

Therefore, it is ordered, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the securities of the above-listed companies is suspended for the period from 9:30 a.m. EDT on May 4, 2016, through 11:59 p.m. EDT on May 17, 2016.

By the Commission.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2016-10792 Filed 5-4-16; 11:15 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77754; File No. SR-ISE-2016-10]

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

May 2, 2016.

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 April 18, 2016, the International Securities Exchange, LLC (the "Exchange" or the "ISE") 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 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

The ISE proposes to amend its Market Maker API fees as described in more detail below. The text of the proposed rule change is available on the Exchange's Web site (<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 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 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 charges application programming interface ("API") fees to Market Makers<sup>3</sup> for connecting to the Exchange. Each Market Maker session enabled for quoting is billed at a rate of \$1,000 per month, and allows the Market Maker to submit an average of up to 1.5 million quotes per day.<sup>4</sup> Market Makers must pay for a minimum of two of these sessions, and incremental usage above 1.5 million quotes per day results in the Market Maker being charged for an additional session. Due to recent increases in quoting activity, Market Makers that aggressively quote on the Exchange are being billed for an increasing number of quoting sessions. The Exchange therefore proposes to introduce a cap on the API fees charged to Market Makers that meet specified performance criteria. In particular, Market Makers that achieve any tier of Market Maker Plus<sup>5</sup> by routinely quoting at the national best bid or offer in 200 or more symbols (other than SPY) will have their API fees capped at 200 quoting sessions per month.<sup>6</sup> In addition, the Exchange

<sup>3</sup> The term "Market Makers" refers to "Competitive Market Makers" and "Primary Market Makers" collectively. See ISE Rule 100(a)(25).

<sup>4</sup> Quoting sessions also support order entry and listening. The Exchange separately offers Market Maker API sessions for listening only (\$175 per month per API), and order entry and listening (\$750 per month per API). The Exchange is not proposing any changes to the API fees charged for non-quoting sessions.

<sup>5</sup> A Market Maker Plus is a Market Maker who is on the National Best Bid or National Best Offer a specified percentage of the time for series trading between \$0.03 and \$3.00 (for options whose underlying stock's previous trading day's last sale price was less than or equal to \$100) and between \$0.10 and \$3.00 (for options whose underlying stock's previous trading day's last sale price was greater than \$100) in premium in each of the front two expiration months. The specified percentage is at least 80% but lower than 85% of the time for Tier 1, at least 85% but lower than 95% of the time for Tier 2, and at least 95% of the time for Tier 3. A Market Maker's single best and single worst quoting days each month based on the front two expiration months, on a per symbol basis, will be excluded in calculating whether a Market Maker qualifies for Market Maker Plus, if doing so will qualify a Market Maker for Market Maker Plus.

<sup>6</sup> The Exchange notes that "Trading Application Software" fees contained in Section V of the Schedule of Fees are currently billed on the 15th of each month. The Exchange will be moving its

proposes to offer certain other incentives for Market Makers based on quoting activity in other symbols. Market Makers that achieve Market Maker Plus in SPY will receive credit for five quoting sessions. Market Makers that quote in all FX option products<sup>7</sup> will not have their FX option quotes counted towards the 1.5 million quote threshold, and will receive additional credit for twelve quoting sessions. All credited sessions will be applied after the 200 API session cap. For example, a member that uses 220 quoting sessions and achieves Market Maker Plus in SPY and 200 or more non-SPY symbols, will be billed for 195 quoting sessions—i.e., a cap of 200 sessions for achieving Market Maker Plus in 200 non-SPY symbols minus the 5 credited sessions for achieving Market Maker Plus in SPY.

##### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>8</sup> in general, and Section 6(b)(4) of the Act,<sup>9</sup> in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities.

The Exchange believes that the proposed fee change is reasonable and equitable because the proposed changes will reduce the impact of increased quoting activity on Market Maker API charges, and will encourage Market Makers to maintain quality markets in order to qualify for the proposed incentives. As noted above, Market Makers are currently facing increased API charges due to increases in quoting activity for members that quote aggressively. The Exchange believes that a cap in API fees is appropriate for Market Makers that consistently maintain quality markets as demonstrated by achieving Market Maker Plus in a number of symbols. The Exchange also believes that it is appropriate to grant free API sessions to members that achieve Market Maker Plus in SPY, which is the most actively traded name on the Exchange. Similarly, the Exchange believes that it is appropriate to grant an additional quoting allowance as well as free API

billing cycle for these fees to the beginning of the calendar month to coincide with the billing cycle for transaction fees so that API session fees can be appropriately mapped to Market Maker Plus status. As such, each member's next month bill will cover the full month of May. Members will not be billed for the period of April 18, 2016 to April 30, 2016.

<sup>7</sup> The complete set of FX option products offered is: NZD, PZO, SKA, BRB, AUX, BPX, CDD, EUI, YUK, SFC, AUM, GBP, EUU and NDO.

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

<sup>9</sup> 15 U.S.C. 78f(b)(4).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

sessions to members that support the Exchange's proprietary FX option products. Furthermore, the Exchange does not believe that the proposed fee changes are unfairly discriminatory as all Market Makers that meet the specified performance criteria are eligible for the proposed incentives. The Exchange also does not believe it is unfairly discriminatory to only offer API incentives to Market Makers. As explained above, the proposed fee changes are targeted towards Market Makers as Market Maker API fees have been increasing due to increased quoting activity on the Exchange. Electronic Access Members ("EAMs") already pay significantly lower connectivity charges for their API or Financial Information eXchange ("FIX") sessions.<sup>10</sup> Moreover, each of the proposed changes are geared towards reducing Market Maker API fees in exchange for actively maintaining quality markets, which will benefit all market participants that trade on the Exchange.

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

In accordance with Section 6(b)(8) of the Act,<sup>11</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. To the contrary, the Exchange believes that the proposed fee change is pro-competitive as it is designed to lower the fees charged to Market Makers that assist the Exchange in maintaining quality markets in a number of different products. The Exchange operates in a highly competitive market in which market participants can readily direct their order flow to competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and rebates to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed fee changes reflect this competitive environment.

<sup>10</sup> EAM Options APIs are billed at a rate of \$250 per session per month for the first five sessions, and \$100 per session per month for the sixth and additional sessions. EAM Options FIX Sessions are billed at a rate of \$250 per month for the first and second session, and \$50 per session per month for the third and additional sessions. See ISE Schedule of Fees, V. Trading Application Software, C. FIX Session/API Session Fees. The connectivity provided to EAMs under this section provides connectivity to both ISE and ISE Gemini, LLC. *Id.*

<sup>11</sup> 15 U.S.C. 78f(b)(8).

#### *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>12</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder,<sup>13</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-2016-10 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-2016-10. 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/>

<sup>12</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>13</sup> 17 CFR 240.19b-4(f)(2).

[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 ISE. 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-2016-10 and should be submitted by May 27, 2016.

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

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2016-10608 Filed 5-5-16; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-77752; File No. SR-ISE Gemini-2016-04]

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

May 2, 2016.

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 April 18, 2016, 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

<sup>14</sup> 17 CFR 200.30-3(a)(12).

<sup>15</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.