

restrictions on cash payments for client solicitations. The rule requires that an adviser pay all solicitors' fees pursuant to a written agreement. When an adviser will provide only impersonal advisory services to the prospective client, the rule imposes no disclosure requirements. When the solicitor is affiliated with the adviser and the adviser will provide individualized advisory services to the prospective client, the solicitor must, at the time of the solicitation or referral, indicate to the prospective client that he is affiliated with the adviser. When the solicitor is not affiliated with the adviser and the adviser will provide individualized advisory services to the prospective client, the solicitor must, at the time of the solicitation or referral, provide the prospective client with a copy of the adviser's brochure and a disclosure document containing information specified in rule 206(4)-3. Amendments to rule 206(4)-3, adopted in 2010 in connection with rule 206(4)-5, specify that solicitation activities involving a government entity, as defined in rule 206(4)-5, are subject to the additional limitations of rule 206(4)-3. The information rule 206(4)-3 requires is necessary to inform advisory clients about the nature of the solicitor's financial interest in the recommendation so the prospective clients may consider the solicitor's potential bias, and to protect clients against solicitation activities being carried out in a manner inconsistent with the adviser's fiduciary duty to clients. Rule 206(4)-3 is applicable to all Commission-registered investment advisers. The Commission believes that approximately 4,422 of these advisers have cash referral fee arrangements. The rule requires approximately 7.04 burden hours per year per adviser and results in a total of approximately 31,130 total burden hours ( $7.04 \times 4,422$ ) for all advisers.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this

publication. The Commission may not conduct or sponsor a collection of information unless it displays a currently valid OMB number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB number.

Please direct your written comments to Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, C/O Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549; or send an email to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

Dated: June 2, 2015.

**Robert W. Errett,**  
*Deputy Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75093; File No. SR-NYSEArca-2015-25]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change, as Modified by Amendment No. 1, To List and Trade Shares of the iShares iBonds Dec 2021 AMT-Free Muni Bond ETF and iShares iBonds Dec 2022 AMT-Free Muni Bond ETF Under NYSE Arca Equities Rule 5.2(j)(3)

June 2, 2015.

On March 31, 2015, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission"), 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> a proposed rule change to list and trade shares of the following series of the iShares Trust: iShares iBonds Dec 2021 AMT-Free Muni Bond ETF and iShares iBonds Dec 2022 AMT-Free Muni Bond ETF under NYSE Arca Equities Rule 5.2(j)(3), Commentary .02. On April 14, 2015, the Exchange filed Amendment No. 1 to the proposed rule change, which superseded the original filing. The proposed rule change, as modified by Amendment No. 1, was published for comment in the **Federal Register** on April 21, 2015.<sup>4</sup> The Commission has received no comment letters on the proposed rule change.

<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 Securities Exchange Act Release No. 74730 (April 15, 2015), 80 FR 22234 ("Notice").

Section 19(b)(2) of the Act<sup>5</sup> provides that, within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period 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 Commission is extending this 45-day time period. The Commission finds that 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 the proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>6</sup> designates July 20, 2015, as the date by which the Commission shall either approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change (File Number SR-NYSEArca-2015-25).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>7</sup>

**Robert W. Errett,**  
*Deputy Secretary.*

[FR Doc. 2015-13868 Filed 6-5-15; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75094; File No. SR-DTC-2015-007]

### Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing of Proposed Rule Change Regarding the Discontinuance of the Distribution of Fractional Shares in Respect of Corporate Actions for New Issues in DTC's System

June 2, 2015.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 ("Act") and Rule 19b-4<sup>2</sup> thereunder, notice is hereby given that on May 27, 2015, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by DTC. The Commission is publishing this notice to

<sup>5</sup> 15 U.S.C. 78s(b)(2).

<sup>6</sup> *Id.*

<sup>7</sup> 17 CFR 200.30-3(a)(31).

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

<sup>2</sup> 17 CFR 240.19b-4.

solicit comments on the proposed rule change from interested persons.

