

#### 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 Number SR-Phlx-2016-06 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-Phlx-2016-06. 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-Phlx-2016-06 and should be submitted on or before February 17, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>10</sup>

**Brent J. Fields,**

*Secretary.*

[FR Doc. 2016-01665 Filed 1-26-16; 8:45 am]

**BILLING CODE 8011-01-P**

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76969; File No. SR-NYSEArca-2016-13]

#### **Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending the Exchange's Schedule of Fees and Charges To Define the Term "Exchange Traded Products" and To Provide for the Proration of Annual Fees Applicable to Exchange Traded Products That Have Liquidated**

January 22, 2016.

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> notice is hereby given that on January 14, 2016, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") 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 the Exchange.<sup>3</sup> 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 proposes to amend the Exchange's Schedule of Fees and Charges to define the term "Exchange Traded Products" and to provide for the proration of Annual Fees applicable to Exchange Traded Products that have liquidated. The proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://www.nyse.com), at the principal office of the Exchange, and at the Commission's Public Reference Room.

<sup>10</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 Exchange originally filed this proposed rule change on December 23, 2015 under File No. SR-NYSEArca-2015-126, and the Exchange subsequently withdrew that filing on January 5, 2016. The Exchange refiled this proposed rule change on January 5, 2016 under File No. SR-NYSEArca-2016-07. The Exchange subsequently withdrew that filing on January 14, 2016 and filed this filing.

#### **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 self-regulatory organization 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 those 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 parts of such statements.

##### *A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change*

###### 1. Purpose

The Exchange proposes to amend its Schedule of Fees and Charges for NYSE Arca Equities listing fees ("Schedule") to define the term "Exchange Traded Products," to revise the Annual Fees paid by issuers of Exchange Traded Products, and to make technical, non-substantive changes to the Schedule.

The term "Derivative Securities Products" is currently defined in Footnote 3 of the Schedule to mean the securities described in NYSE Arca Equities Rules 5.2(j)(3) (Investment Company Units); 8.100 (Portfolio Depositary Receipts); 8.200 (Trust Issued Receipts); 8.201 (Commodity-Based Trust Shares); 8.202 (Currency Trust Shares); 8.203 (Commodity Index Trust Shares); 8.204 (Commodity Futures Trust Shares); 8.300 (Partnership Units); 8.500 (Trust Units); 8.600 (Managed Fund Shares), and 8.700 (Managed Trust Securities). The Exchange proposes to replace the term "Derivative Securities Products" with the term "Exchange Traded Products" as a term that is more commonly used by investors and the public with respect to the equity securities that list and trade on the Exchange and distinguishes them from derivatives, such as futures or swaps. To effect this change, the Exchange proposes to amend footnote 3 of the Schedule and to replace the term "Derivative Securities Products" with the term "Exchange Traded Products" throughout the Schedule.

The Schedule includes "Annual Fees" payable by issuers of Exchange Traded Products listed on the Exchange. Pursuant to Footnote 8 of the Schedule, issuers are subject to Annual Fees in the year of listing, pro-rated based on days listed that calendar year. The Annual Fees for Exchange Traded Products are billed in January for the forthcoming

year. Currently, when an Exchange Traded Product liquidates, and as a result, is delisted from the Exchange, the issuer is responsible for the full year's Annual Fee as billed in January. The issuer receives no refund for amounts paid or reduction of amounts payable even though the Exchange Traded Product has liquidated.

The Exchange proposes to amend Footnote 8 of the Schedule to provide that the Annual Fees applicable to Exchange Traded Products that have liquidated and as a result are delisted from the Exchange will be prorated for the portion of the calendar year that such issue was listed on the Exchange, based on days listed that calendar year. Thus, for example, if the issuer of an Exchange Traded Product has paid an Annual Fee of \$20,000 as billed in January and such issue is liquidated and then delisted from the Exchange on June 30, the issuer would receive a refund of \$10,000, which represents a pro rata credit of Annual Fees owed for the year.

Notwithstanding the proposed proration of the Annual Fees for Exchange Traded Products, the Exchange will continue to be able to fund its regulatory obligations.

