

physical and biophysical processes to human activities.

- Future projections of changes in the aforementioned climate system processes will be based on modeling results of the Coupled Modeled Intercomparison Project Phase 5 (CMIP5) driven by the emissions scenarios and Representative Concentration Pathways (RCPs) as used in the IPCC Fifth Assessment Report (e.g., [http://sedac.ipcc-data.org/ddc/ar5\\_scenario\\_process/RCPs.html](http://sedac.ipcc-data.org/ddc/ar5_scenario_process/RCPs.html)). Future projections will include perspectives on mitigation pathways.

### 3. Human Health and Welfare, Societal and Environmental Vulnerabilities to a Changing Climate

This section of NCA4 will provide national-level overviews of observed and projected future trends and potential effects in key areas of concern for people and the environment, including human health, social well being, and natural systems. These same areas will be addressed to varying degrees in each of the regional sections of the outline described under Part 4.

Within each of these areas, non-climatic trends (e.g., population changes) will be briefly discussed in order to set a broader context within which climate change effects can be understood. Observed and projected risks, impacts and potential benefits as a result of climate change will be identified in each of these areas, with quantifiable metrics wherever possible. The role of extreme events in each area will be addressed where possible. In addition, potential adaptive measures to minimize risks will be described for each area, to the extent these are identified in the published literature.

The GCRA of 1990 requires that the NCA analyze “the effects of global change on the natural environment, agriculture, energy production and use, land and water resources, transportation, human health and welfare, human social systems, and biological diversity.”

In addition to these mandated topics, the following additional specific areas are proposed for inclusion in NCA4: Effects on tribal and indigenous communities; coastal effects; ocean acidification and marine resources; and key international effects, particularly those that may raise environmental, humanitarian, trade, or security issues for the United States. Cross-sectoral issues where interactions can result in significant effects are also being proposed in this section of NCA4; these potentially include (but are not limited to): The water-energy-land nexus; the interactions among biodiversity, land

use, and climate; and linkages between air quality and climate.

### 4. Regional Analyses Within the United States

Under this proposed outline, the regional detail for each of the areas described in Part 3 above will be placed in this section of the report. In other words, Part 3 will provide more generalized information at a national level, whereas Part 4 will go into greater depth to provide information at sub-national and regional levels.

NCA3 included the following regions of the United States (see <http://nca2014.globalchange.gov/report#section-1948>): Northeast, Southeast and the Caribbean, Midwest, Great Plains, Southwest, Northwest, Alaska, Hawaii and Pacific Islands, Oceans and Coasts. The proposed regional breakout for NCA4 is the same with the exception of the Great Plains; because that was such a large region, stretching from the Gulf Coast to the Canadian border, it will be divided into two regions: Northern and Southern Plains.

In addition to the themes for each area described in Part 3, the regional sections in Part 4 will also include State-level information as appropriate and where available, as well as urban and rural case studies where possible to showcase, with local specificity, climate trends, potential risks, and resiliency planning.

### 5. Identifying the Information Needed To Support Climate Change Adaptation, Increased Resiliency, and Risk Reduction

This part of NCA4 will focus on identifying near-term needs and opportunities for adaptive measures and resiliency planning in the face of observed and projected changes in climate, as well as the dependency of risk and potential impacts on greenhouse gas emissions scenarios over the longer term. NCA4 is not a policy document, and as such will not be evaluating policy measures, actions, instruments or mechanisms to deliver or incentivize either adaptation or mitigation responses at any level of government. Rather, the intention of this part of NCA4 is to inform the Nation, and different regions within the Nation, about near-term adaptation needs over the next few decades that are likely to persist regardless of emissions pathway, and, over the longer term, the reduced and/or avoided levels of risks and impacts in the United States, as a result of different levels of global greenhouse gas mitigation.

Adaptation needs and opportunities will be drawn from relevant information from Parts 2, 3 and 4 as outlined above.

In addition to physical metrics of changing risks and potential impacts over time under different greenhouse gas emissions scenarios, analysis of costs of adaptation options and potential impacts (or avoided impacts) will be included where possible, in part with input from recent EPA efforts, such as the report on Climate Change in the United States: Benefits of Global Action (<https://www.epa.gov/cira>).

Case studies and links to decision-support tools (e.g., the Climate Resilience Toolkit, <http://toolkit.climate.gov>) will also be included here.

Public comments are sought on all of the draft outline sections described above for NCA4.

