

market by ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public can more easily navigate and understand the Exchange's rulebook. The Exchange believes that eliminating obsolete references would not be inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from increased transparency, thereby reducing potential confusion. Removing such obsolete references will also further the goal of transparency and add clarity to the Exchange's rules.

#### *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 Exchange Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with the administration and functioning of the Exchange and its board of directors.

#### *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**

Within 45 days of the date of publication of this notice in the **Federal 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-NYSEMKT-2015-106 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-NYSEMKT-2015-106. 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 will also be available for inspection and copying at the NYSE's principal office and on its Internet Web site at [www.nyse.com](http://www.nyse.com). 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-NYSEMKT-2015-106 and should be submitted on or before January 8, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>30</sup>

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2015-31788 Filed 12-17-15; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-76640; File No. SR-NSX-2015-05]

### **Self-Regulatory Organizations; National Stock Exchange, Inc.; Order Approving a Proposed Rule Change To Modify and Eliminate Certain Rules and To Enable Trading Activity To Resume on the Exchange**

December 14, 2015.

#### **I. Introduction**

On November 3, 2015, the National Stock Exchange ("NSX" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to the provisions of 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 proposing changes that would, among other things, allow trading activity to resume on the Exchange.<sup>3</sup> The proposed rule change was published for comment in the **Federal Register** on November 13, 2015.<sup>4</sup> The Commission received no comments on the proposal. This order approves the proposed rule change.

#### **II. Description of the Proposed Rule Change**

The Exchange proposes to amend Rule 11.1 (Hours of Trading) to rescind Interpretations and Policies .01 (Cessation of Trading Operations NSX) to permit the Exchange to resume trading activity. The Exchange also proposes to (i) amend Rule 11.11 (Orders and Modifiers) to remove descriptions of certain order types that the Exchange will not offer when it resumes trading and to correct the numbering of certain subparagraphs of the rule; (ii) delete Rule 11.12 (Cross Message) and make conforming changes to Rules 11.11(c) and 16.2; (iii) amend Rule 11.13 and Interpretations and Policies .01 to eliminate the order delivery mode of order interaction with the Exchange's trading system ("Order Delivery"); and (iv) adopt Rule 11.25 (Use of Market Data Feeds) to describe the Exchange's use of certain data feeds for order handling and execution.<sup>5</sup>

<sup>1</sup> 15 U.S.C. 782(b)(1).

<sup>2</sup> 17 CFR 249.19b-4.

<sup>3</sup> On May 1, 2014, NSX filed a proposed rule change to halt all trading activity on the Exchange. See Securities Exchange Act Release No. 72107 (May 6, 2014), 79 FR 27017 (May 12, 2014) (SR-NSX-2014-14). There has been no trading activity on the Exchange since the close of business on May 30, 2014 ("Closing Date").

<sup>4</sup> See Securities Exchange Act Release No. 76390 (November 9, 2015), 80 FR 70261 ("Notice").

<sup>5</sup> For a more detailed description of the proposed changes, see Notice, *supra* note 4.

<sup>30</sup> 17 CFR 200.30-3(a)(12).

In its filing, the Exchange represented to the Commission that it is ready to resume trading activity upon approval of this filing. To that end, the Exchange represents that, since the Closing Date, it has continued to discharge its responsibilities as a self-regulatory organization (“SRO”) in anticipation of resuming trading operations,<sup>6</sup> specifically, by, among other things, (i) remaining a party to certain multi-party 17d–2 Plans for the Allocation of Regulatory Responsibilities pursuant to Section 17(d)(1) of the Act<sup>7</sup> and Rules 17d–1 and 17d–2 thereunder<sup>8</sup> relating to insider trading surveillance and certain Regulation NMS requirements;<sup>9</sup> (ii) continuing to maintain the operability of its trading system and not modifying the system’s functionality, except as necessary to comply with regulatory requirements;<sup>10</sup> (iii) implementing and executing a rigorous testing program, including tests with industry participants, to assure that its trading system will function as designed and consistent with all applicable rules and regulations;<sup>11</sup> (iv) testing connectivity to the securities information processors (“SIPs”) and re-certifying its connection to the Depository Trust Clearing Corporation;<sup>12</sup> and (v) amending certain Exchange Rules to keep current with industry regulatory initiatives.<sup>13</sup> The Exchange further represents that it has the capacity to be able to carry out the purposes of the Act and to comply with and to enforce compliance by ETP Holders and persons associated with ETP Holders, with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange. The Exchange further states that it has the financial, technological, and personnel resources to effectively conduct surveillance of its marketplace and to regulate ETP Holders’ trading on NSX upon the resumption of trading operations.<sup>14</sup>

