

to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day from the publication of notice of filing of this proposed rule change is August 17, 2017.

The Commission is extending the 45-day time period for Commission action on the proposed rule change. ICC's proposes to revise the ICC Rulebook to provide for the clearance of Standard Asia Corporate Single Name CDS contracts, Standard Asia Financial Corporate Single Name CDS contracts, and Standard Emerging Market Corporate Single Name CDS contracts. The Commission finds it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider ICC's proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2)⁵ of the Act, designates October 1, 2017, as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR-ICC-2017-009).

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

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-81415; File No. SR-CHX-2017-04]

Self-Regulatory Organizations; Chicago Stock Exchange, Inc.; Notice of Designation of Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Adopt the CHX Liquidity Enhancing Access Delay

August 17, 2017.

On February 10, 2017, the Chicago Stock Exchange, Inc. ("CHX" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act

of 1934 ("Exchange Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to adopt the CHX Liquidity Enhancing Access Delay ("LEAD"). The proposed rule change was published for comment in the **Federal Register** on February 21, 2017.³ On April 3, 2017, the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved.⁴ The Commission received eleven comment letters on the proposed rule change, including a response from the Exchange.⁵ On May 22, 2017, the Commission instituted proceedings under Section 19(b)(2)(B) of the Exchange Act⁶ to determine whether to approve or disapprove the proposed rule change.⁷ Since then, the Commission has received six more comment letters, including a response from the Exchange.⁸

Section 19(b)(2) of the Act⁹ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 80041 (February 14, 2017), 82 FR 11252 ("Notice").

⁴ See Securities Exchange Act Release No. 80364, 82 FR 17065 (April 7, 2017).

⁵ See letters from: (1) Ryan Hitch, Head of Equities Trading, XR Securities LLC, dated February 24, 2017; (2) Douglas A. Cifu, Chief Executive Officer, Virtu Financial LLC, dated February 27, 2017; (3) Joanna Mallers, Secretary, FIA Principal Traders Group, dated March 13, 2017; (4) Adam Nunes, Head of Business Development, Hudson River Trading LLC, dated March 13, 2017; (5) R.T. Leuchtkafer, dated March 14, 2017; (6) Stephen John Berger, Managing Director, Government & Regulatory Policy, Citadel Securities, dated March 14, 2017; (7) Tyler Gellasch, Executive Director, Healthy Markets Association, March 17, 2017; (8) Elizabeth K. King, General Counsel and Corporate Secretary, New York Stock Exchange, dated March 20, 2017; (9) James G. Ongena, Executive Vice President and General Counsel, CHX, dated March 24, 2017; (10) Steve Crutchfield, Head of Market Structure, CTC Trading Group, LLC, dated April 4, 2017; and (11) Theodore R. Lazo, Managing Director and Associate General Counsel, Securities Industry and Financial Markets Association, dated May 17, 2017. All comments on the proposed rule change are available at: <https://www.sec.gov/comments/sr-chx-2017-04/chx201704.htm>.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ See Securities Exchange Act Release No. 80740, 82 FR 24412 (May 26, 2017).

⁸ See letters from: (1) R. T. Leuchtkafer, dated June 15, 2017; (2) Stephen Berger, Managing Director, Government and Regulatory Policy, Citadel Securities, dated June 16, 2017; (3) Joanna Mallers, Secretary, FIA Principal Traders Group, dated June 16, 2017; (4) James G. Ongena, Executive Vice President, General Counsel, CHX, dated June 30, 2017; (5) R. T. Leuchtkafer, dated July 7, 2017; and (6) R. T. Leuchtkafer, dated July 10, 2017.

