an easily accessible place a written copy of the procedures described in the preceding condition, and any modifications to such procedures, and will maintain and preserve for a period of not less than six years from the end of the fiscal year in which any purchase in an Affiliated Underwriting occurred, the first two years in an easily accessible place, a written record of each purchase of securities in Affiliated Underwritings once an investment by a Fund of Funds in the securities of the Self-Indexing Fund exceeds the limit of section 12(d)(1)(A)(i) of the Act, setting forth from whom the securities were acquired, the identity of the underwriting syndicate’s members, the terms of the purchase, and the information or materials upon which the Board’s determinations were made.

9. Before investing in a Self-Indexing Fund in excess of the limit in section 12(d)(1)(A), a Fund of Funds and the Trust will execute a FOF Participation Agreement stating without limitation that their respective boards of directors or trustees and their investment advisers, or trustee and Sponsor, as applicable, understand the terms and conditions of the order, and agree to fulfill their responsibilities under the order. At the time of its investment in a Self-Indexing Fund in excess of the limit in section 12(d)(1)(A)(i), a Fund of Funds will notify the Self-Indexing Fund of the investment. At such time, the Fund of Funds will also transmit to the Self-Indexing Fund a list of the names of each Fund of Funds Affiliate and Underwriting Affiliate. The Funds will notify the Self-Indexing Fund of any changes to the list of the names as soon as reasonably practicable after a change occurs. The Self-Indexing Fund and the Fund of Funds will maintain and preserve a copy of the order, the FOF Participation Agreement, and the list with any updated information for the duration of the investment and for a period of not less than six years thereafter, the first two years in an easily accessible place.

10. Before approving any advisory contract under section 15 of the Act, the board of directors or trustees of each Investing Management Company, including a majority of the disinterested directors or trustees, will find that the advisory fees charged under such contract are based on services provided that will be in addition to, rather than duplicative of, the services provided under the advisory contract(s) of any Self-Indexing Fund in which the Investing Management Company may invest. These findings and their basis will be fully recorded in the minute books of the appropriate Investing Management Company.

11. Any sales charges and/or service fees charged with respect to shares of a Fund of Funds will not exceed the limits applicable to a fund of funds as set forth in NASD Conduct Rule 2830.

12. No Self-Indexing Fund will acquire securities of an investment company or company relying on section 3(c)(1) or 3(c)(7) of the Act in excess of the limits contained in section 12(d)(1)(A) of the Act, except to the extent the Self-Indexing Fund acquires securities of another investment company pursuant to exemptive relief from the Commission permitting the Self-Indexing Fund to acquire securities of one or more investment companies for short-term cash management purposes.

For the Commission, by the Division of Investment Management, under delegated authority.

Robert W. Errett, Deputy Secretary.

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BILLING CODE 8011–01–P

SEcurities and EXchange COMMISSION


Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Modifying the Arca Options Deep Market Data Product

February 11, 2016.

Pursuant to Section 19(b)(1)1 of the Securities Exchange Act of 1934 (the “Act”)2 and Rule 19b–4 thereunder,3 notice is hereby given that on February 4, 2016, NYSE Arca, Inc. (the “Exchange” or “NYSE Arca”) (the “Exchange” or “NYSE Arca”) 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 modify the Arca Options Deep market data product. 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. 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 modify the Arca Options Deep market data product.

The Exchange currently offers the following real-time options market data feeds: “Arca Options Top,” “Arca Options Deep,” and “Arca Options Complex” (the “Arca Options Products”). “Arca Options Top” is a single market data product that combines last sale data, best bids and offers (“BBO”), order imbalance information and series status and underlying status messages (collectively called security status messages), “Arca Options Deep” is also a single market data product that provides subscribers NYSE Arca Options quotes and orders at the first three price levels in each series on a real-time basis. “Arca Options Complex,” also a single market data product, provides subscribers NYSE Arca Options quote and trade information (including orders/quotes, requests for responses, and trades) for the complex order book on a real-time basis.

The Exchange charges a single fee for Arca Options Top and subscribers of Arca Options Top receive all three data feeds described above. The Exchange charges a separate fee for Arca Options Complex for subscribers that seek to obtain this data feed on a standalone basis.4

5 See Rule 6.62(e), which defines complex orders.

Continued
The Exchange proposes to modify the Arca Options Deep data feed. As proposed, Arca Options Deep will also include security status messages, the same data that is currently provided as part of Arca Options Top. The proposed modification to the Arca Options Deep data feed will allow subscribers who currently obtain depth of market data to also receive security status messages in a single data feed. Currently, these subscribers are required to process two data feeds to get the depth of market data and security status information. Offering a data product that combines, in one market data product, depth of market data and security status messages would provide greater efficiencies and better sequencing for vendors and subscribers that currently choose to integrate the data after receiving it from the Exchange. As with Arca Options Top, Arca Options Deep would provide depth of market and series status information on a real-time basis as reported to the Options Price Reporting Authority ("OPRA") and disseminated on a consolidated basis under the OPRA Plan.6

The Arca Options Products would continue to be distributed in their current format, to maintain the format of the Arca Options Products with that of other market data products offered by the Exchange. The Exchange does not propose to make any changes to the fees. The single fee charged for the Arca Options

The Exchange proposes the Arca Options Deep data feed. As proposed, Arca Options Deep will also include security status messages, the same data that is currently provided as part of Arca Options Top. The proposed modification to the Arca Options Deep data feed will allow subscribers who currently obtain depth of market data to also receive security status messages in a single data feed. Currently, these subscribers are required to process two data feeds to get the depth of market data and security status information. Offering a data product that combines, in one market data product, depth of market data and security status messages would provide greater efficiencies and better sequencing for vendors and subscribers that currently choose to integrate the data after receiving it from the Exchange. As with Arca Options Top, Arca Options Deep would provide depth of market and series status information on a real-time basis as reported to the Options Price Reporting Authority ("OPRA") and disseminated on a consolidated basis under the OPRA Plan.6

