

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-ISE Gemini-2015-20 and should be submitted by November 12, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Brent J. Fields,**  
Secretary.

[FR Doc. 2015-26805 Filed 10-21-15; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76173; File No. SR-ISE-2015-32]

### Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Schedule of Fees

October 16, 2015.

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 October 1, 2015, the International Securities Exchange, LLC (the "Exchange" or "ISE") 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 proposes to amend the Schedule of Fees as described in more detail

below. 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 purpose of this proposed rule change is to amend the Schedule of Fees to modify the route-out fee applicable to Priority Customer<sup>3</sup> orders in Non-Select Symbols.<sup>4</sup> The Exchange presently charges Priority Customers route-out fees for orders routed to away markets pursuant to the Options Order Protection and Locked/Crossed Market Plan (the "Plan"). Specifically, Priority Customer orders pay a route-out fee of \$0.48 per contract in Select Symbols (including SPY),<sup>5</sup> and \$0.48 per contract in Non-Select Symbols.

The Exchange now proposes to charge Priority Customers a route-out fee of \$0.70 per contract for orders in Non-Select Symbols. The route-out fee applicable to Priority Customer orders in Select Symbols (including SPY) is not being changed.

###### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>6</sup> in general, and Section 6(b)(4) of the Act,<sup>7</sup> in particular, in that it is designed

<sup>3</sup> A Priority Customer is defined in ISE Rule 100(a)(37A) as a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s).

<sup>4</sup> "Non-Select Symbols" are options overlying all symbols excluding Select Symbols.

<sup>5</sup> "Select Symbols" are options overlying all symbols listed on ISE that are in the Penny Pilot Program.

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

<sup>7</sup> 15 U.S.C. 78f(b)(4).

to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities.

In particular, the Exchange believes the proposed route-out fee is reasonable and equitable because it offsets costs incurred by the Exchange in connection with using unaffiliated broker-dealers to route Priority Customer orders to other exchanges for linkage executions. Furthermore, the Exchange believes that the proposed fee is not unfairly discriminatory because the route-out fee for Priority Customer orders in Non-Select Symbols, as has historically been the case, remains lower than fees for orders from other market participants, including Professional Customer and Non-Customer orders.

The Exchange believes that it is equitable and not unfairly discriminatory to charge a lower route-out fee applicable to Priority Customer orders than Professional Customer and Non-Customer orders because a Priority Customer is by definition not a broker or dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). Further, the Exchange believes that the proposed fees are not unfairly discriminatory because these fees would be uniformly applied to all Priority Customer orders. As fees to access liquidity for Priority Customer orders have risen at other exchanges, it has become necessary for the Exchange to raise routing fees in order to recoup the higher costs.

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

In accordance with Section 6(b)(8) of the Act,<sup>8</sup> the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act as it simply increases fees for routing Priority Customer orders in Non-Select Symbols and will uniformly apply to all Priority Customer orders that are routed out to other exchanges for linkage executions. Furthermore, the fee change does not impact intra-market competition as the route out fee applies to orders routed to away markets.

The Exchange notes that members can and do route these orders to other markets or specify that ISE not route orders away on their behalf. As such, the Exchange operates in a highly competitive market in which market participants can readily direct their

<sup>8</sup> 15 U.S.C. 78f(b)(8).

<sup>15</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.

order flow to competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed fee change reflects this competitive environment.

*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 unsolicited 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)(ii) of the Act,<sup>9</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder,<sup>10</sup> because it establishes a due, fee, or other charge imposed by ISE.

At any time within 60 days of the filing of such 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 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](mailto:rule-comments@sec.gov). Please include File No. SR-ISE-2015-32 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-ISE-2015-32. 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-ISE-2015-32 and should be submitted by November 12, 2015.

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

**Brent J. Fields,**

*Secretary.*

[FR Doc. 2015-26806 Filed 10-21-15; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

**Sunshine Act Meeting**

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold an Open Meeting on Monday, October 26, 2015, at 1:00 p.m., in the Auditorium (L-002) at the Commission's headquarters building, to hear oral argument in an appeal from an initial decision of an administrative law judge by Respondents ZPR Investment Management, Inc. ("ZPRIM"), and Max E. Zavanelli ("Zavanelli").

On May 27, 2014, the law judge found that ZPRIM violated Sections 206(1), (2), and (4) of the Investment Advisers Act of 1940 and Advisers Act Rule 206(4)-1(a)(5), by misrepresenting compliance with the Global Investment Performance Standards ("GIPS") in magazine advertisements and investment report newsletters. The initial decision also found that Zavanelli aided, abetted, and caused, and was primarily liable under Sections 206(1) and (2) for, each of ZPRIM's violations based on these misrepresentations.

In addition, the law judge found that ZPRIM violated Sections 206(2) and (4) and Rule 206(4)-1(a)(5) by negligently claiming in a Morningstar report for the period ended September 30, 2010 that (a) an independent third party had verified ZPRIM's compliance with GIPS "to the present," and (b) ZPRIM was not under Commission investigation, although neither of these things was true. The law judge also found that ZPRIM violated Sections 206(1), (2), and (4) and Rule 206(4)-1(a)(5) by repeating its false claim that it was not under Commission investigation in a Morningstar report for the period ended March 31, 2011. The initial decision found that Zavanelli caused each of ZPRIM's Morningstar violations but did not aid and abet them.

For these violations, the law judge barred Zavanelli from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; ordered ZPRIM to cease and desist from committing, and Zavanelli to cease and desist from committing, aiding, abetting, or causing the commission of, any violations or future violations of Advisers Act Sections 206(1), (2), and (4) and Rule 206(4)-1(a)(5); and imposed civil money penalties of \$250,000 on ZPRIM and \$660,000 on Zavanelli.

Respondents appealed the initial decision's findings of violation and the sanctions imposed. The issues likely to be considered at oral argument include, among other things, whether Respondents violated the antifraud provisions as alleged and, if so, what sanction, if any, is appropriate in the public interest.

For further information, please contact the Office of the Secretary at (202) 551-5400.

Dated: October 19, 2015.

**Brent J. Fields,**

*Secretary.*

[FR Doc. 2015-26972 Filed 10-20-15; 11:15 am]

**BILLING CODE 8011-01-P**

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

<sup>10</sup> 17 CFR 240.19b-4(f)(2).

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