

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75312; File No. SR-ISE-2015-21]

Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Extend the Penny Pilot Program

June 26, 2015.

Correction

In notice document 2015-16270, appearing on pages 38251 through 38253 in the issue of Thursday, July 2, 2015, make the following correction:

On page 38253, in the first column, on the eighth line from the bottom, “July 22, 2015” should read “July 23, 2015”.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75425; File No. SR-CBOE-2015-044]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule, as Modified by Amendment No. 1, To Introduce Asian Style Settlement and Cliquet Style Settlement for FLEXible Exchange Broad-Based Index Options

July 10, 2015.

I. Introduction

On May 6, 2015, the Chicago Board Options Exchange, Incorporated (the

“Exchange” or “CBOE”) filed with the Securities and Exchange Commission (the “Commission”), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² a proposed rule change to permit Asian style settlement and Cliquet style settlement for FLEXible Exchange (“FLEX”) Broad-Based Index options. The proposed rule change was published for comment in the **Federal Register** on May 13, 2015.³ CBOE filed Amendment No. 1 to the proposed rule change on June 18, 2015.⁴ The Commission received no comments regarding the proposal. The Commission is publishing this notice to solicit comments on Amendment No. 1 from interested persons, and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

II. Description of the Proposal

The Exchange proposes to amend CBOE Rules 24A.1 (Definitions), 24A.4 (Terms of FLEX Options), 24B.1 (Definitions) and 24B.4 (Terms of FLEX Options) to permit Asian style settlement and Cliquet style settlement for FLEX Broad-Based Index options.⁵

Asian Style Settlement

FLEX Broad-Based Index options with Asian style settlement will be cash-settled call⁶ option contracts for which the final payout will be based on an arithmetic average of specified closing values of the underlying broad-based index (“Asian option”). Exercise (strike) prices and premium quotations for Asian options will be expressed and governed as provided for in CBOE Rules 24A.4(b)(2) and 24B.(b)(2). Asian options will have a term of approximately one year and would

expire anytime from 350 to 371 days (which is approximately 50 to 53 calendar weeks) from the date of initial listing. The contract multiplier for an Asian option will be \$100.⁷

The parties to an Asian option contract will designate a set of monthly observation dates and an expiration date for each contract. The monthly observation date will be the date each month on which the price of the underlying broad-based index will be observed for the purpose of calculating the exercise settlement value for Asian options. Each Asian option will have 12 consecutive monthly observation dates (which includes an observation on the expiration date) and each observation will be based on the closing price of the underlying broad-based index. The specific monthly observation dates will be determined by working backward from the farthest out observation date prior to the expiration date. If a given monthly observation date falls on a non CBOE business day (e.g., holiday or weekend), the monthly observation will be on the immediately preceding business day (“preceding business day convention”). The parties may not designate a subsequent business day convention for Asian options.

Asian options will have European-style exercise and may not be exercised prior to the expiration date. The exercise settlement value for Asian options will be the arithmetic average of the closing values of the underlying broad-based index on the 12 consecutive monthly observation dates, which include the expiration date of the option. Mathematically this is expressed as:

$$\text{Exercise Settlement Value} = \frac{\sum_{i=1}^{12} S_i}{12}$$

Where S_i is the closing price of the underlying broad-based index on monthly observation date on the i^{th} monthly observation date.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 74914 (May 8, 2015), 80 FR 27408.

⁴ Amendment No. 1 replaces the original filing in its entirety. Amendment No. 1 removes proposed amendments to the strategy-based customer margin

requirements in CBOE Rule 12.3 and modifies Form 19b-4, and Exhibits 1, 3, and 5 to clarify that the Exchange would apply the Exchange’s existing strategy-based customer margin requirements for broad-based index options, which are set forth in Rule 12.3. Amendment No. 1 also deletes references to portfolio margining from Form 19b-4 and Exhibits 1 and 3.

⁵ Chapter XXIVA sets forth Flexible Exchange Options rules and chapter XXIVB sets forth FLEX Hybrid Trading System rules.

⁶ Puts will not be permitted.

⁷ See Rules 24A.1(i) and 24B.1(m). “The Index Multiplier for FLEX Index Options is \$100.”

Where S_i is the closing price of the underlying broad-based index on monthly observation date on the i th monthly observation date.

