

Rule 17f-2's requirement that directors designate access persons is intended to ensure that directors evaluate the trustworthiness of insiders who handle fund assets. The requirements that access persons act jointly in handling fund assets, prepare a written notation of each transaction, and transmit the notation to another designated person are intended to reduce the risk of misappropriation of fund assets by access persons, and to ensure that adequate records are prepared, reviewed by a responsible third person, and available for examination by the Commission. The requirement that auditors verify fund assets without notice twice each year is intended to provide an additional deterrent to the misappropriation of fund assets and to detect any irregularities.

The Commission staff estimates that each fund makes 974 responses and spends an average of 252 hours annually in complying with the rule's requirements.³ Commission staff estimates that on an annual basis it takes: (i) 0.5 hours of fund accounting personnel at a total cost of \$102 to draft director resolutions;⁴ (ii) 0.5 hours of the fund's board of directors at a total cost of \$2,233 to adopt the resolution;⁵ (iii) 244 hours for the fund's accounting personnel at a total cost of \$65,745 to prepare written notations of transactions;⁶ and (iv) 7 hours for the fund's accounting personnel at a total cost of \$1,428 to assist the independent public accountants when they perform

verifications of fund assets.⁷ Commission staff estimates that approximately 206 funds file Form N-17f-2 each year.⁸ Thus, the total annual hour burden for rule 17f-2 is estimated to be 51,912 hours.⁹ Based on the total costs per fund listed above, the total cost of rule 17f-2's collection of information requirements is estimated to be approximately \$13.5 million.¹⁰

The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act, and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms. Complying with the collections of information required by rule 17f-2 is mandatory for those funds that maintain custody of their own assets. Responses will not be kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

The public may view the background documentation for this information collection at the following website, www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: Shagufta_Ahmed@omb.eop.gov; and (ii) Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street NE, Washington, DC 20549 or send an email to: PRA_Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.

Dated: June 1, 2018.

Eduardo A. Aleman,

Assistant Secretary.

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⁷ This estimate is based on the following calculation: $7 \times \$204$ (senior accountant's hourly rate) = \$1,428.

⁸ On average, each year approximately 206 funds filed Form N-17f-2 with the Commission during calendar years 2015-2017.

⁹ This estimate is based on the following calculation: 206 (funds) \times 252 (total annual hourly burden per fund) = $51,912$ hours for rule. The annual burden for rule 17f-2 does not include time spent preparing Form N-17f-2. The burden for Form N-17f-2 is included in a separate collection of information.

¹⁰ This estimate is based on the following calculation: $\$65,745$ (total annual cost per fund) \times 206 funds = \$13,543,470.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83360; File No. SR-NYSE-2018-24]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the NYSE Proprietary Market Data Fee Schedule Regarding the NYSE Best Quote and Trades Market Data Feed

June 1, 2018.

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 May 21, 2018, New York Stock Exchange LLC ("NYSE" or 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 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend the NYSE Proprietary Market Data Fee Schedule ("Fee Schedule") regarding the NYSE Best Quote and Trades ("BQT") market data feed. The Exchange proposes to make the fee change effective May 21, 2018. The proposed rule change is available on the Exchange's website 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.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

³ The 974 responses are: 1 (one) response to draft and adopt the resolution and 973 notations. Estimates of the number of hours are based on conversations with individuals in the fund industry. The actual number of hours may vary significantly depending on individual fund assets.

⁴ This estimate is based on the following calculation: 0.5 (burden hours per fund) \times $\$204$ (senior accountant's hourly rate) = $\$102$. Unless otherwise indicated, the hourly wage figures used herein are from the Securities Industry and Financial Markets Association's Management & Professional Earnings in the Securities Industry 2013, modified by Commission staff to account for an 1800-hour work-year and inflation, and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead.

⁵ The estimate for the cost of board time as a whole is derived from estimates made by the staff regarding typical board size and compensation that is based on information received from fund representatives and publicly available sources.

⁶ Respondents estimated that each fund makes 974 responses on an annual basis and spends a total of 0.25 hours per response. The fund personnel involved are Accounts Payable Manager (\$192 hourly rate), Operations Manager (\$345 hourly rate) and Accounting Manager (\$274 hourly rate). The average hourly rate of these personnel is \$270. The estimated cost of preparing notations is based on the following calculation: $974 \times 0.25 \times \$270 = \$65,745$.