**Stacy L. Murphy**,  
Operations Manager/Acting Security Officer.  
[FR Doc. 2016-15807 Filed 7-1-16; 8:45 am]

BILLING CODE 3270-F6-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78179; File No. 4-700]

### Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17-2; Notice of Filing of Proposed Plan for the Allocation of Regulatory Responsibilities Between the Financial Industry Regulatory Authority, Inc. and the Investors' Exchange LLC

June 28, 2016.

Pursuant to Section 17(d) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 17d-2 thereunder,<sup>2</sup> notice is hereby given that on June 20, 2016, the Financial Industry Regulatory Authority, Inc. (“FINRA”) and the Investors' Exchange LLC (“IEX”) (together with FINRA, the “Parties”) filed with the Securities and Exchange Commission (“Commission” or “SEC”) a plan for the allocation of regulatory responsibilities, dated June 20, 2016 (“17-2 Plan” or the “Plan”). The Commission is publishing this notice to solicit comments on the 17-2 Plan from interested persons.

#### I. Introduction

Section 19(g)(1) of the Act,<sup>3</sup> among other things, requires every self-regulatory organization (“SRO”) registered as either a national securities exchange or national securities

<sup>1</sup> 15 U.S.C. 78q(d).

<sup>2</sup> 17 CFR 240.17-2.

<sup>3</sup> 15 U.S.C. 78s(g)(1).

association to examine for, and enforce compliance by, its members and persons associated with its members with the Act, the rules and regulations thereunder, and the SRO's own rules, unless the SRO is relieved of this responsibility pursuant to Section 17(d) or Section 19(g)(2) of the Act.<sup>4</sup> Without this relief, the statutory obligation of each individual SRO could result in a pattern of multiple examinations of broker-dealers that maintain memberships in more than one SRO ("common members"). Such regulatory duplication would add unnecessary expenses for common members and their SROs.

Section 17(d)(1) of the Act<sup>5</sup> was intended, in part, to eliminate unnecessary multiple examinations and regulatory duplication.<sup>6</sup> With respect to a common member, Section 17(d)(1) authorizes the Commission, by rule or order, to relieve an SRO of the responsibility to receive regulatory reports, to examine for and enforce compliance with applicable statutes, rules, and regulations, or to perform other specified regulatory functions.

To implement Section 17(d)(1), the Commission adopted two rules: Rule 17d-1 and Rule 17-2 under the Act.<sup>7</sup> Rule 17d-1 authorizes the Commission to name a single SRO as the designated examining authority ("DEA") to examine common members for compliance with the financial responsibility requirements imposed by the Act, or by Commission or SRO rules.<sup>8</sup> When an SRO has been named as a common member's DEA, all other SROs to which the common member belongs are relieved of the responsibility to examine the firm for compliance with the applicable financial responsibility rules. On its face, Rule 17d-1 deals only with an SRO's obligations to enforce member compliance with financial responsibility requirements. Rule 17d-1 does not relieve an SRO from its obligation to examine a common member for compliance with its own rules and provisions of the federal securities laws governing matters other than financial responsibility, including sales practices and trading activities and practices.

<sup>4</sup> 15 U.S.C. 78q(d) and 15 U.S.C. 78s(g)(2), respectively.

<sup>5</sup> 15 U.S.C. 78q(d)(1).

<sup>6</sup> See Securities Act Amendments of 1975, Report of the Senate Committee on Banking, Housing, and Urban Affairs to Accompany S. 249, S. Rep. No. 94-75, 94th Cong., 1st Session 32 (1975).

<sup>7</sup> 17 CFR 240.17d-1 and 17 CFR 240.17-2, respectively.

<sup>8</sup> See Securities Exchange Act Release No. 12352 (April 20, 1976), 41 FR 18808 (May 7, 1976).

To address regulatory duplication in these and other areas, the Commission adopted Rule 17-2 under the Act.<sup>9</sup> Rule 17-2 permits SROs to propose joint plans for the allocation of regulatory responsibilities with respect to their common members. Under paragraph (c) of Rule 17-2, the Commission may declare such a plan effective if, after providing for appropriate notice and comment, it determines that the plan is necessary or appropriate in the public interest and for the protection of investors; to foster cooperation and coordination among the SROs; to remove impediments to, and foster the development of, a national market system and a national clearance and settlement system; and is in conformity with the factors set forth in Section 17(d) of the Act. Commission approval of a plan filed pursuant to Rule 17-2 relieves an SRO of those regulatory responsibilities allocated by the plan to another SRO.