The Exchange also proposes non-substantive amendments to the Schedule. First, the Exchange proposes to add the operative date to the Schedule, which, for this filing, would be January 14, 2016. Second, the Exchange proposes to delete the last two sentences of Commentary .4 to the Schedule, which refer to the transfer of securities from NYSE Alternext US to NYSE Arca, which occurred in 2008, and therefore is outdated text.

## 2. Statutory Basis

NYSE Arca believes that the proposal is consistent with Section 6(b)<sup>4</sup> of the Act, in general, and Section 6(b)(4)<sup>5</sup> of the Act in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among its issuers and other persons using its facilities. In addition, the Exchange believes the proposal is consistent with the requirement under Section 6(b)(5)<sup>6</sup> that an exchange have rules that are 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, in general, to protect investors and the public interest.

The Exchange believes that adding the operative date will clarify the Schedule

by specifying the date as of which the most recent changes to the Schedule apply. Replacing the term "Derivative Securities Products" with the term "Exchange Traded Products" will remove impediments to and perfect the mechanism of a free and open market by using a term commonly used by the public and investors to refer to the products that are listed on the Exchange. The Exchange further believes that using the term "Exchange Traded Products" will promote transparency in Exchange rules by distinguishing the equity securities that list and trade on the Exchange from derivatives, such as futures or swaps. In addition, the deletion of the last two sentences of Commentary .4 to the Schedule will eliminate outdated text.

The Exchange further believes that the proposed pro rata reduction of the Annual Fees as a result of liquidation and termination of an issue of Exchange Traded Products is equitable and does not unfairly discriminate between issuers because it would apply uniformly to all Exchange Traded Products and issuers of such products. The Exchange believes such reduction is reasonable in that it constitutes a potential reduction in Annual Fees for issues that are liquidated, and therefore are no longer collecting a management fee to pay for such expenses. Notwithstanding the proposed proration of the Annual Fees for Exchange Traded Products, the Exchange will continue to be able to fund its regulatory obligations.

### *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 purpose of the Act. The Exchange believes the proposed rule change would promote competition because it will permit the Exchange to better compete with other exchanges with respect to fees charged in connection with listing Exchange Traded Products.

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

No written comments were solicited or received with respect to the proposed rule change.

## **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change is effective upon filing pursuant to Section

19(b)(3)(A)<sup>7</sup> of the Act and subparagraph (f)(2) of Rule 19b-4<sup>8</sup> thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

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 under Section 19(b)(2)(B)<sup>9</sup> of the Act to determine whether the proposed rule change should be approved or disapproved.

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- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEArca-2016-13 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.

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

<sup>5</sup> 15 U.S.C. 78f(b)(4).

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> 17 CFR 240.19b-4(f)(2).

<sup>9</sup> 15 U.S.C. 78s(b)(2)(B).

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-NYSEArca-2016-13, and should be submitted on or before February 17, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>10</sup>

**Brent J. Fields,**  
Secretary.

[FR Doc. 2016-01668 Filed 1-26-16; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76953; File No. SR-BYX-2012-019]

### Self-Regulatory Organization; BATS Y-Exchange, Inc.; Order Granting an Extension to Limited Exemption From Rule 612(c) of Regulation NMS in Connection With the Exchange's Retail Price Improvement Program

January 21, 2016.

On November 27, 2012, the Securities and Exchange Commission ("Commission") issued an order pursuant to its authority under Rule 612(c) of Regulation NMS ("Sub-Penny Rule")<sup>1</sup> that granted the BATS Y-Exchange, Inc. ("BYX" or the "Exchange") a limited exemption from the Sub-Penny Rule in connection with the operation of the Exchange's Retail Price Improvement ("RPI") Program (the "Program"). The limited exemption was granted concurrently with the Commission's approval of the Exchange's proposal to adopt the Program for a one-year pilot term.<sup>2</sup> The exemption was granted coterminous with the effectiveness of the pilot Program and has been extended twice;<sup>3</sup>

<sup>10</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 17 CFR 242.612(c).

<sup>2</sup> See Securities Exchange Act Release No. 68303 (November 27, 2012), 77 FR 71652 (December 3, 2012) ("RPI Approval Order") (SR-BYX-2012-019).

<sup>3</sup> See Securities Exchange Act Release Nos. 71249 (January 7, 2014), 79 FR 2229 (January 13, 2014) (SR-BYX-2014-001) (extending the pilot period); 71250 (January 7, 2014), 79 FR 2234 (January 13, 2014) (Order Granting an Extension to Limited

both the pilot Program and exemption are scheduled to expire on January 31, 2016.

