

All submissions should refer to File No. SR-NSX-2015-04. This file number should be included in the subject line if email is used. To help the Commission process and review 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 a.m. and 3 p.m. Copies of such filings will also 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-NSX-2015-04 and should be submitted on or before August 26, 2015.

For the Commission by the Division of Trading and Markets, pursuant to the delegated authority.<sup>44</sup>

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

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75561; File No. SR-Phlx-2015-66]

### Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 3301B(a)

July 30, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on July 20, 2015, NASDAQ OMX PHLX LLC

("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II 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 amend Rule 3301B(a) to remove the Market Hours Immediate or Cancel Time in Force and to delay implementation of changes to the Good-til-market close Time in Force, which were recently adopted by Phlx but are not yet implemented.

The text of the proposed rule change is available on the Exchange's Web site at <http://nasdaqomxphlx.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 Exchange is proposing to amend Rule 3301B(a) to remove the Market Hours Immediate or Cancel ("Market Hours IOC" or "MIOC") Time-in-Force and to delay implementation of changes to the Good-til-market close ("GTMC") Time-in-Force, which were recently adopted by Phlx but are not yet implemented in the NASDAQ OMX PSX System ("System" or "PSX").<sup>3</sup>

<sup>3</sup> The Exchange notes that the text at issue in this filing concerning the MIOC TIF under Rule 3301B(a)(1) is not yet implemented, but was recently inadvertently incorporated into the PSX rulebook when the Commission approved certain rules governing the PSX equities market in order to provide additional detail and clarity regarding its order type functionality. See Securities Exchange

Time-in-Force ("TIF") is a characteristic of an order that limits the period of time that the System will hold an order for potential execution. An Order that is designated to deactivate immediately after determining whether the Order is marketable may be referred to as having a TIF of "Immediate or Cancel" or "IOC".<sup>4</sup> Any Order with a TIF of IOC entered between 9:30 a.m. ET and 4:00 p.m. ET is considered as having a TIF of MIOC.<sup>5</sup> The MIOC TIF is very similar to the SIOC<sup>6</sup> TIF, but MIOC designated orders are limited to entry and potential execution only during Regular Market Hours. An order designated with a TIF of MIOC that is entered outside of Regular Market Hours would be returned to the entering member firm without attempting to execute. The Exchange has determined that, based on a lack of market participant desire for a MIOC TIF and the cost that would be incurred in developing and implementing it on the Exchange, it will not implement the MIOC TIF at this juncture. Accordingly, the Exchange is proposing to delete text under Rule 3301B(a)(1) concerning the MIOC TIF, which is effective but not yet operative.

The Exchange is also proposing to amend Rule 3301B(a)(6) to make it clear that the Exchange will no longer accept GTMC orders for execution after 4:00 p.m. Eastern Time, which are currently accepted and converted to SIOC orders if received after 4:00 p.m. Eastern Time. In April 2015, the Exchange proposed this change to the predecessor rule concerning GTMC orders in a prior filing with the Commission,<sup>7</sup> and had anticipated implementing the change at some point in the second quarter of 2015. During that time, the Commission approved a rule change that renumbered and clarified the rule.<sup>8</sup> Accordingly, the Exchange is now amending the renumbered rule to reflect the changes made in the prior filing. The Exchange

Act Release No. 75293 (June 24, 2015), 80 FR 37327 (June 30, 2015) (SR-Phlx-2015-29).

Notwithstanding its inadvertent inclusion in the rulebook, the rule text concerning the MIOC TIF is not yet effective. The Exchange had anticipated implementing the MIOC and GTMC changes in the second quarter of 2015. See Securities Exchange Act Release No. 74628 (April 1, 2015), 80 FR 18662 (April 7, 2015) (SR-Phlx-2015-32).

<sup>4</sup> See Rule 3301B(a)(1).

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

<sup>6</sup> An Order with a Time-in-Force of IOC that is entered at any time between 8:00 a.m. ET and 5:00 p.m. ET may be referred to as having a Time-in-Force of "System Hours Immediate or Cancel" or "SIOC". *Id.*

<sup>7</sup> See Securities Exchange Act Release No. 74628 (April 1, 2015), 80 FR 18662 (April 7, 2015) (SR-Phlx-2015-32).

<sup>8</sup> The Exchange also made a clarifying change to the rule, which was incorporated into the renumbered rule. *Supra* note 3.

<sup>44</sup> 17 CFR 200.30-3(a)(12).

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

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

is also proposing to delay the change to the operation of GTMC orders after 4:00 p.m. Eastern Time, so that this change will now be implemented the week of August 17, 2015 and will complete the implementation the week of August 31, 2015.

The Exchange is also making a minor technical correction to Rule 3301B(a)(6) by inserting hyphenation in the term "Time-in-Force", which will make it consistent with its use in other paragraphs of the rule.

## 2. Statutory Basis

Phlx believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>9</sup> in general, and with Section 6(b)(5) of the Act,<sup>10</sup> in particular, in that the proposal 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 regulating, clearing, settling, processing information with respect to, and 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; and also in that it is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange believes that, in light of a lack of market participant interest and the costs the Exchange would incur in developing and implementing a MIOC TIF, it would be in the best interest of the market and market participants not to implement the change at this juncture. Implementing a change, which will not be used significantly yet will represent a cost to the Exchange to implement, could ultimately result in increased costs to market participants in the form of increased fees. Accordingly, the Exchange is eliminating the MIOC TIF until such time that the demand for it justifies the expenditure.