## II. Proposed Plan

The proposed 17-2 Plan is intended to reduce regulatory duplication for firms that are common members of both IEX and FINRA.<sup>10</sup> Pursuant to the proposed 17-2 Plan, FINRA would assume certain examination and enforcement responsibilities for common members with respect to certain applicable laws, rules, and regulations.

The text of the Plan delineates the proposed regulatory responsibilities with respect to the Parties. Included in the proposed Plan is an exhibit (the "IEX Certification of Common Rules," referred to herein as the "Certification") that lists every IEX rule, and select federal securities laws, rules, and regulations, for which FINRA would bear responsibility under the Plan for overseeing and enforcing with respect to IEX members that are also members of FINRA and the associated persons therewith ("Dual Members").

Specifically, under the 17d-2 Plan, FINRA would assume examination and enforcement responsibility relating to compliance by Dual Members with the rules of IEX that are substantially similar to the applicable rules of FINRA,<sup>11</sup> as well as any provisions of

<sup>9</sup> See Securities Exchange Act Release No. 12935 (October 28, 1976), 41 FR 49091 (November 8, 1976).

<sup>10</sup> The proposed 17-2 Plan refers to these common members as "Dual Members." See Paragraph 1(c) of the proposed 17-2 Plan.

<sup>11</sup> See paragraph 1(b) of the proposed 17d-2 Plan (defining Common Rules). See also paragraph 1(f) of the proposed 17d-2 Plan (defining Regulatory Responsibilities). Paragraph 2 of the Plan provides that annually, or more frequently as required by changes in either IEX rules or FINRA rules, the

the federal securities laws and the rules and regulations thereunder delineated in the Certification ("Common Rules"). In the event that a Dual Member is the subject of an investigation relating to a transaction on IEX, the plan acknowledges that IEX may, in its discretion, exercise concurrent jurisdiction and responsibility for such matter.<sup>12</sup>

Under the Plan, IEX would retain full responsibility for surveillance and enforcement with respect to trading activities or practices involving IEX's own marketplace, including, without limitation, registration pursuant to its applicable rules of associated persons (*i.e.*, registration rules that are not Common Rules); its duties as a DEA pursuant to Rule 17d-1 under the Act; and any IEX rules that are not Common Rules.<sup>13</sup>

The text of the proposed 17d-2 Plan is as follows:

### AGREEMENT BETWEEN FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC. AND INVESTORS' EXCHANGE LLC PURSUANT TO RULE 17d-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934

This Agreement, by and between the Financial Industry Regulatory Authority, Inc. ("FINRA") and Investors' Exchange LLC ("IEX"), is made this 20th day of June, 2016 (the "Agreement"), pursuant to Section 17(d) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 17d-2 thereunder, which permits agreements between self-regulatory organizations to allocate regulatory responsibility to eliminate regulatory duplication. FINRA and IEX may be referred to individually as a "party" and together as the "parties."

WHEREAS, FINRA and IEX desire to reduce duplication in the examination and surveillance of their Dual Members (as defined herein) and in the filing and processing of certain registration and membership records; and

WHEREAS, FINRA and IEX desire to execute an agreement covering such subjects pursuant to the provisions of Rule 17d-2 under the Exchange Act and to file such agreement with the Securities and Exchange Commission (the "SEC" or "Commission") for its approval.

NOW, THEREFORE, in consideration of the mutual covenants contained

parties shall review and update, if necessary, the list of Common Rules. Further, paragraph 3 of the Plan provides that IEX shall furnish FINRA with a list of Dual Members, and shall update the list no less frequently than once each calendar quarter.

<sup>12</sup> See paragraph 6 of the proposed 17d-2 Plan.

<sup>13</sup> See paragraph 2 of the proposed 17d-2 Plan.

hereinafter, FINRA and IEX hereby agree as follows:

1. **Definitions.** Unless otherwise defined in this Agreement or the context otherwise requires, the terms used in this Agreement shall have the same meaning as they have under the Exchange Act and the rules and regulations thereunder. As used in this Agreement, the following terms shall have the following meanings:

(a) “*IEX Rules*” or “*FINRA Rules*” shall mean: (i) the rules of IEX, or (ii) the rules of FINRA, respectively, as the rules of an exchange or association are defined in Exchange Act Section 3(a)(27).