⁹ 15 U.S.C. 78s(b)(2).

of the proposed rule change. The Commission may, however, extend the period for issuing an order approving or disapproving the proposed rule change by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the **Federal Register** on February 21, 2017.¹⁰ August 20, 2017 is 180 days from that date, and October 19, 2017 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, the issues raised in the comment letters that have been submitted in connection therewith, and the Exchange's responses to the comments. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹¹ designates October 19, 2017 as the date by which the Commission should either approve or disapprove the proposed rule change (File No. SR-CHX-2017-04).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority,¹²

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2017-17806 Filed 8-22-17; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-81418; File No. SR-NYSEAMER-2017-06]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Add Certain Rules Adopted in Connection With the Exchange's Transition to a Fully-Automated Cash Equities Market to the List of Minor Rule Violations in Rule 9217 of the Office Rules

August 17, 2017.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 ("Act")² and Rule 19b-4 thereunder,³ notice is hereby given that on August 9, 2017, NYSE American LLC ("NYSE American" or the "Exchange") filed with the Securities and Exchange

¹⁰ See *supra* text accompanying note 3.

¹¹ 15 U.S.C. 78s(b)(2).

¹² 17 CFR 200.30-3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁵ 15 U.S.C. 78s(b)(2).

⁶ 17 CFR 200.30-3(a)(31).

Commission (“Commission”) the 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 proposes to add certain rules adopted in connection with the Exchange’s transition to a fully-automated cash equities market to the list of minor rule violations in Rule 9217 of the Office Rules. The proposed rule change is available on the Exchange’s Web site at www.nyse.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 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

On January 29, 2015, the Exchange announced the implementation of Pillar, which is an integrated trading technology platform designed to use a single specification for connecting to the equities and options markets operated by the Exchange and its affiliates, NYSE Arca, Inc. (“NYSE Arca”) and New York Stock Exchange LLC (“NYSE”).⁴ NYSE Arca Equities, Inc. (“NYSE Arca Equities”),⁵ which operates the cash equities trading platform for NYSE Arca, was the first trading system to migrate to Pillar.⁶

⁴ See Trader Update dated January 29, 2015, available here: <https://www.nyse.com/trader-update/history#13517>.

⁵ NYSE Arca Equities is a wholly-owned corporation of NYSE Arca and operates as a facility of NYSE Arca.

⁶ NYSE Arca filed four rule proposals in connection with the NYSE Arca implementation of Pillar. See Securities Exchange Act Release Nos.

To effect its transition to Pillar, the Exchange adopted the rule numbering framework of the NYSE Arca Equities, Inc. (“NYSE Arca Equities”) rules for Exchange cash equities trading on the Pillar trading platform.⁷ As described in the Framework Filing, the Exchange denoted the rules applicable to cash equities trading on Pillar with the letter “E” to distinguish such rules from the then current Exchange rules with the same numbering. The Exchange’s trading rules for cash equity trading on Pillar are also based on the trading rules of NYSE Arca Equities.⁸ The Exchange began trading on the Pillar platform on July 24, 2017.⁹

74951 (May 13, 2015), 80 FR 28721 (May 19, 2015) (Notice) and 75494 (July 20, 2015), 80 FR 44170 (July 24, 2015) (SR–NYSEArca–2015–38) (Approval Order of NYSE Arca Pillar I Filing, adopting rules for Trading Sessions, Order Ranking and Display, and Order Execution); Securities Exchange Act Release Nos. 75497 (July 21, 2015), 80 FR 45022 (July 28, 2015) (Notice) and 76267 (October 26, 2015), 80 FR 66951 (October 30, 2015) (SR–NYSEArca–2015–56) (Approval Order of NYSE Arca Pillar II Filing, adopting rules for Orders and Modifiers and the Retail Liquidity Program); Securities Exchange Act Release Nos. 75467 (July 16, 2015), 80 FR 43515 (July 22, 2015) (Notice) and 76198 (October 20, 2015), 80 FR 65274 (October 26, 2015) (SR–NYSEArca–2015–58) (Approval Order of NYSE Arca Pillar III Filing, adopting rules for Trading Halts, Short Sales, Limit Up-Limit Down, and Odd Lots and Mixed Lots); and Securities Exchange Act Release Nos. 76085 (October 6, 2015), 80 FR 61513 (October 13, 2015) (Notice) and 76869 (January 11, 2016), 81 FR 2276 (January 15, 2016) (SR–NYSEArca–2015–86) (Approval Order of NYSE Arca Pillar IV Filing, adopting rules for Auctions).

