

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) of the Act¹² and paragraph (f) of Rule 19b-4¹³ thereunder. 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. Please include File Number SR-CBOE-2015-113 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-2015-113. 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 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-CBOE-2015-113 and should be submitted on or before January 13, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Robert W. Errett,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76674; File No. SR-MIAX-2015-70]

Self-Regulatory Organizations; Miami International Securities Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Fee Schedule

December 17, 2015.

Pursuant to the provisions of 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 December 4, 2015, Miami International Securities Exchange LLC ("MIAX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") a proposed rule change as described in Items I, II, and III 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 Substance of the Proposed Rule Change

The Exchange is filing a proposal to amend the MIAX Options Fee Schedule (the "Fee Schedule").

The text of the proposed rule change is available on the Exchange's Web site at http://www.miaxoptions.com/filter/wotitle/rule_filing, at MIAX's principal office, and at the Commission's Public Reference Room.

¹⁴ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 its Fee Schedule to: (i) Increase the transaction fees for transactions in standard options in non-Penny Pilot classes for Public Customers³ that are not a Priority Customer,⁴ Non-MIAX Market Makers, Non-Member Broker-Dealers, and Firms,⁵ and (ii) increase the transaction fees for transactions in standard options in Penny Pilot classes for Firms. The Exchange also proposes to modify the transaction fees for transactions for Public Customers that are not a Priority Customer, Non-MIAX Market Makers, Non-Member Broker-Dealers and Firms that achieve certain Priority Customer Rebate Program⁶ volume tiers. The proposed changes are based on the similar fees of other competing options exchanges.⁷

The Exchange is also proposing proportional fee changes applicable to Mini-Options in non-Penny Pilot classes, except that such fees applicable to Firms will be increased from \$0.04 to \$0.07 per contract, as described below. The Mini-Options transaction fee in

³ The term "Public Customer" means a person that is not a broker or dealer in securities. See Exchange Rule 100.

⁴ The term "Priority Customer" means 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 accounts(s).

⁵ This fee is assessed to an Electronic Exchange Member ("EEM") that enters an order that is executed for an account identified by the EEM for clearing in the OCC "Firm" range. See Fee Schedule, Section 1(a)ii). The term "Electronic Exchange Member" means the holder of a Trading Permit who is not a Market Maker. Electronic Exchange Members are deemed "members" under the Exchange Act. See Exchange Rule 100.

⁶ See Fee Schedule, Section 1(a)iii).

⁷ See NASDAQ OMX PHLX LLC Pricing Schedule, Section II; and Chicago Board Options Exchange, Incorporated, Fees Schedule, p. 1.

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f).

Penny Pilot classes will remain unchanged.

Specifically, the Exchange proposes to assess a \$0.75 per contract fee for transactions in standard options in non-Penny Pilot classes by Public Customers that are not a Priority Customer. The Exchange also proposes to assess a \$0.75 per contract fee for transactions in standard options in non-Penny Pilot classes by Non-MIAX Market Makers. Additionally, the Exchange proposes to assess a \$0.75 per contract fee for transactions in standard options in non-Penny Pilot classes by Non-Member Broker-Dealers. The Exchange believes that these proposed fees are reasonable, equitable and not unfairly discriminatory because they are the same for all participants other than Priority Customers, who are not assessed transaction fees.

Finally, the Exchange proposes to assess a \$0.75 per contract fee for transactions in standard options in non-Penny Pilot classes by Firms. The Exchange believes that this proposed fee increase for Firms in non-Penny Pilot classes is equitable and not unfairly discriminatory. While Firms are currently charged significantly less (*i.e.*, 20 cents per contract) than Public Customers that are not Priority Customers, non-MIAX Market Makers, and non-Member Broker-Dealers, the Exchange is simply proposing to place market participants in all of these categories on equal footing by increasing the transaction fees in non-Penny Pilot classes for such participants, including Firms, to an equal amount of \$0.75 per contract. This fee is intended to balance the costs incurred by the Exchange for the execution of such orders, and to encourage the submission and execution of Priority Customer orders on the Exchange at no charge.