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

1. Purpose

The Exchange proposes to amend the Fee Schedule regarding the NYSE BQT market data feed. The NYSE BQT data feed provides best bid and offer and last sale information for the Exchange and its affiliates, NYSE Arca, Inc. ("NYSE Arca") and NYSE American LLC ("NYSE American").⁴ In connection with the re-launch of operations of another affiliate of the Exchange, NYSE National, Inc. ("NYSE National"), the Exchange recently filed a proposed rule change to amend the content of the NYSE BQT market data feed⁵ to include NYSE National BBO and NYSE National Trades market data feeds.⁶

The Exchange currently charges an access fee of \$250 per month for the NYSE BQT data feed. The Exchange is not proposing any change to the access fee. The purpose of this filing is to amend footnote 5 to the Fee Schedule to provide that to subscribe to NYSE BQT, subscribers must also subscribe to, and pay applicable fees for, NYSE National BBO and NYSE Trades in addition to subscribing to, and paying for, NYSE BBO, NYSE Trades, NYSE Arca BBO, NYSE Arca Trades, NYSE American BBO and NYSE American Trades.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁷ in general, and Sections 6(b)(4) and 6(b)(5) of the Act,⁸ in particular, in that it provides an equitable allocation of reasonable fees among its members, issuers, and other persons using its facilities and is not designed to permit unfair discrimination among customers, issuers, brokers, or dealers. The Exchange also believes that the proposed rule change is consistent with Section 11(A) of the Act⁹ in that it is consistent with (i) fair competition among brokers and dealers, among exchange markets, and between exchange markets and markets other than exchange markets; and (ii) the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in

securities. Furthermore, the proposed rule change is consistent with Rule 603 of Regulation NMS,¹⁰ which provides that any national securities exchange that distributes information with respect to quotations for or transactions in an NMS stock do so on terms that are not unreasonably discriminatory.

The Exchange further believes that requiring market data recipients to separately subscribe to and pay for the eight underlying data feeds to NYSE BQT is reasonable because by design, NYSE BQT represents an aggregated and consolidated version of those existing eight data feeds. The Exchange notes that it is not seeking with this filing to establish fees relating to the underlying BBO and Trades data feeds, as those fees have already been established consistent with Section 19(b)(3)(A) of the Act¹¹ and Rule 19b-4(f)(2)¹² thereunder, and which may be amended from time to time. However, the Exchange believes it would be unfair if it did not require NYSE BQT data feed recipients to separately subscribe to and pay for those underlying feeds because otherwise, NYSE BQT data feed recipients would be receiving a data product that includes such underlying data at a lower cost than separately subscribing to the underlying data feeds. The Exchange therefore believes that the fee structure for NYSE BQT would not be lower than the cost to another party to create a comparable product, including the cost of receiving the underlying data feeds.

The Exchange further believes that the proposed NYSE BQT fee structure is equitable and not unfairly discriminatory because all vendors and subscribers that elect to purchase NYSE BQT would be subject to the same fees. In addition, vendors and subscribers that do not wish to purchase NYSE BQT may separately purchase the individual underlying data feed, and if they so choose, perform a similar aggregation and consolidation function that the Exchange performs in creating NYSE BQT. To enable such competition, the Exchange would continue to offer NYSE BQT on terms that a subscriber of the underlying feeds could offer a competing product if it so chooses.

The Exchange also notes that the use of NYSE BQT is entirely optional. Firms have a wide variety of alternative market data products from which to choose, including the Exchanges' own underlying data products, and proprietary data products offered by the Exchange's competitors, and

consolidated data. Moreover, the Exchange is not required to make any proprietary data products available or to offer any specific pricing alternatives to any customers.

As explained below in the Exchange's Statement on Burden on Competition, the existence of alternatives to these data products further ensures that the Exchange cannot set unreasonable fees, or fees that are unreasonably discriminatory, when vendors and subscribers can elect such alternatives. That is, the Exchange competes with other exchanges (and their affiliates) that provide similar "best quote and trade" market data products. If another exchange (or its affiliate) were to charge less to consolidate and distribute its similar product than the Exchange charges to consolidate and distribute NYSE BQT, prospective users likely would not subscribe to, or would cease subscribing to, NYSE BQT. In addition, the Exchange would compete with unaffiliated market data vendors who would be in a position to consolidate and distribute the same data that comprises the NYSE BQT feed into the vendor's own comparable market data product. If the third-party vendor is able to provide the exact same data for a lower cost, prospective users would avail themselves of that lower cost and elect not to take NYSE BQT.