The exercise settlement amount for Asian options will be calculated similarly to other options, *i.e.*, the difference between the strike price and the averaged settlement value will determine the value, or “moneyness” of the contract at expiration.

An example of an Asian FLEX call option expiring in-the-money follows. On January 21, 2015, an investor hedging the value of the S&P 500 Index over a year purchases a call option expiring on January 22, 2016 with a strike price of 2000 and a contract multiplier of \$100. The option has monthly observation dates occurring on the 23rd of each month.

Monthly observation date	S&P 500 Index closing value
23-Feb-15	2025.36
23-Mar-15	2049.34
23-Apr-15	2019.77
22-May-15 *	1989.65
23-Jun-15	2005.64
23-Jul-15	2035.10
21-Aug-15 *	2032.15
23-Sep-15	2076.18
23-Oct-15	2099.01
23-Nov-15	2109.32
23-Dec-15	2085.42
22-Jan-16	2084.81
Exercise (Averaged) Settlement Value	24,611.75/12 = 2050.98

* Because Asian FLEX options use the “preceding business day convention,” the dates of May 23, 2015 and August 23, 2015, were not used in the above example because those dates will fall on a weekend or a holiday. Instead the business days immediately preceding those dates were used as the monthly observation date.

The exercise settlement amount for this 2000 Asian FLEX call option would be equal to \$5,098. This amount would be determined by adding the 12 observed closing values for the S&P 500 Index and dividing that amount by 12 (24,611.75/12), which is equal to 2050.98 (when rounded). As a result, this 2000 call option would be \$5,098 in-the-money (50.98 x \$100).

If, in the above example, the strike price for the Asian FLEX call option was 2060, that contract would have expired out-of-the-money. This is because the exercise settlement value for this 2060 call option is equal to 2050.98 (when rounded). Since the strike price of 2060 is more than the 2050.98 exercise settlement value, this option would not be exercised and would expire worthless.

Cliquet Style Settlement

FLEX Broad-Based Index options with Cliquet style settlement will be cash-settled call⁸ option contracts for which the final payout will be based on the sum of monthly returns (*i.e.*, percent changes in the closing value of the underlying broad-based index from one monthly observation date to the next monthly observation date), subject to a monthly return “cap” (*e.g.*, 2%) applied over 12 monthly observation dates (“Cliquet option”). Premium quotations for Cliquet options will be expressed and governed as provided for in CBOE Rules 24A.4(b)(2) and 24B.(b)(2). Cliquet options will have a term of approximately one year and will expire anytime from 350 to 371 days (which is approximately 50 to 53 calendar weeks) from the date of initial listing. The contract multiplier for a Cliquet option will be \$100.⁹

The parties to a Cliquet option will designate a set of monthly observation dates for each contract and an expiration date for each contract. The monthly observation date will be the date each month on which the price of the underlying broad-based index will be observed for the purpose of calculating the exercise settlement value for Cliquet FLEX options. Each Cliquet FLEX option will have 12 consecutive monthly observation dates (which includes an observation on the expiration date) and each observation will be based on the closing price of the underlying broad-based index. The specific monthly observation dates will be determined working backward from the farther out observation date prior to the expiration date. If a given monthly observation date falls on a non CBOE business day (*e.g.*, holiday or weekend), the monthly observation will be on the immediately preceding business day (“preceding business day convention”). The parties may not designate a subsequent business day convention for Cliquet options.

The parties to a Cliquet option will designate a capped monthly return (percent change in the closing values of the underlying broad-based index from one month to the next month) for the contract, which will be the maximum monthly return that will be included in the calculation of the exercise settlement value for the contract. On each monthly observation date, the Exchange will determine the actual monthly return (the percent change of the underlying broad-based index) using the closing value of the broad-based

index on the current monthly observation date and the closing value of the broad-based index on the previous monthly observation date. The Exchange will then compare the actual monthly return to the capped monthly return. The value to be included as the monthly return for a Cliquet option will be the lesser of the actual monthly return or the capped monthly return.