(b) “*Common Rules*” shall mean IEX Rules that are substantially similar to the applicable FINRA Rules and certain provisions of the Exchange Act and SEC rules set forth on *Exhibit 1* in that examination or surveillance for compliance with such provisions and rules would not require FINRA to develop one or more new examination or surveillance standards, modules, procedures, or criteria in order to analyze the application of the provision or rule, or a Dual Member’s activity, conduct, or output in relation to such provision or rule; provided, however, Common Rules shall not include the application of the SEC, IEX or FINRA rules as they pertain to violations of insider trading activities, which is covered by a separate 17d–2 Agreement by and among BATS Exchange, Inc., BATS Y-Exchange, Inc., Chicago Board Options Exchange, Inc., Chicago Stock Exchange, Inc., EDGA Exchange, Inc., EDGX Exchange, Inc., Financial Industry Regulatory Authority, Inc., NASDAQ OMX BX, Inc., NASDAQ OMX PHLX LLC, the NASDAQ Stock Market LLC, National Stock Exchange, Inc., New York Stock Exchange LLC, NYSE Amex LLC, and NYSE Arca Inc., effective December 16, 2011, as may be amended from time to time.

(c) “*Dual Members*” shall mean those IEX members that are also members of FINRA and the associated persons therewith.

(d) “*Effective Date*” shall be the date this Agreement is approved by the Commission.

(e) “*Enforcement Responsibilities*” shall mean the conduct of appropriate proceedings, in accordance with FINRA’s Code of Procedure (the Rule 9000 Series) and other applicable FINRA procedural rules, to determine whether violations of Common Rules have occurred, and if such violations are deemed to have occurred, the imposition of appropriate sanctions as specified under FINRA’s Code of Procedure and sanctions guidelines.

(f) “*Regulatory Responsibilities*” shall mean the examination responsibilities, surveillance responsibilities and Enforcement Responsibilities relating to compliance by the Dual Members with the Common Rules and the provisions of the Exchange Act and the rules and regulations thereunder, and other applicable laws, rules and regulations, each as set forth on *Exhibit 1* attached hereto.

2. **Regulatory and Enforcement Responsibilities.** FINRA shall assume Regulatory Responsibilities and Enforcement Responsibilities for Dual Members. Attached as *Exhibit 1* to this Agreement and made part hereof, IEX furnished FINRA with a current list of Common Rules and certified to FINRA that such rules that are IEX Rules are substantially similar to the corresponding FINRA Rules (the “*Certification*”). FINRA hereby agrees that the rules listed in the Certification are Common Rules as defined in this Agreement. Each year following the Effective Date of this Agreement, or more frequently if required by changes in either the rules of IEX or FINRA, IEX shall submit an updated list of Common Rules to FINRA for review which shall add IEX Rules not included in the current list of Common Rules that qualify as Common Rules as defined in this Agreement; delete IEX Rules included in the current list of Common Rules that no longer qualify as Common Rules as defined in this Agreement; and confirm that the remaining rules on the current list of Common Rules continue to be IEX Rules that qualify as Common Rules as defined in this Agreement. Within 30 days of receipt of such updated list, FINRA shall confirm in writing whether the rules listed in any updated list are Common Rules as defined in this Agreement.

Notwithstanding anything herein to the contrary, it is explicitly understood that the term “*Regulatory Responsibilities*” does not include, and IEX shall retain full responsibility for (unless otherwise addressed by separate agreement or rule) (collectively, the “*Retained Responsibilities*”) the following:

(a) surveillance, examination, investigation and enforcement with respect to trading activities or practices involving IEX’s own marketplace for rules that are not Common Rules;

(b) registration pursuant to its applicable rules of associated persons (*i.e.*, registration rules that are not Common Rules);

(c) discharge of its duties and obligations as a Designated Examining Authority pursuant to Rule 17d-1 under the Exchange Act; and

(d) any IEX Rules that are not Common Rules, except for IEX Rules for IEX Services LLC as provided in paragraph 6.

3. **Dual Members.** Prior to the Effective Date, IEX shall furnish FINRA with a current list of Dual Members, which shall be updated no less frequently than once each quarter.

4. **No Charge.** There shall be no charge to IEX by FINRA for performing the Regulatory Responsibilities and Enforcement Responsibilities under this Agreement except as otherwise agreed by the parties, either herein or in a separate agreement.

#### 5. **Applicability of Certain Laws, Rules, Regulations or Orders.**

Notwithstanding any provision hereof, this Agreement shall be subject to any statute, or any rule or order of the Commission. To the extent such statute, rule or order is inconsistent with this Agreement, the statute, rule or order shall supersede the provision(s) hereof to the extent necessary for them to be properly effectuated and the provision(s) hereof in that respect shall be null and void.

