

**Register** or up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2017-08 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-NYSE-2017-08. 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 such 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-NYSE-2017-08, and should be submitted on or before July 3, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>9</sup>

**Brent J. Fields,**

*Secretary.*

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#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80864; File No. SR-CHX-2016-20]

#### **Self-Regulatory Organizations; Chicago Stock Exchange, Inc.; Notice of Designation of Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change in Connection With the Proposed Transaction Involving CHX Holdings, Inc. and North America Casin Holdings, Inc.**

June 6, 2017.

On December 2, 2016, the Chicago Stock Exchange, Inc. ("CHX" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change in connection with the proposed transaction involving CHX Holdings, Inc. and North America Casin Holdings, Inc. The proposed rule change was published for comment in the **Federal Register** on December 12, 2016.<sup>3</sup> The Commission received five comments on the proposed rule change,<sup>4</sup> and two responses from the Exchange in response to certain comments.<sup>5</sup> On January 12, 2017, the Commission instituted proceedings under Section

19(b)(2)(B) of the Act<sup>6</sup> to determine whether to approve or disapprove the proposed rule change.<sup>7</sup> Following the Order Instituting Proceedings, the Commission received 21 additional comment letters,<sup>8</sup> and a response letter from the Exchange.<sup>9</sup>

Section 19(b)(2) of the Act<sup>10</sup> provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may, however, extend the period for issuing an order approving or disapproving the proposed rule change by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the **Federal Register** on December 12, 2016.<sup>11</sup> June 10, 2017 is 180 days from that date, and August 9, 2017 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, the issues raised in the comment letters that have been submitted in connection therewith,

<sup>6</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>7</sup> See Securities Exchange Act Release No. 79781, 82 FR 6669 (January 19, 2017) ("Order Instituting Proceedings").

<sup>8</sup> See letters from: (1) Reddy Dandolu, Founder, Chief Executive Officer, Las Vegas Stock Exchange, dated February 4, 2017; (2) David Ferris, Senior Research Analyst, The Public Interest Review, dated February 16, 2017; (3) Michael Brennan, Independent Market Commentator, dated February 17, 2017; (4) Lawrence Bass, Individual Supporter, Alliance for American Manufacturing, dated February 20, 2017; (5) Steven Mayer, dated February 20, 2017; (6) William Park, dated February 21, 2017; (7) Jason Blake, Commentator, The Wall Street Journal, dated February 25, 2017; (8) John Meagher, Freelance Journalist, dated March 1, 2017; (9) Yong Xiao, Chief Executive Officer, North America Casin Holdings, Inc., dated March 1, 2017; (10) Steven Caban, dated March 1, 2017; (11) Harley Seyedin, President, American Chamber of Commerce in South China, dated March 2, 2017; (12) Salvatore Nobile, dated March 2, 2017; (13) Olga Gouroudeva, dated March 3, 2017; (14) John R. Prufeta, dated March 3, 2017; (15) Anthony J. Saliba, Saliba Ventures Holdings, LLC, dated March 3, 2017; (16) Aileen Zhong, dated March 5, 2017; (17) Duncan Karcher, dated March 5, 2017; (18) Ira Gottlieb, Principal, Healthcare Practice, Mazars USA LLP, dated March 5, 2017; (19) James N. Hill, dated March 6, 2017; (20) David Ferris, Senior Research Analyst, The Public Interest Review, dated March 6, 2017; and (21) Sean Casey, dated April 24, 2017. All of the comments are available at: <https://www.sec.gov/comments/sr-chx-2016-20/chx201620.shtml>.

<sup>9</sup> See letter from John K. Kerin, President and Chief Executive Officer, CHX, dated March 6, 2017.

<sup>10</sup> 15 U.S.C. 78s(b)(2).

<sup>11</sup> See *supra* note 3.

<sup>9</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 79474 (December 6, 2016), 81 FR 89543.

<sup>4</sup> See letters from: (1) Representative Robert Pittenger, Representative Earl L. "Buddy" Carter, Representative Peter DeFazio, Representative Collin Peterson, and Representative David Joyce, dated December 22, 2016; (2) James N. Hill, dated December 23, 2016; (3) John Ciccarelli, dated January 2, 2017; (4) Anonymous, dated January 3, 2017; and (5) David E. Kaplan, Executive Director, Global Investigative Journalism Network, dated January 4, 2017.

