Summary of the Application

1. The Adviser will serve as the investment adviser to the Funds pursuant to an investment advisory agreement with the Trust (the ''Advisory Agreement'').[2] The Adviser will provide the Funds with continuous and comprehensive investment management services subject to the supervision of, and policies established by, each Fund's board of trustees (''Board''). The Advisory Agreement permits the Adviser, subject to the approval of the Board, to delegate to one or more sub-advisers (each, a ''Sub-Adviser'' and collectively, the ''Sub-Advisers'') the responsibility to provide the day-to-day portfolio investment management of each Fund, subject to the supervision and direction of the Adviser. The primary responsibility for managing the Funds will remain vested in the Adviser. The Adviser will hire, evaluate, allocate assets to and oversee the Sub-Advisers, including determining whether a Sub-Adviser should be terminated, at all times subject to the authority of the Board.

2. Applicants request an exemption to permit the Adviser, subject to Board approval, to hire certain Sub-Advisers pursuant to Sub-Advisory Agreements and materially amend existing Sub-Advisory Agreements without obtaining the shareholder approval required under section 15(a) of the Act and rule 18f–2 under the Act.[3] Applicants also seek an exemption from the Disclosure Requirements to permit a Fund to disclose (as both a dollar amount and a percentage of the Fund's net assets): (a) The aggregate fees paid to the Adviser and any Affiliated Sub-Adviser; and (b) the aggregate fees paid to Sub-Advisers other than Affiliated Sub-Advisers (collectively, ''Aggregate Fee Disclosure''). For any Fund that employs an Affiliated Sub-Adviser, the Fund will provide separate disclosure of any fees paid to the Affiliated Sub-Adviser.

3. Applicants agree that any order granting the requested relief will be subject to the terms and conditions stated in the Application. Such terms and conditions provide for, among other safeguards, appropriate disclosure to Fund shareholders and notification about sub-advisory changes and enhanced Board oversight to protect the interests of the Funds' shareholders.

4. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction or any class or classes of persons, securities, or transactions from any provisions of the Act, or any rule thereunder, if such relief is necessary or appropriate in the public interest and consistent with the protection of investors and purposes fairly intended by the policy and provisions of the Act. Applicants believe that the requested relief meets this standard because, as further explained in the Application, the Advisory Agreements will remain subject to shareholder approval, while the role of the Sub-Advisers is substantially similar to that of individual portfolio managers, so that requiring shareholder approval of Sub-Advisory Agreements would impose unnecessary delays and expenses on the Funds. Applicants believe that the requested relief from the Disclosure Requirements meets this standard because it will improve the Adviser's ability to negotiate fees paid to the Sub-Advisers that are more advantageous for the Funds.

For the Commission, by the Division of Investment Management, under delegated authority.

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–04352 Filed 2–29–16; 8:45 am]

BILLING CODE 8011–01–P

[2] Applicants request relief with respect to any existing and any future series of the Trust and any other registered open-end management company or series thereof that: (a) Is advised by LoCorr or its successor or by a person controlling, controlled by, or under common control with LoCorr or its successor (each, also an ''Adviser''); (b) uses the manager of managers structure described in the application; and (c) complies with the terms and conditions of the application (any such series, a ''Fund'' and collectively, the ''Funds''). For purposes of the requested order, ''successor'' is limited to an entity that results from a reorganization into another jurisdiction or a change in the type of business organization.

[3] The requested relief will not extend to any Sub-Adviser that is an affiliated person, as defined in section 2(a)(3) of the Act, of a Fund or the Adviser, other than by reason of serving as a sub-adviser to one or more of the Funds (''Affiliated Sub-Adviser'').