For example, if the actual monthly return of the underlying broad-based index was 1.75% and the designated capped monthly return for a Cliquet option was 2%, the 1.75% value would be included (and not the 2%) as the value for the observation date to determine the exercise settlement value. Using this same example, if the actual monthly return of the underlying broad-based index was 3.30%, the 2% value would be included (and not the 3.30%) as the value of the observation date to determine the exercise settlement value. This latter example illustrates that Cliquet options have a capped upside. Cliquet options do not, however, have a capped downside for the monthly return that would be included in determining the exercise settlement value. Drawing on this same example, if the actual monthly return of the underlying broad-based index was -4.07%, the -4.07% value would be included as the value for the observation date to determine the exercise settlement value. There would be, however, a global floor for Cliquet options so that if the sum of the monthly returns is negative, a Cliquet option would expire worthless.

Unlike other options, Cliquet options will not have a traditional exercise (strike) price. Rather, the exercise (strike) price field for a Cliquet option will represent the designated capped monthly return for the contract and would be expressed in dollars and cents. For example, a capped monthly return of 2.25% would be represented by the dollar amount of \$2.25. The “strike” price for a Cliquet option may only be expressed in a dollar and cents amount and the “strike” price for a Cliquet option may only span a range between \$0.05 and \$25.95. In addition, the “strike” price for a Cliquet option may only be designated in \$0.05 increments, *e.g.*, \$1.75, \$2.50, \$4.15. Increments of \$0.01 in the “strike” price field (representing the capped monthly return) will not be permitted.

The first “monthly” return for a Cliquet option will be based on the initial reference value, which will be the closing value of the underlying broad-based index on the date a new Cliquet option is listed. The time period measured for the first “monthly” return will be between the initial listing date

⁸ Puts will not be permitted.

⁹ See CBOE Rules 24A.1(i) and 24B.1(m).

and the first monthly observation date. For example, if a Cliquet option was opened on January 1 and the parties designated the 31st of each month as the monthly observation date, the measurement period for the first monthly return would span the time period from January 1 to January 31. The time period measured for the second monthly return, and all subsequent monthly returns, would run

from the 31st of one month to the 31st of the next month (or the last CBOE business day of each month depending on the actual number of calendar days in each month covered by the contract). Cliquet options will have European-style exercise and may not be exercised prior to the expiration date. The exercise settlement value for Cliquet options will be equal to the initial reference price of the underlying broad-

based index multiplied by the sum of the monthly returns (with the cap applied) on the 12 consecutive monthly observation dates, which include the expiration date of the option, provided that the sum is greater than 0. If the sum of the monthly returns (with the applied cap) is 0 or a less, the option will expire worthless.¹⁰ Mathematically this is expressed as:

1. $S_0 \times (1 + \sum_{i=1}^{12} CMR_i)$; and
2. S_0

Where: S_0 = Initial Reference Price

CMR_i = MIN (Actual Monthly Return_i, Capped Monthly Return)

$$Monthly\ Return_i = \frac{(S_i - S_{i-1})}{S_{i-1}}$$

S_i = Closing Price of the Underlying Broad-Based Index on Monthly Observation

Date (i).

An example of a Cliquet option follows. On January 21, 2015, an investor hedging the value of the S&P 500 Index over a year purchases a

Cliquet FLEX call option expiring on January 22, 2016 with a capped monthly return of 2% and a contract multiplier of \$100. The initial reference price of

the S&P 500 Index (closing value) on January 21, 2015 is 2000. The option has monthly observation dates occurring on the 23rd of each month.

Monthly observation date	S&P 500 Index closing value (S _i)	Actual monthly return (%)	Capped monthly return (CMR _i) (%)	Sum of monthly returns (%)
23-Feb-15	2025.36	1.27	1.27	1.27
23-Mar-15	2049.34	1.18	1.18	2.45
23-Apr-15	2019.77	-1.44	-1.44	1.01
22-May-15*	1989.65	-1.49	-1.49	-0.48
23-Jun-15	2005.64	0.80	0.80	0.32
23-Jul-15	2035.10	1.47	1.47	1.79
21-Aug-15*	2032.15	-0.14	-0.14	1.65
23-Sep-15	2076.18	2.17	**2.00	3.65
23-Oct-15	2099.01	1.10	1.10	4.75
23-Nov-15	2109.32	0.49	0.49	5.24
23-Dec-15	2085.42	-1.13	-1.13	4.11
22-Jan-16	2084.81	-0.03	-0.03	4.08
Exercise Settlement Value	[(4.08% * 2000.00)] + 2 = 83.60			

* Because Cliquet FLEX options use the "preceding business day convention," the dates of May 23, 2015, and August 23, 2015, were not used in the above example because those dates will fall on a weekend or a holiday. Instead the business days immediately preceding those dates were used as the monthly observation dates.

