclosure of information under a published routine use for a purpose that is compatible with the purpose for which the information was collected. The routine uses are appropriate and meet the relevant statutory and regulatory

criteria; are compatible with the purposes of this system; and will ensure efficient administration of the records contained in the system.

*OMB Requirements:* A report of this revised system of records must be transmitted to OMB.

*OPM Requirements:* None.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73625; File No. SR-C2-2014-026]

### Self-Regulatory Organizations; C2 Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Extend the Penny Pilot Program Through June 30, 2015

November 18, 2014.

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 November 12, 2014, C2 Options Exchange, Incorporated (the “Exchange” or “C2”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder.<sup>4</sup> 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

C2 proposes to amend Rule 6.4 by extending the Penny Pilot Program through June 30, 2015. The text of the proposed rule change is available on the Exchange’s Web site (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at the Exchange’s Office of the Secretary, 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

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

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

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

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

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 Exchange 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 Penny Pilot Program (the "Pilot Program") is scheduled to expire on December 31, 2014. C2 proposes to extend the Pilot Program until June 30, 2015. C2 believes that extending the Pilot Program will allow for further analysis of the Pilot Program and a determination of how the Pilot Program should be structured in the future.

During this extension of the Pilot Program, C2 proposes that it may replace any option class that is currently included in the Pilot Program and that has been delisted with the next most actively traded, multiply listed option class that is not yet participating in the Pilot Program ("replacement class"). Any replacement class would be determined based on national average daily volume in the preceding six months,<sup>5</sup> and would be added on the second trading day following January 1, 2015. C2 will announce to its Trading Permit Holders by circular any replacement classes in the Pilot Program. The Exchange notes that it intends to utilize the same parameters to prospective replacement classes as was originally approved.

C2 is specifically authorized to act jointly with the other options exchanges participating in the Pilot Program in identifying any replacement class.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>6</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section

6(b)(5)<sup>7</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitation transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. In particular, the proposed rule change allows for an extension of the Pilot Program for the benefit of market participants.

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

C2 does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange believes that, by extending the expiration of the Pilot Program, the proposed rule change will allow for further analysis of the Pilot Program and a determination of how the Program shall be structured in the future. In doing so, the proposed rule change will also serve to promote regulatory clarity and consistency, thereby reducing burdens on the marketplace and facilitating investor protection. In addition, the Exchange has been authorized to act jointly in extending the Pilot Program and believes the other exchanges will be filing similar extensions.

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

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

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

Because the foregoing proposed rule does not (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on

which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change or such shorter time as designated by the Commission, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>9</sup> and Rule 19b-4(f)(6) thereunder.<sup>10</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. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or 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-C2-2014-026 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-C2-2014-026. 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

<sup>5</sup> The month immediately preceding a replacement class's addition to the Pilot Program (*i.e.* December) would not be used for purposes of the six-month analysis. Thus, a replacement class to be added on the second trading day following January 1, 2015 would be identified based on The Option Clearing Corporation's trading volume data from June 1, 2014 through November 30, 2014.

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(5).

<sup>8</sup> *Id.*

<sup>9</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>10</sup> 17 CFR 240.19b-4(f)(6).

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 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-C2-2014-026 and should be submitted on or before December 15, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

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

[FR Doc. 2014-27703 Filed 11-21-14; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73619; File No. SR-NYSEARCA-2014-132]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to the NYSE Proprietary Market Data Fee Schedule ("Market Data Fee Schedule") Regarding Non-Display Use Fees

November 18, 2014.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the "Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on November 7, 2014, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "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 change to the NYSE Proprietary Market Data Fee Schedule ("Market Data Fee Schedule") regarding non-display use fees. The text of the proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://www.nyse.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 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 the Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The Exchange proposes a change to the Market Data Fee Schedule regarding non-display use fees for NYSE Arca Integrated Feed, NYSE ArcaBook, NYSE Arca Trades and NYSE Arca BBO, the market data products to which non-display use fees apply. Specifically, with respect to the three categories of, and fees applicable to, market data recipients for non-display use, the Exchange proposes to describe the three categories in the Market Data Fee Schedule.

In September 2014, the Exchange revised the fees for non-display use of NYSE Arca Integrated Feed, NYSE ArcaBook, NYSE Arca Trades and NYSE Arca BBO.<sup>4</sup> In the 2014 Filing, the Exchange proposed certain changes to the categories of, and fees applicable to, data recipients for non-display use. As set forth in the 2014 Filing: (i) Category 1 Fees apply when a data recipient's non-display use of real-time market data is on its own behalf as opposed to use on behalf of its clients; (ii) Category 2 Fees apply when a data recipient's non-display use of real-time market data is on behalf of its clients as opposed to use

on its own behalf; and (iii) Category 3 Fees apply when a data recipient's non-display use of real-time market data is for the purpose of internally matching buy and sell orders within an organization, including matching customer orders on a data recipient's own behalf and/or on behalf of its clients. The Market Data Fee Schedule currently lists each category as Category 1, Category 2, and Category 3, without further description.

The Exchange is proposing to amend the Market Data Fee Schedule to add the descriptions of the three categories, as set forth above, as a footnote to the Market Data Fee Schedule. Because there will now be multiple footnotes to the Market Data Fee Schedule, the Exchange proposes non-substantive edits to change the existing footnote references from asterisks to numbers.

###### 2. Statutory Basis

The proposed rule change is consistent with Section 6(b)<sup>5</sup> of the Act, in general, and furthers the objectives of Section 6(b)(5)<sup>6</sup> of the Act, in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest, and it is not designed to permit unfair discrimination among customers, brokers, or dealers.

The Exchange believes that adding the description of the three categories of data recipients for non-display use to the Market Data Fee Schedule will remove impediments to and help perfect a free and open market by providing greater transparency for the Exchange's customers regarding the category descriptions that have been previously filed with the Commission and are applicable to the existing Market Data Fee Schedule.<sup>7</sup>

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act because the Exchange is merely adding to the Market Data Fee Schedule information

<sup>11</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> See Securities Exchange Act Release No. 73011 (September 5, 2014), 79 FR 54315 (September 11, 2014) (SR-NYSEARCA-2014-93) ("2014 Filing").

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

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> See *supra* n. 4.