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 No. SR–BatsEDGX–2017–47 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 No. SR–BatsEDGX–2017–47. 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 such filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR–BatsEDGX–2017–47 and should be submitted on or before December 8, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[13]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2017–24932 Filed 11–16–17; 8:45 am]

BILLING CODE 8011–01–P

[13] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82053; File No. SR–MSRB–2017–06]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing of Amendment No. 1 to Proposed Rule Change To Amend MSRB Rule G–34, on CUSIP Numbers, New Issue, and Market Information Requirements

November 13, 2017.

I. Introduction

On August 30, 2017, the Municipal Securities Rulemaking Board (''MSRB'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Exchange Act'' or ''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change consisting of amendments to Rule G–34 on CUSIP numbers, new issue, and market information requirements. The proposed rule change was published for comment in the **Federal Register** on September 18, 2017.[3] The Commission received eleven comment letters on the proposal.[4] On October 18, 2017, the MSRB granted an extension of time for the Commission to act on the filing until December 15, 2017. On November 7, 2017, the MSRB responded to the comments[5] and filed Amendment No. 1 to the proposed rule change (''Amendment No. 1''). The text of Amendment No. 1 is available on the MSRB's Web site.[6] The Commission is publishing this notice to solicit comments on Amendment No. 1 to the proposed rule change from interested persons.

II. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Amendment

In response to concerns raised in the comments, the MSRB is proposing to amend proposed paragraph Rule G–34(a)(i)(F) of the proposed rule change to require dealers (and municipal advisors in a competitive sale) seeking to rely on the principles-based exception to reasonably believe the purchaser's present intent is to hold the municipal securities to maturity ''or earlier redemption or mandatory tender.''[7] The MSRB believes the proposed rule change should be amended to more accurately reflect the terms of direct purchase transactions including the potential for earlier redemption or mandatory tender.[8] The MSRB is proposing this same amendment to the proposed principles-based exception for dealers from the depository eligibility requirements of the rule set forth in proposed subparagraph Rule G–34(a)(ii)(A)(3) for consistency.[9] The MSRB stated that this provision would clarify that the depository eligibility requirements of Rule G–34(a)(ii)(A) do not apply to municipal securities included in the principles-based exception.[10]

In response to concerns raised in the comments, the MSRB also is proposing amending the proposed rule change to

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

[2] 17 CFR 240.19b–4.

[3] Exchange Act Release No. 81595 (September 13, 2017), 82 FR 43587 (''Notice''). The comment period closed on October 10, 2017.

[4] *See* Letter to Secretary, Commission, from Leslie M. Norwood, Managing Director and Associate General Counsel, Securities Industry and Financial Markets Association (''SIFMA''), dated October 10, 2017; Letter to Secretary, Commission, from Susan Gaffney, Executive Director, National Association of Municipal Advisors (''NAMA''), dated October 10, 2017; Letter to Secretary, Commission, from Steve Apfelbacher, President, EHLERS Inc., dated October 10, 2017; Letter to Secretary, Commission, from Noreen P. White, Co-President, and Kim W. Whelan, Co-President, Acacia Financial Group, Inc., dated October 10, 2017; Letter to Secretary, Commission, from Cristeena G. Naser, Vice President and Senior Counsel, American Bankers Association (''ABA''), dated October 10, 2017; Letter to Secretary, Commission, from Michael G. Sudsina, President, Sudsina & Associates, LLC, dated October 10, 2017; Letter to Secretary, Commission, from Marianne F. Edmonds, Senior Managing Director, Public Resources Advisory Group (''PRAG''), dated October 10, 2017; Letter to Secretary, Commission, from Emily Swenson Brock, Director, Federal Liaison Center, Government Finance Officers Association (''GFOA''), dated October 10, 2017; Letter to Secretary, Commission, from Peter Warms, Senior Manager of Fixed Income, Entity, Regulatory Content and Symbology, Bloomberg L.P., dated October 10, 2017; Letter to Secretary, Commission, from Dennis Dix, Principal, DIXWORKS LLC, dated October 10, 2017; Letter to Secretary, Commission, from Stephan Wolf, CEO, Global Legal Entity Identifier Foundation (''GLEIF''), dated October 9, 2017. Staff from the Office of Municipal Securities discussed the proposed rule change with representatives from PFM Financial Advisors LLC and PFM Asset Management LLC on October 26, 2017.