#### 6. **Notification of Violations.**

(a) In the event that FINRA becomes aware of apparent violations of any IEX Rules, which are not listed as Common Rules, discovered pursuant to the performance of the Regulatory Responsibilities assumed hereunder, FINRA shall notify IEX of those apparent violations for such response as IEX deems appropriate.

(b) In the event that IEX becomes aware of apparent violations of any Common Rules, discovered pursuant to the performance of the Retained Responsibilities, IEX shall notify FINRA of those apparent violations and such matters shall be handled by FINRA as provided in this Agreement. With respect to apparent violations of IEX Services LLC FINRA shall not make referrals to IEX pursuant to this paragraph 6. Such apparent violations shall be processed by, and enforcement proceedings in respect thereto will be conducted by, FINRA as provided in this Agreement.

(c) Apparent violations of Common Rules shall be processed by, and enforcement proceedings in respect thereto shall be conducted by FINRA as provided hereinbefore; provided, however, that in the event a Dual Member is the subject of an investigation relating to a transaction on IEX, IEX may in its discretion assume concurrent jurisdiction and responsibility.

(d) Each party agrees to make available promptly all files, records and

witnesses necessary to assist the other in its investigation or proceedings.

**7. Continued Assistance.**

(a) FINRA shall make available to IEX all information obtained by FINRA in the performance by it of the Regulatory Responsibilities hereunder with respect to the Dual Members subject to this Agreement. In particular, and not in limitation of the foregoing, FINRA shall furnish IEX any information it obtains about Dual Members which reflects adversely on their financial condition. IEX shall make available to FINRA any information coming to its attention that reflects adversely on the financial condition of Dual Members or indicates possible violations of applicable laws, rules or regulations by such firms.

(b) The parties agree that documents or information shared shall be held in confidence, and used only for the purposes of carrying out their respective regulatory obligations. Neither party shall assert regulatory or other privileges as against the other with respect to documents or information that is required to be shared pursuant to this Agreement.

(c) The sharing of documents or information between the parties pursuant to this Agreement shall not be deemed a waiver as against third parties of regulatory or other privileges relating to the discovery of documents or information.

**8. Statutory Disqualifications.** When FINRA becomes aware of a statutory disqualification as defined in the Exchange Act with respect to a Dual Member, FINRA shall determine pursuant to Sections 15A(g) and/or Section 6(c) of the Exchange Act the acceptability or continued applicability of the person to whom such disqualification applies and keep IEX advised of its actions in this regard for such subsequent proceedings as IEX may initiate.

**9. Customer Complaints.** IEX shall forward to FINRA copies of all customer complaints involving Dual Members received by IEX relating to FINRA's Regulatory Responsibilities under this Agreement. It shall be FINRA's responsibility to review and take appropriate action in respect to such complaints.

**10. Advertising.** FINRA shall assume responsibility to review the advertising of Dual Members subject to the Agreement, provided that such material is filed with FINRA in accordance with FINRA's filing procedures and is accompanied with any applicable filing fees set forth in FINRA Rules.

**11. No Restrictions on Regulatory Action.** Nothing contained in this Agreement shall restrict or in any way encumber the right of either party to conduct its own independent or concurrent investigation, examination or enforcement proceeding of or against Dual Members, as either party, in its sole discretion, shall deem appropriate or necessary.

**12. Termination.** This Agreement may be terminated by IEX or FINRA at any time upon the approval of the Commission after one (1) year's written notice to the other party.

**13. Arbitration.** In the event of a dispute between the parties as to the operation of this Agreement, IEX and FINRA hereby agree that any such dispute shall be settled by arbitration in Washington, DC in accordance with the rules of the American Arbitration Association then in effect, or such other procedures as the parties may mutually agree upon. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Each party acknowledges that the timely and complete performance of its obligations pursuant to this Agreement is critical to the business and operations of the other party. In the event of a dispute between the parties, the parties shall continue to perform their respective obligations under this Agreement in good faith during the resolution of such dispute unless and until this Agreement is terminated in accordance with its provisions. Nothing in this Section 13 shall interfere with a party's right to terminate this Agreement as set forth herein.

**14. Notification of Members.** IEX and FINRA shall notify Dual Members of this Agreement after the Effective Date by means of a uniform joint notice.