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77221; File No. SR–Phlx–2016–26]

Self-Regulatory Organizations; NASDAQ PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Section II of the Exchange's Pricing Schedule

February 24, 2016.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] notice is hereby given that on February 10, 2016, NASDAQ PHLX LLC (''Phlx'' or the ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''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.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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

The Exchange proposes to amend the Exchange's Pricing Schedule (''Pricing Schedule'') at section II, entitled ''Multiply Listed Options Fees,'' [3] to: (1) Exclude floor volume from the Monthly Market Maker Cap; (2) increase the assessment for select Firm electronic simple orders; and (3) state that Phlx members that have executed MARS Eligible Contracts may receive the MARS Payment.[4]

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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this filing is to amend the Exchange's Pricing Schedule at section II to: (1) Exclude floor volume from the Monthly Market Maker Cap; (2) increase the assessment for select Firm electronic simple orders; and (3) state

[3] Multiply Listed Options Fees include options overlying equities, exchange traded funds (''ETFs''), exchange traded notes (''ETNs'') and indexes which are Multiply Listed.

[4] Monthly Market Maker Cap and MARS are discussed below.

that Phlx members that have executed MARS Eligible Contracts may receive the MARS Payment.

Change 1—Multiply Listed Options Fees—Monthly Market Maker Cap

In Change 1 the Exchange proposes to exclude floor volume from the calculation of the Monthly Market Maker Cap. Offering the Monthly Market Maker Cap as proposed, and as discussed below, will continue to incentivize market participants to bring liquidity and order flow to the Exchange for the benefit of all market participants. Liquidity benefits all market participants by providing more trading opportunities, which attracts Specialists and Market Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants.

Currently, the Monthly Market Maker Cap in section II in the Pricing Schedule states:

• Specialists and Market Makers are subject to a ''Monthly Market Maker Cap'' of $500,000 for: (i) Electronic and floor Option Transaction Charges; and (ii) QCC Transaction Fees (as defined in Exchange Rule 1080(o) and Floor QCC Orders, as defined in 1064(e)). The trading activity of separate Specialist and Market Maker member organizations will be aggregated in calculating the Monthly Market Maker Cap if there is Common Ownership between the member organizations. All dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategy executions (as defined in this section II) will be excluded from the Monthly Market Maker Cap. Specialists or Market Makers that (i) are on the contra-side of an electronically-delivered and executed Customer order, excluding responses to a PIXL auction; and (ii) have reached the Monthly Market Maker Cap will be assessed fees as follows:

Fee per contract

$0.05 per contract Fee for Adding Liquidity in Penny Pilot Options.

$0.18 per contract Fee for Removing Liquidity in Penny Pilot Options.

$0.18 per contract in Non-Penny Pilot Options.

$0.18 per contract in a non-Complex electronic auction, including the Quote Exhaust auction and, for purposes of this fee, the opening process. A Complex electronic auction includes, but is not limited to, the Complex Order Live Auction (''COLA''). Transactions which execute against an order for which the Exchange broadcast an order exposure alert in an electronic auction will be subject to this fee.

Today, the Exchange applies certain caps [5] on Multiply Listed Option Fees assessed to Customer,[6] Professional,[7] Specialist,[8] Market Maker,[9] Broker-Dealer,[10] and Firm.[11] Today, Specialists and Market Makers are subject to a ''Monthly Market Maker Cap'' of $500,000 for: (i) electronic and floor Option Transaction Charges; and (ii) qualified contingent cross (''QCC'') Transaction Fees (as defined in Exchange Rule 1080(o) and Floor QCC Orders,[12] as defined in 1064(e)).[13] The trading activity of separate Specialist and Market Maker member organizations is aggregated in calculating the Monthly Market Maker Cap if there is Common Ownership [14] between the member organizations. All dividend, merger, short stock interest, reversal and conversion, jelly roll,[15] and box spread strategy executions (as defined in Section II in the Pricing Schedule) are excluded from the Monthly Market Maker Cap (together the ''excluded strategies'').[16] The Exchange proposes to exclude floor volume from the Monthly Market Maker Cap.

