For the Commission, by the Division of Trading and Markets, pursuant to delegated authority. 47
Robert W. Errett,
Deputy Secretary.
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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–79012; File No. SR–
ISEMercury–2016–18]

Self-Regulatory Organizations; ISE
Mercury, LLC; Notice of Filing and
Immediate Effectiveness of Proposed
Rule Change To Adopt a New Rule 209

September 30, 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
September 28, 2016, ISE Mercury, LLC
(“ISE Mercury” or “Exchange”) 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 adopt a
new Rule 209 entitled, “Collection of
Exchange Fees and Other Claims” to
require Members to provide a clearing
account number at the National
Securities Clearing Corporation
(“NSCC”) for purposes of permitting the
Exchange to debit any undisputed or
final fees, fines, charges and/or other
monetary sanctions or monies due and
owing to the Exchange through NSCC. 3

This proposal will provide a cost
savings to the Exchange in that it will
alleviate administrative processes
related to the collection of monies owed
to the Exchange. 4 Collection matters
divert staff resources away from the
Exchange’s regulatory and business
purposes. In addition, the debiting
process will prevent Member accounts
from becoming overdue. The Exchange
notes that it has a billing dispute policy.

The Exchange proposes to adopt new
Rule 209 and require Members, and all
applicants for registration as such to
provide a clearing account number for
an account at NSCC, for purposes of
permitting the Exchange to debit any
undisputed or final fees, fines, charges
and/or other monetary sanctions or
monies due and owing to the Exchange.
5

The Exchange will send a monthly
invoice 6 to each Member on
approximately the 4th–6th business day
of the following month. The Exchange
will also send a file to NSCC each
month on approximately the 23rd of the
following month to initiate the debit of
the appropriate amount stated on the
Member’s invoice for the prior month.

Because the Members will receive an
invoice well before any monies are
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1 The Exchange will not debit accounts for fees
that are unusually large or for special
circumstances, unless such debiting is requested by
the Member.
2 Today, some fees are collected through The
Options Clearing Corporation, but not all fees.
3 See ISE Mercury Rules 205 (Participant Fees)
and 206 (Liability for Payment of Fees).
4 The monthly invoice will indicate that the
amount on the invoice will be debited from the
designated NSCC account. Each month, the
Exchange will send a file to the Member’s clearing
firm which will indicate the amounts to be debited
from each Member. If a Member is “self-clearing”,
no such file would be sent as the Member would
receive the invoice, as noted above, which would
indicate the amount to be debited.
5 By way of example, October invoices would be
sent on November 7th.

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no such file would be sent as the Member would
receive the invoice, as noted above, which would
indicate the amount to be debited.
5 By way of example, October invoices would be
sent on November 7th. 
contact the staff with any questions
concerning their invoice. If a Member
disputes an invoice, the Exchange will
not include the disputed amount in the
debit if the Member has disputed the
amount in writing to the Exchange’s
designated staff by the 15th of the
month, or the following business day if
the 15th is not a business day, and the
amount in dispute is at least $10,000 or
greater.

Once NSCC receives the file from the
Exchange, NSCC would proceed to debit
the amounts indicated from the Clearing
Members’ account. In the instance
where the Member clears through an
Exchange Clearing Member, the
estimated transactions fees owed to the
Exchange are reconciled daily by the
Clearing Member to ensure adequate
funds have been escrowed. The
Exchange would debit any monies owed
including undisputed or final fees, fines,
charges and/or other monetary
sanctions or monies due and owing to the
Exchange.9

The Exchange proposes this rule
change to become operative on October 1,
2016. On November 23, 2016, the
Exchange will debit October 2016 billing
pursuant to the process described in this
rule change.10 The Exchange will notify Members of this
rule change to provide its Members
ample time to provide the Exchange with the information necessary for the
direct debit and prepare for the change
to the collection process.

2. Statutory Basis

The Exchange believes that its
proposal is consistent with Section 6(b)
of the Act,11 in general, and furthers the
objectives of Section 6(b)(5) of the Act,12
in particular, that it is designed to
promote just and equitable principles of
trade, to foster cooperation and
coordination with persons engaged in
facilitating transactions in securities, 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 providing Members
with an efficient process to pay
undisputed or final fees, fines, charges
and/or monetary sanctions or monies
dues and owing to the Exchange.

The Exchange believes that its
proposal to debit NSCC accounts is
reasonable because it would ease the
Member’s administrative burden in
paying monthly invoices, avoid overdue
balances and provide same day
collection from all Members who owe
monies to the Exchange. The Exchange has
a billing dispute policy. The
Member may dispute the invoice prior
to the debit. This policy also lowers the
Exchange’s administrative costs because
staff resources would not be diverted to
review of untimely requests regarding
billing.

The Exchange believes that its
proposal to debit NSCC accounts is
 equitable and not unfairly
discriminatory because it will apply to
all Members in a uniform manner.
Today, the debit process is applied at all
Nasdaq exchanges.13

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 that is not
necessary or appropriate in furtherance
of the purposes of the Act. With this
proposal, the proposed debit process
would apply uniformly to all Members.

Further, this proposal would provide
a cost savings to the Exchange in that it
would alleviate administrative
processes related to the collection of
monies owed to the Exchange.
Collection matters divert staff resources
away from the Exchange’s regulatory
and business purposes. In addition, the
debiting process would prevent Member
accounts from becoming overdue.