**15. Amendment.** This Agreement may be amended in writing duly approved by each party. All such amendments must be filed with and approved by the Commission before they become effective.

**16. Limitation of Liability.** Neither FINRA nor IEX nor any of their respective directors, governors, officers or employees shall be liable to the other party to this Agreement for any liability, loss or damage resulting from or claimed to have resulted from any delays, inaccuracies, errors or omissions with respect to the provision of Regulatory Responsibilities as provided hereby or for the failure to provide any such responsibility, except with respect to such liability, loss or damages as shall have been suffered by one or the other of FINRA or IEX and caused by

the willful misconduct of the other party or their respective directors, governors, officers or employees. No warranties, express or implied, are made by FINRA or IEX with respect to any of the responsibilities to be performed by each of them hereunder.

**17. Relief from Responsibility.** Pursuant to Sections 17(d)(1)(A) and 19(g) of the Exchange Act and Rule 17d-2 thereunder, FINRA and IEX join in requesting the Commission, upon its approval of this Agreement or any part thereof, to relieve IEX of any and all responsibilities with respect to matters allocated to FINRA pursuant to this Agreement; provided, however, that this Agreement shall not be effective until the Effective Date.

**18. Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

**19. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and such counterparts together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, each party has executed or caused this Agreement to be executed on its behalf by a duly authorized officer as of the date first written above.

INVESTORS' EXCHANGE LLC

By: \_\_\_\_\_

Name:

Title:

FINANCIAL INDUSTRY REGULATORY  
AUTHORITY, INC.

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT 1**

**IEX CERTIFICATION OF COMMON RULES**

IEX hereby certifies that the requirements contained in the rules listed below for IEX are identical to, or substantially similar to, the comparable FINRA (NASD) Rules, Exchange Act provision or SEC rule identified ("Common Rules").