The Exchange's proposal to exclude floor volume from the calculation of the Monthly Market Maker Cap is reasonable and proper because, despite the change, the Exchange will, through the Monthly Market Maker Cap, continue to offer members an opportunity to pay lower fees. The trading activity of separate Specialist and Market Maker member organizations will continue to be aggregated in calculating the Monthly Market Maker Cap if there is Common Ownership between the member organizations. Specialists and Market Makers will continue to be subject to the Monthly Market Maker Cap, and once the Monthly Market Maker Cap of $500,000 is reached, the members to whom the cap applies will not have to pay for additional strategy executions

[5] These caps reflect different levels for different strategies. For example, there is a $1,500 cap for certain dividend, merger and short stock interest strategies; and there is a $700 cap for certain reversal and conversion, jelly roll and box spread floor option transaction strategies. The Exchange further separately caps each member organization for dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategy executions in Multiply Listed Options, combined in a month when trading in their own proprietary accounts (''Monthly Strategy Cap'') at $65,000 per member organization, per month.

[6] The term ''Customer'' applies to any transaction that is identified by a member or member organization for clearing in the Customer range at The Options Clearing Corporation (''OCC'') which is not for the account of broker or dealer or for the account of a ''Professional'' (as that term is defined in Rule 1000(b)(14).

[7] The term ''Professional'' means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). *See* Rule 1000(b)(14).

[8] A ''Specialist'' is an Exchange member who is registered as an options specialist pursuant to Rule 1020(a).

[9] A ''Market Maker'' includes Registered Options Traders (Rule 1014(b)(i) and (ii)), which includes Streaming Quote Traders (*see* Rule 1014(b)(ii)(A)) and Remote Streaming Quote Traders (*see* Rule 1014(b)(ii)(B)). Directed Participants are also Market Makers.

[10] The term ''Broker-Dealer'' applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

[11] The term ''Firm'' applies to any transaction that is identified by a member or member organization for clearing in the Firm range at OCC.

[12] A QCC Order is comprised of an order to buy or sell at least 1000 contracts that is identified as being part of a qualified contingent trade, as that term is defined in Rule 1080(o)(3), coupled with a contra-side order to buy or sell an equal number of contracts. A Floor QCC Order must: (i) Be for at least 1,000 contracts, (ii) meet the six requirements of Rule 1080(o)(3) which are modeled on the Qualified Contingent Trade (''QCT'') Exemption, (iii) be executed at a price at or between the National Best Bid and Offer (''NBBO''); and (iv) be rejected if a Customer order is resting on the Exchange book at the same price. *See* Rule 1064(e). *See also* Securities Exchange Act Release No. 64688 (June 16, 2011), 76 FR 36606 (June 22, 2011) (SR–Phlx–2011–56).

[13] Certain strategy executions, discussed below, will be excluded from the Monthly Market Maker Cap.

[14] The term ''Common Ownership'' means members or member organizations under 75% common ownership or control.

[15] A dividend strategy is defined as transactions done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed the first business day prior to the date on which the underlying stock goes ex-dividend. A merger strategy is defined as transactions done to achieve a merger arbitrage involving the purchase, sale and exercise of options of the same class and expiration date, executed the first business day prior to the date on which shareholders of record are required to elect their respective form of consideration, *i.e.,* cash or stock. A short stock interest strategy is defined as transactions done to achieve a short stock interest arbitrage involving the purchase, sale and exercise of in-the-money options of the same class. A reversal or conversion strategies is a transaction that employ calls and puts of the same strike price and the underlying stock.

[16] Specialists or Market Makers that (i) are on the contra-side of an electronically-delivered and executed Customer order, excluding responses to a PIXL auction; and (ii) have reached the Monthly Market Maker Cap will be assessed separately. A member may electronically submit for execution an order it represents as agent on behalf of a public customer, broker-dealer, or any other entity (''PIXL Order'') against principal interest or against any other order (except as provided in Rule 1080(n)(i)(F)) it represents as agent (''Initiating Order'') provided it submits the PIXL order for electronic execution into the PIXL Auction (''Auction'') pursuant to Rule 1080. *See* Exchange Rule 1080(n). Non-Initiating Order interest could be a PIXL Auction Responder or a resting order or quote that was on the Phlx book prior to the auction. PIXL is the Exchange's price improvement mechanism known as Price Improvement XL or PIXL. *See* Rule 1080(n).

