

submission of the PCAOB budget and for Commission actions related to each budget, a description of the information that should be included in each budget submission, limits on the PCAOB's ability to incur expenses and obligations except as provided in the approved budget, procedures relating to supplemental budget requests, requirements for the PCAOB to furnish on a quarterly basis certain budget-related information, and a list of definitions that apply to the rule and to general discussions of PCAOB budget matters.

In accordance with the budget rule, in March 2014 the PCAOB provided the Commission with a narrative description of its program issues and outlook for the 2015 budget year. In response, the Commission provided the PCAOB with economic assumptions and budgetary guidance for the 2015 budget year. The PCAOB subsequently delivered a preliminary budget and budget justification to the Commission. Staff from the Commission's Offices of the Chief Accountant and Financial Management dedicated a substantial amount of time to the review and analysis of the PCAOB's programs, projects and budget estimates; reviewed the PCAOB's estimates of 2014 actual spending; and attended several meetings with management and staff of the PCAOB to further develop its understanding of the PCAOB's budget and operations. During the course of this review, Commission staff relied upon representations and supporting documentation from the PCAOB. Based on this review, the Commission issued a "pass back" letter to the PCAOB. On November 25, 2014, the PCAOB approved its 2015 budget during an open meeting, and subsequently submitted that budget to the Commission for approval.

After considering the above, the Commission did not identify any proposed disbursements in the 2015 budget adopted by the PCAOB that are not properly recoverable through the annual accounting support fee, and the Commission believes that the aggregate proposed 2015 annual accounting support fee does not exceed the PCAOB's aggregate recoverable budget expenses for 2015. The Commission also acknowledges the PCAOB's updated strategic plan and encourages the PCAOB to continue keeping the Commission and its staff apprised of developments throughout the PCAOB's implementation of its near-term priority projects. The Commission looks forward to providing views to the PCAOB as future updates are made to the plan.

The Commission is aware that some of the projects on the PCAOB's standard setting agenda to update auditing and quality control standards have been slow to advance. The Commission also understands that the Board intends to undertake a review of performance and management of the standard setting agenda. The Commission directs the PCAOB during 2015 to provide timely updates to the Commission's staff on the Board's evaluation of all aspects of its standard setting process including performance and management of the process and the potential actions being considered by the Board for process improvements. The Commission also directs the PCAOB, upon its finalization of a process improvement plan for the standard setting agenda, to include in its quarterly reports to the Commission updates on the Board's assessment of the improvements in the performance and management of the standard setting agenda.

Similarly, as part of its review of the 2015 budget, the Commission notes that the Center for Economic Analysis ("Center"), established in 2014, requires continued Board oversight to align its activities with the PCAOB's mission. The Commission directs the PCAOB during 2015 to provide timely updates to the Commission's staff on the activities of the Center, including with respect to defining its role and aligning its activities with the Board's mission. The Commission also directs the PCAOB to include in its quarterly reports to the Commission, updates on the Board's assessment of the performance of the Center.

The Commission understands that in recent years the PCAOB has taken significant and productive steps to improve its information technology ("IT") program. These steps include IT staffing changes, implementing stronger IT governance structures, and strengthening Board oversight of its IT program. Based upon updates provided by the PCAOB, the Commission also understands that these efforts are ongoing; and directs the Board to continue to provide in its quarterly reports to the Commission detailed information about the state of the PCAOB's IT program, including planned, estimated, and actual costs for IT projects, and the level of involvement of consultants. These reports also should continue to include: (a) A discussion of the Board's assessment of the progress and implementation of the Board actions mentioned above; and (b) the quarterly IT report that is prepared by PCAOB staff and submitted to the Board.