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 and
subparagraph (f)(6) of Rule 19b–4
thereunder.15

A proposed rule change filed under
Rule 19b–4(f)(6) normally does not
become operative prior to 30 days after
the date of filing. However, Rule 19b–
4(f)(6)(iii)16 permits the Commission
to designate a shorter time if such action
is consistent with the protection of
investors and the public interest. In its
filing with the Commission, the
Exchange requests that the Commission
waive the 30-day operative delay. The
Exchange proposes that the proposed
rule change become operative on
October 1, 2016. On November 23, 2016,
the Exchange would debit October 2016
billing pursuant to the process set forth
in the proposed rule change. The
Exchange represents that waiver of the
30-day operative delay would allow it to
conform its billing processes similar to
the process in place at the various
Nasdaq exchanges.17 The Exchange
notes that all ISE Mercury Members
have an NSCC account or have a
clearing firm with an NSCC account.
Direct debit is an options industry
standard. According to the Exchange, all
members should be able to provide ISE
Mercury with an NSCC account prior to
the date of the November 23, 2016 debit.
Further, the Exchange believes that this
process will alleviate administrative
processes related to the collection of
monies owed to the Exchange. For these
reasons, the Commission believes that
waiver of the 30-day operative delay is
consistent with the protection of
investors and the public interest.
Therefore, the Commission designates
the proposed rule change to be operative
upon filing.18

4(f)(6)(iii) requires a self-regulatory organization to give
the Commission written notice of its intent to file
the proposed rule change at least five business days
prior to the date of filing of the proposed rule
change, or such shorter time as designated by the
Commission. The Exchange has satisfied this
requirement.
17 See supra note 13.
18 For purposes only of waiving the 30-day
operative delay, the Commission also has

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8 Exchange fees are noted on the Exchange Fee
Schedule.
9 This includes, among other things, fines which
result from the imposition of fines pursuant to
Rules 1611, Judgment and Sanction; and 1614,
Imposition of Fines for Minor Rules Violations.
With respect to disciplinary sanctions that are
imposed by either the Business Conduct Committee
or a Hearing Panel, the Exchange would not debit
a Member until such action is final. The
Exchange would not consider an action final until all appeal
periods have run and/or all appeal timeframes are
exhausted. With respect to non-disciplinary actions,
the Exchange would similarly not take action to
debit a Member account until all appeal periods have
run and/or all appeal timeframes are
exhausted. Any uncontested disciplinary or
non-disciplinary actions will be debited, and the
amount will appear on the Member’s invoice
prior to the actual NSCC debit.
10 The initial debit will include all outstanding
fees through October 1, 2016.
13 See NASDAQ PHLX LLC Rule 909, The
NASDAQ Stock Market LLC Rule 7007, NASDAQ
Options Market LLC Rules at Chapter XV, Section
1, NASDAQ BX, Inc. Rule 7011 and BX Option
Rules at Chapter XV, Section 1 (collectively
“Nasdaq exchanges”).
17 See supra note 13.
18 For purposes only of waiving the 30-day
operative delay, the Commission also has
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. 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–ISEMercury–2016–18 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–ISEMercury–2016–18. 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–ISEMercury–2016–18 and should be submitted on or before October 27, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.19
Robert W. Errett,
Deputy Secretary.

DEPARTMENT OF STATE

[Public Notice: 9746]

International Security Advisory Board (ISAB) Meeting Notice

In accordance with section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App 10(a)(2), the Department of State announces a meeting of the International Security Advisory Board (ISAB) to take place on November 30, 2016, at the Department of State, Washington, DC.

Pursuant to section 10(d) of the Federal Advisory Committee Act, 5 U.S.C. App 10(d), and 5 U.S.C. 552b(c)(1), it has been determined that this Board meeting will be closed to the public because the Board will be reviewing and discussing matters properly classified in accordance with Executive Order 13526. The purpose of the ISAB is to provide the Department with a continuing source of independent advice on all aspects of arms control, disarmament, nonproliferation, political-military affairs, international security, and related aspects of public diplomacy. The agenda for this meeting will include classified discussions related to the Board’s studies on current U.S. policy and issues regarding arms control, international security, nuclear proliferation, and diplomacy.

For more information, contact Christopher Herrick, Executive Director of the International Security Advisory Board, U.S. Department of State, Washington, DC 20520, telephone: (202) 647–9083.

DEPARTMENT OF STATE

[Public Notice 9747]

U.S. Department of State Advisory Committee on Private International Law (ACPIL): Public Meeting on the Judgments Project

The Office of the Assistant Legal Adviser for Private International Law, Department of State, gives notice of a public meeting to discuss the judgments project. The public meeting will take place on Tuesday, November 15, 2016, from 10:00 a.m. until 12:30 p.m. EST. This is not a meeting of the full Advisory Committee.

A Special Commission of the Hague Conference met in June 2016 to discuss the structure and the provisions of a draft convention on the recognition and enforcement of foreign judgments in civil and commercial matters. Another Special Commission of the Hague Conference is scheduled to meet in February 2017 to continue the drafting process.

The purpose of the public meeting is to obtain the views of interested stakeholders on the current draft provisions of the convention, located at https://assets.hcch.net/docs/ to discuss certain matters such as scope, possible declarations to the convention, and general and final clauses.

Time and Place: The meeting will take place from 10:00 a.m. until 12:30 p.m. EST on November 15, 2016, in Room 240, South Building, State Department Annex 4, Washington, DC 20037. Participants should plan to arrive at the Navy Hill gate on the west side of 23rd Street NW. (at the intersection of 23rd Street NW, and D Street NW.) by 9:30 a.m. for visitor screening. If you are unable to attend the public meeting and would like to participate from a remote location, teleconferencing will be available. Those who cannot attend but wish to comment are welcome to do so by email to John Kim at kimmjj@state.gov or Mike Dennis at dennismj@state.gov.

Public Participation: This meeting is open to the public, subject to the capacity of the meeting room. Access to the building is strictly controlled. For pre-clearance purposes, those planning to attend should email pil@state.gov providing full name, address, date of