(sans excluded strategies) for the remainder of that month as a result of the fee cap.

The Exchange is making the proposal to exclude floor volume from the calculation of the Monthly Market Maker Cap because the Exchange floor incurs additional costs (*e.g.,* personnel, equipment, surveillance) related to a business model that includes floor-based trading. This proposal helps the Exchange to recover such costs while continuing to offer the Monthly Market Cap, which incentivizes market participants to bring liquidity and order flow to the Exchange.

Change 2—Multiply Listed Options Fees—Firm Electronic Simple Orders

In Change 2 the Exchange proposes to increase the assessment for select Firm electronic simple (non-complex) [17] orders because the Exchange is trying to keep up with rising expenses and this modest fee increase will help the Exchange to defray them.

The select symbols AAPL, BAC, EEM, FB, FXI, IWM, QQQ, TWTR, VXX and XLF are high volume Penny Pilot [18] Options listed on the Exchange. The Exchange is proposing a modest increase in the assessment from $0.34 to $0.37, so that as proposed Note 12 will read as follows:

''[12]Firm electronic simple orders in AAPL, BAC, EEM, FB, FXI, IWM, QQQ, TWTR, VXX and XLF will be assessed $0.37.''

The proposed increase for the Firm electronic simple orders in the noted options is not an outlier; rather, it is similar to and competitive with what is offered by other options markets.[19] The Exchange believes that the Multiply Listed Options Fees schedule continues as constructed to be competitive and encourage market participants to bring liquidity to the Exchange.

Change 3—Other Transaction Fees—MARS Payment

The Exchange proposes to state that Phlx members that have executed the required MARS Eligible Contracts may receive the Market Access and Routing Subsidy (''MARS'') Payment on all their MARS Eligible Contracts. The Exchange believes that, as discussed below, expanding who is eligible to receive MARS Payment will incentivize market participants to bring liquidity and order flow to the Exchange for the benefit of all market participants. Liquidity benefits all market participants by providing more trading opportunities.

Currently, section IV E. in the Pricing Schedule states:

MARS Payment

Phlx members that have System Eligibility and have executed the Eligible Contracts in a month may receive the MARS Payment of $0.10 per contract. This MARS Payment will be paid only on executed Firm orders routed to Phlx through a participating Phlx member's System. No payment will be made with respect to orders that are routed to Phlx, but not executed.

Currently, a MARS Payment will be paid only on executed Firm orders routed to Phlx through a participating Phlx member's System.

Today, to qualify for MARS, a Phlx member's routing system (''System'') would be required to: (1) enable the electronic routing of orders to all of the U.S. options exchanges, including Phlx; (2) provide current consolidated market data from the U.S. options exchanges; and (3) be capable of interfacing with Phlx's application program interface (''API'') to access current Phlx match engine functionality. Further, the member's System would also need to cause Phlx to be the one of the top three default destination exchanges for individually executed marketable orders if Phlx is at the NBBO, regardless of size or time, but allow any user to manually override Phlx as a default destination on an order-by-order basis.[20] Today, MARS Payment is only on Firm orders routed to Phlx through a participating Phlx member's System. The Exchange proposes to expand the participant types besides Firm (BD, JBO, Professional) that are eligible for MARS Payment.[21]

The Exchange proposes to indicate what qualifying volume will be eligible for MARS Payment (no longer only Firm) and to state that Phlx members that have executed the prerequisite MARS Eligible Contracts may receive the MARS Payment of $0.10 per contract. For the purpose of qualifying for the MARS Payment, Eligible Contracts include the following: Firm, Broker-Dealer, Joint Back Office or ''JBO'' or Professional equity option orders that are electronically delivered and executed.[22] A MARS Payment will be made to Phlx members that have System Eligibility and have routed at least 30,000 Eligible Contracts daily in a month, which were executed on Phlx.