Furthermore, the Exchange represents that it will provide timely written notice of the date it will commence trading, and other related information directly to the following parties: (i) ETP Holders; (ii) other national securities exchanges that trade NMS securities; (iii) the SIPs; and, (iv) the operating committees for the various NMS plans (e.g., the

Consolidated Tape Association Plan/ Consolidated Quote Plan, the Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis, the Plan to Address Extraordinary Market Volatility).<sup>15</sup> NSX further states that it will provide timely notice to the general public by way of widely-disseminated press releases, notification through the Exchange’s Web site, and communications with financial and industry press.<sup>16</sup>

Finally, the Exchange represents that upon receiving Commission approval to resume trading, it will execute a staged roll-out plan to reach full operational capacity and provide notice to ETP Holders with the precise details of the roll-out plan before initiating the plan.<sup>17</sup>

### III. Discussion and Commission Findings

The Commission has carefully reviewed the proposed rule change and finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>18</sup> In particular, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,<sup>19</sup> which requires that the rules of the Exchange, among other things, be designed to promote just and equitable principles of trade, 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.

Based on the Exchange’s representations, the Commission believes that the Exchange is positioned to resume its status as a fully operational national securities exchange and to commence trading operations consistent with the notice provisions set forth in the proposed rule change.<sup>20</sup> The Commission notes that the Exchange will resume operations using the same trading system and rules (subject to the changes proposed herein) that were in effect on the Closing Date. The Commission further notes that the Exchange has committed to “regularly assess its regulatory resources to assure that they continue to be sufficient to

discharge its SRO responsibilities.”<sup>21</sup> The Exchange’s proposed staged roll-out plan should ensure that trading is resumed in an orderly manner. The Exchange’s decision to streamline its trading operations by amending Rules 11.11, 11.12, 11.13, and 16.2, and adopting Rule 11.25, is consistent with the protection of investors and the public interest. These changes, which eliminate order-types that were not being used before the Closing Date, eliminate the order delivery mode of order interaction with the Exchange’s trading system, and adopt a rule to describe the Exchange’s use of certain data feeds for order handling and execution, will allow the exchange to resume trading, providing another venue to which customer orders can be routed. The Commission notes that it received no comments on the proposed rule change.

As noted above, NSX intends to resume operations as an automated trading center and have its best bid and best offer be a Protected Quotation.<sup>22</sup> To meet their regulatory responsibilities under Rule 611(a) of Regulation NMS, market participants must have sufficient notice of new Protected Quotations, as well as all necessary information (such as final technical specifications).<sup>23</sup> Therefore, the Commission believes that it would be a reasonable policy and procedure under Rule 611(a) to require that industry participants begin treating NSX’s best bid and best offer as a Protected Quotation as soon as possible but no later than 60 days after the date of this order, or such later date as NSX resumes operations as a national securities exchange.

For the foregoing reasons, the Commission finds that the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange.

### IV. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act<sup>24</sup> that the proposed rule change (SR–NSX–2015–05), be, and hereby is, approved.

<sup>6</sup> See Notice, *supra* note 4, at 70262.

<sup>7</sup> 15 U.S.C. 78q(d)(1).

<sup>8</sup> 17 CFR 240.17d–1 and 17 CFR 240.17d–2.

<sup>9</sup> See Notice, *supra* note 4, at 70264.

<sup>10</sup> See *id.* at 70263.

<sup>11</sup> See *id.*

<sup>12</sup> See *id.*

<sup>13</sup> See *id.* at 70263–64.

<sup>14</sup> See *id.* at 70264–65.

<sup>15</sup> See *id.* at 70263–64.

<sup>16</sup> See *id.* at 70264.

<sup>17</sup> See *id.* at 70263.

<sup>18</sup> In approving the proposed rule change, the Commission has considered its impact on efficiency, competition and capital formation. See 15 U.S.C. 78c(f).

<sup>19</sup> 15 U.S.C. 78f(b)(5).

<sup>20</sup> See Notice, *supra* note 4, at 70263–64.

<sup>21</sup> See *id.* at 70264.

<sup>22</sup> 17 CFR 242.600(b)(58).

<sup>23</sup> See Securities Exchange Act Release No. 53829 (May 18, 2006), 71 FR 30038, 30041 (May 24, 2006).

