On June 19, 2017, the Exchange withdrew the proposed rule change, as modified by Amendment No. 3. (SR–NYSE–2017–12).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[6]

Eduardo A. Aleman,

Assistant Secretary.

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May 24, 2017, both of which were subsequently withdrawn.

[6] 17 CFR 200.30–3(a)(57).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–80997; File No. SR–NASDAQ–2017–060]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7014(j)

June 22, 2017.

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 9, 2017, The NASDAQ Stock Market LLC (''Nasdaq'' or ''Exchange'') 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.[3] 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 amend Rule 7014(j) to provide a second credit tier under the Nasdaq Growth Program.

The text of the proposed rule change is available on the Exchange's Web site at *http://nasdaq.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 purpose of the proposed rule change is to amend Rule 7014(j) to provide a second credit tier under the Nasdaq Growth Program (''Program''). Nasdaq introduced the Program in 2016.[4] The purpose of the Program is to provide a credit per share executed for members that meet certain growth criteria. The credit is designed to provide an incentive to members that do not qualify for other credits under Rule 7018 in excess of the Program credit to increase their participation on the Exchange. The Program provides a member a $0.0025 per share executed credit in securities priced $1 or more per share if the member meets certain criteria. The credit is provided in lieu of other credits provided to the member for displayed quotes/orders (other than Supplemental Orders or Designated Retail Orders) that provide liquidity under Rule 7018, if the credit under the Nasdaq Growth Program is greater than the credit attained under Rule 7018.

Rule 7014(j) currently provides three ways in which a member may qualify for the Program in a given month. First, the member may qualify for the Program by: (i) Adding greater than 750,000 shares a day on average during the month through one or more of its Nasdaq Market Center MPIDs; and (ii) increasing its shares of liquidity provided through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume by 20% versus the member's Growth Baseline.[5] Second, the member may qualify for the Program by: (i) Adding greater than 750,000 shares a day on average during the month through one or more of its Nasdaq Market Center MPIDs; and (ii) meeting the criteria set forth above (increasing its shares of liquidity provided through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume by 20% versus the member's Growth Baseline) in the preceding month, and maintaining or increasing its shares of liquidity provided through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume as compared to the preceding month. Third, a member may qualify for the Program by: (i) Adding greater than 750,000 shares a day on average during the month through one or more of its Nasdaq Market Center MPIDs in three separate months; (ii) increasing its shares of liquidity provided through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume by 20% versus the member's Growth Baseline in three separate months; and (iii) maintaining or increasing its shares of liquidity provided through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume compared to the growth baseline established when the member met the criteria for the third month.

The Exchange is proposing to amend Rule 7014(j) to provide a second credit tier under the Program.[6] Specifically, the Exchange is proposing a $0.0027 per share executed rebate in lieu of the current $0.0025 rebate. To qualify for the new rebate, a member must: (i) Add at least 0.04% or more [sic] of Consolidated Volume during the month through non-displayed orders on one or more of its Nasdaq Market Center MPIDs; and (ii) increase its shares of liquidity provided through one or more of its Nasdaq Market Center MPIDs in all securities during the month as a percent of Consolidated Volume by 50% versus its August 2016 share of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume. Thus, the first requirement of the new tier requires a member to provide a significant level of Consolidated Volume through non-displayed [7] orders, which generally provide improvement to the size of orders executed on the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Commission notes that Nasdaq initially filed this proposal as SR–NASDAQ–2017–057 on June 1, 2017. On June 9, 2017, Nasdaq withdrew that filing and replaced it with this filing.

[4] *See* Securities Exchange Act Release No. 78977 (September 29, 2016), 81 FR 69140 (October 5, 2016) (SR–NASDAQ–2016–132).

[5] The Growth Baseline is defined as the member's shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume during the last month a member qualified for the Nasdaq Growth Program under current Rule 7014(j)(ii)(A) (increasing its Consolidated Volume by 20% versus its Growth Baseline). If a member has not yet qualified for a credit under this program, its August 2016 share of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs as a percent of Consolidated Volume will be used to establish a baseline.

[6] The Exchange is also proposing to renumber current Rule 7014(j) to account for the new credit tier and make [sic] consistent with the numbering convention used under Rule 7014.

[7] Non-displayed orders are not displayed to other Participants, but nevertheless remain available for potential execution against incoming Orders until executed in full or cancelled. *See* Rule 4702(b)(3).

Exchange.[8] Moreover, the first requirement may encourage participation on the Exchange by participants with large orders who do not want the size of their order known. Similar to the current rebate's Consolidated Volume requirement provided under current Rule 7014(j)(ii)(A), the Exchange is proposing to require a member to increase their [sic] shares of liquidity provided in all securities during the month as a percent of Consolidated Volume. Unlike the current rebate, which requires a member to show an increase in Consolidated Volume compared to the member's Growth Baseline with each successive month improving upon that baseline to continue to qualify for the rebate, the proposed new rebate requires an initial significant increase in Consolidated Volume compared to that member's share of liquidity provided in all securities in August 2016 with the member maintaining that level to continue receiving the proposed new rebate.[9] Thus, the measure against which Consolidated Volume is compared remains static month to month under the criteria of the new rebate, whereas it can vary month to month under the current rebate's qualification criteria. Members that were not members of the Exchange in August 2016 may still qualify for the proposed new rebate. For such ''new'' members, the Exchange will consider their share of liquidity provided in all securities in August 2016 as zero. The Exchange notes that this is the same treatment members that were not members of the Exchange in August 2016 receive under the current tier under the Program.