⁷ See Securities Exchange Act Release No. 79242 (November 4, 2016), 81 FR 79081 (November 10, 2016) (SR–NYSEMKT–2016–97) (Notice and Filing of Immediate Effectiveness of Proposed Rule Change) (the “Framework Filing”). In addition, the Exchange filed a proposed rule change to support Exchange trading of securities listed on other national securities exchanges on an unlisted trading privileges basis, including Exchange Traded Products (“ETP”) listed on other exchanges. See Securities Exchange Act Release No. 79400 (November 25, 2016), 81 FR 86750 (December 1, 2016) (SR–NYSEMKT–2016–103) (Notice) (the “ETP Listing Rules Filing”).

⁸ See Securities Exchange Act Release Nos. 80590 (May 4, 2017), 82 FR 21843 (May 10, 2017) (Approval Order) and 79993 (February 9, 2017), 82 FR 10814 (February 15, 2017) (SR–NYSEMKT–2017–01) (Notice) (“Trading Rules Filing”). The Exchange also has established market maker obligations when trading on the Pillar trading platform. See Securities Exchange Act Release No. 80577 (May 2, 2017), 82 FR 21446 (May 8, 2017) (SR–NYSEMKT–2017–04) (Approval Order). In addition, the Exchange introduced a delay mechanism on Pillar that adds the equivalent of 350 microseconds of latency to inbound and outbound order messages, as described in greater detail in Rules 1.1E(y) and 7.29E(b). See Securities Exchange Act Release Nos. 80700 (May 16, 2017), 82 FR 23381 (May 22, 2017) (SR–NYSEMKT–2017–05) (Approval Order) and 79998 (February 9, 2017), 82 FR 10828 (February 15, 2017) (SR–NYSEMKT–2017–05) (Notice).

⁹ With Pillar, the Exchange transitioned its cash equities trading platform from a Floor-based market with a parity allocation model to a fully automated price-time priority allocation model that trades all NMS Stocks. See Trading Rules Filing, *supra* note 9, 82 FR at 21843.

Newly Exchange adopted rules that are based on NYSE Arca Equities Rules include the following:

- Rule 2.21E (Employees of ETP Holders Registration)
- Rule 2.24E (ETP Books and Records)
- Rule 6.3E (Prevention of the Misuse of Material, Nonpublic Information) and its Commentaries
- Rule 6.15E (Prearranged Trades)
- Rule 7.16E (Short Sales)
- Rule 7.20E (Registration of Market Makers)
- Rule 7.23E (Obligations of Market Makers)
- Rule 7.30E (Authorized Traders)

NYSE Arca Equities includes its versions of the above-listed rules as eligible for disposition under its Minor Rule Plan.¹⁰ The Exchange proposes to similarly add these rules to the list of rules in Rule 9217 (Violations Appropriate for Disposition Under Rule 9216(b)) that are eligible for summary fines under Rule 9216(b). The Exchange also proposes to add accompanying fine levels based on the fine levels currently in place on NYSE Arca Equities Rule 10.12 (Minor Rule Plan) for each Rule.

Proposed Rule Change

Rule 9217, the Exchange’s Minor Rule Violation Plan (“MRVP”), sets forth the list of rules under which a member organization or covered person may be subject to a fine under a minor rule violation plan as described in proposed Rule 9216(b).

The Exchange proposes to amend Rule 9217 to add recently adopted Rules 2.21E, 2.24E, 6.3E, 6.15E, 7.16E, 7.20E, 7.23E, and 7.30E to the list of rules eligible for disposition pursuant to the Exchange’s MRVP. These proposed changes are based on NYSE Arca Equities Rule 10.12(g) and (h), which specifies, in part, that NYSE Arca Equities Rules 2.21, 2.24, 6.3, 6.15(b),¹¹ 7.16, 7.20, 7.23, and 7.30 are eligible for disposition pursuant to NYSE Arca’s Minor Rule Plan.¹² The Exchange also

¹⁰ See NYSE Arca Equities Rule 10.12(g) & (h).

¹¹ NYSE American Rule 6.15E adopted subdivision (b) of NYSE Arca Equities Rule 6.15(b), which prohibits participation in a prearranged trade.