** Monthly capped return applied.

¹⁰ Prior to expiration, it is possible that the accumulated monthly returns could become negative to a point at which it is known that the

value of the contract at expiration would be zero. The holder or writer of such a position may choose

to exit the position prior to expiration for a negligible credit or debit amount, respectively.

The exercise settlement amount for this January 22, 2016 Cliquet option, with a capped monthly 2% return (“strike price”) and a contract multiplier of \$100 would be equal to \$8,360. This value would be calculated by summing the monthly capped returns (equal to 4.08%) and multiplying that amount by the initial reference price (equal to 2000), which equals 81.60. The “strike price” (2%) amount would then be added to that amount (81.60) to arrive at an exercise settlement value of 83.60. Because the “strike price” field for a Cliquet option would be the manner in which the designated capped monthly return would be identified for the contract and because the designated monthly return for the contract would have been already substantively applied to determine the exercise settlement value, the “strike price” of 2.0 would be subtracted from the exercise settlement value before the contract multiplier (\$100) would be applied [(83.60 – 2) * 100]. Accordingly, resulting payout for this contract would be \$8,160.

If the sum of the monthly capped returns had been negative, this option would have expired worthless.

Margin

The Exchange will margin Asian and Cliquet FLEX Broad-Based Index options as “broad-based index” options under CBOE’s existing rules.¹¹ Thus, under current Rule 12.3(c)(5)(A), the margin requirement for a short call will be 100% of the current market value of the contract plus up to 15% of the “product of the current index group value and the applicable index multiplier.” Additional margin may be required pursuant to Rules 12.3(h) and 12.10.

Exchange Rules Applicable

Except as modified by this proposal, the rules in chapters I through XIX, XXIV, XXIVA and XXIVB will equally apply to Asian and Cliquet options. For example, per CBOE Rule 6.1A (Extended Trading Hours), Asian and Cliquet options will not be eligible for trading during Extended Trading Hours. Also, for example, CBOE Rules 24A.7 and 24A.8 set forth the position limits and reporting requirements applicable to FLEX Broad-Based Index options and Rules 24A.7 and 24B.7 set forth the exercise limits applicable to FLEX Broad-Based Index options. Respecting positions and exercise limits, these provisions set forth general rules and carve-outs for certain broad-based FLEX Broad-Based Index options, which will

apply with equal force to Asian and Cliquet options.

Surveillance

The Exchange will use the same surveillance procedures currently utilized for the Exchange’s other FLEX Broad-Based Index options to monitor trading in Asian and Cliquet options. The Exchange further represents that these surveillance procedures shall be adequate to monitor trading in options on these option products. For surveillance purposes, the Exchange will have complete access to information regarding trading activity in the pertinent underlying securities.

III. Discussion and Commission Findings

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.¹² Specifically, the Commission finds that the proposed rule change is consistent with section 6(b)(5) of the Act,¹³ 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, 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. The Commission believes that the Asian and Cliquet settlement styles for FLEX Broad-Based Index options may provide investors with additional trading and hedging tools. The Commission also believes that CBOE’s proposal to allow Asian and Cliquet style settlement for FLEX Broad-Based Index options may give investors and other market participants the ability to individually tailor, within specified limits, certain terms of those options. Further, the Commission believes that the Exchange’s proposal with respect to Asian and Cliquet style settlement, contract specifications, margin, and other aspects of the proposed rule are appropriate and consistent with the Act.

The Exchange has represented that the launch of Asian and Cliquet style settlement would be permitted subject to the Commission’s approval of an Options Clearing Corporation (“OCC”) rule filing to make risk model changes necessary to accommodate the clearance

and settlement of the proposed options. The Exchange will issue a circular to Trading Permit Holders to announce a specific launch date for the proposed options.

The Commission notes that the Exchange would use the same surveillance procedures currently utilized for the Exchange’s other FLEX Broad-Based Index options to monitor trading in those options with Asian and Cliquet style settlement. The Exchange has represented that these surveillance procedures shall be adequate to monitor trading in options on these option products. The Exchange has also stated that for surveillance purposes, the Exchange will have complete access to information regarding trading activity in the pertinent underlying securities.

