maintain their competitive standing in the financial markets. Additionally, Members may opt to disfavor the Exchange’s pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed changes to the Exchange’s tiered pricing structure burdens competition, but instead, enhances competition as it is intended to increase the competitiveness of the Exchange. Also, the Exchange believes that the price changes contribute to, rather than burden competition, as such changes are broadly intended to incentivize participants to increase their participation on the Exchange, which will increase the liquidity and market quality on the Exchange, which will then further enhance the Exchange’s ability to compete with other exchanges.

(C) Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

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) of the Act 15 and paragraph (f) of Rule 19b–4 thereunder.16 At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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–BATS–2016–26 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–BATS–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 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–BATS–2016–26 and should be submitted on or before April 5, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.17

Robert W. Errett,
Deputy Secretary.

[FR Doc. 2016–05751 Filed 3–14–16; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; ISE Gemini, LLC: Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Limit Mandatory Participation in Scheduled Functional and Performance Testing Under Regulation SCI to Only Those Primary Market Makers That Meet Specified Criteria

March 9, 2016.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),1 and Rule 19b–4 thereunder,2 notice is hereby given that on February 26, 2016, ISE Gemini, LLC (the “Exchange” or the “ISE Gemini”) filed with the Securities and Exchange 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 Rule 803, Obligations of Market Makers, to limit mandatory participation in scheduled functional and performance testing, under Regulation Systems Compliance and Integrity (“Regulation SCI”),3 to those Primary Market Makers (“PMMs”) that contribute a meaningful percentage of the Exchange’s overall volume, measured on a quarterly or monthly basis. The Exchange proposes to also consider other factors in determining the PMMs that will be required to participate in scheduled functional and performance testing of the Exchange’s business continuity and disaster recovery plans (collectively “DR Plans”), including average daily volume traded on the Exchange measured on a quarterly or monthly basis, or PMMs that collectively account for a certain percentage of market share on the Exchange or within a specific product. In addition, the Exchange proposes to publish the criteria to be used by the Exchange to determine which PMMs will be required to participate in such testing, and notify those PMMs that are required to

participate based on such criteria. The text of the proposed rule change is available on the Exchange’s Web site at www.ise.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 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

On November 19, 2014, the Securities and Exchange Commission unanimously voted to adopt Regulation SCI, which is a set of rules designed to strengthen the technology infrastructure of the U.S. securities markets. Specifically, the rules are designed to reduce the occurrence of systems issues, improve resiliency when systems problems do occur, and enhance the ability to recover from intrusions, and to notify the exchange of such events; (4) disseminate information about certain SCI events to affected members and, for certain “major” SCI events, to all members; and (5) review their systems by objective, qualified personnel at least annually, to submit quarterly reports regarding completed, ongoing, and planned material changes to their SCI systems to the Commission, and to maintain certain books and records. In accordance with Rule 1004 of Regulation SCI, the Exchange amended Rule 803 and Rule 1903, which was incorporated by reference into ISE Gemini’s Rulebook, in 2015 to designate all PMMs and Linkage Handlers as the minimum necessary for the maintenance of a fair and orderly market should the Exchange’s DR Plans be activated. The Exchange also mandated participation by designated members in scheduled functional and performance testing of the operation of such DR Plans.

The Exchange has reevaluated its need to designate all PMMs as the minimum necessary for the maintenance of a fair and orderly market should the Exchange’s DR Plans be activated and now believes that designating all PMMs is more than the minimum necessary to maintain a fair and orderly market should its DR Plans be activated. The Exchange proposes to revise Rule 803 and limit mandatory participation in scheduled functional and performance testing, under Regulation SCI and Rule 803, to those PMMs that contribute a meaningful percentage of the Exchange’s overall volume, measured on a quarterly or monthly basis. The Exchange proposes to consider other factors in determining which PMMs will be required to participate in scheduled functional and performance testing, including average daily volume traded on the Exchange measured on a quarterly or monthly basis, or PMMs that collectively account for a certain percentage of market share on the Exchange.