¹² See NYSE Arca Equities Rule 10.12(g)(1) (NYSE Arca Equities Rule 7.16); (g)(2) (NYSE Arca Equities Rule 7.23(a)(1)); (g)(4) (NYSE Arca Equities Rule 7.30); (g)(5) (NYSE Arca Equities Rule 7.20(a); and (g)(6) (NYSE Arca Equities Rule 6.15(b)). See also NYSE Arca Equities Rule 10.12(h)(7) (Rule 6.3E and its Commentaries); (h)(10) (Rule 2.24); and (h)(11) (Rule 2.21).

Failure to comply with the sponsored participant access requirements of NYSE Arca Rule 7.29 is also eligible for disposition pursuant to NYSE Arca Equities Rule 10.12(g)(3). NYSE American Rule 7.29E is based on NYSE Arca Equities Rule 7.29(a) without any substantive differences. However, the Exchange did not include rule text based on NYSE

proposes to add the accompanying fine levels for each Rule based on the fine levels in NYSE Arca Equities Rule 10.12.¹³

To effect these changes, the Exchange proposes to add a paragraph (a) titled “Trading Rule Violations” under the current heading in Rule 9217 titled “List of Equities Rule Violations and Fines Applicable Thereto,” [sic] Under proposed paragraph (a), the Exchange proposes to set forth the following text describing the eligible trading rule violations:

- Short Sale Rules (Rule 7.16E).
- Failure to maintain continuous, two-sided Q Orders in those securities in which the Market Maker is registered to trade (Rule 7.23E(a)(1)).
- Failure to comply with Authorized Trader requirements. (Rule 7.30E).
- Acting as a Market Maker in a security without being registered as such as required by Rule 7.20E(a).
- Committing any act prohibited by Rule 6.15E.

The Exchange further proposes paragraph (b) titled “Record Keeping and Other Minor Rule Violations” to Rule 9217, which would specify the following text describing the eligible rule violations:

- Failure to comply with the requirements for preventing the misuse of material nonpublic information as set forth in Rule 6.3E and its Commentaries.
- Failure to comply with the books and records requirements of Rule 2.24E.
- Failure to comply with the employee registration or other requirements of Rule 2.21E.

The Exchange further proposes a new paragraph (c) titled “Legacy Minor Rules”¹⁴ that would appear above the

Arca Equities Rule 7.29(b) because NYSE American does not offer sponsored access in Pillar. See Trading Rules Filing, *supra* note 9, 82 FR at 10820. Accordingly, because NYSE Arca Equities Rule 10.12(g)(3) is limited to failure to comply with sponsored participant access requirements, the Exchange determined not to include a reference to NYSE American Rule 7.29E in the proposed amendment to Rule 9217.

¹³ The Exchange does not propose to incorporate the text of subsections (a)–(f) or footnote 1 of NYSE Arca Equities Rule 10.12 into Rule 9217. Subsections (a)–(f) of NYSE Arca Equities Rule 10.12 are duplicative of existing requirements in Rule 9217 and Rule 9216(b), which describe the procedure for imposition of minor rule violations. Similarly, footnote 1 of NYSE Arca Equities Rule 10.12 applies to certain NYSE Arca Equities rules for which there are no Exchange equivalents. See *also* note 17, *infra*.

¹⁴ Since the transition to Pillar, specified Exchange equities trading rules are no longer applicable, and Exchange rules governing equities trading that are not identified as inapplicable continue to govern Exchange operations on its cash equities trading platform. See Trading Rules Filing, *supra* note 9, 82 FR at 10815–16. For purposes of Rule 9217, the Exchange proposes to refer to the non-Pillar Exchange rules regarding equities trading

current list of eligible rules in Rule 9217, above “Rule 15—Equities (Pre-Opening Indications).”