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

The proposed rule change by DTC would discontinue the option offered by DTC to issuers that allows for the distribution of fractional shares of securities in DTC's system, when DTC is handling fractional dispositions of shares resulting from corporate actions, for new issues, as more fully described below.<sup>3</sup> The proposed change does not affect the text of DTC's Rules and Procedures.

### II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, DTC 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. DTC has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

#### (A) Clearing Agency'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 discontinue the option offered by DTC to issuers that allows for the distribution of fractional shares of securities in DTC's system, when DTC is handling fractional dispositions of shares resulting from corporate actions, for new issues, as more fully described below.

##### Background

When a securities issue is made eligible at DTC, DTC offers three options to the issuer for handling the disposition of fractional shares in DTC's system resulting from a corporate action for the issue. The issuer may: (i) Round up to the next full share or drop fractions, (ii) pay "cash-in-lieu" of fractional shares, or (iii) issue the fractional shares into an identifying number ("Fractional Identifier") generated by DTC.<sup>4</sup> The assets comprising the disposition of fractional

<sup>3</sup> Terms not otherwise defined herein have the meaning set forth in the DTC Rules and Procedures ("DTC Rules"), available at <http://www.dtcc.com/legal/rules-and-procedures.aspx>.

<sup>4</sup> The Fractional Identifier generated for the third option above is separate from the CUSIP® identifier ("CUSIP") that is universally recognized by the marketplace.

shares, whether in the form of shares or cash, once received from the issuer's transfer or paying agent, are credited by DTC in proportional amounts to the respective accounts of Participants depending on the amount shares of the issue they have on deposit. Participants then distribute credits on their own books, as applicable, to their customers that hold beneficial interests in those shares.

The first two options for handling the disposition of fractional shares are specified in the DTC Distributions Service Guide ("Guide")<sup>5</sup> and DTC's Operational Arrangements ("OA").<sup>6</sup> Distributions of fractional shares in DTC's system under the third option are delivered to Participants in accordance with the provisions of DTC Rule 6 that are applicable to DTC services related to Deposited Securities.<sup>7</sup>

##### Proposal

Fractional shares are not tradable. The distribution of fractional shares in respect of corporate actions reduces efficiencies for investors in an issue, including with respect to the value and transferability of assets delivered, as investors are required to wait for an extended period for the aggregation of fractional shares into a full share that may be traded. Tracking, processing and reporting of fractional shares separately from the associated CUSIP, which are necessitated by this process, increases costs to DTC and the industry.

In order to improve efficiencies for investors and reduce costs for DTC and the industry, DTC proposes to discontinue the option for issuers to distribute any fractional shares for new issues into DTC's system. DTC would continue to allow issuers undergoing a corporate action with a choice between: (i) the rounding up and dropping of fractions, and (ii) the payment of cash-in-lieu of fractional shares. DTC would maintain the Fractional Identifiers previously designated for existing fractional shares within DTC, and continue to perform corporate actions processing with respect to those Fractional Identifiers.

<sup>5</sup> See the Guide, p. 31, available at <http://www.dtcc.com/~media/Files/Downloads/legal/service-guides/Distributions%20Service%20Guide%20FINAL%20November%202014.pdf>.

<sup>6</sup> See the OA, p. 31, available at <http://www.dtcc.com/~media/Files/Downloads/legal/issue-eligibility/eligibility/operational-arrangements.pdf>.

<sup>7</sup> See DTC Rules (Rule 6 (Services)), p. 45, available at [http://www.dtcc.com/~media/Files/Downloads/legal/rules/dtc\\_rules.pdf](http://www.dtcc.com/~media/Files/Downloads/legal/rules/dtc_rules.pdf).

##### Implementation

The effective date of the proposed rule change would be announced via a DTC Important Notice.