The Exchange now seeks to extend the exemption until July 31, 2016.<sup>4</sup> The Exchange's request was made in conjunction with an immediately effective filing that extends the operation of the Program until July 31, 2015.<sup>5</sup> In its request to extend the exemption, the Exchange notes that the Program was implemented gradually over time. Accordingly, the Exchange has asked for additional time to allow itself and the Commission to analyze data concerning the Program, which the Exchange committed to provide to the Commission.<sup>6</sup> For this reason and the reasons stated in the Order originally granting the limited exemption, the Commission finds that extending the exemption, pursuant to its authority under Rule 612(c) of Regulation NMS, is appropriate in the public interest and consistent with the protection of investors.

*Therefore, it is hereby ordered*, that, pursuant to Rule 612(c) of Regulation NMS, the Exchange is granted a limited exemption from Rule 612(c) of Regulation NMS that allows it to accept and rank orders priced equal to or greater than \$1.00 per share in increments of \$0.001, in connection with the operation of its RPI Program.

The limited and temporary exemption extended by this Order is subject to modification or revocation if at any time the Commission determines that such action is necessary or appropriate in furtherance of the purposes of the Securities Exchange Act of 1934. Responsibility for compliance with any applicable provisions of the federal securities laws must rest with the persons relying on the exemptions that are the subject of this Order.

Exemption From Rule 612(c) of Regulation NMS in Connection With the Exchange's Retail Price Improvement Program); 74111 (January 22, 2015), 80 FR 4598 (January 28, 2015) (SR-BYX-2015-05) (extending the pilot period); and 74115 (January 22, 2015), 80 FR 4324 (January 27, 2015) (Order Granting an Extension to Limited Exemption From Rule 612(c) of Regulation NMS in Connection With the Exchange's Retail Price Improvement Program).

<sup>4</sup> See letter from Anders Franzon, Senior Vice President and Associate General Counsel, BYX, to Elizabeth M. Murphy, Secretary, Commission, dated January 12, 2016.

<sup>5</sup> See SR-BYX-2016-01.

<sup>6</sup> See RPI Approval Order, *supra* note 2, at 77 FR at 71657.

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

**Brent J. Fields,**  
Secretary.

[FR Doc. 2016-01534 Filed 1-26-16; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76960; File No. SR-CBOE-2015-107]

### Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing of Amendment No. 2 and Order Granting Accelerated Approval of Proposed Rule Change, as Modified by Amendment Nos. 1 and 2 Thereto, Relating to Price Protection Mechanisms for Quotes and Orders

January 21, 2016.

#### I. Introduction

Chicago Board Options Exchange, Incorporated (the "Exchange" or "CBOE") filed on November 24, 2015, with the Securities and Exchange Commission (the "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 proposal to enhance its current price protection mechanisms and adopt certain new price protection functionality for orders and quotes. On December 4, 2015, the Exchange filed Amendment No. 1 to the proposed rule change. The proposed rule change, as modified by Amendment No. 1, was published for comment in the **Federal Register** on December 11, 2015.<sup>3</sup> On December 29, 2015, the Exchange filed Amendment No. 2 to the proposed rule change.<sup>4</sup> The Commission received no

<sup>7</sup> 17 CFR 200.30-3(a)(83).

<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. 76585 (December 8, 2015), 80 FR 77038 (December 11, 2015) ("Notice").

<sup>4</sup> In Amendment No. 2, the Exchange amended the proposed rule language to (i) clarify that it will notify Trading Permit Holders by electronic message if the Exchange determines that the put strike price or call underlying value check should not apply in the interest of maintaining a fair and orderly market under proposed Exchange Rule 6.14(a)(ii) and (ii) limit the potential range of the percentage amount used to calculate the maximum value acceptable price range check in proposed Exchange Rule 6.53C, Interpretation and Policy .08(g)(1)(iii). In Amendment No. 2, CBOE also represented that it will document, retain, and periodically review any Exchange decision to not apply the put check or call check under proposed Exchange Rule 6.14(a)(ii), including the reason for the decision. See Amendment No. 2 to File No. SR-CBOE-2015-107, dated December 29, 2015