<sup>24</sup> 15 U.S.C. 78s(b)(2).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>25</sup>

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015-31790 Filed 12-17-15; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76637; File No. SR-NYSEMKT-2015-102]

### Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Add to the Rules of the Exchange the Ninth Amended and Restated Operating Agreement of New York Stock Exchange LLC

December 14, 2015.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the “Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that on December 4, 2015, NYSE MKT LLC (the “Exchange” or “NYSE MKT”) 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 Exchange has designated this proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A) of the Act<sup>4</sup> and Rule 19b-4(f)(6)(iii) thereunder,<sup>5</sup> which renders it effective upon filing with the Commission. 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 add to the rules of the Exchange the Ninth Amended and Restated Operating Agreement of New York Stock Exchange LLC (“NYSE LLC”). The text of 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

The Exchange proposes to add to the rules of the Exchange the Ninth Amended and Restated Operating Agreement of NYSE LLC (the “Ninth NYSE Operating Agreement”).

In September 2015, the Exchange filed the Eighth Amended and Restated Operating Agreement of NYSE LLC (the “Eighth NYSE Operating Agreement”) as a “rule of the exchange” under Section 3(a)(27) of the Act because NYSE LLC has a wholly-owned subsidiary, NYSE Market (DE), Inc., which owns a majority interest in NYSE Amex Options LLC (“NYSE Amex Options”), a facility of the Exchange.<sup>6</sup>

On June 12, 2015, NYSE LLC filed to, among other things, amend the Eighth NYSE Operating Agreement to establish a Regulatory Oversight Committee as a committee of its board of directors and to terminate a delegation agreement between NYSE LLC, NYSE Market (DE), Inc., and NYSE Regulation, Inc. (the “Delegation Agreement”).<sup>7</sup> In its filing, NYSE LLC represented that the proposed rule changes would be operative simultaneously with the termination of the Delegation Agreement, no later than June 30, 2016, on a date determined by the board of directors of NYSE LLC.<sup>8</sup> On September 28, 2015, NYSE LLC’s rule filing amending the Eighth NYSE Operating Agreement to effectuate certain changes was approved.<sup>9</sup>

<sup>6</sup> See 15 U.S.C. 78c(a)(27); Securities Exchange Act Release Nos. 75984 (September 25, 2015), 80 FR 59213, 59214 (October 1, 2015) (SR-NYSEMKT-2015-71).

<sup>7</sup> See Securities Exchange Act Release No. 75288 (June 24, 2015), 80 FR 37316 (June 30, 2015) (SR-NYSE-2015-27) (“Notice”).

<sup>8</sup> *Id.*

<sup>9</sup> See Securities Exchange Act Release No. 75991 (September 28, 2015), 80 FR 59837 (October 2,

The Exchange is accordingly filing to remove the obsolete Eighth NYSE Operating Agreement as a “rule of the exchange” under Section 3(a)(27) of the Act, and replace it with the Ninth NYSE Operating Agreement as a “rule of the exchange” under Section 3(a)(27) of the Act, once the Ninth NYSE Operating Agreement is operative.<sup>10</sup> Under the NYSE Approval Order, the Ninth NYSE Operating Agreement will be operative simultaneously with the termination of the Delegation Agreement, no later than June 30, 2016, on a date determined by the board of directors of NYSE LLC. The Exchange proposes that the rule change be operative on that same date. The Eighth NYSE Operating Agreement would remain the operative document until that time.

###### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>11</sup> in general, and with Section 6(b)(1)<sup>12</sup> in particular, in that it enables the Exchange to be so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its exchange members and persons associated with its exchange members, with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange.

The Exchange believes that the proposed rule change would contribute to the orderly operation of the Exchange and would enable the Exchange to be so organized as to have the capacity to carry out the purposes of the Act and comply and enforce compliance by its members and persons associated with its members, with the provisions of the Act because, by removing the obsolete Eighth NYSE LLC Operating Agreement and making the Ninth NYSE LLC Operating Agreement a rule of the Exchange when it becomes operative for NYSE LLC, the Exchange would be ensuring that its rules remain consistent with the NYSE LLC operating agreement in effect.

The Exchange notes that, as with the Eighth NYSE LLC Operating Agreement, it would be required to file as a proposed rule change any changes to the Ninth NYSE LLC Operating Agreement with the Commission.<sup>13</sup> In addition, the

2015) (SR-NYSE-2015-27) (“NYSE Approval Order”).

<sup>10</sup> 15 U.S.C. 78c(a)(27).

<sup>11</sup> 15 U.S.C. 78f(b).

<sup>12</sup> 15 U.S.C. 78f(b)(1).

<sup>13</sup> The Exchange notes that any amendment to the NYSE LLC Operating Agreement would also require that NYSE LLC file a proposed rule change with the Commission.

<sup>25</sup> 17 CFR 200.30-3(a)(12).

<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> 15 U.S.C. 78s(b)(3)(A).

<sup>5</sup> 17 CFR 240.19b-4(f)(6)(iii).