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

In accordance with Section 6(b)(8) of the Act,¹³ 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. As noted above, the NYSE BQT data feed represents aggregated and consolidated information of eight existing market data feeds. Although the Exchange, NYSE Arca, NYSE American and NYSE National are the exclusive distributors of the underlying BBO and Trades feeds from which certain data elements are taken to create NYSE BQT, the Exchange may not be the exclusive distributor of the aggregated and consolidated information that comprises the NYSE BQT data feed. Any other market data recipient of the underlying data feeds would be able, if they chose, to create a data feed with the same information as NYSE BQT and distribute it to their clients on a level playing field with respect to latency and cost as compared to the Exchange's product.

The market for proprietary data products is competitive and inherently

⁴ See Securities Exchange Act Release No. 34-73553 (Nov. 6, 2014), 79 FR 67491 (Nov. 13, 2014) (SR-NYSE-2014-40) ("NYSE BQT Approval Order").

⁵ See SR-NYSE-2018-22.

⁶ See SR-NYSENat-2018-09.

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(4), (5).

⁹ 15 U.S.C. 78k-1.

¹⁰ See 17 CFR 242.603.

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 240.19b-4(f)(2).

¹³ 78 U.S.C. 78f(b)(8).

contestable because there is fierce competition for the inputs necessary for the creation of proprietary data and strict pricing discipline for the proprietary products themselves. Numerous exchanges compete with one another for listings and order flow and sales of market data itself, providing ample opportunities for entrepreneurs who wish to compete in any or all of those areas, including producing and distributing their own market data. Proprietary data products are produced and distributed by each individual exchange, as well as other entities, in a vigorously competitive market. Indeed, the U.S. Department of Justice (“DOJ”) (the primary antitrust regulator) has expressly acknowledged the aggressive actual competition among exchanges, including for the sale of proprietary market data. In 2011, the DOJ stated that exchanges “compete head to head to offer real-time equity data products. These data products include the best bid and offer of every exchange and information on each equity trade, including the last sale.”¹⁴

Moreover, competitive markets for listings, order flow, executions, and transaction reports impose pricing discipline for the inputs of proprietary data products and therefore constrain markets from overpricing proprietary market data. Broker-dealers send their order flow and transaction reports to multiple venues, rather than providing them all to a single venue, which in turn reinforces this competitive constraint. As a 2010 Commission Concept Release noted, the “current market structure can be described as dispersed and complex” with “trading volume . . . dispersed among many highly automated trading centers that compete for order flow in the same stocks” and “trading centers offer[ing] a wide range of services that are designed to attract different types of market participants with varying trading needs.”¹⁵ More recently, former SEC

Chair Mary Jo White reported that competition for order flow in exchange-listed equities is “intense” and divided among many trading venues, including exchanges, more than 40 alternative trading systems, and more than 250 broker-dealers.¹⁶ And as the Commission’s own Chief Administrative Law Judge found after considering extensive fact and expert testimony and documentary evidence on the subject, “there is fierce competition for trading services (or ‘order flow’)” among exchanges, and “the record evidence shows that competition plays a significant role in restraining exchange pricing of depth-of-book products.” *In the Matter of the Application of Securities Industry And Financial Markets Association For Review of Actions Taken By Self-Regulatory Organizations*, Initial Decision Release No. 1015, Administrative Proceeding File No. 3–15350 (June 1, 2016), at pp. 8 and 33.

If an exchange succeeds in competing for quotations, order flow, and trade executions, then it earns trading revenues and increases the value of its proprietary market data products because they will contain greater quote and trade information. Conversely, if an exchange is less successful in attracting quotes, order flow, and trade executions, then its market data products may be less desirable to customers in light of the diminished content and data products offered by competing venues may become more attractive. Thus, competition for quotations, order flow, and trade executions puts significant pressure on an exchange to maintain both execution and data fees at reasonable levels.