<sup>5</sup> See letters from John K. Kerin, President and Chief Executive Officer, CHX, dated January 5, 2017; and Albert J. Kim, Vice President and Associate General Counsel, CHX, dated January 6, 2017.

and the Exchange's responses to the comments.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>12</sup> designates August 9, 2017 as the date by which the Commission should either approve or disapprove the proposed rule change (File No. SR-CHX-2016-20).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>13</sup>

**Brent J. Fields,**  
Secretary.

[FR Doc. 2017-12042 Filed 6-9-17; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80866; File No. SR-NYSEArca-2017-46]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change To Amend NYSE Arca Equities Rule 13.2, Liability of Corporation

June 6, 2017.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 ("Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on May 23, 2017, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") 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 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 amend NYSE Arca Equities Rule 13.2 ("Liability of Corporation") by (1) aligning the scope of 13.2(a) with the rules of other national securities exchanges by specifying that the Exchange is not liable to its ETP Holders' "successors, representatives or customers"; (2) eliminating the daily caps that limit the amount the Exchange may compensate ETP Holders for claims arising under the rule; (3) changing the procedural requirements for submitting notification to the Exchange of any claims for compensation; and (4) replace

the words "acknowledged receipt of" in Rule 13.2(b) with the word "received." Additionally, the Exchange seeks to have the proposed changes to eliminate the daily caps function retroactively to March 1, 2017. The proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://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

NYSE Arca Equities Rule 13.2 ("Rule 13.2") provides a mechanism for ETP Holders to receive compensation for losses sustained as a result of the negligent acts or omissions of the Exchange's employees or for the failure of Exchange systems or facilities. Specifically, if an ETP Holder transmits an order to or through the Exchange's order routing systems, electronic book, or automatic execution systems or to any other automated facility of the Exchange and the Exchange has acknowledged receipt of the order, Rule 13.2(b) permits the Exchange to compensate ETP Holders for losses resulting from "the negligent acts or omissions of its employees or for the failure of its systems or facilities." The Exchange is only permitted to compensate an ETP Holder for losses to the extent the Exchange's rules authorize such compensation. As described below, the Exchange proposes to:

- Align its rule with those of other national securities exchanges by adding that the Exchange is not liable to "successors, representatives, or customers" of ETP Holders;
- eliminate the daily caps on liability;
- change the procedural requirements for submitting notification to the

Exchange of any claims for compensation; and

- replace the words "acknowledged receipt of" in Rule 13.2(b) with the word "received."

##### Proposal To Align and Clarify the Scope of 13.2(a) With Rules of Other National Securities Exchanges

The Exchange proposes to align the scope of 13.2(a) with the rules of other national securities exchanges<sup>4</sup> by adding rule text specifying that, except as otherwise expressly provided in the rules, the Exchange is not liable to ETP Holders' successors, representatives or customers. Rule 13.2 does not authorize the Exchange to compensate a successor, representative or customer of an ETP Holder because the rule does not reference those entities. As such, the Exchange believes that the proposed text specifically referencing these entities clarifies the scope of the rule.

##### Proposal To Eliminate Daily Caps on Liability

Rule 13.2 provides the Exchange with the authority to compensate ETP Holders for claims arising out of the negligent acts or omissions of its employees or for the failure of its systems or facilities up to specified amounts in paragraph (b) of the Rule. Specifically, Rule 13.2(b) provides that:

- As to claims made by a single ETP Holder, with respect to a single trading day, the Exchange will not be liable in excess of the larger of \$100,000, or the amount of any recovery obtained by the Exchange under any applicable insurance;
- As to claims made by all ETP Holders, with respect to a single trading day, the Exchange will not be liable in excess of the larger of \$250,000 or the amount of the recovery obtained by the Exchange under any applicable insurance; and
- As to claims made by all ETP Holders, with respect to a single calendar month, the Exchange will not be liable in excess of the larger of \$500,000, or the amount of the recovery obtained by the Exchange under any applicable insurance.

The Exchange proposes to eliminate the daily caps in paragraphs (b)(1) and (b)(2). The Exchange would retain the monthly cap in (b)(3) of \$500,000. The proposal to eliminate the daily caps in paragraphs (b)(1) and (b)(2) is consistent with the rules of other national securities exchanges, which only have a

<sup>12</sup> 15 U.S.C. 78s(b)(2).

<sup>13</sup> 17 CFR 200.30-3(a)(57).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> See Investors' Exchange LLC ("IEX") Rule 11.260, BATS BZX Exchange Inc. ("BATS") Rule 11.16, and EDGX Exchange Inc. ("EDGX") Rule 11.14.