The Commission also directs the PCAOB during 2015 to continue to include in its quarterly reports to the Commission information about the PCAOB's inspections program. Such information is to include: (a) Statistics relative to the numbers and types of firms budgeted and expected to be inspected in 2015, including by location and by year the inspections are required to be conducted in accordance with the Sarbanes-Oxley Act and PCAOB rules; (b) information about the timing of the issuance of inspections reports for domestic and non-U.S. inspections; and (c) updates on the PCAOB's efforts to establish cooperative arrangements with respective non-U.S. authorities for inspections required in those countries.

The Commission understands that the Office of Management and Budget ("OMB") has determined the 2015 budget of the PCAOB to be sequestrable under the Budget Control Act of 2011.⁴ Unless legislation occurs that avoids sequestration, we expect the PCAOB will have approximately \$1 million in excess funds available from the 2014 sequestration for spending in 2015. As such, the PCAOB has reduced its accounting support fee for 2015 by approximately \$1 million.

The Commission has determined that the PCAOB's 2015 budget and annual accounting support fee are consistent with Section 109 of the Sarbanes-Oxley Act. Accordingly,

It is ordered, pursuant to Section 109 of the Sarbanes-Oxley Act, that the PCAOB budget and annual accounting support fee for calendar year 2015 are approved.

By the Commission.

Brent J. Fields,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-74201; File No. SR-BOX-2015-08]

Self-Regulatory Organizations; BOX Options Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Options Regulatory Fee

February 4, 2015.

Pursuant to Section 19(b)(1) under the Securities Exchange Act of 1934 (the

⁴ See "OMB Report to the Congress on the Joint Committee Reductions for Fiscal Year 2015", Appendix page 17 of 17 at: http://www.whitehouse.gov/sites/default/files/omb/assets/legislative_reports/sequestration_order_report_march2014.pdf

“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on January 28, 2015, BOX Options Exchange LLC (the “Exchange”) 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 proposed rule change pursuant to Section 19(b)(3)(A)(ii) of the Act,³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposal 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 is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the Fee Schedule to increase the ORF from \$0.0030 per contract to \$0.0038 per contract. While changes to the fee schedule pursuant to this proposal will be effective upon filing, the changes will become operative on February 2, 2015. The text of the proposed rule change is available from the principal office of the Exchange, at the Commission’s Public Reference Room and also on the Exchange’s Internet Web site at <http://boxexchange.com>.

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 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend the Fee Schedule to increase the ORF from \$0.0030 per contract to \$0.0038 per contract. The Exchange proposes to

increase the ORF in light of increased regulatory costs and expected volume levels in 2015. The filing is based on the substantially similar filings filed by Miami International Securities Exchange, LLC. The proposed fee change would be operative on February 2, 2015.

The Exchange proposes to increase the ORF from \$0.0030 per contract to \$0.0038 per contract in light of increased regulatory costs and expected volume levels in 2015. The ORF is assessed by the Exchange on each Participant for all options transactions executed or cleared by the Participant that are cleared by The Options Clearing Corporation (“OCC”) in the customer range (*i.e.*, transactions that clear in the customer account of the Participant’s clearing firm at OCC) regardless of the exchange on which the transaction occurs. The fee is collected indirectly from Participants through their clearing firms by OCC on behalf of the Exchange. The dues and fees paid by Participants go into the general funds of the Exchange, a portion of which is used to help pay the costs of regulation. The ORF is designed to recover a material portion of the costs to the Exchange of the supervision and regulation of Participant customer options business, including performing routine surveillances, investigations, examinations, financial monitoring, as well as policy, rulemaking, interpretive and enforcement activities. The Exchange believes that revenue generated from the ORF, when combined with all of the Exchange’s other regulatory fees and fines, will cover a material portion, but not all, of the Exchange’s regulatory costs. The Exchange notes that its regulatory responsibilities with respect to Participant compliance with options sales practice rules have largely been allocated to FINRA under a 17d-2 agreement. The ORF is not designed to cover the cost of that options sales practice regulation. The Exchange will continue to monitor the amount of revenue collected from the ORF to ensure that it, in combination with its other regulatory fees and fines, does not exceed the Exchange’s total regulatory costs. If the Exchange determines regulatory revenues exceed regulatory costs, the Exchange will adjust the ORF by submitting a fee change filing to the Commission, as set forth in the BOX Fee Schedule.