IEX Rule	FINRA (NASD) Rule, exchange act provision, SEC Rule
Rule 2.140 Prohibited Conditions Relating to Expungement of Customer Dispute.	FINRA Rule 2081 Prohibited Conditions Relating to Expungement of Customer Dispute.
Rule 2.160(p) Restrictions on Membership—Continuing Education Requirements.	FINRA Rule 1250(a)(1)–(4) Continuing Education Requirements. <sup>1</sup>
Rule 2.170(b) and (g) Application Procedures for Membership or to become an Associated Person of a Member#.	FINRA By-Laws of the Corporation, Article IV, Section 1(c) Application for Membership.
Rule 2.240 Fidelity Bonds .....	FINRA Rule 4360 Fidelity Bonds. <sup>2</sup>
Rule 3.110 Business Conduct of Members ^ .....	FINRA Rule 2010 Standards of Commercial Honor and Principles of Trade.^
Rule 3.120 Violations Prohibited <sup>3</sup> ^ .....	FINRA Rule 2010 Standards of Commercial Honor and Principles of Trade ^ and FINRA Rule 3110 Supervision.
Rule 3.130 Use of Fraudulent Devices ^ .....	FINRA Rule 2020 Use of Manipulative, Deceptive or Other Fraudulent Devices.^
Rule 3.150 Know Your Customer .....	FINRA Rule 2090 Know Your Customer.
Rule 3.160 Fair Dealing with Customers .....	FINRA Rule 2020 Use of Manipulative, Deceptive or Other Fraudulent Device.^
Rule 3.170 Suitability .....	FINRA Rule 2111 Suitability.
Rule 3.180(a) The Prompt Receipt and Delivery of Securities .....	FINRA Rule 11860 COD Orders.
Rule 3.180(b) The Prompt Receipt and Delivery of Securities .....	SEA Regulation SHO.
Rule 3.190 Charges for Services Performed .....	FINRA Rule 2122 Charges for Services Performed.
Rule 3.200 Use of Information Obtained in a Fiduciary Capacity .....	FINRA Rule 2060 Use of Information Obtained in Fiduciary Capacity.
Rule 3.210 Publication of Transactions and Quotations .....	FINRA Rule 5210 Publication of Transactions and Quotations.
Rule 3.220 Offers at Stated Prices .....	FINRA Rule 5220 Offers at Stated Prices.
Rule 3.230 Payments Involving Publications that Influence the Market Price of a Security.	FINRA Rule 5230 Payments Involving Publications that Influence the Market Price of a Security.
Rule 3.240 Customer Confirmations .....	FINRA Rule 2232(a) Customer Confirmations and SEC Rule 10b–10 Confirmation of Transactions.
Rule 3.250 Disclosure of Control Relationship with Issuer .....	FINRA Rule 2262 Disclosure of Control Relationship with Issuer.
Rule 3.260 Discretionary Accounts .....	NASD Rule 2510 Discretionary Accounts.
Rule 3.270 Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts.	FINRA Rule 2150 Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts.
Rule 3.280 Communications with the Public .....	FINRA Rule 2210 Communications with the Public.
Rule 3.290 Customer Disclosures .....	FINRA Rule 2265 Extended Hours Trading Risk Disclosure.
Rule 3.291 Influencing or Rewarding Employees of Others; Gratuities ..	FINRA Rule 3220 Influencing or Rewarding Employees of Others.
Rule 3.292 Telemarketing .....	FINRA Rule 3230 Telemarketing.
Rule 4.511 General Requirements .....	FINRA Rule 4511 General Requirements.
Rule 4.512 Customer Account Information .....	FINRA Rule 4512 Customer Account Information.
Rule 4.513 Record of Written Customer Complaints .....	FINRA Rule 4513 Record of Written Customer Complaints.
Rule 4.550 Disclosure of Financial Condition .....	FINRA Rule 2261 Disclosure of Financial Condition.
Rule 5.110 Supervision # .....	FINRA Rule 3110 Supervision.
Rule 5.120 Supervisory Control System .....	FINRA Rule 3120 Supervisory Control System.
Rule 5.130 Annual Certification of Compliance and Supervisory Processes.	FINRA Rule 3130 Annual Certification of Compliance and Supervisory Processes.
Rule 5.160 Anti-Money Laundering Compliance Program .....	FINRA Rule 3310 Anti-Money Laundering Compliance Program.
Rule 5.170 Transactions for or by Associated Persons .....	NASD Rule 3050 Transactions for or by Associated Persons.
Rule 6.120 Failure to Deliver and Failure to Receive .....	Regulation SHO Rules 200 and 203.
Rule 6.130(a), (b), (d) and (e) Forwarding of Proxy and Other Issuer-Related Materials; Proxy Voting.	FINRA Rule 2251 Forwarding of Proxy and Other Issuer-Related Materials.
Rule 10.110 Market Manipulation (except 10.110(b)) .....	FINRA Rule 6140 Other Trading Practices.
Rule 10.110(b) Market Manipulation .....	FINRA Rule 5210 Publication of Transactions and Quotations, FINRA Rule 2020 Use of Manipulative, Deceptive or Other Fraudulent Devices, FINRA Rule 2010 Standards of Commercial Honor and Principles of Trade, and FINRA Rule 6140(a) Other Trading Practices.
Rule 10.120 Fictitious Transactions .....	FINRA Rule 6140 Other Trading Practices and FINRA Rule 5210 Supplementary Material .02 Self-Trades.
Rule 10.130 Excessive Sales By A Member .....	FINRA Rule 6140 Other Trading Practices.
Rule 10.140 Manipulative Transactions .....	FINRA Rule 6140 Other Trading Practices.
Rule 10.150 Dissemination of False Information .....	FINRA Rule 6140 Other Trading Practices.
Rule 10.160 Prohibition Against Trading Ahead of Customer Orders.#**	FINRA Rule 5320 Prohibition Against Trading Ahead of Customer Orders.**
Rule 10.180 Influencing the Consolidated Tape .....	FINRA Rule 6140(a) Other Trading Practices.
Rule 10.190 Trade Shredding .....	FINRA Rule 5290 Order Entry and Execution Practices.
Rule 10.220 Best Execution and Interpositioning.** .....	FINRA Rule 5310 Best Execution and Interpositioning.**
Rule 10.240 Trading Ahead of Research Reports.** .....	FINRA Rule 5280 Trading Ahead of Research Reports.**
Rule 10.260 Front Running of Block Transactions .....	FINRA Rule 5270 Front Running of Block Transactions.
Rule 11.280(e)(3) & (4) Trading Halts Due to Extraordinary Market Volatility.	FINRA Rule 6190(a)(1) & (2) Compliance with Regulation NMS Plan to Address Extraordinary Market Volatility.
Rule 11.290 Short Sales <sup>4</sup> ** .....	FINRA Rule 6182 Trade Reporting of Short Sales.**

<sup>1</sup> FINRA shall only have Regulatory Responsibilities to the extent the exercise of discretion by IEX is the same as FINRA.

<sup>2</sup> FINRA shall only have Regulatory Responsibilities to the extent any exemption by IEX is the same as FINRA.