2. Statutory Basis

The proposed rule change is consistent with the requirements of the Act, and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of section 6(b)(5) of the Act. Because it is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest, the Exchange believes the proposed rule revision is consistent with the Exchange Act because it complies with Regulation SCI’s requirements. ISE Gemini’s proposed rule designates only those PMMs it determines are necessary for the maintenance of a fair and orderly market if the Exchange’s DR Plans are activated. Additionally, the proposal will ensure that the PMMs necessary to maintain the fairness of a market are included.

The Exchange believes it is reasonable to ensure the maintenance of a fair and orderly market should the Exchange’s DR Plans be activated.

A. Purpose

On November 19, 2014, the Securities and Exchange Commission unanimously voted to adopt Regulation SCI, which is a set of rules designed to strengthen the technology infrastructure of the U.S. securities markets. Specifically, the rules are designed to reduce the occurrence of systems issues, improve resiliency when systems problems do occur, and enhance the ability to recover from intrusions, and to notify the exchange of such events; (4) disseminate information about certain SCI events to affected members and, for certain “major” SCI events, to all members; and (5) review their systems by objective, qualified personnel at least annually, to submit quarterly reports regarding completed, ongoing, and planned material changes to their SCI systems to the Commission, and to maintain certain books and records. In accordance with Rule 1004 of Regulation SCI, the Exchange amended Rule 803 and Rule 1903, which was incorporated by reference into ISE Gemini’s Rulebook, in 2015 to designate all PMMs and Linkage Handlers as the minimum necessary for the maintenance of a fair and orderly market should the Exchange’s DR Plans be activated. The Exchange also mandated participation by designated members in scheduled functional and performance testing of the operation of such DR Plans.

The Exchange has reevaluated its need to designate all PMMs as the minimum necessary for the maintenance of a fair and orderly market should the Exchange’s DR Plans be activated and now believes that designating all PMMs is more than the minimum necessary to maintain a fair and orderly market should its DR Plans be activated. The Exchange proposes to revise Rule 803 and limit mandatory participation in scheduled functional and performance testing, under Regulation SCI and Rule 803, to those PMMs that contribute a meaningful percentage of the Exchange’s overall volume, measured on a quarterly or monthly basis. The Exchange proposes to consider other factors in determining which PMMs will be required to participate in scheduled functional and performance testing, including average daily volume traded on the Exchange measured on a quarterly or monthly basis, or PMMs that collectively account for a certain percentage of market share on the Exchange.

B. Statutory Basis

The proposed rule change is consistent with the requirements of the Act, and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of section 6(b)(5) of the Act. Because it is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest, the Exchange believes the proposed rule revision is consistent with the Exchange Act because it complies with Regulation SCI’s requirements. ISE Gemini’s proposed rule designates only those PMMs it determines are necessary for the maintenance of a fair and orderly market if the Exchange’s DR Plans are activated. Additionally, the proposal will ensure that the PMMs necessary to maintain the fairness of a market are included.

The Exchange believes it is reasonable to ensure the maintenance of a fair and orderly market should the Exchange’s DR Plans be activated.
provided the Commission with written notice of its 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 the proposed rule change, or such shorter time as designated by the Commission, as required by Rule 19b–4(f)(6).

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 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 No. SR–ISE Gemini–2016–02 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 include file number SR–ISE Gemini–2016–02. 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 available for the public to inspect and copy at the principal temporary suspension of such rule change if it is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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

Because the foregoing proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act because ISE Gemini is implementing the requirements of Regulation SCI.

C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has neither solicited nor received written comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; Bats EDGX Exchange, Inc. f/k/a EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees as they Apply to the Equity Options Platform.

March 9, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),1 and Rule 19b–4 thereunder,2 notice is hereby given that on March 1, 2016, Bats EDGX Exchange, Inc. f/k/a EDGX Exchange, Inc. (the “Exchange”) 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 the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act3 and Rule 19b–4(f)(2) thereunder,4 which renders the proposed rule change effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.


14 See SCI Adopting Release, supra note 4 at 72350.