

The Exchange believes that assessing CTI Port Fees for the CTI ports at \$600 per port per month for each of the first 5 CTI ports, and \$100 per port for each port thereafter, is equitable and not unfairly discriminatory because the Exchange will assess the same fees for all CTI ports to all members.

The Exchange believes that continuing the Order Entry Port Fee at \$600 per month, per mnemonic on the Exchange is reasonable because it will allow the Exchange to continue to recoup fees associated with offering the Order Entry Port. As with other port fees in subsection B of Section VII of the Pricing Schedule, including the CTI Port Fee, the Order Entry Port Fee reflects a portion of the costs that the Exchange bears with respect to offering and maintaining the Order Entry Ports. The Order Entry Port Fees are reasonable because they enable the Exchange to offset, in part, its connectivity costs associated with making such ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support.

The Exchange believes that Order Entry Fees for the Order Entry Ports at \$600 per month, per mnemonic is equitable and not unfairly discriminatory because the Exchange will assess the same fees for all Order Entry Ports to all members.

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. The Exchange believes the proposed Order Entry Fees and CTI Port Fees are fair and equitable, and therefore, will not unduly burden any particular group of market participants trading on the Exchange. The Exchange's proposal to adopt CTI Port and continue Order Entry Fees would be applied in a uniform manner to all Exchange members. The proposed fees are designed to ensure a fair and reasonable use of Exchange resources by allowing the Exchange to recoup a certain portion of connectivity costs, while continuing to offer connectivity at competitive rates to Exchange members.

The Exchange will not assess the Real-Time Risk Management Fee with respect to any member.

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.²¹ 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 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. Please include File Number SR-Phlx-2014-83 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-Phlx-2014-83. 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 also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Phlx-2014-83, and should be submitted on or before February 2, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²²

Brent J. Fields,

Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73997; File No. SR-NYSE-2014-70]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Its Price List to Eliminate Transaction Fees for Midpoint Passive Liquidity Orders That Remove Liquidity From the Exchange and That Are Designated With a "Retail" Modifier as Defined in Rule 13

January 6, 2015.

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 December 22, 2014, 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, 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.

²² 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.

²¹ 15 U.S.C. 78s(b)(3)(A)(ii).

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend its Price List to eliminate transaction fees for Midpoint Passive Liquidity ("MPL") Orders that remove liquidity from the Exchange and that are designated with a "retail" modifier as defined in Rule 13. The Exchange proposes to implement the fee change effective January 2, 2015. The text of 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

The Exchange proposes to amend its Price List to eliminate transaction fees for MPL Orders that remove liquidity from the Exchange and that are designated with a "retail" modifier as defined in Rule 13. The Exchange proposes to implement the fee change effective January 2, 2015.

For securities priced \$1.00 or greater, the Exchange currently charges a fee of \$0.0025 per share per transaction for all MPL Orders⁴ that remove liquidity from the NYSE.⁵ Floor brokers are currently charged the same price for MPL Orders that remove liquidity from the Exchange. The Exchange proposes to eliminate the fee for all MPL Orders that remove liquidity from the Exchange and that are designated with a "retail"

⁴ MPL Order is defined in Rule 13 as an undisplayed limit order that automatically executes at the mid-point of the protected best bid or offer ("PBBO").

⁵ MPL Orders that take liquidity do not count toward a member's or member organization's overall level of providing volume for purposes of other pricing on the Exchange that is based on such levels (e.g., the Tier 1, Tier 2 and Tier 3 Adding Credits).

modifier as defined in Rule 13, including MPL Orders entered by Floor brokers.