As proposed Section IV E. in the Pricing Schedule will read as follows:

MARS Payment

Phlx members that have System Eligibility and have executed the Eligible Contracts in a month may receive the MARS Payment of $0.10 per contract for all Eligible Contracts routed to Phlx through a participating Phlx member's System. No payment will be made with respect to orders that are routed to Phlx, but not executed.

The Exchange believes that the fees and rebates in its Pricing Schedule are structured to attract liquidity. Despite the proposed changes, Phlx members and the Phlx market will continue to be encouraged to transact greater liquidity on the Exchange.

2. Statutory Basis

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with section 6(b) of the Act [23] in general, and furthers the objectives of section 6(b)(4) and (b)(5) of the Act [24] in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which Phlx operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Commission and the courts have repeatedly expressed their preference

[17] A complex order is any order involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, priced at a net debit or credit based on the relative prices of the individual components, for the same account, for the purpose of executing a particular investment strategy. A complex order can also be a stock-option order. *See* Exchange Rule 1080, Commentary .07(a)(i).

[18] The Penny Pilot was established in January 2007 and was last extended in 2015. *See* Securities Exchange Act Release Nos. 55153 (January 23, 2007), 72 FR 4553 (January 31, 2007) (SR–Phlx–2006–74) (notice of filing and approval order establishing Penny Pilot); and 75286 (June 24, 2015), 80 FR 37333 (June 30, 2015) (SR–Phlx–2015–54) (notice of filing and immediate effectiveness extending the Penny Pilot through June 30, 2016). Penny Pilot Options listed on the Exchange can be found at *http://www.nasdaqtrader.com/Micro.aspx?id=phlx.*

[19] *See, e.g.,* the pricing schedule of NYSE AMEX OPTIONS (AMEX) at *https://www.nyse.com/publicdocs/nyse/markets/amex-options/NYSE_Amex_Options_Fee_Schedule.pdf,* and of MIAX OPTIONS (MIAX) at *http://www.miaxoptions.com/content/fees. See also, e.g.,* the pricing schedule of NASDAQ PHLX LLC (''Phlx'') and NASDAQ Options Market (''NOM'').

[20] Notwithstanding the above, complex orders would not be required to enable the electronic routing of orders to all of the U.S. options exchanges or provide current consolidated market data from the U.S. options exchanges. Any Phlx member would be permitted to avail itself of this arrangement, provided that its order routing functionality incorporates the features described above and satisfies Phlx that it appears to be robust and reliable. The member remains solely responsible for implementing and operating its system. Section IV E. in the Pricing Schedule.

[21] To be eligible, as discussed, Eligible Contracts must be routed through a participating Phlx member's System.

[22] The Exchange is removing the word ''may'' to tighten up the language regarding what Eligible Contracts qualify for MARS Payment. Eligible Contracts do not include floor-based orders, qualified contingent cross or ''QCC'' orders, price improvement or ''PIXL'' orders, Mini Option orders or Singly Listed Orders.

[23] 15 U.S.C. 78f(b).

[24] 15 U.S.C. 78f(b)(4), (5).

for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system ''has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.'' [25] Likewise, in *NetCoalition* v. *Securities and Exchange Commission* [26] (''NetCoalition'') the D.C. Circuit upheld the Commission's use of a market-based approach in evaluating the fairness of market data fees against a challenge claiming that Congress mandated a cost-based approach. [27] As the court emphasized, the Commission ''intended in Regulation NMS that 'market forces, rather than regulatory requirements' play a role in determining the market data . . . to be made available to investors and at what cost.'' [28]

Further, ''[n]o one disputes that competition for order flow is 'fierce.' . . . As the SEC explained, '[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution'; [and] 'no exchange can afford to take its market share percentages for granted' because 'no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers'. . . .'' [29] Although the court and the SEC were discussing the cash equities markets, the Exchange believes that these views apply with equal force to the options markets.

