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

The Exchange proposes to amend certain rules governing trading of index options.

The text of the proposed rule change is available on the Exchange’s Web site at http://nasdaqomxphlx.chwwallstreet.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 amending various rules regarding index options. The amendments delete certain outdated language relating primarily to index options which the Exchange no longer lists. The amendments also conform certain language in the Phlx rules to that of Chapter XIV, Index Rules, of the NASDAQ Options Market LLC (“NOM”), and make a number of grammatical and technical corrections. Deletions of Obsolete Rule Text

The Exchange is deleting references to the following in Rule 1001A, Position Limits, Rule 1009A, Designation of the Index, Sections (g) and (h), and Rule 1101A, Terms of Options Contracts, Section (a) and Commentary .01, as applicable, relating to indexes on which the Exchange no longer lists options: SIG Energy MLP Index, NASDAQ China Index, MSCI EM Index, MSCI EAFE Index, PHLX Computer Box Maker Index, PHLX Defense Index, PHLX Drug Index, PHLX Europe Index, PHLX World Energy Index, SIG Investment Managers Index, SIG Cable, Media & Entertainment Index, SIG Semiconductor Equipment Index, SIG Semiconductor Device Index, SIG Specialty Retail Index, SIG Steel

SECRETOURS AND EXCHANGE COMMISSION


Self-Regulatory Organizations; NASDAQ PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Certain Rules Governing Trading of Index Options

June 7, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”), and Rule 19b–4 thereunder, notice is hereby given that on May 25, 2016, NASDAQ PHLX LLC (“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 have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

1. Purpose

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2. Text of Proposed Rule Change

The text of the proposed rule change is available on the Exchange’s Web site at http://nasdaqomxphlx.chwwallstreet.com/, at the principal office of the Exchange, and at the Commission’s Public Reference Room.
Producers Index, SIG Footwear and Athletic Index, SIG Education Index, SIG Restaurant Index, SIG Coal Producers Index, U.S. Top 100 Index, the OTC Industrial Average Index, TheStreet.com Internet Sector Index, Wellspring Bioclinical Trials Index, Hapoalim American Israeli Index, Hapoalim Index, SIG KCI Coal Index, NASDAQ Internet Index, Full Value MSCI EM Index, Full Value MSCI EAFE Index, Value Line Composite Index, National Over-the-Counter Index and the SIG Casino Gaming Index.

The Exchange is also deleting obsolete language from Rule 1000A(14), the definition of “expiration date” regarding index options expiring prior to February 1, 2015. It is also deleting Rule 1101A(b)(iv), Quarterly Expiring Index Options, and is also amending the definition of “expiration date” in Rule 1000A(b)(14) because the Exchange no longer lists quarterly expiring index options.

Rules Amended To Conform to NOM Rules

The Exchange has amended certain rules to conform more closely to NOM rules governing the same subject matter. In Rule 1000A(b)(5) the word “securities” replaces the word “stocks” in the definition of “underlying security” or “underlying securities”.3 In Rule 1000A(b)(13), the definition of European options is amended to take into account the case of an option expiring on a day that is not a business day.4 The Exchange has also added to Rule 1000A(b) in section (17) a new definition of “American option” or “American-style index option”.5

Rules Amended To Correct Cross References or Provide Clarity

The Exchange has rewritten Rule 1001A, Position Limits, subsection (a) solely for clarity. No change in meaning is intended. As revised, the rule states that “[t]he position limit for a broad-based (market) index option shall be 25,000 contracts on the same side of the market except as provided below. Certain positions must be aggregated in accordance with paragraph (d) or (e) below”.

