

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73730; File No. SR-NYSEArca-2014-56]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Withdrawal of Proposed Rule Change Relating To Listing and Trading of Shares of the PIMCO Income Exchange-Traded Fund Under NYSE Arca Equities Rule 8.600

December 3, 2014.

On May 1, 2014, NYSE Arca, Inc. filed with the Securities and Exchange Commission (“Commission”), 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> a proposed rule change to list and trade shares of the PIMCO Income Exchange-Traded Fund under NYSE Arca Equities Rule 8.600. The proposed rule change was published for comment in the **Federal Register** on May 21, 2014.<sup>3</sup> On June 24, 2014, the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>4</sup> On August 19, 2014, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act<sup>5</sup> to determine whether to approve or disapprove the proposed rule change.<sup>6</sup> On November 14, 2014, the Commission issued a notice of designation of longer period for Commission action on proceedings to determine whether to approve or disapprove the proposed rule change.<sup>7</sup> The Commission received no comments on the proposed rule change. On December 2, 2014, the Exchange

withdrew the proposed rule change (SR-NYSEArca-2014-56).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>8</sup>

Kevin M. O’Neill,

*Deputy Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73732; File No. SR-NASDAQ-2014-114]

### Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Common Ownership

December 3, 2014.

Pursuant to Section 19(b)(1) of the Securities Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on November 20, 2014, The NASDAQ Stock Market LLC (“NASDAQ” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by NASDAQ. 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 proposes to modify the definition of Common Ownership<sup>3</sup> in Chapter XV, entitled “Options Pricing,” at Section 2 governing pricing for NASDAQ members using the NASDAQ Options Market (“NOM”), NASDAQ’s facility for executing and routing standardized equity and index options. Specifically, the Exchange proposes to extend the application of Common Ownership to all Chapter XV, Section 2 pricing which requires a certain volume threshold or percentage of volume to obtain certain options pricing.

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on December 1, 2014.

The text of the proposed rule change is available on the Exchange’s Web site at [http://](http://www.nasdaq.cchwallstreet.com)

<sup>8</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> The term “Common Ownership” shall mean Participants under 75% common ownership or control. See NOM Rules at Chapter XV.

[www.nasdaq.cchwallstreet.com](http://www.nasdaq.cchwallstreet.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. 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

NASDAQ proposes to modify Chapter XV, entitled “Options Pricing,” at Section 2 governing the rebates and fees assessed for option orders entered into NOM. The Exchange proposes to extend the application of Common Ownership to all Chapter XV, Section 2 pricing which requires a certain volume threshold or percentage of volume to obtain certain options pricing. Today, NOM Participants are permitted to aggregate affiliate activity to obtain certain pricing as specified in Chapter XV, Section 2, provided the NOM Participants are affiliated because they are under 75% common ownership or control with each other (“Common Ownership”). Today, the Exchange offers NOM Participants under Common Ownership the ability to obtain certain Customer<sup>4</sup> and Professional<sup>5</sup> Penny

<sup>4</sup> The term “Customer” applies to any transaction that is identified by a Participant for clearing in the Customer range at The Options Clearing Corporation which is not for the account of broker or dealer or for the account of a “Professional” (as that term is defined in Chapter I, Section 1(a)(48)).

<sup>5</sup> The term “Professional” means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) pursuant to Chapter I, Section 1(a)(48). All Professional orders shall be appropriately marked by Participants.

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

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

<sup>3</sup> See Securities Exchange Act Release No. 72170 (May 15, 2014), 79 FR 29231.

<sup>4</sup> See Securities Exchange Act Release No. 72458, 79 FR 36849 (Jun. 30, 2014). The Commission determined that it was 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 proposed rule change. Accordingly, the Commission designated August 19, 2014 as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

<sup>5</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>6</sup> See Securities Exchange Act Release No. 72867, 79 FR 50720 (Aug. 25, 2014). Specifically, the Commission instituted proceedings to allow for additional analysis of the proposed rule change’s consistency with Section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be “designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade,” and “to protect investors and the public interest.” See *id.*

<sup>7</sup> See Securities Exchange Act Release No. 73598, 79 FR 69172 (Nov. 20, 2014).