

regulatory requirements (“Procedures”).<sup>4</sup>

Specifically, OCC recently adopted the Procedures which, according to OCC, are designed to clarify for clearing members and market participants the manner in which OCC would resize the clearing fund on a monthly basis and, if necessary, collect additional financial resources through intra-day margin calls and intra-month increases of the clearing fund.<sup>5</sup> According to OCC, under the Procedures, OCC continues to size the clearing fund on the first business day of each month, with the clearing fund size equal to a base amount and an additional prudential margin of safety determined by OCC, currently set at \$1.8 billion. The base amount is equal to the peak five-day rolling average of clearing fund draws<sup>6</sup> observed over the preceding three calendar months. Under the Procedures, OCC must issue an intra-day margin call in the event that a projected draw on the clearing fund under stress tests conducted by OCC exceeds 75% of the then-current size of OCC’s clearing fund. In addition, OCC must increase the size of the clearing fund intra-month where a projected draw, after taking into account intra-day margin collected under the Procedures, exceeds 90% of the then-current size of the clearing fund.

According to OCC, it is amending Rule 1001(a) to codify, in accordance with the Procedures, the process by which such clearing fund size: (i) Is determined and set on a monthly basis, and (ii) may be increased on an intra-month basis. OCC believes that the proposed rule change provides greater transparency to clearing members and other market participants, because OCC’s practices with regard to the monthly sizing of the clearing fund and OCC’s ability to increase the clearing fund intra-month in accordance with the Procedures would be codified in the text of Rule 1001(a).

<sup>4</sup> See Securities Exchange Act Release No. 74980 (May 15, 2015), 80 FR 29364 (May 21, 2015) (SR–OCC–2015–009) and Securities Exchange Act Release No. 74981 (May 15, 2015), 80 FR 29367 (May 21, 2015) (SR–OCC–2015–811). OCC recently amended the Procedures. See Securities Exchange Act Release No. 75255 (June 22, 2015), 80 FR 36869 (June 26, 2015) (SR–OCC–2015–012) (changing the method by which certain dashboard reports are distributed).

<sup>5</sup> *Id.*

<sup>6</sup> According to OCC, clearing fund draws are the amounts that OCC would have been required to draw against the clearing fund under the daily idiosyncratic default and minor systemic default scenario calculations conducted by OCC (*i.e.*, the amount of projected losses not covered by margin deposits or deposits in lieu of margin).

## II. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act<sup>7</sup> directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such organization.

The Commission finds that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act<sup>8</sup> and Rule 17Ad–22(b)(3) of the Act.<sup>9</sup> Rule 17Ad–22(b)(3) of the Act requires OCC to establish, implement, maintain and enforce written policies and procedures reasonably designed to maintain sufficient financial resources to withstand, at a minimum, a default by the participant family to which it has the largest exposure in extreme but plausible market conditions.<sup>10</sup> OCC is amending Rule 1001(a) to reflect the process by which OCC determines its clearing fund size on a monthly basis and increases its clearing fund size on an intra-month basis. As stated above, OCC already adopted Procedures that reflect this change.<sup>11</sup> By amending Rule 1001(a) to codify the Procedures, as described above, and thus permitting OCC to take action pursuant to the Procedures, OCC should be able to be more responsive to sudden increases in exposure and less sensitive to short-run reductions in exposure that could inappropriately reduce the overall size of the clearing fund. As a result, OCC should be in a better position to maintain sufficient financial resources to withstand, at a minimum, a default by the participant family to which it has the largest exposure in extreme but plausible market conditions.

For these same reasons, OCC’s rule change is consistent with Section 17A(b)(3)(F) of the Act,<sup>12</sup> which requires, in part, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible. By maintaining financial resources in this manner, OCC is less likely to be subject to disruptions in its operations as a result of a default of a participant family, thereby facilitating the prompt and accurate clearance and settlement of securities

transactions and assuring the safeguarding of securities and funds which are in the custody or control of OCC or for which it is responsible.

## III. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act<sup>13</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>14</sup> that the proposed rule change (SR–OCC–2015–013) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

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

[FR Doc. 2015–18770 Filed 7–30–15; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75530; File No. SR–NYSEARCA–2015–66]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending the NYSE Arca Options Fee Schedule

July 27, 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 July 20, 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, 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.

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

The Exchange proposes to amend the NYSE Arca Options Fee Schedule (“Fee Schedule”). The Exchange proposes to

<sup>13</sup> In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>14</sup> 15 U.S.C. 78s(b)(2).

<sup>15</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.

<sup>7</sup> 15 U.S.C. 78s(b)(2)(C).

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

<sup>9</sup> 17 CFR 240.17Ad–22(b)(3).

<sup>10</sup> *Id.*

<sup>11</sup> See *supra* note 4.

<sup>12</sup> 15 U.S.C. 78q–1(b)(3)(F).

implement the fee change effective August 1, 2015. 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 the Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The purpose of this filing is to increase the number of issues a Market Maker may trade per Options Trading Permit ("OTP").