The Exchange also proposes to increase the transaction fees assessed for transactions in standard options in Penny Pilot classes for Firms from \$0.37 to \$0.45 per contract. The Exchange believes that this proposed fee increase is reasonable, equitable and not unfairly discriminatory because it creates a more even playing field among Public Customers that are not Priority Customers, non-MIAX Market Makers, non-Member Broker-Dealers, and Firms. The Exchange initially established the transaction fees for Firms at a significantly lower rate than the other named categories of participants as a competitive measure to attract order flow from Firms. The Exchange believes that a variety of incentives, including but not limited to transaction fees, now achieve this goal. Accordingly, the Exchange believes that it is reasonable,

equitable and not unfairly discriminatory to increase the transaction fees in standard options for Firms in Penny Pilot classes to \$0.45 per contract. This is still \$0.02 less than the Penny Pilot class transaction fees for the other named categories of participants and the Exchange believes that it is still beneficial for competitive reasons to offer this fee to Firms.

The Exchange proposes to continue to offer Public Customers that are not a Priority Customer, Non-MIAX Market Makers, Non-Member Broker-Dealers and Firms the opportunity to reduce these transaction fees by \$0.02 per contract in standard options.⁸ In order to accomplish this reduction in transaction fees, any Member or its affiliates of at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A, that qualifies for Priority Customer Rebate Program volume tiers 3 or 4, and is: A Public Customer that is not a Priority Customer; a Non-MIAX Market Maker; a Non-Member Broker-Dealer; or a Firm will be assessed a reduced transaction fee of \$0.73 per contract for standard options in non-Penny Pilot option classes. Any Member or its affiliates of at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A, that qualifies for Priority Customer Rebate Program volume tiers 3 or 4 and is a Firm will be assessed a reduced transaction fee of \$0.43 per contract in Penny Pilot classes and \$0.73 per contract in non-Penny Pilot classes. The Exchange believes that these incentives will encourage these market participants to transact a greater number of orders on the Exchange.

The Exchange is also proposing to increase the transaction fees for Mini-Options in non-Penny classes from \$0.06 to \$0.07 for Public Customers that are not Priority Customers, Non-MIAX Market Makers and Non-Member Broker-Dealers. This represents a proportional increase in the applicable transaction fees for standard options in non-Penny Pilot classes. The Exchange is also proposing to increase the Mini-Option fee in non-Penny Pilot classes for Firms from its current \$0.04 per contract to \$0.07 per contract. This also represents a proportional increase relative to the proposed fees for non-Penny Pilot classes in standard options, placing Firms on an even playing field with other non-Priority Customer participants in Mini-Options.

⁸ See Securities Exchange Release Nos. 72988 (September 4, 2014), 79 FR 53808 (September 10, 2014) (SR-MIAX-2014-46); 72989 (September 4, 2014), 79 FR 53792 (September 10, 2014) (SR-MIAX-2014-47).

2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act⁹ in general, and furthers the objectives of Section 6(b)(4) of the Act¹⁰ in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and issuers and other persons using its facilities.

The Exchange's proposal to increase the transaction fees is reasonable because the Exchange's fees will remain competitive with fees at other options exchanges.¹¹ The Exchange's proposal to increase the transaction fees for these market participants is equitable and not unfairly discriminatory because the increase applies equally to all of the participants in each category of market participant. The Exchange does not assess transactions fees on Priority Customers because Priority Customer order flow enhances liquidity on the Exchange for the benefit of all market participants by providing more trading opportunities, which attracts Market Makers and other market participants. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. MIAX Market Makers are assessed lower transaction fees as compared to Public Customers that are not a Priority Customer, Non-MIAX Market Makers, Non-Member Broker-Dealers, and Firms because they have market-making obligations and regulatory requirements, which normally do not apply to market participants that are not MIAX Market Makers.¹² MIAX Market Makers have obligations to make continuous markets, engage in a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and not make bids or offers or enter into transactions that are inconsistent with a course of dealings. In addition, Members are subject to other fees and dues associated with their membership to the Exchange that do not apply to non-Members, and the instant proposal recognizes the differing contributions made to the liquidity and trading environment on the Exchange by these market participants. The \$0.75 per contract fee for transactions in standard options in non-Penny Pilot classes by

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4).