The proposed change to Rule 3301B(a)(6) is designed 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 because it modifies the rule to reflect a change made to the predecessor rule, which was filed with the Commission as an immediately effective filing to be implemented sometime in the second quarter of 2015. The change, which was subject to the notice and comment process, had not

been implemented prior to the rule's renumbering. Accordingly, the proposed change to amend Rule 3301B(a)(6) merely modifies the rule text so that it is consistent with the changes made to the predecessor rule.

The proposed delay in implementing the changes to the Good-til-market close TIF is designed 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 because it will provide the Exchange with a brief extension to adequately program and test the proposed changes to the TIF. Moreover, the Exchange is delaying implementation of the changes until after the reconstitution of the Russell indexes, which is a day of significant volume in the market and immediately prior to which the Exchange reduces the number of changes made to the System. Accordingly, the proposed delay will serve to reduce risk in the market during a time of significant volume and provide the Exchange adequate time to program and test the proposed changes, thereby protecting investors and the public interest.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange notes that there is little interest in MIOC among market participants on PSX, and accordingly removing MIOC before it is implemented will not impact the Exchange's competitiveness among exchanges or other execution venues. In addition, the Exchange does not believe that briefly delaying the changes to the Good-til-market close TIF will place any burden on competition whatsoever because the TIF will continue to be available unchanged until the Exchange has adequately programmed and tested the proposed changes.

## 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 Exchange has filed the proposed rule change pursuant to Section

19(b)(3)(A)(iii) of the Act<sup>11</sup> and Rule 19b-4(f)(6) thereunder.<sup>12</sup> 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, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>13</sup> and Rule 19b-4(f)(6) thereunder.<sup>14</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>15</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>16</sup> the Commission may 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 proposed rule change may become operative immediately. The Exchange represents that market participants have not expressed interest in the MIOC TIF. The Exchange therefore argues that waiver of the operative delay is consistent with the protection of investors and the public interest because it will allow the Exchange to remove the MIOC TIF prior to its implementation, thereby serving to avoid investor confusion. The Exchange also reasons that waiving the operative delay would allow the Exchange to make the required technical and operational changes to the GTMC TIF after the reconstitution of the Russell Indexes. Based on the foregoing, the Commission finds that waiving the 30-day operative delay is consistent with the protection of investors and the public interest and hereby designates the proposal operative upon filing.<sup>17</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

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>14</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange's intent to file the proposed rule change, along with a brief description and 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. The Exchange has satisfied this requirement.

<sup>15</sup> 17 CFR 240.19b-4(f)(6).

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

<sup>17</sup> For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>9</sup> 15 U.S.C. 78f.

<sup>10</sup> 15 U.S.C. 78f(b)(5).

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 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](mailto:rule-comments@sec.gov). Please include File Number SR-Phlx-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-Phlx-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 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 offices 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-2015-66, and should be submitted on or before August 26, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

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

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#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75460; File No. SR-NYSEMKT-2015-48]

##### **Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Extending the Pilot Period Applicable to the Customer Best Execution Auction per Rule 971.1NY Until July 18, 2016**

July 15, 2015.

##### *Correction*

In notice document 2015-17759, appearing on pages 43141 through 43143 in the issue of Tuesday, July 21, 2015, make the following correction:

On page 43143, in the first column, in the last paragraph before the signature block, on the 38th line, "August 10, 2015." should read "August 11, 2015."

[FR Doc. 2015-17759 Filed 8-4-15; 8:45 am]

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#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75569; File No. SR-NYSEArca-2015-01]

##### **Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change Amending NYSE Arca Equities Rule 5.2(j)(3), Commentary .02 Relating to Listing of Investment Company Units Based on Municipal Bond Indexes**

July 30, 2015.

On January 16, 2015, NYSE Arca, Inc. filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to amend NYSE Arca Equities Rule 5.2(j)(3), Commentary .02 relating

<sup>18</sup> 17 CFR 200.30-3(a)(12), (59).

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

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

to the listing of Investment Company Units based on municipal bond indexes. The proposed rule change was published for comment in the **Federal Register** on February 4, 2015.<sup>3</sup> On March 19, 2015, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> On May 4, 2015, the Commission published an order instituting proceedings under Section 19(b)(2)(B) of the Act<sup>6</sup> to determine whether to approve or disapprove the proposed rule change.<sup>7</sup> The Commission has received no comment letters on the proposed rule change.

Section 19(b)(2) of the Act<sup>8</sup> provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may, however, extend the period for issuing an order approving or disapproving the proposed rule change by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for that determination. The proposed rule change was published for notice and comment in the **Federal Register** on February 4, 2015.<sup>9</sup> The 180th day after publication of the notice of the filing of the proposed rule change in the **Federal Register** is August 3, 2015, and the 240th day after publication of the notice of the filing of the proposed rule change in the **Federal Register** is October 2, 2015.

<sup>3</sup> See Securities Exchange Act Release No. 74175 (Jan. 29, 2015), 80 FR 6150.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 74534, 80 FR 15834 (Mar. 25, 2015). The Commission designated a longer period within which to take action on the proposed rule change and designated May 5, 2015, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

<sup>6</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>7</sup> See Securities Exchange Act Release No. 74863 (May 4, 2015), 80 FR 26591 (May 8, 2015) ("Order Instituting Proceedings"). Specifically, the Commission instituted proceedings to allow for additional analysis of the proposed rule change's consistency with Section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be "designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade," and "to protect investors and the public interest." See *id.*

<sup>8</sup> 15 U.S.C. 78s(b)(2).

<sup>9</sup> See *supra* note 3.