SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77917; File No. 4–668]


May 25, 2016.

I. Introduction


The SROs propose to amend the Selection Plan to add ISE Mercury, LLC ("ISE Mercury") as a Participant to the Selection Plan, and replace references to "Topaz Exchange, LLC" with references to "ISE Gemini, LLC." A copy of the proposed amendment to the Selection Plan ("Amendment No. 3") is attached as Exhibit A hereto. The Commission is publishing this notice to solicit comments from interested persons on proposed Amendment No. 3 to the Selection Plan.

II. Description of the Plan

Set forth in this Section II is the statement of the purpose of Amendment No. 3 to the Selection Plan, along with the information required by Rule 608(a)(4) and (5) under the Exchange Act, as prepared and submitted by the SROs to the Commission.

Background

The Selection Plan was initially filed with the Commission on September 4, 2013, approved on February 21, 2014, and subsequently amended on June 17, 2015 and September 24, 2015. The Selection Plan governs the process for how the Participants will evaluate and select a Plan Processor and develop the National Market System Plan Governing the Consolidated Audit Trail Pursuant to Rule 613 of Regulation NMS under the Exchange Act ("CAT NMS Plan").

Requirements Pursuant to Rule 608(a)

A. Description of the Amendments to the Selection Plan

On January 29, 2016, the Commission approved ISE Mercury’s registration as a national securities exchange pursuant to Section 6 of the Exchange Act. Pursuant to Section II(B) of the Selection Plan, the Participants propose amending the Selection Plan to add ISE Mercury as a Participant thereeto. Section II(B) of the Selection Plan states:

Any entity approved by the SEC as a national securities exchange or national securities association under the Exchange Act after the effectiveness of the Plan shall become a Participant by satisfying each of the following requirements: (1) Effecting an amendment to the Plan by executing a copy of the Plan as then in effect (with the only change being the addition of the new Participant’s name in Section II of the Plan) and submitting such amendment to the SEC for approval; and (2) providing each then-current Participant with a copy of such executed Plan. The amendment shall become effective when it is approved by the SEC in accordance with SEC Rule 608 or otherwise becomes effective pursuant to SEC Rule 608.

Accordingly, ISE Mercury has executed a copy of the Selection Plan as currently in effect, with the addition of ISE Mercury’s name to Section II of the Selection Plan, and provided each existing Participant a copy of the executed Selection Plan. With this submission, the Participants submit the executed Selection Plan to the Commission for approval on behalf of ISE Mercury. A copy of the executed version of the Selection Plan is attached hereto.

The Participants also propose to amend the Selection Plan to replace references to "Topaz Exchange, LLC", with references to "ISE Gemini, LLC." On February 20, 2014, the Commission approved a proposed rule change that authorized Topaz Exchange, LLC to amend its Constitution, Certificate of Formation, Limited Liability Company Agreement, Rules and Schedule of Fees to change its name to "ISE Gemini, LLC." The proposed amendments to the text of the Selection Plan are set forth in Exhibit A to this letter.

B. Governing or Constituent Documents

Not applicable.

C. Implementation of Amendment

The terms of the proposed amendment will become effective upon filing pursuant to Rule 608(b)(3)(iii) of the Exchange Act because it involves solely technical or ministerial matters. At any time within sixty days of the filing of this amendment, the Commission may summarily abrogate the amendment and require that it be refiled pursuant to paragraph (b)(1) of Rule 608, if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors.

\[^{10} \text{See Selection Plan, Section II(B), available at www.catmsplan.com.}\]

\[^{11} \text{See Exhibit B.}\]


\[^{13} \text{See Exhibit A.}\]

\[^{14} \text{The Commission notes that if it abrogated an amendment, the Commission could require the amendment to be refiled in accordance with subparagraph (a)(1) of Rule 608. See 17 CFR 242.608(b)(3)(iii).}\]
III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the Amendment No. 3 to the Selection Plan 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 4–668 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 4–668. 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 Amendment to the Plan that are filed with the Commission, and all written communications relating to the Amendment to the Plan 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 10:00 a.m. and 3:00 p.m. Copies of the submission will also be available for inspection and copying at the Participants’ principal offices. 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 4–668 and should be submitted on or before June 22, 2016.

By the Commission.