Finally, in Rule 9217, the Exchange proposes to add proposed paragraph (d) titled “Fine Schedule” at the end of the current list of eligible rules, following “Rule 518—Equities requirements for clearance and settlement of transactions in Nasdaq Securities.” Below proposed paragraph (d), the Exchange would include the following text drawn from NYSE Arca Equities Rule 10.12:

The following fine schedule sets forth the amount of the fine(s) to be imposed. Except as noted below, the amount of the fine(s) shall be imposed at the First Level pursuant to the chart below. If another Minor Rule Plan Fine has been issued to the same member organization or covered person¹⁵ for the same or similar conduct violating the same rule (regardless of when paid) within 24 months from the date of occurrence of the violation(s) set forth in the current Notice of Minor Rule Plan Fine, then the fine(s) shall be imposed at the Second Level. If two or more separate Notices of Minor Rule Plan Fine have previously been issued to the same member organization or covered person for the same or similar conduct violating the same rule within 24 months from the date of occurrence of the violation(s) set forth in the current Notice of Minor Rule Plan Fine, then the fine(s) shall be imposed at the Third Level.

These fines are intended to apply to minor violations. For more serious violations, other disciplinary action may be sought.

Below this text, the Exchange would insert new three new subsections (1)–(3). Subsection (d)(1) would be titled “Trading Rule Violations Fine Levels” and would include a chart of first, second and third level fines based on the NYSE Arca Equities Rules for the equivalent Exchange Rules, as follows:

- Violations of Rule 7.16E would be eligible for a \$500 first level fine, a \$1,000 second level fine, and a \$2,500 third level fine;
- Violations of Rule 7.23E(a)(1) would be eligible for a \$250 first level fine, a \$500 second level fine, and a \$1,000 third level fine;
- Violations of Rule 7.30E would be eligible for a \$1,000 first level fine, a \$2,500 second level fine, and a \$3,500 third level fine; and
- Violations of Rule 7.20E(a) would be eligible for a \$250 first level fine, a \$500 second level fine, and a \$1,000 third level fine.

as “Legacy Minor Rules.” The Exchange anticipates filing separate proposed rule changes to delete the rules identified as not being applicable to trading on Pillar and to update the list of Legacy Minor Rules. See, e.g., *id.* at 10816.

¹⁵ The Exchange substituted “member organization or covered person” to reflect the Exchange’s membership. The rest of the proposed text is the same as that in NYSE Arca Equities Rule 10.12.

- Violations of Rule 6.15E would be eligible for a \$1,000 first level fine, a \$2,500 second level fine, and a \$3,500 third level fine.

New subsection (d)(2) would be titled “Record Keeping and Other Minor Rule Violations Fine Levels,” and would include a chart of the first, second and third level fines that are based on the NYSE Arca Equities Rules for the equivalent Exchange Rule, as follows:

- Violations of Rule 6.3E and its Commentaries would be eligible for a \$2,000 first level fine, a \$4,000 second level fine, and a \$5,000 third level fine.
- Violations of Rule 2.24E would be eligible for a \$2,000 first level fine, a \$4,000 second level fine, and a \$5,000 third level fine.
- Violations of Rule 2.21E would be eligible for a \$1,000 first level fine, a \$2,500 second level fine, and a \$3,500 third level fine.¹⁶

These fine levels are the same as those in the NYSE Arca Equities fine schedule contained in NYSE Arca Equities Rule 10.12(i) for each analogous rule.¹⁷

New subsection (e) would be titled “Legacy Minor Rules Fine Schedule”¹⁸ and would summarize fine amounts for individuals and member organizations based on first, second and subsequent offenses. These amounts would continue to govern violations of legacy minor rules following implementation [sic] of Pillar.

Lastly, the Exchange proposes to delete two erroneous references to “NYSE Arca” rules in Rule 476A (Imposition of Fines for Minor Violation(s) of Rules)¹⁹ and in the list of options rule violations and applicable fines in Rule 9217(ii)(7)(b) and replace them with “Exchange.” The Exchange also proposes to correct a typographical error in Rule 476A(ii)(7)(c) and in Rule

¹⁶ The Exchange proposes to add a footnote 1 based on footnote 2 in NYSE Arca Equities Rule 10.12 providing that, in addition to the specified fines, the Exchange may require a violator to remit all fees that it should have paid to the Exchange pursuant to Rule 2.21E.