To be eligible for the proposed pricing for MPL Orders, an MPL Order would need to meet the requirements to be designated as "retail" pursuant to Rule 13. An order designated as "retail" under Rule 13 is an agency or riskless principal order that meets the criteria of Financial Industry Regulatory Authority, Inc. Rule 5320.03 and that (1) originates from a natural person and (2) is submitted to the Exchange by a member organization, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology.⁶

To submit an order with a "retail" modifier, a member or member organization must submit an attestation, in a form prescribed by the Exchange, that substantially all orders submitted as "retail" will qualify as such. Further, Rule 13 requires a member organization to have written policies and procedures reasonably designed to assure that it will only designate orders as "retail" if all requirements are met.⁷ In addition, a member organization would be required to designate such MPL Order as "retail" pursuant to Rule 13.⁸

The Exchange proposes to retain the fee for MPL Orders (including Floor broker MPL Orders) that remove liquidity from the Exchange but that are not designated with a "retail" modifier at the current rates. The proposed amended Price List would distinguish

⁶ An order designated as "retail" under Rule 13 is separate and distinct from a "Retail Order" within the Retail Liquidity Program under Rule 107C. The proposed rule change solely concerns orders designated as "retail" pursuant to Rule 13.

⁷ Such written policies and procedures require the member organization to (1) exercise due diligence before entering a "retail" order to assure that entry as a "retail" order is in compliance with the applicable requirements, and (2) monitor whether orders entered as "retail" orders meet the applicable requirements. If a member organization represents "retail" orders from another broker-dealer customer, the member organization's supervisory procedures must be reasonably designed to assure that the orders it receives from such broker-dealer customer that it designates as "retail" orders meet the definition of a "retail" order. The member organization must (i) obtain an annual written representation, in a form acceptable to the Exchange, from each broker-dealer customer that sends it orders to be designated as "retail" orders that entry of such orders as "retail" orders will be in compliance with the applicable requirements; and (ii) monitor whether its broker-dealer customer's "retail" order flow meets the applicable requirements.

⁸ Currently, a member organization may designate an order as "retail" either by means of a specific tag in the order entry message, as with other order modifiers, or by designating a particular member or member organization mnemonic used at the Exchange as a "retail mnemonic."

MPL Orders that remove liquidity and that are designated as "retail" under Rule 13, which would not be charged a fee, from MPL Orders that remove liquidity and that are not designated as "retail" under Rule 13, and which would continue to be charged the existing fee for MPL Orders that take liquidity. The Exchange proposes to make comparable amendments to the Price List relating to pricing applicable to Floor broker executions of MPL Orders.

The proposed change is not otherwise intended to address any other issues, and the Exchange is not aware of any problems that members and member organizations would have in complying with the proposed change.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁹ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,¹⁰ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that removing a fee for MPL Orders that remove liquidity from the Exchange and that are designated as "retail" is reasonable because it will encourage the submission of orders that meet the requirements to be designated as "retail" to the Exchange, thus enhancing order execution opportunities for all participants, but specifically retail investors. The "retail" modifier under Rule 13 along with its pricing is designed to incentivize the submission of additional retail order flow to a public market like the Exchange.¹¹ Moreover, the Exchange believes that markets and price discovery optimally function through the interactions of diverse flow types, and also believes that growth in internalization has required differentiation of retail order flow from other order flow types. As the Exchange has previously noted, a significant percentage of the orders of individual investors are executed over-the-counter.¹² The Exchange

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4) and (5).

¹¹ Securities Exchange Act Release Nos. 72253 (May 27, 2014), 79 FR 31353 (June 2, 2014) (SR-NYSE-2014-26) (introduction of "retail" modifier under Rule 13).

¹² Securities Exchange Act Release Nos. 71879 (April 4, 2014), 79 FR 19947 (April 10, 2014) (SR-NYSE-2014-15); see also Securities Exchange Act

accordingly further believes that the proposed change is reasonable because it would contribute to maintaining or increasing the proportion of retail flow in Exchange-listed securities that are executed on a registered national securities exchange, rather than executing in off-exchange venues.