In addition, in the case of products that are also redistributed through market data vendors, such as Bloomberg and Thompson Reuters, the vendors themselves provide additional price discipline for proprietary data products because they control the primary means of access to certain end users. These vendors impose price discipline based upon their business models. For example, vendors that assess a surcharge on data they sell are able to refuse to offer proprietary products that their end users do not or will not

than 12% of the volume of listed stocks by either trade or dollar volume, further evidencing the continued dispersal of and fierce competition for trading activity. See <https://www.arcavision.com/Arcavision/arcalogin.jsp>.

¹⁶ Mary Jo White, *Enhancing Our Equity Market Structure*, Sandler O’Neill & Partners, L.P. Global Exchange and Brokerage Conference (June 5, 2014) (available on the Commission website), citing Tuttle, Laura, 2014, “OTC Trading: Description of Non-ATS OTC Trading in National Market System Stocks,” at 7–8.

purchase in sufficient numbers. Vendors will not elect to make NYSE BQT available unless their customers request it, and customers will not elect to pay for NYSE BQT unless the product can provide value by sufficiently increasing revenues or reducing costs in the customer’s business in a manner that will offset the fees. All of these factors operate as constraints on pricing proprietary data products.

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 foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)¹⁷ of the Act and subparagraph (f)(2) of Rule 19b–4¹⁸ thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

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)¹⁹ 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–NYSE–2018–24 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b–4(f)(2).

¹⁹ 15 U.S.C. 78s(b)(2)(B).

¹⁴ “Press Release, U.S. Department of Justice, Assistant Attorney General Christine Varney Holds Conference Call Regarding NASDAQ OMX Group Inc. and IntercontinentalExchange Inc. Abandoning Their Bid for NYSE Euronext (May 16, 2011), available at <http://www.justice.gov/iso/opa/atr/speeches/2011/at-speech-110516.html>; see also *Complaint in U.S. v. Deutsche Borse AG and NYSE Euronext*, Case No. 11–cv–2280 (D.C. Dist.) ¶ 24 (“NYSE and Direct Edge compete head-to-head . . . in the provision of real-time proprietary equity data products.”).

¹⁵ Concept Release on Equity Market Structure, Securities Exchange Act Release No. 61358 (Jan. 14, 2010), 75 FR 3594 (Jan. 21, 2010) (File No. S7–02–10). This Concept Release included data from the third quarter of 2009 showing that no market center traded more than 20% of the volume of listed stocks, further evidencing the dispersal of and competition for trading activity. *Id.* at 3598. Data available on ArcaVision show that from June 30, 2013 to June 30, 2014, no exchange traded more

Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSE-2018-24. 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 website (<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 website 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSE-2018-24, and should be submitted on or before June 28, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁰

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83362; File No. SR-FICC-2018-001]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Implement Changes to the Required Fund Deposit Calculation in the Government Securities Division Rulebook

June 1, 2018.

I. Introduction

The Fixed Income Clearing Corporation ("FICC") filed with the U.S. Securities and Exchange Commission ("Commission") on January 12, 2018 proposed rule change SR-FICC-2018-001 ("Proposed Rule Change") pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act")¹ and Rule 19b-4 thereunder.² The Proposed Rule Change was published for comment in the **Federal Register** on February 1, 2018.³ The Commission received eight comments on the proposal.⁴ On March 14, 2018, the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4. FICC also filed the Proposed Rule Change as advance notice SR-FICC-2018-801 ("Advance Notice") pursuant to Section 806(e)(1) of the Payment, Clearing, and Settlement Supervision Act of 2010, 12 U.S.C. 5465(e)(1), and Rule 19b-4(n)(1)(i) under the Exchange Act, 17 CFR 240.19b-4(n)(1)(i). Notice of Filing of the Advance Notice was published for comment in the **Federal Register** on March 2, 2018. Securities Exchange Act Release No. 82779 (February 26, 2018), 83 FR 9055 (March 2, 2018) (SR-FICC-2018-801). The Commission extended the deadline for its review period of the Advance Notice for an additional 60 days on March 7, 2018. Securities Exchange Act Release No. 82820 (March 7, 2018), 83 FR 10761 (March 12, 2018) (SR-FICC-2018-801). On April 25, 2018, FICC filed Amendment No.1 to the Advance Notice. Available at <https://www.sec.gov/comments/sr-ficc-2018-801/ficc2018801.htm>. The Commission issued a notice of filing of Amendment No. 1 and notice of no objection to the Advance Notice, as modified by Amendment No. 1, on May 11, 2018. Securities Exchange Act Release No. 83223 (May 11, 2018), 83 FR 23020 (May 17, 2018).