2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act, in general, and Section 6(b)(4) and

6(b)(5) of the Act, in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among BOX Participants and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes the proposed fee change is reasonable because it would help the Exchange offset increased regulatory expenses, but would not result in total regulatory revenue exceeding total regulatory costs. Moreover, the Exchange believes the ORF ensures fairness by assessing higher fees to those Participants that require more Exchange regulatory services based on the amount of customer options business they conduct. Regulating customer trading activity is much more labor intensive and requires greater expenditure of human and technical resources than regulating non-customer trading activity, which tends to be more automated and less labor intensive. As a result, the costs associated with administering the customer component of the Exchange’s overall regulatory program are materially higher than the costs associated with administering the noncustomer component—Participant proprietary transactions) of its regulatory program. The Exchange believes that the proposed change is equitable and not unfairly discriminatory because it will apply in the same manner to all Participants that are subject to the ORF.

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 competitors are free to modify their own fees and credits in response, and because market participants may readily adjust their trading practices, the Exchange believes that the degree to which fee or credit changes in this market may impose any burden on competition is extremely limited. As a result of all of these considerations, the Exchange does not believe that the proposed change will impair the ability of Participants or competing order execution venues to maintain their competitive standing in the financial markets.

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

No written comments were either solicited or received.

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).

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)(ii) of the Exchange Act⁵ and Rule 19b-4(f)(2) thereunder,⁶ because it establishes or changes a due, or fee.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend the rule change if it appears to the Commission that the action is necessary or appropriate in the public interest, for the protection of investors, or would otherwise further the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule 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. Please include File Number SR-BOX-2015-08 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-BOX-2015-08. 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-BOX-2015-08, and should be submitted on or before March 3, 2015.

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

Jill M. Peterson,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-74205; File No. SR-ISE Gemini-2015-03]

Self-Regulatory Organizations; ISE Gemini, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Schedule of Fees

February 4, 2015.

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 January 23, 2015, ISE Gemini, LLC (the "Exchange" or "ISE Gemini") filed with the Securities and Exchange 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

ISE Gemini proposes to amend the Schedule of Fees to eliminate fees and rebates for Mini Options, which were delisted on the Exchange as of the close of business on December 17, 2014. The text of the proposed rule change is available on the Exchange's Internet Web site at <http://www.ise.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 statements may be examined at the places specified in Item IV below. The self-regulatory organization 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange is permitted to list Mini Option contracts overlying ten shares of the following five symbols: SPY, AAPL, GLD, GOOGL, and AMZN, pursuant to Supplementary Material .13 to Rule 504. Due to the smaller exercise and assignment value of Mini Options contracts, the Exchange charges fees and provides rebates in these Mini Option classes at a rate that is 1/10th the rate of fees and rebates the Exchange provides for trading in Standard Options. As the Exchange has delisted all Mini Options as of the close of business on December 17, 2014, the Exchange now proposes to eliminate fees and rebates for Mini Options in the Schedule of Fees. In particular, the Exchange also proposes to remove language related to Mini Options in the following sections of the Schedule of Fees:

1. Sections II, which contains tables on Regular Order Fees and Rebates for Mini Options, including Qualifying Tier Thresholds. This section will be eliminated in its entirety.³

2. The definition of Mini Options in the Preface.

3. Language related to basing volume thresholds on both Standard and Mini Option volume in the footnotes to the Qualifying Tier Thresholds of section I.

4. Route-out fees for Mini Options in section III, A.

5. Language related to charging the Options Regulatory Fee for options transactions in Mini Options in section IV, A.

³ The Exchange proposes to update section references to take into account the new section numbers when this section is removed. Section references in this proposed rule change are to the current section numbers.

⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

⁶ 17 CFR 240.19b-4(f)(2).

⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.