Rule 1001A, Commentary .04, Delta-Based Index Hedge Exemption is amended at section (C) in the definition of “permitted pricing model” by replacing an incorrect reference to “Commentary .09(c)(3), Exchange Rule 1001”, which was recently deleted, with a reference to “Exchange Rule 1001(n)” which replaced it. For the same reason, in Section (D)(2)(i) of that Commentary, an incorrect reference to “Commentary .06 to Exchange Rule 1001” is replaced with a reference to Exchange Rule 1001(k). Rule 1000A(b)(14) which defines “expiration date” is amended by the deletion of a reference to the Exchange “on which such option is listed,” since the rule applies only to options listed on Phlx.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act 6 in general, and furthers the objectives of Section 6(b)(5) of the Act 7 in particular, in that it is designed to promote just and equitable principles of trade, 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, by updating and clarifying outdated rules relating to index options trading. The proposed rule change is also consistent with Section 6(b)(1) of the Act 8 in that it enables the Exchange to be so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its exchange members and persons associated with its exchange members, with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange. The amendments should enable Phlx members to better understand the Exchange’s index options rules and the Exchange to better enforce compliance with those rules.

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 because the rule merely updates and clarifies outdated rules relating to index options and conforms certain Phlx rules to NOM rules.

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

Because the foregoing 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, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act 9 and subparagraph (f)(6) of Rule 19b–4 thereunder.10

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–2016–61 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–2016–61. 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 the 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–Phx–2016–61 and should be submitted on or before July 5, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.1

Robert W. Errett,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing of Proposed Rule Change Relating to Amendments to NYSE MKT Rules 1600 et seq. and to Changes to the Names and Operation of the Nuveen Diversified Commodity Fund and the Nuveen Long/Short Commodity Total Return Fund

June 7, 2016.

Pursuant to section 19(b)(1)1 of the Securities Exchange Act of 1934 (“Act”)2 and Rule 19b–4 thereunder,3 notice is hereby given that, on May 24, 2016, NYSE MKT LLC (“Exchange” or “NYSE MKT”) filed with the Securities and Exchange Commission (“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 NYSE MKT Rules 1600 et seq. (Trading of Trust Units), pursuant to which the Exchange currently lists and trades shares of the Nuveen Diversified Commodity Fund (the “Diversified Fund”) and the Nuveen Long/Short Commodity Total Return Fund (the “Long/Short Fund,” with the Diversified Fund and the Long/Short Fund each being referred to herein as a “Fund,” and collectively, as the “Funds”), and to reflect changes to the names and operation of the Funds, as described herein. The proposed rule change is available on the Exchange’s Web site at www.nyuex.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend NYSE MKT Rules 1600 et seq. (Trading of Trust Units), pursuant to which the Exchange currently lists and trades shares (“Shares”) of the Funds.4 In addition, the Exchange proposes to (1) reflect changes to the operation of the Funds, as described herein, and (2) permit the continued listing and trading of Shares of the Funds on the Exchange pursuant to NYSE MKT Rules 1600 et seq., as proposed to be amended, following changes to the operation of the Funds, as described below.5

The Funds are currently structured as actively managed closed-end commodity pools. On December 19, 2014, Nuveen Investments, parent company of Nuveen Commodities Asset Management, LLC (the “Manager”), announced (the “Conversion Plan Announcement”) that the Manager had approved a plan to convert the Funds into exchange-traded products (“ETPs”) that utilize a creation/re redemption mechanism, subject to approval by shareholders of each Fund (such plan, with respect to each Fund, is referred to herein as the “Conversion,” and collectively, the “Conversions”). Subsequently, at meetings of shareholders in 2015, shareholders of each Fund likewise approved the Conversions. The purpose of the Conversions, which would implement a process for continual creation and redemption of Shares at net asset value (“NAV”) after receipt of an order in proper form on any business day (as described below), is to promote the trading of the Funds’ Shares at prices equal to or near their NAV. Indeed, since the Conversion Plan Announcement, each Fund has traded at a substantially reduced discount to NAV,6 which suggests that the

1. See, for the Diversified Fund, Pre-Effective Amendment No. 1 to the registration statement on Form S–3 (File No. 333–205587), filed on November 30, 2015 (collectively referred to herein as the “Registration Statement”).

2. See, for the Diversified Fund, Pre-Effective Amendment No. 1 to the registration statement on Form S–3 (File No. 333–205587), filed on November 30, 2015 (collectively referred to herein as the “Registration Statement”).

3. From December 18, 2014, to March 9, 2016, the discount to NAV has been reduced for the Diversified Fund from 18.02% to 5.11% and for the Long/Short Fund from 19.80% to 3.75%.