<sup>3</sup> FINRA shall only have Regulatory Responsibilities regarding the first phrase of the IEX Rule regarding prohibitions from violating the Securities Exchange Act of 1934 and the rules and regulations thereunder; responsibility for the remainder of the rule shall remain with IEX.

<sup>4</sup> FINRA shall not have any Regulatory Responsibilities for Rule 11.290(b) through (d).

In addition, the following provisions shall be part of this 17d–2 Agreement:

*Securities Exchange Act of 1934 ("SEA"):*

## Section 15(g)

*SEA Rules:*

- SEA Rule 200 of Regulation SHO—Definition of Short Sales and Marking Requirements\*\*
- SEA Rule 201 of Regulation SHO—Circuit Breaker\*\*
- SEA Rule 203 of Regulation SHO—Borrowing and Delivery Requirements\*\*
- SEA Rule 204 of Regulation SHO—Close-Out Requirement\*\*
- SEA Rule 101 of Regulation M—Activities by Distribution Participants
- SEA Rule 102 of Regulation M—Activities by Issuers and Selling Security Holders During a Distribution
- SEA Rule 103 of Regulation M—Nasdaq Passive Market Making
- SEA Rule 104 of Regulation M—Stabilizing and Other Activities in Connection with an Offering
- SEA Rule 105 of Regulation M—Short Selling in Connection With a Public Offering
- SEA Rule 10b–5 Employment of Manipulative and Deceptive Devices^
- SEA Rule 17a–3/17a–4—Records to Be Made by Certain Exchange Members, Brokers, and Dealers/Records to Be Preserved by Certain Exchange Members, Brokers, and Dealers^

^ FINRA shall not have Regulatory Responsibilities regarding notification or reporting to IEX.

# FINRA shall not have any Regulatory Responsibilities for these rules as they pertain to violations of insider trading activities, which is covered by a separate 17d–2 Agreement by and among BATS Exchange, Inc., BATS–Y Exchange, Inc., Chicago Board Options Exchange, Incorporated, Chicago Stock Exchange, Inc., EDGA Exchange Inc., EDGX Exchange Inc., Financial Industry Regulatory Authority, Inc., NASDAQ OMX BX, Inc., NASDAQ OMX PHLX LLC, The NASDAQ Stock Market LLC, National Stock Exchange, Inc., New York Stock Exchange, LLC, NYSE Amex LLC, and NYSE Arca Inc. effective December 16, 2011, as may be amended from time to time.

\*\* FINRA shall perform the surveillance responsibilities for the double star rules. These rules may be cited by FINRA in both the context of this Agreement and the Regulatory Services Agreement.

### III. Date of Effectiveness of the Proposed Plan and Timing for Commission Action

Pursuant to Section 17(d)(1) of the Act<sup>14</sup> and Rule 17d–2 thereunder,<sup>15</sup> after July 20, 2016, the Commission may, by written notice, declare the plan submitted by IEX and FINRA, File No. 4–700, to be effective if the Commission finds that the plan is necessary or appropriate in the public interest and for the protection of investors, to foster cooperation and coordination among self-regulatory organizations, or to remove impediments to and foster the development of the national market system and a national system for the clearance and settlement of securities transactions and in conformity with the factors set forth in Section 17(d) of the Act.

### IV. Solicitation of Comments

In order to assist the Commission in determining whether to approve the proposed 17d–2 Plan and to relieve IEX of the responsibilities which would be assigned to FINRA, interested persons are invited to submit written data, views, and arguments concerning the foregoing. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/other.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number 4–700 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange

Commission, Station Place, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number 4–700. 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/other.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 plan also will be available for inspection and copying at the principal offices of IEX and FINRA. 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 4–700 and should be submitted on or before July 20, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2016–15757 Filed 7–1–16; 8:45 am]

**BILLING CODE 8011–01–P**

### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–78188; File No. SR–NASDAQ–2016–082]

#### **Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Listing and Trading of the Shares of the AdvisorShares Market Adaptive Unconstrained Income ETF of the AdvisorShares Trust**

June 28, 2016.

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 June 15, 2016, The Nasdaq Stock Market 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 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**

Nasdaq proposes a rule change to the investment objective and the means of achieving the investment objective with

<sup>16</sup> 17 CFR 200.30–3(a)(34).

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>14</sup> 15 U.S.C. 78q(d)(1).

<sup>15</sup> 17 CFR 240.17d–2.