Change 1—Multiply Listed Options Fees—Monthly Market Maker Cap

In Change 1 the Exchange proposes to exclude floor volume from the calculation of the Monthly Market Maker Cap that applies to Specialists and Market Makers when calculating the Monthly Market Maker Cap.

The Exchange believes that the proposed change is reasonable, equitable and not unfairly discriminatory for the following reasons.

The Exchange's proposal to exclude floor volume from the calculation of the Monthly Market Maker Cap is reasonable because, despite the change, the Exchange will continue to offer members an opportunity to pay lower fees. The trading activity of separate Specialist and Market Maker member organizations will continue to be aggregated in calculating the Monthly Market Maker Cap if there is Common Ownership between the member organizations. Specialists and Market Makers [30] will continue to be subject to the Monthly Market Maker Cap, and once the Monthly Market Maker Cap of $500,000 is reached, the members to whom the cap applies will not have to pay for additional strategy executions for the remainder of that month as a result of the fee cap.

Excluding floor Options Transaction Charges from the Monthly Market Maker Cap is reasonable, equitable and not unfairly discriminatory because electronic Options Transaction Charges would continue to be capped as part of the Monthly Market Maker Cap, which applies only to Specialists and Market Makers. The Exchange would include floor option transaction charges related to reversal and conversion, jelly roll and box spread strategies in the Monthly Strategy Cap for Professionals, and Broker Dealers, when such members are trading in their own proprietary accounts, because these market participants are not subject to the Monthly Firm Fee Cap or other similar cap. While Specialists and Market Makers are subject to a Monthly Market Maker Cap on electronic options transaction charges, reversal and conversion, jelly roll and box spread transactions, which are included in the Monthly Strategy Cap, are excluded from the Monthly Market Maker Cap. The Exchange believes also that its proposal to exclude floor transactions from the Monthly Market Maker Cap is reasonable because the Exchange floor incurs additional costs (*e.g.,* personnel, equipment, surveillance) related to a business model that includes floor-based trading.

For the reasons described above, the Exchange believes that continuing to offer the Monthly Market Maker Cap as proposed will continue to incentivize market participants to bring liquidity and order flow to the Exchange for the benefit of all market participants. Liquidity benefits all market participants by providing more trading opportunities, which attracts Specialists and Market Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. Specialists and Market Makers have obligations to make continuous markets, engage in a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and not make bids or offers or enter into transactions that are inconsistent with a course of dealings. Moreover, the proposed change to the fee structure and rebate structure will be applied uniformly to all.

Change 2—Multiply Listed Options Fees—Firm Electronic Simple Orders

In Change 2 the Exchange proposes to increase the assessment from $0.34 to $0.37 per contract for select Firm electronic simple orders in AAPL, BAC, EEM, FB, FXI, IWM, QQQ, TWTR, VXX, and XLF. The assessment for the noted simple orders is in the Multiply Listed Options Fees schedule for options overlying equities, ETFs, ETNs, and certain indexes.

The Exchange believes that the proposed change for the Firm electronic simple orders in the noted options, which are high volume Penny Pilot Options listed on the Exchange,[31] is reasonable. This is because the proposed change is very modest and is not an outlier; rather, it is similar to and competitive with what is offered by other options markets.[32] The the [sic] Multiply Listed Options Fees schedule continues as constructed to be competitive and encourage market participants to bring liquidity to the Exchange. The Exchange believes that despite the proposed increase, which will help the Exchange to recover costs, Firms will continue to be incentivized

[25] Securities Exchange Act Release No. 51808 at 37499 (June 9, 2005) (''Regulation NMS Adopting Release'').