Finally, the Exchange notes that while the proposed price change would treat retail order flow differently from order flow submitted by other market participants, such segmentation would not be inconsistent with Section 6(b)(5) of the Act,¹³ which requires that the rules of an exchange are not designed to permit unfair discrimination. The Commission has previously recognized that the markets generally distinguish between retail investors, whose orders are considered desirable by liquidity providers because such retail investors are presumed on average to be less informed about short-term price movements, and professional traders, whose orders are presumed on average to be more informed.¹⁴ The Commission has further recognized that, because of this distinction, liquidity providers are generally inclined to offer price improvement to less informed retail orders than to more informed professional orders.¹⁵ The Exchange believes that the differentiation proposed herein is not designed to permit unfair discrimination, but instead is reasonably designed to attract retail flow to the Exchange, while helping to ensure that retail investors benefit from the better price that liquidity providers are willing to give their orders. The Exchange believes that the proposed increase of retail order flow to the Exchange might also create a desirable opportunity for institutional investors to interact with retail order flow that they are not able to reach currently. The Exchange therefore believes that the proposed change would further promote a competitive process around retail executions such that retail investors would receive better prices than they currently do through bilateral internalization arrangements. The Exchange believes that the transparency and competitiveness of the proposed rule change on an exchange market would result in better prices for

retail investors.¹⁶ The proposed change is also equitable and not unfairly discriminatory because it would contribute to investors' confidence in the fairness of their transactions and because it would benefit all investors by increasing the liquidity pool and potential for price-improving executions at the Exchange.

The proposed change is also equitable and not unfairly discriminatory because the ability to designate MPL Orders as "retail" is available equally to all similarly situated members and member organizations that submit qualifying orders and satisfy the other related, existing requirements.

The Exchange believes that it is subject to significant competitive forces, as described below in the Exchange's statement regarding the burden on competition.

For the foregoing reasons, the Exchange believes that the proposal is consistent with the Act.

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

In accordance with Section 6(b)(8) of the Act,¹⁷ the Exchange believes that the proposed rule change would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, the Exchange believes that the proposed change would increase competition among execution venues and encourage additional execution opportunities on the Exchange. For the same reasons, the proposed change also would not impose any burden on competition among market participants. The Exchange believes that while it is the first to offer orders with a "retail" modifier the ability to take at the mid-point for free through MPL Orders, providing significant price improvement, the proposed change also permits the Exchange to compete with other markets, including NASDAQ, which does not charge but provides a credit for designated Retail Orders that take

¹⁶ See, e.g., Securities Exchange Act Release No. 67347 (July 3, 2012), 77 FR 40673, 40680 (July 10, 2012) (SR-NYSE-2011-55) (order approving adoption of Retail Liquidity Program on a pilot basis). The Exchange notes that other markets offer separate non-tier and tiered pricing for retail orders, see NASDAQ Price List, available at <http://nasdaqtrader.com/Trader.aspx?id=PriceListTrading2>, and EDGX Exchange Fee Schedule, available at <http://www.directedge.com/trading/EDGXFeeSchedule.aspx>, as well as retail price improvement pricing for "Retail Orders" that remove displayed liquidity or mid-point peg liquidity. See BATS BYX Exchange Fee Schedule, available at http://cdn.batstrading.com/resources/regulation/rule_book/BATS-Exchanges_Fee_Schedules.pdf [sic].

¹⁷ 15 U.S.C. 78f(b)(8).

liquidity in Retail Liquidity Provider programs,¹⁸ as well as over-the-counter trading that offers mid-point executions at low fees.

Finally, 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 and rebates 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 and credits in response, and because market participants may readily adjust their 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. As a result of all of these considerations, the Exchange does not believe that the proposed changes will impair the ability of member organizations or competing order execution venues to maintain their competitive standing in the financial markets.

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

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

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)¹⁹ of the Act and subparagraph (f)(2) of Rule 19b-4²⁰ thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings

¹⁸ See Securities Exchange Act Release Nos. 70860 (November 13, 2013), 78 FR 69512 (November 19, 2013) (SR-NASDAQ-2013-138).