The Exchange believes that the new rebate tier provides members with additional flexibility in qualifying for the Program and incentive to provide greater Consolidated Volume, thereby furthering the Program's goal of incentivizing participation on the Exchange.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[10] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[11] in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed change to the Program is reasonable because, although the proposed rebate is higher than the current rebate provided under the Program, the qualification criteria is higher than the current rebate. Moreover, the Exchange offers other similar rebates in return for market improving behavior.[12] For example, the Exchange provides $0.0027 per share executed in Tape C securities if a member has shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.30% of Consolidated Volume during the month.[13]

The Exchange believes that the proposed change is equitably allocated among members, and is not designed to permit unfair discrimination. The Exchange notes that participation in the Program is voluntary, and that any member may qualify for the credit if it meets the qualification requirements. The Exchange is adopting the new credit tier to provide members with an incentive to increase their participation significantly, as represented by a percent of Consolidated Volume. The Exchange believes that the proposed rebate will serve as a logical extension of the current rebate. Specifically, a member that continues to qualify under the current rebate will eventually increase its shares of liquidity to a point that is 50% or greater than its shares of liquidity in August 2016. Thus, so long as the member provides 0.04% or more of Consolidated Volume through one or more of its Nasdaq Market Center MPIDs during the month through non-displayed orders, the member would receive the higher rebate. The Exchange is electing to use August 2016 as the benchmark for the qualification criteria under the second requirement of the rebate tier because the member's activity during that month was unaffected by foreknowledge of the Program. The proposed change applies to all members that otherwise qualify for the Program, namely members that add at least 0.04% or more of Consolidated Volume during the month through one or more of its [sic] Nasdaq Market Center MPIDs and has [sic] shares of liquidity to a point that is greater that is 50% or greater than their shares of liquidity in August 2016. The Exchange believes that it is an equitable allocation and is not unfairly discriminatory to use zero as the level of shares of liquidity provided in August 2016 for members that were not members in August 2016 because they are similarly positioned as other members of the Exchange that were members at that time yet did not have shares of liquidity provided in August 2016. The Exchange notes that all members must provide a significant level of Consolidated Volume to qualify for the proposed new rebate regardless of their membership status in August 2016, in addition to meeting the proposed growth criteria. Moreover, the Exchange believes that all members should have the opportunity to participate in the Program and, to the extent that the proposed new rebate attracts new members to the Exchange, all market participants will benefit from the added liquidity new members provide. As noted above, the Exchange currently uses zero as the level of shares of liquidity provided in August 2016 for members that were not members in August 2016 for purposes of qualifying for the $0.0025 per share executed credit. The Exchange notes that participation in the Program is entirely voluntary and proposed rebate will be provided to any member that meets the qualification criteria.

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 not necessary or appropriate in furtherance of the purposes of the Act. In terms of inter-market competition, 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, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their

[8] For example, in May 2017 there was an average daily volume of 6.7 billion shares. Applying the proposed 0.04% Consolidated Volume qualification criteria to May 2017 would result in approximately 2.7 million shares a day and 59 million shares for the month.

[9] This measure is currently a component of the definition of Growth Baseline, which is a measure for determining eligibility for the existing rebate under current Rule 7014(j). *See* note 5 *supra.*

[10] 15 U.S.C. 78f(b).

[11] 15 U.S.C. 78f(b)(4) and (5).

[12] *See* Rule 7018(a).

[13] *See* Rule 7018(a)(1). The Exchange notes that, although the required level of Consolidated Volume is significantly higher for this credit tier as compared to the proposed rebate, members qualifying for the proposed rebate must also increase their shares of liquidity provided substantially.

order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the Exchange is proposing to provide a new, higher, Program rebate, which will require a member to provide significant Consolidated Volume together with a significant increase to its Consolidated Volume over a baseline amount of Consolidated Volume it had in August 2016. This proposed rebate is designed to provide incentive to members to increase their participation on the Exchange. Participation in the Program is completely voluntary and the criteria will ensure that all members that qualify for the Program have both shown a significant increase in their participation on the Exchange and are providing significant overall participation on the Exchange. Ultimately, if members conclude that the qualification requirements are set too high, or the rebate too low, it is likely that the Exchange will realize very little benefit from the incentive. If the proposed rebate is successful in increasing participation on the Exchange, then other trading venues may also make a similar rebate available to their participants. Thus, the Exchange does not believe that the proposed rule change will impose any burden on competition whatsoever, but rather believes that the proposal is pro-competitive.

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

No written comments were either solicited or 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.[14]

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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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.

[14] 15 U.S.C. 78s(b)(3)(A)(ii).

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–NASDAQ–2017–060 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–NASDAQ–2017–060. 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–NASDAQ–2017–060, and should be submitted on or before July 19, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Eduardo A. Aleman,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–81001; File No. SR–DTC–2017–009]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing of Proposed Rule Change To Establish a Swap Margin Segregation Account for the Segregation of Swap Margin With Respect to Deposited Securities

June 22, 2017.

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 15, 2017, The Depository Trust Company (''DTC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by DTC. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6)[4] thereunder. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change by DTC would add new Rule 36 (Segregated Accounts for Swap Margin) (''Proposed Rule 36'') to provide Accounts[5] for the segregation of Securities held at DTC that are intended to be Pledged as swap margin in conformity with certain regulations applicable to swap counterparties posting swap margin. The proposal would allow Participants to transfer Deposited Securities to an Account (''Swap Margin Segregation Account'') of a Pledgee designated for the purpose of segregating interests in Deposited Securities securing margin

[15] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6).

[5] Each capitalized term not otherwise defined herein has its respective meaning as set forth in the Rules, By-Laws and Organization Certificate of The Depository Trust Company (the ''DTC Rules''), *available at http://www.dtcc.com/legal/rules-and-procedures.aspx.*