¹⁷ See NYSE Arca Equities Rule 10.12(i)(1) (setting forth fine levels for NYSE Arca Equities Rules 7.16, 7.23(a)(1), 7.30, 7.20(a) and 6.15(b)); NYSE Arca Equities Rule 10.12(i)(2) (setting forth fine levels for NYSE Arca Equities Rules 6.3E and its Commentaries, 2.24, and 2.21). Rule 9217 retained the Exchange’s maximum fine for minor rule violations which, under legacy Rule 476A, was \$5,000. See Securities Exchange Act Release Nos. 77241 (February 26, 2016), 81 FR 11311 (March 3, 2016) (SR–NYSEMKT–2016–30). See *also* Rule 19d–1 under the Act, 17 CFR 240.19d–1.

¹⁸ See note 15, *supra*.

¹⁹ Rule 476A is the Exchange’s legacy minor rule plan and continues to apply to matters initiated prior to April 15, 2016, the effective date of the Exchange’s new disciplinary rules, which include Rule 9217.

9217(ii)(7)(c) by replacing “procures” with “procedures.”

Summary fines provide a meaningful sanction for minor or technical violations of rules. The Exchange believes that adding recently adopted Pillar Rules modeled on the trading rules of its affiliate NYSE Arca Equities to the list of rules eligible for disposition pursuant to the Exchange’s MRVP and subject to the same fine levels as NYSE Arca Equities would harmonize requirements across exchanges for the same conduct. Accordingly, for all the foregoing reasons, the Exchange believes that inclusion of Rules 2.21E, 2.24E, 6.3E, 6.15E, 7.16E, 7.20E, 7.23E, and 7.30E and the accompanying fine levels based on NYSE Arca Equities Rule 10.12 in Rule 9217 would be appropriate.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,²⁰ in general, and furthers the objectives of Section 6(b)(5),²¹ in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest.

The proposed rule change is designed to prevent fraudulent and manipulative acts and practices because it will provide the Exchange the ability to issue a minor rule fine for violations of its rules governing cash equities trading and market maker and electronic DMM functions and obligations on the Pillar platform. In addition, adding rules based on the rules of its affiliate to the Exchange’s minor rule plan and the associated fine levels would promote fairness and consistency in the marketplace by harmonizing minor rule plan fines across affiliated exchanges for the same conduct. Similarly, the proposed rule change would remove impediments to and perfect the mechanism of a free and open market by further supporting the Exchange’s transition to a fully automated cash equities trading model on the Pillar trading platform and, by including rules based on the rules of its affiliated market, NYSE Arca Equities, into the Exchange’s MRVP with the same fine levels, further Pillar’s goal of promoting

consistency among the Exchange, NYSE Arca, and the NYSE.

The Exchange further believes that the proposed amendments to Rule 9217 are consistent with Section 6(b)(6) of the Act,²² which provides that members and persons associated with members shall be appropriately disciplined for violation of the provisions of the rules of the exchange, by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting sanction. As noted, the proposed rule change would provide the Exchange ability to sanction minor or technical violations of the recently adopted Pillar Rules pursuant to the Exchange’s MRVP. Moreover, as noted above, the fine levels associated with the rule violations incorporated into Rule 9217 would be based on the rules of its affiliated market, NYSE Arca Equities. Moreover, the Exchange believes that delineating in Rule 9217 the rules and fine levels relating to trading on the Pillar trading platform from legacy rules relating to Floor-based trading promotes transparency following the Exchange’s transition to Pillar.

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 purposes of the Act. The proposed change is not designed to address any competitive issue but rather to update the Exchange’s MRVP to reflect newly adopted rules. The proposed rule change would also support the launch of the Exchange’s new fully automated cash equities trading platform that trades all NMS Stocks and is based on the rules of NYSE Arca Equities.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act²³ and Rule

19b-4(f)(6) thereunder.²⁴ Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)²⁵ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),²⁶ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

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)²⁷ of the Act 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-NYSEAMER-2017-06 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-NYSEAMER-2017-06. This

²⁴ 17 CFR 240.19b-4(f)(6).

²⁵ 17 CFR 240.19b-4(f)(6).

²⁶ 17 CFR 240.19b-4(f)(6)(iii).

²⁷ 15 U.S.C. 78s(b)(2)(B).