IV. Solicitation of Comments on Amendment No. 1 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 1 to 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–CBOE–2015–044 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–CBOE–2015–044. 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

¹² In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹³ 15 U.S.C. 78f(b)(5).

¹¹ See Exhibit 3 to Amendment No. 1.

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 CBOE. 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-CBOE-2015-044 and should be submitted on or before August 6, 2015.

V. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 1

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 1, prior to the thirtieth day after the date of publication of notice of the amendment in the **Federal Register**. Amendment No. 1 modifies the proposed rule change by removing proposed amendments to the strategy-based customer margin requirements in CBOE Rule 12.3 and removing references to portfolio margining. The Commission believes that the removal of the proposed margin requirements for Asian and Cliquet FLEX Broad-Based Index options, set forth in Amendment No. 1, simply clarify that the Exchange would apply the existing strategy-based customer margin requirements for broad-based index options to Asian and Cliquet options. In addition, the Commission notes that the Exchange has represented that it will monitor trading in the proposed products and would continue to evaluate the strategy-based customer margin levels.¹⁴ Accordingly, the Commission finds good cause, pursuant to section 19(b)(2) of the Act,¹⁵ to approve the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

VI. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,¹⁶ that the proposed rule change (SR-CBOE-2015-044), as modified by Amendment No. 1, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

Jill M. Peterson,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75424; File No. SR-Phlx-2015-56]

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a Midpoint Peg Post-Only Order Under Rule 3301A(b)

July 10, 2015.

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 26, 2015, NASDAQ OMX PHLX LLC (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I and II 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 the Substance of the Proposed Rule Change

The Exchange proposes to adopt a Midpoint Peg Post-Only Order under Rule 3301A(b).

The text of the proposed rule change is available on the Exchange’s Web site at <http://nasdaqomxphlx.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 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 is proposing to adopt a Midpoint Peg Post-Only Order³ for use on the Exchange’s NASDAQ OMX PSX System (“PSX System” or “PSX”), which is based on the Midpoint Peg Post-Only Order of the NASDAQ Stock Market (“NASDAQ”).⁴ A Midpoint Peg Post-Only Order is a Non-Displayed⁵ Order that is priced at the midpoint between the National Best Bid and Offer (“NBBO”) and that will execute upon entry against locking or crossing quotes only in circumstances where economically beneficial to the party entering the Midpoint Peg Post-Only Order. Because the Order is priced at the midpoint, it can provide price improvement to incoming Orders when it is executed after posting to the PSX book. The Midpoint Peg Post-Only Order will be available during regular market hours (9:30 a.m. until 4:00 p.m. ET) only.

A Midpoint Peg Post-Only Order must be assigned a limit price. When a Midpoint Peg Post-Only Order is entered, it will be priced at the midpoint between the NBBO, unless such midpoint is higher than (lower than) the limit price of an Order to buy (sell), in which case the Midpoint Peg Post-Only Order will be priced at its limit price. If the NBBO is locked, the Midpoint Peg Post-Only Order will be priced at the locking price, if the NBBO is crossed, it will nevertheless be priced at the midpoint between the NBBO (provided, however, that the Order may execute as described below), and if there is no NBBO,⁶ the Midpoint Peg Post-Only Order will be rejected. The Midpoint Peg Post-Only Order will post to the PSX book unless it is a buy (sell) Order that is priced higher than (lower than) a sell (buy) Order on the PSX book, in which case it will execute at the price of the Order on the PSX book; provided, however, that if the Order has

³ The term “Order” is defined in Rule 3301(e).

⁴ The Exchange notes that the proposed rule text is based on newly-amended NASDAQ rule text, which provides a clearer and more detailed description of its Midpoint Peg Post-Only Order functionality than its prior rule. See Securities Exchange Act Release No. 75252 (June 22, 2015) (not yet published in the **Federal Register**) (Order approving SR-NASDAQ-2015-024).

⁵ See Rule 3301B(k).

⁶ That is, if no market center is disseminating a displayed bid or a displayed offer, such that it is impossible to determine a midpoint price.

¹⁴ See Amendment No. 1.

¹⁵ 15 U.S.C. 78s(b)(2).

¹⁶ 15 U.S.C. 78s(b)(2).

¹⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.