[5] *See* Letter from Margaret R. Blake, Associate General Counsel, MSRB, to Secretary, SEC, dated November 7, 2017 (''MSRB Response Letter''), available at *https://www.sec.gov/comments/sr-msrb-2017-06/msrb201706-2674227-161458.pdf.*

[6] Amendment No. 1 is available at *http://www.msrb.org/~/media/Files/SEC-Filings/2017/MSRB-2017-06-A-1.ashx.*

[7] *See* Amendment No. 1.

[8] *Id.*

[9] *Id.*

[10] *Id.*

expand the principles-based exception in proposed paragraph Rule G–34(a)(i)(F) to include cases where a municipal entity purchases the municipal securities with funds that are at least in part proceeds of the purchasing entity's issue of municipal obligations, or the municipal securities being purchased are used to fully or partially secure or pay the purchasing entity's issue of municipal obligations.[11] The MSRB believes that certain sales of municipal securities to municipal entities should be excepted from the CUSIP number requirements for the same policy reasons underlying the principles-based exception for purchases by banks and their non-dealer control affiliates.[12] In particular, the MSRB believes that where a municipal entity is purchasing municipal securities using funds that are at least in part proceeds of that purchasing entity's issuance of other municipal obligations, or where the municipal securities being purchased are used to fully or partially secure or pay the purchasing entity's issue of municipal obligations, there is a strong expectation that the purchase of the underlying municipal securities is intended to be held and not traded in the secondary market.[13] As with the exception for dealers (or municipal advisors in a competitive sale) engaging in direct purchase transactions of new issue municipal securities to banks, the MSRB believes that requiring a CUSIP number in these scenarios would not serve the purposes of Rule G–34 to, among other things, improve efficiencies in the processing, receiving, delivering and safekeeping of municipal securities.[14] The MSRB also believes that, just as in the case of purchases by banks and their non-dealer control affiliates, for a dealer (or municipal advisor in a competitive sale) to rely on the principles-based exception in this instance, it would be required to have a reasonable belief (*e.g.,* by obtaining a written representation) that the purchasing municipal entity has the present intent to hold the municipal securities to maturity or earlier redemption or mandatory tender.[15] The MSRB is also proposing this same amendment to the principles-based exception for dealers from the depository eligibility requirements of the rule set forth in subparagraph Rule G–34(a)(ii)(A).[16]

[11] *Id.*
[12] *Id.*
[13] *Id.*
[14] *Id.*
[15] *Id.*
[16] *Id.*

In response to comments that the principles-based exception should apply to all sales of municipal securities from one municipal entity to another where a dealer (or municipal advisor in a competitive sale) is engaged, the MSRB stated that it disagrees.[17] The MSRB stated that the principles-based exception is meant to facilitate financings by permitting the underwriting of new issue municipal securities by dealers (or advising by municipal advisors in a competitive sale) without requiring application be made for a CUSIP number where such new issues are not intended to trade in the secondary market.[18] However, the MSRB stated that it understands that a municipal entity purchasing municipal securities for investment purposes may find itself in need of liquidity and thus may look to resell those municipal securities into the secondary market.[19] In this instance, the MSRB stated, the holder of the municipal securities may find itself unable to readily resell the municipal securities because there is no CUSIP number and, based on discussions with industry participants, the MSRB stated that it understands there is also no established process for obtaining a CUSIP number at that late stage for secondary market trading.[20] The MSRB believes that by applying for the CUSIP number on the new issue up front, the dealer (or municipal advisor in a competitive sale) avoids these potential problems and ensures that this important aspect needed for secondary market trading is in place.[21] As a result, the MSRB stated that it does not believe the principles-based exception should be expanded to create a generalized private placement exception for all sales of municipal securities to another municipal entity where a dealer (or a municipal advisor in a competitive sale) is engaged, but rather, should be limited as set forth above.[22]

The MSRB is proposing to make the proposed rule change effective six months after Commission approval and is requesting accelerated approval of Amendment No. 1.[23] The MSRB believes the Commission has good cause, pursuant to Section 19(b)(2) of the Act, for granting accelerated approval of Amendment No. 1.[24] The MSRB believes that the only substantive change to the proposed rule change is responsive to commenters and expands the application of the previously proposed principles-based exception to include sales of new issue municipal securities to municipal entities that are purchasing the underlying municipal securities with funds that are at least in part proceeds of the purchasing entity's issue of municipal obligations, or the municipal securities being purchased are used to fully or partially secure or pay the purchasing entity's issue of municipal obligations.[25] The MSRB believes that the other amendment to the proposed rule change merely clarifies that in a direct purchase transaction there may be a redemption or mandatory tender that occurs prior to the municipal security's maturity.[26] The MSRB also stated that, in light of one of the purposes of the principles-based exception in the proposed rule change—to allow dealers and municipal advisors to provide services without inhibiting their issuer clients' access to certain financings—the revisions are consistent with the proposed rule change and are unlikely to be controversial.[27]