²⁰ 15 U.S.C. 78f(b).

²¹ 15 U.S.C. 78f(b)(5).

²² 15 U.S.C. 78f(b)(6).

²³ 15 U.S.C. 78s(b)(3)(A)(iii).

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 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-NYSEAMER-2017-06, and should be submitted on or before September 13, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁸

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-81420; File No. SR-NYSE-2017-41]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Change in Connection With the Name Change of Its Affiliate, From NYSE MKT LLC to NYSE American LLC

August 17, 2017.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on August 9, 2017, New York Stock Exchange LLC

("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II, 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 Exchange proposes in connection with the name change of its affiliate, from NYSE MKT LLC to NYSE American LLC, to amend certain rules, the Independence Policy of the Board of Directors ("Independence Policy"), the New York Stock Exchange Price List ("Price List"), and the NYSE Proprietary Market Data Fees ("Market Data Fees") to reflect that name change. The proposed change is available on the Exchange's Web site at www.nyse.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 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, in connection with the name change of its affiliate, from NYSE MKT LLC ("NYSE MKT") to NYSE American LLC ("NYSE American"), to amend certain rules of the Exchange, the Independence Policy, Price List, and Market Data Fees to reflect that name change.⁴

⁴ The Exchange originally filed the proposed changes on July 21, 2017 (SR-NYSE-2017-37), withdrew such filing on July 27 and refiled the same day (SR-NYSE-2017-39). The Exchange subsequently withdrew SR-NYSE-2017-39 and refiled on August 2, 2017 (SR-NYSE-2017-40). SR-NYSE-2017-40 was subsequently withdrawn and replaced by this filing.

Background

On March 16, 2017, NYSE MKT filed rule changes with the Commission in connection with its name change to NYSE American.⁵ In addition, on May 19, 2017, NYSE MKT filed rule changes with the Commission associated with the rebranding of NYSE Amex Options, the Exchange's facility for trading options, to NYSE American Options.⁶ The NYSE MKT name change to NYSE American became operative on July 24, 2017. Accordingly, the Exchange proposes to amend the Independence Policy, Price List, Market Data Fees, and certain rules to [sic] as detailed below to reflect the new name of its affiliate, NYSE American.

Proposed Rule Changes

- The Exchange proposes to replace "NYSE MKT LLC" with "NYSE American LLC" in Rule 2, Supplementary Material .10 ("Member", "Membership", "Member Firm", etc.); Rule 17(c)(2) (Use of Exchange Facilities and Vendor Services); Rule 18, Supplementary Material .10(a) (Compensation in Relation to Exchange System Failure); Rule 70, Supplementary Material .40(3) (Execution of Floor Broker Interest); Rule 98 (c)(6) (Operation of a DMM Unit); Rule 103, Supplementary Material .20(b)(6) (Registration and Capital Requirements of DMMs and DMM Units); and Rule 103B(IX) (Security Allocation and Reallocation).
- The Exchange proposes to replace "NYSE MKT" with "NYSE American" in Rule 2, Supplementary Material .10 and .20; Rule 17(c)(2); Rule 18, Supplementary Material .10; Rule 36, Supplementary Material .70(a)(iii) (Communications Between Exchange and Members' Officers); Rule 70, Supplementary Material .40(3); Rule 103, Supplementary Material .20(b)(6); and Rule 103B(IX).
- The Exchange proposes to replace "NYSE Amex Options Trading Floor" with "NYSE American Options Trading Floor" in Rule 6A(b) ("Trading Floor") and Rule 36, Supplementary Material .23 and .70(a).
- The Exchange proposes to replace "NYSE Amex" with "NYSE American" in Rule 36, Supplementary Material .23 and .70(a).
- The Exchange proposes to replace "NYSE Amex-listed" with "NYSE American-listed" in Rule 6A.

⁵ See Securities Exchange Act Release No. 80283 (March 21, 2017), 82 FR 15244 (March 27, 2017) (SR-NYSEMKT-2017-14).

⁶ See Securities Exchange Act Release No. 80748 (May 23, 2017), 82 FR 24764 (May 30, 2017) (SR-NYSEMKT 2017-20).

²⁸ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.