[26] *NetCoalition* v. *SEC,* 615 F.3d 525 (D.C. Cir. 2010).

[27] *See id.* at 534–535.

[28] *See id.* at 537.

[29] *Id.* at 539 (quoting Securities Exchange Release No. 59039 (December 2, 2008), 73 FR 74770 (December 9, 2008) (SR–NYSEArca–2006–21) at 73 FR at 74782–74783).

[30] Specialists and Market Makers on the Exchange are valuable market participants that provide liquidity in the marketplace. They also have obligations to the market and regulatory requirements, which normally do not apply to other market participants. These obligations include: to make continuous markets, engage in a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and not make bids or offers or enter into transactions that are inconsistent with a course of dealings. *See* Rule 1014 titled ''Obligations and Restrictions Applicable to Specialists and Registered Options Traders.''

[31] The high volume in the noted options is present across other options exchanges.

[32] *See, e.g.,* the pricing schedule of NYSE AMEX OPTIONS (AMEX) at *https://www.nyse.com/publicdocs/nyse/markets/amex-options/NYSE_Amex_Options_Fee_Schedule.pdf,* and of MIAX OPTIONS (MIAX) at *http://www.miaxoptions.com/content/fees. See also, e.g.,* the pricing schedule of NASDAQ PHLX LLC (''Phlx'') and NASDAQ Options Market (''NOM'').

to transact electronic simple orders in AAPL, BAC, EEM, FB, FXI, IWM, QQQ, TWTR, VXX, and XLF on the Exchange.

The Exchange believes that the modest change from $0.34 to $0.37 in Note 12 is equitable and not unfairly discriminatory because the assessment is modest and will be applied uniformly to all Firms that send in electronic simple orders in AAPL, BAC, EEM, FB, FXI, IWM, QQQ, TWTR, VXX, and XLF.[33]

Change 3—Other Transaction Fees—MARS Payment

In Change 3 the Exchange proposes to state that Phlx members that have executed MARS Eligible Contracts may receive the MARS Payment.

The Exchange believes that the proposed change is reasonable, equitable and not unfairly discriminatory.

Where currently a MARS Payment will be paid only on executed Firm orders, the proposed change would allow all qualifying MARS volume to receive a MARS Payment. With the proposed change, all Phlx members that have executed MARS Eligible Contracts may receive the MARS Payment of $0.10 per contract. The Exchange believes that this is reasonable because it incentivizes more Phlx members to rout Eligible Contracts for execution on the Exchange.

The Exchange believes that the proposed change is equitable and not unfairly discriminatory because the increased ability to receive MARS Payment will be applied uniformly to all. Thus, a MARS Payment will be made to Phlx members that have System Eligibility and have routed at least 30,000 Eligible Contracts daily in a month, which were executed on Phlx.[34]

The Exchange desires to continue to incentivize members and member organizations, through the Exchange's rebate and fee structure, to select Phlx as a venue for bringing liquidity and trading by offering competitive pricing. Such competitive, differentiated pricing exists today on other options exchanges. The Exchange's goal is creating and increasing incentives to attract orders to the Exchange that will, in turn, benefit all market participants through increased liquidity at the Exchange.

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 that its proposal to exclude floor volume from the Monthly Market Maker Cap, increase the assessment for select Firm electronic simple orders, and state that all Phlx members that have executed MARS Eligible Contracts may receive the MARS Payment does not impose a burden on competition. The Exchange's proposal will continue to encourage eligible market participants to transact orders on the Exchange in order to obtain the Monthly Market Maker Cap and MARS Payments.

The Exchange operates in a highly competitive market, comprised of at least twelve options exchanges, in which market participants can easily and readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or rebates to be inadequate. Accordingly, the fees that are assessed and the rebates paid by the Exchange described in the above proposal are influenced by these robust market forces and therefore must remain competitive with fees charged and rebates paid by other venues and therefore must continue to be reasonable and equitably allocated to those members that opt to direct orders to the Exchange rather than competing venues.