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The OPRA Plan is a national market system plan approved by the Securities and Exchange Commission ("Commission") pursuant to Section 11A of the Securities Exchange Act of 1934 (the "Act") and Rule 608 thereunder (formerly Rule 11Aa–2). See Securities Exchange Act Release No. 17638 (March 18, 1981), 23 S.E.C. Docket 484 (March 31, 1981). The full text of the OPRA Plan is available at http://www.opradata.com. The OPRA Plan provides for the collection and dissemination of last sale and quotation information on options that are traded on the participant exchanges. Section 5.2(c) of the OPRA Plan also permits OPRA Plan participants to disseminate unconsolidated market information to certain of their members under certain circumstances. The manner in which the Exchange proposes to disseminate the products would comply with Section 5.2(c) of the OPRA Plan, pursuant to which the Exchange may not disseminate the products "on any more timely basis than the same information is furnished to the OPRA System for inclusion in OPRA's consolidated dissemination of Options Information."
time consolidated data, free delayed consolidated data, and proprietary data from other sources, ensures that the Exchange is not unreasonably discriminatory because vendors and subscribers can elect these alternatives.

The proposed options data products will help to protect a free and open market by providing additional data to the marketplace and give investors greater choices. In addition, the proposal would not permit unfair discrimination because the products will be available to all of the Exchange’s customers and broker-dealers through both the LCN and SFTI.

B. Self-Regulatory Organization’s Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,11 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. The market for proprietary data products is currently competitive and inherently contestable because there is fierce competition for the inputs necessary to the creation of proprietary data. Numerous exchanges compete with each other for listings, trades, and market data itself, providing virtually limitless opportunities for entrepreneurs who wish to produce and distribute their own market data. This proprietary data is produced by each individual exchange, as well as other entities (such as internalizing broker-dealers and various forms of alternative trading systems, including dark pools and electronic communication networks), in a vigorously competitive market. It is common for market participants to further and exploit this competition by sending their order flow and transaction reports to multiple markets, rather than providing them all to a single market.

C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act12 and Rule 19b–4(f)(6) thereunder.13 Because the 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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)14 normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4–(f)(6)(iii),15 the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission believes that waiver of the operative delay is consistent with investor protection and the public interest because the proposal would allow the Exchange to offer currently available market data in a streamlined format that would enhance the quality of market data available to investors and would enable investors to better monitor trading activity on the Exchange. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.16

At any time within 60 days of the filing of such 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 under Section 19(b)(2)(B)17 of the Act to determine whether the proposed rule change 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-NYSEARCA–2016–29 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 SR–NYSEARCA–2016–29. 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–NYSEARCA–2016–29 and should be submitted on or before March 10, 2016.
SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations: The Options Clearing Corporation; Order Setting Aside Action by Delegated Authority, Approving Proposed Rule Change Concerning the Options Clearing Corporation’s Capital Plan and Denying Motions

February 11, 2016.

I. Introduction

The Options Clearing Corporation ("OCC") is a clearing agency registered with the Securities and Exchange Commission ("Commission") and is the only clearing agency for standardized U.S. options listed on U.S. national securities exchanges. Today, listed options are traded on twelve national securities exchanges: five national securities exchanges that are equal owners of OCC ("Stockholder Exchanges") and seven national securities exchanges that have no ownership stake in OCC ("Non-Stockholder Exchanges"). OCC also serves other markets, including those trading commodity futures, commodity options, and security futures, the securities lending market and the OTC options markets. In each of these markets, OCC provides clearing services to two dozen central counterparty financial market utilities ("SIFMUs") in 2012.

In the context of a number of developments in the financial markets, OCC’s Board of Directors ("Board") decided that OCC was significantly undercapitalized, and, in response, proposed and implemented an expedited plan to substantially increase OCC’s capitalization (the "Capital Plan"). and, given OCC’s critical clearing functions and its systemic importance, the Commission agrees that having OCC increase its capitalization is appropriate and in the public interest.

Procedural Background


For instance, OCC provides CCP services for OTC options, and for two securities lending market structures, OCC’s OTC Stock Loan Program and AQPs, an automated marketplace for securities lending and borrowing being operated by Automated Equity Finance Markets, Inc. OCC currently participates in cross-margin programs with the CMF and IGE and offering to a cross-margin program for products regulated by the SEC and CFTC. See OCC’s Web site, OCC Fact Sheet (available at: http://www.optionsclearing.com/about/corporate-information/what-is-occ.jsp) and OCC’s Web site, “Cross Margin Programs” (available at: http://www.optionsclearing.com/clearing/clearing-services/cross-margin.jsp).

For example, on January 30, 2015. The proposed rule change was published for comment in the Federal Register on January 30, 2015. OCC received seventeen comment letters on OCC’s proposal from twelve commenters, including OCC.

2 Under OCC’s By-Laws, exchanges other than Stockholder Exchanges may participate in OCC’s services subject to meeting certain qualifications. See OCC’s By-Laws, Article VIII (Non-Equity Exchanges).
3 OCC also is registered with the Commodity Futures Trading Commission as a derivatives clearing organization regulated to provide clearing services for four futures exchanges.
4 OCC has over 100 members which include large domestic and international broker-dealers and futures commission merchants. See OCC’s 2014 Annual Report (available at: http://www.optionsclearing.com/about/annual-reports/occ-2014-annual-report.pdf), and OCC’s Web site, “What is OCC?” (available at: https://www.optionsclearing.com/about/corporate-information/what-is-occ.jsp).