

and future committed capital to help ensure that it can continue to provide its clearing services if it suffers business losses as a result of a decline in revenues or otherwise. Given that OCC has been designated as a systemically important financial market utility, OCC's ability to provide its clearing services if it suffers business losses contributes to reducing systemic risks and supporting the stability of the broader financial system. In so doing, OCC's Capital Plan is consistent with the objectives of Section 805(b) of the Payment, Clearing and Settlement Supervision Act,<sup>35</sup> which are to promote robust risk management, promote safety and soundness, reduce systemic risks, and support the stability of the broader financial system.

#### IV. Conclusion

*It is therefore noticed*, pursuant to Section 806(e)(1)(I) of the Payment, Clearing and Settlement Supervision Act,<sup>36</sup> that the Commission *does not object* to advance notice proposal (File No. SR-OCC-2014-813) and that OCC is *authorized* to implement the proposal as of the date of this notice or the date of an order by the Commission approving a proposed rule change that reflects rule changes that are consistent with this advance notice proposal (File No. SR-OCC-2015-02), whichever is later.

By the Commission.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2015-05117 Filed 3-5-15; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-74409; File No. SR-NYSEARCA-2015-11]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Specifying in Exchange Rules the Exchange's Use of Certain Data Feeds for Order Handling and Execution, Order Routing, and Regulatory Compliance

March 2, 2015.

Pursuant to section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the "Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on February 24, 2015, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") 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 to specify in Exchange rules the Exchange's use of certain data feeds for order handling and execution, order routing, and regulatory compliance. The text of the proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://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 Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

On June 5, 2014, in a speech entitled "Enhancing Our Market Equity Structure," Mary Jo White, Chair of the Securities and Exchange Commission ("SEC" or the "Commission") requested the equity exchanges to file with the Commission the data feeds used for purposes of (1) order handling and execution (e.g., with pegged or midpoint orders); (2) order routing, and (3) regulatory compliance, if applicable.<sup>4</sup> Subsequent to the Chair's speech, the Division of Trading and Markets stated that it "believes there is a need for clarity regarding whether (1) the SIP data feeds, (2) proprietary data feeds, or (3) a combination thereof," are used for

these purposes and requested that proposed rule changes be filed that disclose such information.<sup>5</sup> The stated goal of disclosing this information was to provide broker-dealers and investors with enhanced transparency to better assess the quality of an exchange's execution and routing services.

On July 18, 2014, in response to the above request, the Exchange filed a proposed rule change that clarified the Exchange's use of certain data feeds for order handling and execution, order routing, and regulatory compliance.<sup>6</sup> As noted in that filing, the data feeds available for the purposes of order handling and execution, order routing, and regulatory compliance at the Exchange include the exclusive securities information processor ("SIP") data feeds<sup>7</sup> or proprietary data feeds from individual market centers ("Direct Feed").

SEC staff has requested that the Exchange file a supplemental proposed rule change to specify in Exchange rules which data feeds the Exchange uses for the above-described purposes. Accordingly, the Exchange is filing this proposed rule change.

At the time of the July 2014 Data Feed Filing, the Exchange used only the SIP data feeds for BATS Y-Exchange, Inc., Chicago Stock Exchange, Inc., and NYSE MKT LLC and uses a combination of Direct Feeds and the SIP data feeds for the other exchanges trading NMS stocks, i.e., BATS Exchange, Inc., EDGA Exchange, Inc., EDGX Exchange, Inc., NASDAQ OMX BX LLC, NASDAQ OMX PHLX LLC, NASDAQ Stock Market LLC and New York Stock Exchange LLC.<sup>8</sup> These data feeds are used by the Exchange to:

<sup>5</sup> See Letter from James Burns, Deputy Director, Division of Trading and Markets, Securities and Exchange Commission, to Jeffrey C. Sprecher, Chief Executive Officer, Intercontinental Exchange, Inc., dated June 20, 2014.

<sup>6</sup> See Securities Exchange Act Release No. 72708 (July 29, 2014), 79 FR 45572 (Aug. 5, 2014) (SR-NYSEArca-2014-82) ("July 2014 Data Feed Filing").