¹⁹ 15 U.S.C. 78b(3)(A).

²⁰ 17 CFR 240.19b-4(f)(2).

Release No. 34-73702 (Nov. 28, 2014), 79 FR 72049, 72051 (Dec. 4, 2014) (order approving NASDAQ OMX BX Retail Price Improvement Program and noting that most marketable retail order flow is executed in the over-the-counter markets, pursuant to bilateral agreements, without ever reaching a public exchange) ("BX Retail Approval Order").

¹³ 15 U.S.C. 78f(b)(5).

¹⁴ See BX Retail Approval Order, at 72051.

¹⁵ *Id.*

under Section 19(b)(2)(B)²¹ 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–NYSE–2014–70 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–NYSE–2014–70. 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 Section, 100 F Street NE., Washington, DC 20549–1090, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing will also be available for inspection and copying at the NYSE’s principal office and on its Internet Web site at www.nyse.com. 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–NYSE–2014–70 and should be submitted on or before February 2, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²²

Brent J. Fields,

Secretary.

[FR Doc. 2015–00216 Filed 1–9–15; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

Small Business Investment Companies—Early Stage SBICs

AGENCY: U.S. Small Business Administration.

ACTION: Call for Early Stage Fund Managers.

SUMMARY: This call for proposals (“Call”) invites experienced early stage fund managers to submit the preliminary materials discussed in Section II below, in the form of the Small Business Investment Company (“SBIC”) Management Assessment Questionnaire (“MAQ”), for consideration by the Small Business Administration (“SBA”) to be licensed as Early Stage Small Business Investment Companies. Licensed Early Stage SBICs may receive SBA-guaranteed debenture leverage of up to 100 percent of their Regulatory Capital, up to a maximum of \$50 million. However, Early Stage SBICs may request less than 100 percent of their Regulatory Capital. Importantly, Early Stage SBICs must invest at least 50% of their investment dollars in early stage small businesses. For the purposes of this initiative, an “early stage” business is one that has never achieved positive cash flow from operations in any fiscal year. By licensing and providing SBA guaranteed leverage to Early Stage SBICs, SBA seeks to expand entrepreneurs’ access to capital and encourage innovation as part of President Obama’s Start-Up America Initiative launched on January 31, 2011. More information on the Early Stage SBIC Initiative and the regulations governing these SBICs may be found at www.sba.gov/inv/earlystage.

DATES: The following table provides the key milestones for the Early Stage SBIC Initiative.

Milestones	Dates/Times
Question and Answer Period Closed	5 p.m. Eastern Time (“EST”) on February 27, 2015.
Initial Review Period	
Management Assessment Questionnaires (“MAQs”) Due	5 p.m. EST—February 27, 2015.
Interview Period	April 20, 2015—May 1, 2015.
Anticipated Green Light Decision	May 7, 2015.
Licensing Periods	
For funds seeking a license in FY 2015	5 p.m. EST June 5, 2015.
Anticipated Licensing Date for FY 2015 funds	No later than September 30, 2015.
All other funds have 12 months from issuance of a Green Light to submit their license application.	Applications considered as they are received.

Notes:

- SBA reserves the right to extend its interview, due diligence, committee, and approval timelines as appropriate. SBA will update its website at www.sba.gov/inv/earlystage should these dates change. Applicants will be notified by e-mail should these dates change.
- SBA expects to issue additional calls for Early Stage Fund Managers on an annual basis. SBA will announce these calls via a call notice in the Federal Register.

ADDRESSES: Visit <https://www.sba.gov/content/application-forms> to download

a copy of the Management Assessment Questionnaire (the “MAQ”). You must

submit via express or next day delivery service (i) the relevant MAQ signature

²¹ 15 U.S.C. 78s(b)(2)(B).

²² 17 CFR 200.30–3(a)(12).