¹¹ See NASDAQ OMX PHLX LLC Pricing Schedule, Section II; and Chicago Board Options Exchange, Incorporated, Fees Schedule, p. 1.

¹² See Exchange Rules 603 and 604.

Public Customers that are not a Priority Customer, Non-MIAX Market Makers, Non-Member Broker-Dealers and Firms are reasonable, equitable and not unfairly discriminatory because they are the same for all market participants other than Priority Customers, who are not assessed transaction fees.

The Exchange believes that the proposed fee increase for standard options in Penny Pilot classes for Firms is reasonable, equitable and not unfairly discriminatory because it creates a more even playing field among Public Customers that are not Priority Customers, non-MIAX Market Makers, non-Member Broker-Dealers, and Firms.

The Exchange further believes that the proposed increase in transaction fees in Mini-Options in non-Penny Pilot classes for Firms from its current \$0.04 per contract to \$0.07 per contract is reasonable, equitable, and not unfairly discriminatory because it simply represents a proportional increase relative to the proposed fees for non-Penny Pilot classes in standard options, placing Firms on an even playing field with other non-Priority Customer participants in Mini-Options.

The Exchange's proposal to offer Public Customers that are not a Priority Customer, Non-MIAX Market Makers, Non-Member Broker-Dealers and Firms the continued opportunity to reduce transaction fees by \$0.02 per contract in standard options is reasonable because the Exchange desires to offer all such market participants an opportunity to lower their transaction fees. The Exchange's proposal to offer such market participants the continued opportunity to reduce transaction fees by \$0.02 per contract in standard options, provided certain criteria are met, is equitable and not unfairly discriminatory because the Exchange will offer all market participants that are charged transaction fees a means to reduce such transaction fees by reaching volume tiers in the Priority Customer Rebate Program. The Exchange believes that the opportunity to lower transaction fees through incentives to transact Priority Customer order flow benefits all market participants.

The Exchange believes that the proposal to allow the aggregation of trading activity of Members and their affiliates for purposes of the fee reduction is fair, equitable and not unreasonably discriminatory. The Exchange believes the proposed rule change is reasonable because it would allow aggregation of the trading activity of qualified affiliates only in very narrow circumstances, namely, where the affiliate meets the definition of an "affiliate" as stated in the Fee Schedule.

Furthermore, other exchanges and MIAX have rules that permit the aggregation of the trading activity of affiliated entities for the purposes of calculating and assessing certain fees.¹³ The Exchange believes that the opportunity for all such market participants to lower transaction fees by transacting greater Priority Customer order flow in turn benefits all market participants.

The Exchange believes that its proposal to assess transaction fees in non-Penny Pilot options classes, which differs from Penny Pilot options classes, is consistent with other options markets that also assess different transaction fees for non-Penny Pilot options classes as compared to Penny Pilot options classes. The Exchange believes that establishing different pricing for non-Penny Pilot options and Penny Pilot options is reasonable, equitable, and not unfairly discriminatory because Penny Pilot options are more liquid options as compared to non-Penny Pilot options. Additionally, other competing options exchanges differentiate pricing in a similar manner.¹⁴

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposal is similar to the transaction fees found on other options exchanges; therefore, the Exchange believes the proposal is consistent with robust competition by increasing the intermarket competition for order flow from market participants. The proposal more closely aligns the fees for Public Customers that are not a Priority Customer, Non-MIAX Market Makers, Non-Member Broker-dealers and Firms on the Exchange to those of other exchanges for the same market participants. To the extent that there is additional competitive burden on non-Member market participants, the Exchange believes that this is appropriate because charging non-Members higher transaction fees is a common practice amongst exchanges, and because Members are subject to other fees and dues associated with their membership to the Exchange that do not apply to non-Members.

¹³ See, e.g., NASDAQ OMX PHLX LLC Pricing Schedule Preface; and Chicago Board Options Exchange, Incorporated, Fees Schedule, Footnote 10.

¹⁴ See NASDAQ OMX PHLX LLC Pricing Schedule, Section II; NYSE Amex Options Fee Schedule, p. 6; Chicago Board Options Exchange, Incorporated, Fees Schedule, p. 1; NASDAQ OMX BX Options Pricing Schedule, Section 2.