<sup>7</sup> The SIP feeds are disseminated pursuant to effective joint-industry plans as required by Rule 603(b) of Regulation NMS. 17 CFR 242.603(b). The three joint-industry plans are: (1) The CTA Plan, which is operated by the Consolidated Tape Association and disseminates transaction information for securities with the primary listing market on exchanges other than NASDAQ Stock Market LLC ("Nasdaq"); (2) The CQ Plan, which disseminates consolidated quotation information for securities with their primary listing on exchanges other than Nasdaq; and (3) the Nasdaq UTP Plan, which disseminates consolidated transaction and quotation information for securities with their primary listing on Nasdaq.

<sup>8</sup> The Exchange notes that because the FINRA Alternate Display Facility ("ADF") does not currently display any quotations, the Exchange does not need any data feeds to provide it with ADF quotes.

<sup>35</sup> 12 U.S.C. 5464(b).

<sup>36</sup> 12 U.S.C. 5465(e)(1)(I).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> See Mary Jo White, Chair, Securities and Exchange Commission, Speech at the Sandler, O'Neill & Partners, L.P. Global Exchange and Brokerage Conference (June 5, 2014) (available at [www.sec.gov/News/Speech/Detail/Speech/1370542004312#.U5HI-fmwjw](http://www.sec.gov/News/Speech/Detail/Speech/1370542004312#.U5HI-fmwjw)).

- Determine protected quotations on markets other than the Exchange for purposes of compliance with Rule 611 and Rule 610(d), including identifying where to route ISOs, to calculate the protected best bid or offer (“PBBO”) or national best bid or offer (“NBBO”) for purposes of order types that are priced based on the PBBO or NBBO;<sup>9</sup>
- Route interest pursuant to NYSE Arca Equities Rule 7.37(d)(2);<sup>10</sup> and

- Determine the national best bid (“NBB”) for purposes of complying with Rule 201 of Regulation SHO and NYSE Arca Equities Rule 7.16(f).<sup>11</sup>
- The Exchange notes that when it routes interest to a protected quotation, the Exchange adjusts the PBBO. In addition, when calculating the PBBO or NBBO, the Exchange aggregates odd-lot interest available on Direct Feeds at a

single price level into round lot quotations.

The Exchange proposes to add new Commentary .01 to NYSE Arca Equities Rule 7.37, which would state the following:

- (a) The Exchange uses the following data feeds for the handling, execution, and routing of orders, as well as for regulatory compliance:

Market center	Primary source	Secondary source
BATS Exchange, Inc. ....	Direct Feed .....	SIP Data Feed.
BATS Y-Exchange, Inc. ....	Direct Feed .....	SIP Data Feed.
Chicago Stock Exchange, Inc. ....	SIP Data Feed .....	n/a.
EDGA Exchange, Inc. ....	Direct Feed .....	SIP Data Feed.
EDGX Exchange, Inc. ....	Direct Feed .....	SIP Data Feed.
NASDAQ OMX BX LLC .....	Direct Feed .....	SIP Data Feed.
NASDAQ OMX PHLX LLC .....	Direct Feed .....	SIP Data Feed.
NASDAQ Stock Market LLC .....	Direct Feed .....	SIP Data Feed.
New York Stock Exchange LLC .....	Direct Feed .....	SIP Data Feed.
NYSE MKT LLC .....	Direct Feed .....	SIP Data Feed.

As noted above, at the time of the July 2014 Data Feed Filing, the Exchange was using the SIP Data Feed for BATS Y-Exchange, Inc. and NYSE MKT LLC. The Exchange has since changed its data sources for those markets, and as reflected above, now uses the Direct Feed as the primary source for those markets.

The Exchange further proposes to specify in new Commentary .02 to Rule 7.37 that the Exchange receives data feeds directly from broker dealers for purposes of routing interest pursuant to NYSE Arca Equities Rule 7.37(d)(2).

2. Statutory Basis

The proposed rule change is consistent with section 6(b) of the Securities Exchange Act of 1934 (the “Act”),<sup>12</sup> in general, and furthers the objectives of section 6(b)(5),<sup>13</sup> 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 Exchange believes that the proposed rule change removes impediments to and perfects the mechanism of a free and open market because it provides enhanced transparency to better assess the quality of an exchange’s execution and routing services.

*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 would provide the public and investors with information about which data feeds the Exchange uses for execution and routing decisions.

*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.

Exchange and is not designated as a PNP Order, IOC, MPL Order, or Intermarket Sweep Order, it will be routed for execution.