Currently, the number of issues a Market Maker may quote and trade in their assignment is based on how many OTPs the Market Maker has. A Market Maker may quote and trade up to 100 issues under its first OTP; up to 250 issues with a second OTP; up to 750 issues with a third OTP; and, with a fourth OTP a Market Maker may quote and trade all option issues on the Exchange.<sup>4</sup>

The Exchange is proposing to increase the number of issues "covered" by an OTP (*i.e.*, the number of issues in which a Market Maker may quote and trade) as follows:

1st OTP	Up to 175 option issues
2nd OTP	Up to 350 option issues
3rd OTP	Up to 1,000 option issues
4th OTP	All option issues traded on the Exchange

The Exchange is proposing to increase the number of covered issues per OTP to encourage Market Makers to quote and trade more issues based on the number of OTPs they currently have. By doing so, the Exchange believes it will provide an opportunity for more liquid

markets and quote competition, which in turn will benefit all market participants.

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act,<sup>5</sup> in general, and furthers the objectives of sections 6(b)(4) and (5) of the Act,<sup>6</sup> 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 the increase in the number of issues covered by an OTP is reasonable, as it allows a Market Maker to trade a greater number of issues without incurring the expense of paying for additional OTPs. The proposed change is equitable and not unfairly discriminatory because it solely affects Market Makers because only Market Makers are required to have more than one OTP to correlate to the options issues in their Market Maker assignments. The Exchange believes that the proposed change is reasonable, equitable and not unfairly discriminatory because it is designed to encourage Market Makers to quote and trade additional issues, which would provide an opportunity for more liquid markets and quote competition, which in turn will benefit all market participants.

For these 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,<sup>7</sup> 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. Instead, the Exchange believes that the proposed change would continue to encourage competition, including by providing more opportunities to quote and trade, thereby attracting additional liquidity to the Exchange, which would continue to make the Exchange a more competitive venue for, among other things, order execution and price discovery. The Exchange believes the proposed change would not unduly burden any particular group of market participants trading on the Exchange vis-à-vis another group, as the change

solely impacts Market Makers. In addition, the Exchange believes that by expanded [sic] the number of covered issues per OTP would encourage increased liquidity and quote competition on the Exchange, which in turn would benefit all market participants.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues., [sic] In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

### 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)<sup>8</sup> of the Act and subparagraph (f)(2) of Rule 19b-4<sup>9</sup> 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 under section 19(b)(2)(B)<sup>10</sup> 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:

<sup>4</sup> A Market Maker may trade any issue on the Exchange, but may only submit quotes in issues in the Market Maker assignment, however, in accordance with NYSE Arca Rule 6.35(i), at least 75% of a Market Maker's trading activity must be in the Market Maker's appointment.

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

<sup>6</sup> 15 U.S.C. 78f(b)(4) and (5).

<sup>7</sup> 15 U.S.C. 78f(b)(8).

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>9</sup> 17 CFR 240.19b-4(f)(2).

<sup>10</sup> 15 U.S.C. 78s(b)(2)(B).

*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-2015-66 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-2015-66. 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](http://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-NYSEARCA-2015-66 and should be submitted on or before August 21, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2015-18768 Filed 7-30-15; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION****Submission for OMB Review; 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-Q SEC, File No. 270-519, OMB Control No. 3235-0578.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) ("Paperwork Reduction Act"), the Securities and Exchange Commission (the "Commission") has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Form N-Q (17 CFR 249.332 and 274.130) is a reporting form used by registered management investment companies, other than small business investment companies registered on Form N-5 ("funds"), under Section 30(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*) ("Investment Company Act") and Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*). Pursuant to Rule 30b1-5 under the Investment Company Act, funds are required to file quarterly reports with the Commission on Form N-Q not more than 60 days after the close of the first and third quarters of each fiscal year containing their complete portfolio holdings. Additionally, fund management is required to evaluate the effectiveness of the fund's disclosure controls and procedures within the 90-day period prior to the filing of a report on Form N-Q, and such report must also be signed and certified by the fund's principal executive and financial officers.

We estimate that there are 11,348 funds required to file reports on Form N-Q. Based on staff experience and conversations with industry representatives, we estimate that it takes approximately 26 hours per fund to prepare reports on Form N-Q annually. Accordingly, we estimate that the total annual burden associated with Form N-Q is 295,048 hours (26 hours per fund × 11,348 funds) per year.

The estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act and are not derived from a comprehensive or even representative survey or study of the cost of Commission rules and forms. The collection of information under

Form N-Q is mandatory. The information provided by the form is not kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

The public may view the background documentation for this information collection at the following Web site, [www.reginfo.gov](http://www.reginfo.gov). Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: [Shagufta.Ahmed@omb.eop.gov](mailto:Shagufta.Ahmed@omb.eop.gov); and (ii) 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). Comments must be submitted to OMB within 30 days of this notice.

Dated: July 27, 2015.

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2015-18766 Filed 7-30-15; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION****Submission for OMB Review; 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-3; SEC File No. 270-281, OMB Control No. 3235-0316.

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") has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

The title for the collection of information is "Form N-3 (17 CFR 239.17a and 274.11b) under the Securities Act of 1933 (15 U.S.C. 77) and under the Investment Company Act of 1940 (15 U.S.C. 80a), Registration Statement of Separate Accounts Organized as Management Investment Companies." Form N-3 is the form used by separate accounts offering variable annuity contracts which are organized as management investment companies

<sup>11</sup> 17 CFR 200.30-3(a)(12).