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.[35]

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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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–2016–26 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–2016–26. 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–

[33] The Exchange notes that, as discussed, Note 12 continues to apply only to certain Firm orders. Note 12 does not apply to other fee liable members (*e.g.,* Broker Dealer, Specialist and Market Maker, Professional, Customer), and as such the proposed change does not effectively change the fee relationship between Firms and such members.

[34] For the purpose of qualifying for the MARS Payment, Eligible Contracts include the following: Firm, Broker-Dealer, Joint Back Office or ''JBO'' or Professional equity option orders that are electronically delivered and executed. Eligible Contracts must be routed through a participating Phlx member's System and do not include floor-based orders, qualified contingent cross or ''QCC'' orders, price improvement or ''PIXL'' orders, Mini Option orders or Singly Listed Orders.

[35] 15 U.S.C. 78s(b)(3)(A)(ii).

2016–26, and should be submitted on or before March 22, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[36]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–04357 Filed 2–29–16; 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 S–1, SEC File No. 270–058, OMB Control No. 3235–0065.

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 (''Commission'') has submitted to the Office of Management and Budget (''OMB'') this request for an extension of the previously approved collection of information discussed below.

Form S–1 (17 CFR 239.11) is the form used by issuers to register the offer and sale of securities under the Securities Act of 1933 (15 U.S.C. 77a *et seq.*) when no other form is authorized or prescribed. The information collected is intended to ensure that the information required to be filed by the Commission permits verification of compliance with securities law requirements and assures the public availability of such information. Form S–1 takes approximately 667 hours per response and is filed by approximately 901 respondents. We estimate that 25% of the 667 hours per response (166.75 hours) is prepared by the registrant for a total annual reporting burden of 150,242 hours (166.75 hours per response × 901 responses).

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 OMB control number.

The public may view the background documentation for this information collection at the following Web site, *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;* 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.* Comments must be submitted to OMB within 30 days of this notice.

Dated: February 24, 2016.

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–04441 Filed 2–29–16; 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: Rule 19d–3, SEC File No. 270–245, OMB Control No. 3235–0204.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (''PRA''), the Securities and Exchange Commission (''Commission'') is soliciting comments on the existing collection of information provided for in Rule 19d–3 (17 CFR 240.19d–3) under the Securities Exchange Act of 1934 (17 U.S.C. 78a *et seq.*) (''Exchange Act''). The Commission plans to submit this existing collection of information to the Office of Management and Budget (''OMB'') for extension and approval.

Rule 19d–3 prescribes the form and content of applications to the Commission by persons seeking Commission review of final disciplinary actions against them taken by self-regulatory organizations (''SROs'') for which the Commission is the appropriate regulatory agency. The Commission uses the information provided in the application filed pursuant to Rule 19d–3 to review final actions taken by SROs including: (1) Final disciplinary sanctions; (2) denial or conditioning of membership, participation or association; and (3) prohibitions or limitations of access to services offered by a SRO or member thereof.

It is estimated that approximately six respondents will utilize this application procedure annually, with a total burden of approximately 108 hours, for all respondents to complete all submissions. This figure is based upon past submissions. It is estimated that each respondent will submit approximately one response. The staff estimates that the average number of hours necessary to comply with the requirements of Rule 19d–3 will be approximately eighteen hours. The average cost per hour, to complete each submission, is approximately $101. Therefore, it is estimated the internal labor cost of compliance for all respondents is approximately $10,908 (6 submissions × 18 hours per response × $101 per hour).

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed 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.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

Please direct your written comments to: Pamela C. 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*.

Dated: February 24, 2016.

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–04349 Filed 2–29–16; 8:45 am]

BILLING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #14639 and #14640]

New Jersey Disaster #NJ–00045

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Administrative declaration of a disaster for the State of NEW JERSEY dated 02/22/2016.

Incident: Severe Winter Snow Storm.

[36] 17 CFR 200.30–3(a)(12).