**Brent J. Fields,**
Secretary.

**EXHIBIT A**
Additions italicized; deletions bracketed

Plan Processor Evaluation and Selection Plan

II. Participants

(A) List of Participants

The Participants are as follows:

1. BATS Exchange, Inc.
2. BATS Y–Exchange, Inc.
3. BOX Options Exchange LLC
4. C2 Options Exchange, Incorporated
5. Chicago Board Options Exchange, Incorporated
6. Chicago Stock Exchange, Inc.
7. EDGA Exchange, Inc.
8. EDGX Exchange, Inc.
10. International Securities Exchange, LLC
11. ISE Gemini, LLC
12. ISE Mercury, LLC
14. NASDAQ OMX BX, Inc.
15. NASDAQ OMX PHLX LLC
16. The Nasdaq Stock Market LLC
17. National Stock Exchange, Inc.
18. New York Stock Exchange LLC
19. NYSE MKT LLC
20. NYSE Arca, Inc.
21. Topaz Exchange, LLC

* * * * *
BATS EXCHANGE, INC.
BY: ____________________________
BATS Y–EXCHANGE, INC.
BY: ____________________________
BOX OPTIONS EXCHANGE LLC
BY: ____________________________
C2 OPTIONS EXCHANGE, INCORPORATED
BY: ____________________________
CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED
BY: ____________________________
CHICAGO STOCK EXCHANGE, INC.
BY: ____________________________
EDGA EXCHANGE, INC.
BY: ____________________________
EDGX EXCHANGE, INC.
BY: ____________________________
FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC.
BY: ____________________________
INTERNATIONAL SECURITIES EXCHANGE, LLC
BY: ____________________________
ISE GEMINI, LLC
BY: ____________________________
ISE MERCURY, LLC
BY: ____________________________
MIAMI INTERNATIONAL SECURITIES EXCHANGE LLC
BY: ____________________________
NASDAQ OMX BX, INC.
BY: ____________________________
NASDAQ OMX PHLX LLC
BY: ____________________________
THE NASDAQ STOCK MARKET LLC
BY: ____________________________
NATIONAL STOCK EXCHANGE, INC.

G. Description of the Selection Plan Provided to the Commission

The Selection Plan provides that, except with respect to the addition of new Participants, amendments to the Selection Plan shall be effected by means of a written amendment that: (1) Sets forth the change, addition, or deletion; (2) is executed by over two-thirds of the Participants; and (3) is approved by the SEC pursuant to Rule 608, or otherwise becomes effective under Rule 608. The proposed amendment has been executed by all of the Participants and has consequently been approved by the SROs.

With respect to new Participants, an amendment to the Selection Plan may be effected by the new national securities exchange or national securities association in accordance with Section II of the Selection Plan. As discussed above, ISE Mercury has executed the existing version of the Selection Plan, with ISE Mercury’s name added to Section II, provided each existing Participant a copy of the executed Selection Plan, and is providing the Commission with a copy of the executed version with this submission.

H. Terms and Conditions of Access

Not applicable.

I. Method of Determination and Imposition, and Amount of, Fees and Charges

Not applicable.

J. Method and Frequency of Processor Evaluation

Not applicable.

K. Dispute Resolution

Not applicable.

15 See Notice of Selection Plan, supra note 5.
SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations;
NASDAQ PHXL LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rules 900.1, 910, and 921

May 25, 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 May 12, 2016, NASDAQ PHXL LLC (“Phlx” or “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 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 following Rules: 900.1, General Powers and Duties of Membership Department; 910, Qualifications [sic] as Member Organization; and 921, Qualifications [sic]: Designation of Executive Representative.

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 proposes to modify certain Phlx membership rules in order to harmonize them with Nasdaq and BX rules and to modernize the Exchange’s Rulebook. Specifically, Exchange proposes to amend Rule 900.1 entitled, “General Powers and Duties of Membership Department” by eliminating sections (b) and (d) which are the provisions regarding partnerships as distinct membership classifications. The exchange also proposes to eliminate the provisions regarding partnerships from Rule 910(j), Qualifications [sic] as Member Organization. The Exchange will reserve those sections of the rules in order to allow for future membership needs. Sections of each of these Rules were more relevant to the Phlx membership review process prior to demutualization in 2004 and specifically related to the review of partnerships and no longer reflect the information needed as part of the membership review. These provisions were retained following changes to the Exchange Bylaws in 2009, yet no longer were relevant to the regulatory needs of the Exchange. The proposed changes related to ownership structures of partnerships that the Exchange no longer needs as discussed in greater detail below. An additional amendment relates to the organizational changes that occurred following demutualization such that responsibilities that formerly were handled by the Board of Directors are now a responsibility of the Membership Department. The final change to Rule 921 entitled, “Qualification; Designation of Executive Representative” is proposed to align Phlx rules with existing NASDAQ and BX rule 1150.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b)