<sup>11</sup> NYSE Arca Equities Rule 7.16(f) requires that Exchange systems not execute or display a short sale order with respect to a covered security at a price that is less than or equal to the current NBB if the price of that security decreases by 10% or more, as determined by the Exchange, from the security’s closing price on the Exchange at the end of regular trading hours on the prior day.

<sup>12</sup> 15 U.S.C. 78f(b).

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

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 for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, the proposed rule change has become effective pursuant to section 19(b)(3)(A) of the Act<sup>14</sup> and Rule 19b-4(f)(6) thereunder.<sup>15</sup>

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act<sup>16</sup> normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)<sup>17</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange stated that waiver of the operative delay will permit the Exchange to immediately provide the enhanced transparency in Exchange rules. The Commission believes the

<sup>13</sup> 15 U.S.C. 78f(b)(5).

<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 17 CFR 240.19b-4(f)(6). As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

<sup>16</sup> 17 CFR 240.19b-4(f)(6).

<sup>17</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>9</sup> The NBBO is defined as the best bid and best offer of an NMS security. 17 CFR 242.600(b)(3). The Exchange notes that the NBBO may differ from the PBBO because the NBBO includes Manual Quotations, which are defined as any quotation other than an automated quotation. 17 CFR 242.600(b)(37). By contrast, a protected quotation is an automated quotation that is the best bid or offer of a national securities exchange. 17 CFR 242.60(b)(57)(iii).

<sup>10</sup> NYSE Arca Equities Rule 7.37(d)(2) specifies that if an order has not been executed on the

waiver of the operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposal operative upon filing.<sup>18</sup>

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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEARCA-2015-11 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-NYSEARCA-2015-11. 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-NYSEARCA-2015-11 and should be submitted on or before March 27, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>19</sup>

**Brent J. Fields,**

*Secretary.*

[FR Doc. 2015-05163 Filed 3-5-15; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549-2736.

#### *Extension:*

Form N-4; SEC File No. 270-282, OMB Control No. 3235-0318.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (the "Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

The collection of information is entitled: "Form N-4 (17 CFR 239.17b) under the Securities Act of 1933 and (17 CFR 274.11c) under the Investment Company Act of 1940, registration statement of separate accounts organized as unit investment trust." Form N-4 is the form used by insurance company separate accounts organized as unit investment trusts that offer variable annuity contracts to register as investment companies under the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*) and/or to register

their securities under the Securities Act of 1933 (15 U.S.C. 77a *et seq.*). Section 5 of the Securities Act (15 U.S.C. 77e) requires the filing of a registration statement prior to the offer of securities to the public and that the registration statement be effective before any securities are sold, and Section 8 of the Investment Company Act (15 U.S.C. 80a-8) provides for the registration of investment companies. Pursuant to Form N-4, separate accounts organized as unit investment trusts that offer variable annuity contracts provide investors with a prospectus and a statement of additional information covering essential information about a separate account. Section 5(b) of the Securities Act requires that investors be provided with a prospectus containing the information required in a registration statement prior to or at the time of sale or delivery of securities.

The purpose of Form N-4 is to meet the filing and disclosure requirements of the Securities Act and the Investment Company Act and to enable filers to provide investors with information necessary to evaluate an investment in a security. The information required to be filed with the Commission permits verification of compliance with securities law requirements and assures the public availability and dissemination of the information.

The estimated annual number of filings on Form N-4 is 210 initial registration statements and 1,443 post-effective amendments. The estimated average number of portfolios per filing is one, both for initial registration statements and post-effective amendments on Form N-4. Accordingly, the estimated number of portfolios referenced in initial Form N-4 filings annually is 210 and the estimated number of portfolios referenced in post-effective amendment filings on Form N-4 annually is 1,443. The estimate of the annual hour burden for Form N-4 is approximately 278.5 hours per initial registration statement and 197.25 hours per post-effective amendment, for a total of 343,116.75 hours ((210 initial registration statements x 278.5 hours) + (1,443 post-effective amendments x 197.25 hours)).

The current estimated annual cost burden for preparing an initial Form N-4 filing is \$23,013 per portfolio and the current estimated annual cost burden for preparing a post-effective amendment filing on Form N-4 is \$21,813 per portfolio. The Commission estimates that, on an annual basis, 210 portfolios will be referenced in initial Form N-4 filings and 1,443 portfolios will be referenced in post-effective amendment filings on Form N-4. Thus,

<sup>18</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>19</sup> 17 CFR 200.30-3(a)(12).