[17] *Id.*
[18] *Id.*
[19] *Id.*
[20] *Id.*
[21] *Id.*
[22] *Id.*
[23] *Id.*
[24] *Id.*

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the filing as amended by Amendment No. 1 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–MSRB–2017–06 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549.

All submissions should refer to File Number SR–MSRB–2017–06. 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

[25] *Id.*
[26] *Id.*
[27] *Id.*

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 MSRB. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–MSRB–2017–06 and should be submitted on or before December 1, 2017.

For the Commission, pursuant to delegated authority.[28]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2017–24928 Filed 11–16–17; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82062; File No. SR–NASDAQ–2017–119]

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

November 13, 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 November 1, 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. 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 (1) change the volume requirement for purposes of determining eligibility for a transaction fee under the Qualified Market Maker Program; and (2) eliminate one of the tiers of 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 the Exchange's transaction fees at Rule 7014 to (1) change the volume requirement for purposes of determining eligibility for a transaction fee under the Qualified Market Maker (''QMM'') Program; and (2) eliminate one of the tiers of the Nasdaq Growth Program.

QMM Program

A QMM is a member that makes a significant contribution to market quality by providing liquidity at the national best bid and offer (''NBBO'') in a large number of stocks for a significant portion of the day.[3] In addition, the member must avoid imposing the burdens on Nasdaq and its market participants that may be associated with excessive rates of entry of orders away from the inside and/or order cancellation. The designation reflects the QMM's commitment to provide meaningful and consistent support to market quality and price discovery by extensive quoting at the NBBO in a large number of securities. In return for its contributions, certain financial benefits are provided to a QMM with respect to its order activity, as described under Rule 7014(e). For example, Nasdaq will provide QMMs a rebate per share executed with respect to all other displayed orders (other than Designated Retail Orders, as defined in Rule 7018) in securities priced at $1 or more per share that provide liquidity and were for securities listed on the New York Stock Exchange LLC (''NYSE''), securities listed on exchanges other than Nasdaq and NYSE, or securities listed on Nasdaq.

Nasdaq also charges QMMs a lower rate for executions of orders in securities priced at $1 or more per share that access liquidity on the Nasdaq Market Center.[4] Under Rule 7014(e), the Exchange charges a QMM $0.0030 per share executed for removing liquidity on Nasdaq in Nasdaq-listed securities priced at $1 or more. The Exchange also charges a QMM $0.00295 per share executed for removing liquidity on Nasdaq in securities priced at $1 or more per share that are listed on exchanges other than Nasdaq, if the QMM's volume of liquidity added through one or more of its Nasdaq Market Center MPIDs during the month (as a percentage of Consolidated Volume) is not less than 0.80%.[5] For a QMM that meets the criteria of Tier 2,[6] the Exchange assesses a charge of $0.0029 per share executed for removing liquidity in securities priced at $1 or more per share listed on exchanges other than Nasdaq if the QMM has a combined Consolidated Volume (adding and removing liquidity) of at least 3.7%.

Nasdaq is now proposing to change the volume threshold needed to qualify for the transaction fee of $0.00295 per share executed for non-Nasdaq-listed securities for removing liquidity on Nasdaq in securities priced at $1 or more. Currently, the QMM's volume of liquidity added through one or more of its Nasdaq Market Center MPIDs during

[28] 17 CFR 200.30–3(a)(12).

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

[2] 17 CFR 240.19b–4.

[3] *See* Rule 7014(d).

[4] *See* Rule 7014(e).

[5] As set forth in Rule 7014(h), the term ''Consolidated Volume'' has the same meaning as the term has under Rule 7018(a). That term is defined in Rule 7018(a) to mean ''the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month in equity securities, excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of a member's trading activity the date of the annual reconstitution of the Russell Investments Indexes shall be excluded from both total Consolidated Volume and the member's trading activity.''

[6] As set forth in Rule 7014(e), the QMM Tier 2 qualification criteria requires a QMM to execute shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.90% of Consolidated Volume during the month.