##### 2. Statutory Basis

By eliminating the distribution of fractional shares for new issues within DTC's system, the proposed rule change would improve efficiencies for investors relating to the disposition of fractional shares in corporate action events, as well as reduce the costs for DTC and the industry relating to DTC tracking, processing and reporting on separate Fractional Identifiers for those issues. Therefore, by improving efficiencies for investors and reducing costs for DTC and the industry, the proposed rule change is consistent with the provisions of Section 17A(b)(3)(F)<sup>8</sup> of the Act, which requires that the rules of the clearing agency be designed, *inter alia*, to promote the prompt and accurate clearance and settlement of securities transactions, as well as, in general, protect the interests of investors.

#### (B) Clearing Agency's Statement on Burden on Competition

DTC does not believe that the proposed rule change would have any impact, or impose any burden, on competition.

#### (C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments relating to the proposed rule change have not yet been solicited or received. DTC will notify the Commission of any written comments received by DTC.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) By order approve or disapprove such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing,

<sup>8</sup> 15 U.S.C. 78q-1(b)(3)(F).

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-DTC-2015-007 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-DTC-2015-007. 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 DTC and on DTCC's Web site (<http://dtcc.com/legal/sec-rule-filings.aspx>). 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-DTC-2015-007 and should be submitted on or before June 29, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>9</sup>

**Robert W. Errett,**  
Deputy Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75095; File No. SR-NYSEMKT-2015-41]

### Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing of Proposed Rule Change Amending Rule 980NY(e), Electronic Complex Order Auction Process Removing the Limitation on Who Can Respond to a COA and Provide a Response Time Interval of at Least 500 Milliseconds; and Amend Rule 935NY, Order Exposure Requirements To Add Use of the COA for a User To Satisfy the Order Exposure Requirement in Rule 935NY and Delete the Reference in Rule 980NY(e) to the Order Exposure Requirements Being Separate From the Duration of the COA Response Time Interval

June 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 May 21, 2015, NYSE MKT LLC (the "Exchange" or "NYSE MKT") 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 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) Amend Rule 980NY(e) (Electronic Complex Order Auction ("COA") Process) to remove the limitation on who can respond to a COA and to provide a Response Time Interval of at least 500 milliseconds; and (2) amend Rule 935NY (Order Exposure Requirements) to add use of the COA as a means for a User to satisfy the Order Exposure Requirement in Rule 935NY and delete the reference in Rule 980NY(e) to the Order Exposure Requirements being

separate from the duration of the COA Response Time Interval. 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 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 parts of such statements.

##### (A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

Participation in and Minimum Response Time Interval for the COA

The Exchange operates COA, which allows an entering ATP Holder to initiate an auction for eligible Electronic Complex Orders ("COA-eligible orders").<sup>4</sup> Upon receiving a COA-eligible order, and the direction from the entering ATP Holder that an auction be initiated, the Exchange sends an automated request for response message ("RFR") to all ATP Holders who subscribe to RFR messages.<sup>5</sup> ATP Holders that are eligible to participate in a COA may respond to an RFR message ("RFR Responses") indicating the price and the number of contracts they would be willing trade in the COA. RFR Responses must be submitted during the Response Time Interval ("RTI"), the duration of which is determined by the Exchange, but may not exceed one (1) second.<sup>6</sup>

Rule 980NY(e)(4) currently provides that each Market Maker with an appointment in the relevant option

<sup>4</sup> The Exchange may determine, on a class by class basis, which Electronic Complex Orders are eligible for a COA based on marketability (defined as a number of ticks from the current market), size, and Complex Order origin type. See Rule 980NY(e)(1).

<sup>5</sup> RFR messages identify the component series, size and side of the market of the order and any contingencies. See Rule 980NY(e)(2).

<sup>6</sup> See Rule 980NY(e)(3) (stating, in part, "[t]he Exchange will determine the length of the Response Time Interval; provided, however, that the duration shall not exceed one (1) second.>").

<sup>9</sup> 17 CFR 200.30-3(a)(12).

<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.