options is increased by the proposal, market participants will increasingly compete for the opportunity to trade on the Exchange, including sending more orders which will have the potential to be assessed lower fees and higher rebates. The resulting increased volume and liquidity will benefit all Exchange participants by providing more trading opportunities and tighter spreads.

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

MIAX PEARL does not believe that the proposed rule changes will impose any burden on competition necessary or appropriate in furtherance of the purposes of the Act. The proposed Taker fee decrease is intended to encourage liquidity and should enable the Exchange to attract and compete for order flow with other exchanges which assess higher Priority Customer Taker fees for SPY options.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its rebates and fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange’s fees in a manner that encourages market participants to send order flow to the Exchange.

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

Written comments were neither solicited nor 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 Act, 17 and Rule 19b–4(f)(2) thereunder. 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:

- 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–PEARL–2017–30 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–PEARL–2017–30. 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–PEARL–2017–30 and should be submitted on or July 10, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.19

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2017–12586 Filed 6–16–17; 8:45 am]
BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the MIAX PEARL Fee Schedule


Pursuant to the provisions of 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 June 7, 2017, MIAX PEARL, LLC (“MIAX PEARL” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a 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

The Exchange is filing a proposal to amend the MIAX PEARL Fee Schedule (the “Fee Schedule”).


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 statements may be examined at the

The Exchange currently assesses tiered transaction rebates and fees to all market participants which are based upon the total monthly volume executed by the Member on MIAX PEARL in the relevant, respective option type (not including Excluded Contracts) expressed as a percentage of TCV. In addition, the per contract transaction rebates and fees are applied retroactively to all eligible volume for that origin type once the respective threshold tier (“Tier”) has been reached by the Member. The Exchange aggregates the volume of Members and their Affiliates. Members that place resting liquidity, i.e., orders resting on the book of the MIAX PEARL System, are paid the specified “maker” rebate (each a “Maker”), and Members that execute against resting liquidity are assessed the specified “taker” fee (each a “Taker”). For opening transactions and ABB0 uncrossing transactions, per contract transaction rebates and fees are waived for all market participants. Finally, Members are assessed lower transaction fees and receive lower rebates for order executions in standard option classes in the Penny Pilot Program (“Penny classes”) than for order executions in standard option classes which are not in the Penny Pilot Program (“Non-Penny classes”), where Members are assessed higher transaction fees and receive higher rebates.

Transaction rebates and fees applicable to orders submitted by a Member for the account of a Priority Customer are currently assessed according to the following table:

<table>
<thead>
<tr>
<th>Origin</th>
<th>Tier</th>
<th>Volume criteria</th>
<th>Per contract rebates/fees for penny classes</th>
<th>Per contract rebates/fees for non-penny classes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Customer</td>
<td>1</td>
<td>0.00%–0.05%</td>
<td>($0.25)</td>
<td>$0.49</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Above 0.05%–0.35%</td>
<td>($0.40)</td>
<td>$0.49</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Above 0.35%–0.50%</td>
<td>($0.50)</td>
<td>$0.48</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Above 0.50%–0.75%</td>
<td>($0.53)</td>
<td>$0.48</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Above 0.75%</td>
<td>($0.54)</td>
<td>$0.48</td>
</tr>
</tbody>
</table>

The Exchange proposes to decrease the Taker fees for Priority Customer orders for options in Penny classes to $0.38 per contract fee (regardless of the Tier the Member achieves), which will incentivize Members to send greater Priority Customer order flow to the Exchange due to favorable pricing for this liquidity type.

2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act in general, and furthers the objectives of Section 6(b)(4) of the Act in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities, and 6(b)(5) of the Act, in that it is designed to prevent fraudulent and manipulative acts and practices, 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 mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The proposed Taker fee decreases in Penny classes applicable to orders submitted by a Member for the account of a Priority Customer in Penny classes, and as such, the Exchange believes that it is reasonable, equitable, and not unfairly discriminatory because all Priority Customer orders are subject to the same Taker fees and access to the Exchange is offered on terms that are not unfairly discriminatory. The Exchange initially set its Taker fees at the various volume levels based upon business determinations and an analysis of current Taker fees and volume levels at other exchanges. For competitive and business reasons, the Exchange believes that lower Taker fees assessable to Priority Customer transactions in Penny classes in all Tiers will encourage Members to execute more volume in Penny classes on behalf of Priority Customers since they will be assessed reduced fees in all Tiers for Priority Customer orders for options in Penny classes which remove liquidity. The Exchange believes for these reasons that offering the reduced Taker fees for Priority Customer transactions in Penny classes in all Tiers is equitable, reasonable and not unfairly discriminatory, and thus consistent with the Act.

The Exchange believes that its proposal to reduce Taker fees assessable to transactions in options in Penny classes and not to reduce Taker fees for transactions in options in Non-Penny classes is consistent with other options markets that also assess different transaction fees for options in Non-Penny classes as compared to Penny classes. The Exchange believes that establishing different pricing for options in Non-Penny classes and Penny classes is reasonable, equitable, and not unfairly discriminatory because options in Penny classes are generally more liquid as compared to Non-Penny classes. Additionally, other competing options exchanges differentiate pricing in a similar manner today.13

Further, the Exchange believes that it is equitable and not unfairly discriminatory to assess lower fees to Priority Customer orders than to non-Priority Customer orders. A Priority Customer is by definition not a broker or dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). This limitation does not apply to participants on the Exchange whose behavior is substantially similar to that of market professionals, including non-Priority Customers, MIAX PEARL Market Makers, Firms, and Broker-Dealers, who will generally submit a higher number of orders (many of which do not result in executions) than Priority Customers.