Enhanced market quality and increased transaction volume that results from the anticipated increase in order flow directed to the Exchange will benefit all market participants and improve competition on the Exchange.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposal reflects this competitive environment.

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

Written comments were neither solicited nor received.

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,¹⁵ and Rule 19b-4(f)(2)¹⁶ thereunder. 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 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-MIAX-2015-70 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange

¹⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁶ 17 CFR 240.19b-4(f)(2).

Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-MIAX-2015-70. 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 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-MIAX-2015-70 and should be submitted on or before January 13, 2016.

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

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015-32188 Filed 12-22-15; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 31944; 812-14415]

Altegris KKR Commitments Master Fund, et al.; Notice of Application

December 17, 2015.

AGENCY: Securities and Exchange Commission ("Commission").

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 18(c) and 18(i) of the Act and for an order pursuant to

section 17(d) of the Act and rule 17d-1 under the Act.

Summary of Application: Applicants request an order to permit certain registered closed-end management investment companies to issue multiple classes of shares of beneficial interest ("Shares") and to impose asset-based service and/or distribution fees and contingent deferred sales loads ("CDSCs").

Applicants: Altegris KKR Commitments Master Fund (the "Fund"), Altegris Advisors, L.L.C. (the "Adviser") and Altegris Investments, L.L.C. (the "Distributor").

Filing Dates: The application was filed on January 12, 2015, and amended on August 26, 2015.

Hearing or Notification of Hearing: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on January 11, 2016, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090; Applicants, 1200 Prospect Street, Suite 400, La Jolla, CA 92037.

FOR FURTHER INFORMATION CONTACT:

Kieran G. Brown, Senior Counsel, at (202) 551-6773 or Daniele Marchesani, Branch Chief, at (202) 551-6821 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained via the Commission's Web site by searching for the file number, or an applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551-8090.

Applicants' Representations

1. The Fund is a continuously offered closed-end management investment company registered under the Act and organized as a Delaware statutory trust.

The Fund currently serves as the master fund in a master-feeder structure with one feeder fund.¹ If the requested relief is granted, the feeder fund will be dissolved promptly and the Fund will no longer operate within a master-feeder structure. The Fund operates as a "fund of funds" that intends to invest in private equity funds ("Investment Funds") and in co-investment opportunities in operating companies that are presented by one or more Investment Funds ("Co-Investment Opportunities"). In particular, the Fund intends to invest significantly in Investment Funds that are sponsored or advised by Kohlberg Kravis Roberts & Co. L.P. or an affiliate (collectively, "KKR") and Co-Investment Opportunities presented by such KKR-advised Investment Funds.

2. The Adviser, a Delaware limited liability company, is registered as an investment adviser under the Investment Advisers Act of 1940. The Adviser serves as investment adviser to the Fund. The Distributor, a broker-dealer registered under the Securities Exchange Act of 1934 ("1934 Act"), acts as the distributor of the Fund. The Distributor is under common control with the Adviser and is an affiliated person, as defined in section 2(a)(3) of the Act, of the Adviser.

3. The Fund continuously offers its Shares² to persons who are "accredited investors," as defined in Regulation D under the Securities Act of 1933, as amended (the "Securities Act"). Shares of the Fund are not listed on any securities exchange and do not trade on an over-the-counter system such as NASDAQ. Applicants do not expect that any secondary market will develop for the Shares.

4. The Fund currently offers a single class of Shares (the "Initial Class") at net asset value per share without a sales load and without an annual asset-based service and/or distribution fee. The Fund proposes to issue multiple classes of Shares and specifically proposes to offer a new Share class (the "New Class") at net asset value that may (but would not necessarily) be subject to a front-end sales load and an annual asset-based service and/or distribution fee. The Fund intends to continue to offer Initial Class Shares, without a sales load and without a service and/or distribution fee.

5. In order to provide a limited degree of liquidity to shareholders, the Fund

¹ The feeder fund is Altegris KKR Commitments Fund.

² "Shares" includes any other equivalent designation of a proportionate ownership interest of the Fund.

¹⁷ 17 CFR 200.30-3(a)(12).