³ Securities Exchange Act Release No. 82588 (January 26, 2018), 83 FR 4687 (February 1, 2018) (SR-FICC-2018-001).

⁴ Letter from Robert E. Pooler, Chief Financial Officer, Ronin Capital LLC ("Ronin"), dated February 22, 2018, to Robert W. Errett, Deputy Secretary, Commission ("Ronin Letter I"); letter from Michael Santangelo, Chief Financial Officer, Amherst Pierpont Securities LLC ("Amherst"), dated February 22, 2018, to Brent J. Fields, Secretary, Commission ("Amherst Letter I"); letter from Timothy Cuddihy, Managing Director, FICC, dated March 19, 2018, to Robert W. Errett, Deputy Secretary, Commission ("FICC Letter I"); letter from James Tabacchi, Chairman, Independent Dealer and Trader Association ("IDTA"), dated March 29, 2018, to Eduardo A. Aleman, Assistant Secretary, Commission ("IDTA Letter"); letter from Michael Santangelo, Chief Financial Officer, Amherst

Commission issued an order instituting proceedings to determine whether to approve or disapprove the Proposed Rule Change.⁵ On April 25, 2018, FICC filed Amendment No. 1 to the Proposed Rule Change ("Amendment No. 1").⁶ The Commission is publishing this notice to solicit comment on Amendment No. 1 from interested persons and to approve the Proposed Rule Change, as modified by Amendment No. 1, on an accelerated basis.

II. Description of the Proposed Rule Change

FICC proposes to change the FICC GSD Rulebook ("GSD Rules")⁷ to adjust GSD's method of calculating GSD netting members' ("Members") margin.⁸ Specifically, FICC proposes to (1) change GSD's method of calculating the Value-at-Risk ("VaR") Charge component; (2) add a new component referred to as the "Blackout Period Exposure Adjustment;" (3) eliminate the existing Blackout Period Exposure Charge and the Coverage Charge components; (4) adjust the existing Backtesting Charge component to (i) include the backtesting deficiencies of certain GCF Repo Transaction⁹ counterparties during the Blackout Period, and (ii) give GSD the ability to assess the Backtesting Charge on an intraday basis for all Members; and (5) adjust the calculation for determining

Pierpont Securities LLC, dated April 4, 2018, to Brent J. Fields, Secretary, Commission ("Amherst Letter II"); letter from Levent Kahraman, Chief Executive Officer, KGS-Alpha Capital Markets ("KGS"), dated April 4, 2018, to Brent J. Fields, Secretary, Commission ("KGS Letter"); letter from Timothy Cuddihy, Managing Director, FICC, dated April 13, 2018, to Robert W. Errett, Deputy Secretary, Commission ("FICC Letter II"); and letter from Robert E. Pooler, Chief Financial Officer, Ronin, dated April 13, 2018, to Eduardo A. Aleman, Assistant Secretary, Commission ("Ronin Letter II"). Since the proposal contained in the Proposed Rule Change was also filed as an Advance Notice, *supra* note 2, the Commission is considering all public comments received on the proposal regardless of whether the comments were submitted to the Advance Notice or the Proposed Rule Change.

⁵ See Securities Exchange Act Release No. 34-82876 (March 14, 2018), 83 FR 12229 (March 20, 2018) (SR-FICC-2018-001). The order instituting proceedings re-opened the comment period and extended the Commission's period of review of the Proposed Rule Change. See *id.*

⁶ Available at <https://www.sec.gov/comments/sr-ficc-2018-001/ficc2018001.htm>. FICC filed related amendments to the related Advance Notice. *Supra* note 2.

⁷ Available at <http://www.dtcc.com/legal/rules-and-procedures>.

⁸ Notice, *supra* note 3, at 4688.

⁹ GCF Repo Transactions refer to transactions made on FICC's GCF Repo Service that enable dealers to trade general collateral repos, based on rate, term, and underlying product, throughout the day, without requiring intra-day, trade-for-trade settlement on a Delivery-versus-Payment basis. *Id.*

²⁰ 17 CFR 200.30-3(a)(12).