Furthermore, the proposed decrease to the Taker fees in Penny classes for Priority Customer transactions in all Tiers promotes just and equitable principles of trade, fosters cooperation and coordination with persons engaged in facilitating transactions in securities, and protects investors and the public interest because the proposed decrease in the fees will encourage Members to send more orders to the Exchange even if it is an order which takes liquidity since they will be assessed a reduced Taker fee in each Tier. To the extent that Priority Customer order flow in Penny classes is increased by the proposal, market participants will increasingly compete for the opportunity to trade on the Exchange, including sending more orders which will have the potential to be assessed lower fees and higher rebates. The resulting increased volume and liquidity will benefit all Exchange participants by providing more trading opportunities and tighter spreads.

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

MIAX PEARL does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed Taker fee decreases are intended to encourage liquidity. Further, the proposed elimination of any Taker fee differential amongst the Tiers should enable the Exchange to attract and compete for order flow with other exchanges which do assess higher Taker fees in the lower Tiers thereby adding liquidity.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its rebates and fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange’s fees in a manner that encourages market participants to send order flow to the Exchange.

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

Written comments were neither solicited nor 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 Act,14 and Rule 19b–4(f)(2)15 thereunder. 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–PEARL–2017–29 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–PEARL–2017–29. 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

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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–PEARL–2017–29 and should be submitted on or before July 10, 2017.

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

Eduardo A. Aleman, Assistant Secretary.

[FR Doc. 2017–12587 Filed 6–16–17; 8:45 am]
BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 32679; 812–14435]

Triloma EIG Energy Income Fund, et al.; Notice of Application


AGENCY: Securities and Exchange Commission (“Commission”).

ACTION: Notice.

Notice of an application under section 6(c) of the Investment Company Act of 1940 (the “Act”) for an exemption from sections 18(a)(2), 18(c), and 18(i) of the Act and for an order pursuant to section 17(d) of the Act and rule 17d–1 under the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain registered closed-end management investment companies to issue multiple classes of shares of beneficial interest (“Shares”) with varying sales loads and to impose asset-based service and/or distribution fees, and contingent deferred sales loads (“CDSCs”).

APPLICANTS: Triloma EIG Energy Income Fund (the “Fund”), Triloma Energy Advisors, LLC (the “Adviser”), and Triloma Securities, LLC (the “Dealer Manager”) (together, the “Applicants”).

FILING DATES: The application was filed on March 20, 2015, and amended on November 29, 2016, April 6, 2017, and June 7, 2017.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission’s Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on July 8, 2017, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Act, hearing requests should state the nature of the writer’s interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission’s Secretary.

ADDRESSES: Secretary, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090; Applicants, 201 North New York Avenue, Suite 200, Winter Park, FL 32789.

FOR FURTHER INFORMATION CONTACT: Jessica Shin, Attorney-Adviser, at (202) 551–5921 or Robert H. Shapiro, Branch Chief, at (202) 551–6821 (Division of Investment Management, Chief Counsel’s Office).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained via the Commission’s Web site by searching for the file number, or an applicant using the Company name box, at http://www.sec.gov/search/search.htm or by calling (202) 551–8090.

Applicants’ Representations

1. The Fund is a Delaware statutory trust that is registered under the Act as a non-diversified, closed-end management investment company. The Fund’s objective is primarily to provide shareholders with current income; as secondary investment objectives, the Fund will seek to provide capital preservation and, to a lesser extent, long-term capital appreciation. The Fund seeks to achieve its investment objectives by investing primarily in a global portfolio of privately originated energy company and project debt.

2. The Adviser, a Florida limited liability company, is registered as an investment adviser under the Investment Advisers Act of 1940. The Adviser serves as investment adviser to the Fund.

3. The Dealer Manager is registered as a broker-dealer under the Securities Exchange Act of 1934 (the “1934 Act”) and will act as the managing dealer of the Fund. The Dealer Manager is under common control with the Adviser and is an affiliated person, as defined in section 2(a)(3) of the Act, of the Advisor.

4. The applicants seek an order to permit the Fund to issue multiple classes of Shares, each having its own fee and expense structure, and to impose asset-based distribution and/or service fees, and CDSCs.

5. Applicants request that the order also apply to any other continuously offered registered closed-end management investment company existing now or in the future for which the Adviser or the Dealer Manager or any entity controlling, controlled by, or under common control with the Adviser or the Dealer Manager or its successors, acts as investment adviser or distributor, respectively, and which provides periodic liquidity with respect to its Shares through tender offers conducted in compliance with either rule 23c–3 under the Act or rule 13e–4 under the 1934 Act.

6. The Fund currently issues a single class of Shares (the “Initial Class Shares”). Shares are currently being offered on a continuous basis pursuant to a registration statement under the Securities Act of 1933 and the Act at daily closings at their public offering price per share. The Fund, as a closed-end investment company, does not continuously redeem Shares as does an open-end management investment company. Shares of the Fund are not listed on any securities exchange and do not trade on an over-the-counter system such as NASDAQ. Applicants do not expect that any secondary market will ever develop for the Shares.

7. If the requested relief is granted, the Fund intends to offer multiple classes of Shares, such as the Initial Class Shares and additional classes. Because of the different distribution fees, service fees, and


17 A successor in interest is limited to an entity that results from a reorganization into another jurisdiction or a change in the type of business organization.

18 The Fund and any other investment company relying on the requested relief will do so in a manner consistent with the terms and conditions of the application. Applicants represent that any person presently intending to rely on the requested relief is listed as an applicant.