the proposed rule change will permit Clearing Members to better monitor and manage the potential risks assumed by market makers and will provide Clearing Members with greater control and flexibility over their risk tolerance and exposure. The Exchange further contends that, "[w]hile in some cases [the proposed rule change] may result in a minimal delay for a market maker that wants to reenter the market quickly following a market-wide speed bump, the Exchange believes that Clearing Member approval . . . ensure[s] that the market maker does not prematurely enter the market without adequate safeguards . . . "

As noted above, on February 26, 2016, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act to determine whether to approve or disapprove the proposed rule change. In the order instituting proceedings, the Commission noted that the Exchange does not address how the proposal would impact the continuous quoting obligations of market makers and provided no basis for its statement that the proposed rule would result in only a "minimal delay" for a market maker seeking to resume quoting following a market-wide speed bump. Accordingly, the Commission stated that the proposed rule change raises questions regarding the ability of market makers to meet their quoting obligations, and whether the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act. The Exchange did not respond to the issues raised in the Commission’s order instituting proceedings.

The Commission does not believe the Exchange has met its burden to demonstrate that the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, with Section 6(b)(5) of the Act.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR-ISE–2015–30) be, hereby, disapproved.

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

Robert W. Errett, Deputy Secretary.

BILLY RIDDLE

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; BOX Options Exchange LLC: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Fee Schedule on the BOX Market LLC (“BOX”) Options Facility


Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”), and Rule 19b–4 thereunder, notice is hereby given that on July 25, 2016, BOX Options Exchange LLC (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 filed the proposed rule change pursuant to Section 19(b)(3)(A)(ii) of the Act, and Rule 19b–4(f)(2) thereunder, which renders the proposal effective upon filing with the Commission. 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 the Substance of the Proposed Rule Change

The Exchange is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the Fee Schedule to adjust the fee assessed in Section IV (Eligible Orders Routed to an Away Exchange) on the BOX Market LLC (“BOX”) options facility. While changes to the fee schedule pursuant to this proposal will be effective upon filing, the changes will become operative on August 1, 2016. The text of the proposed rule change is available from the principal office of the Exchange, at the Commission’s Public Reference Room and also on the Exchange’s Internet Web site at http://boxexchange.com.

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

in general, and Section 6(b)(4) and (5).

2. Statutory Basis

The Exchange believes that the proposed fee schedule is consistent with the requirements of Section 6(b) of the Act, in general, and Section 6(b)(4) and (5) of the Act. In particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among BOX Participants and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues or providers of routing services if they deem the fees to be excessive. Finally, the Exchange notes that it constantly evaluates its routing fees, including profit and loss attributable to routing, and would consider future adjustments to the proposed fee to the extent it was recouping a significant profit or loss from routing to away options exchanges.

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. As it relates to the proposed rule change to the routing fee, the Exchange notes that its proposal to moderately increase the routing fee is fair, equitable and reasonable because the fee is generally an approximation of the cost to the Exchange for routing orders to such exchanges. Further, the Exchange believes that the proposed change is consistent with the Act. It notes that as a better approximation of actual costs than is currently in place and that reflects pricing changes by various options exchanges as well as increases to other Routing Costs incurred by the Exchange. The Exchange also notes that participants may choose to designate their orders as ineligible for routing to avoid incurring routing fees.

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 Exchange Act and Rule 19b-4(f)(2) thereof, because it establishes or changes a due, or fee.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend the rule change if it appears to the Commission that the action is necessary or appropriate in the public interest, for the protection of investors, or would otherwise further 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-BOX-2016-36 on the subject line.

See Miami International Securities Exchange LLC (“MIAX”) Fee Schedule Section (1)(C) and NASDAQ Options Market (“NOM”) Fees and Rebates Section (2)(3). On MIAX and NOM, the general range of fees for orders routed to away exchanges is between $0.10 and $0.99, with the $0.99 fee being assessed to Non-Customers.


6 See 15 U.S.C. 78f(b)(4) and (5).

7 See BOX Rule 15030 (describing the routing process, which requires orders to be designated as eligible for routing).
SECURITIES AND EXCHANGE COMMISSION

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change Relating to the Listing and Trading of Shares of SolidX Bitcoin Trust Under NYSE Arca Equities Rule 8.201


Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”) and Rule 19b–4 thereunder, notice is hereby given that, on July 13, 2016, NYSE Arca, Inc. (the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II 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 list and trade shares of the following under NYSE Arca Equities Rule 8.201: SolidX Bitcoin Trust (“Trust”). The proposed rule change is available on the Exchange’s Web site at www.nyse.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.

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

1. Purpose

Under NYSE Arca Equities Rule 8.201, the Exchange may propose to list

and/or trade pursuant to unlisted trading privileges (“UTP”) “Commodity-Based Trust Shares”. The Exchange proposes to list and trade shares (“Shares”) of the Trust pursuant to NYSE Arca Equities Rule 8.201.

Pursuant to Section 19(b)(1) of the Exchange Act and Rule 19b–4 thereunder, notice is hereby given that, on July 13, 2016, NYSE Arca, Inc. (the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II 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 list and trade shares of the following under...