

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

No written comments were either solicited or 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.³⁵

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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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-Phlx-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-Phlx-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 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-Phlx-2017-29, and should be submitted on or before May 12, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁶

Brent J. Fields,

Secretary.

[FR Doc. 2017-08056 Filed 4-20-17; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80473; File No. SR-C2-2017-015]

Self-Regulatory Organizations; C2 Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule To Amend the Fees Schedule

April 17, 2017.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934,¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 13, 2017, C2 Options Exchange, Incorporated ("Exchange" or "C2") 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 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 proposes to amend its Fees Schedule. The text of the proposed rule change is available on the Exchange's Web site (<http://www.c2exchange.com/Legal/>), at the

Exchange's Office of the Secretary, 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 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 places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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 its Fees Schedule.³ Specifically, the Exchange is eliminating certain fees relating to the PULSe workstation. By way of background, the PULSe workstation is a front-end order entry system designed for use with respect to orders that may be sent to the trading systems of the Exchange. Exchange Trading Permit Holders ("TPHs") may also make workstations available to their customers, which may include TPHs, non-broker dealer public customers and non-TPH broker dealers.

The Exchange first proposes to eliminate the Away-Market Routing Intermediary fee. This fee is payable by a Routing Intermediary and only applicable for away-market routing from any PULSe workstation for which it serves as the Routing Intermediary. The fee is \$0.02 per contract or share equivalent for the first million contracts or share equivalent executed in a month for executions on all away markets aggregated across all such PULSe workstations, and \$0.03 per contract or share equivalent for each additional contract or share equivalent executed in the same month on all away markets.

The Exchange also proposes to eliminate the C2 Routing fee. The C2 Routing fee is payable by a TPH and only applicable for routing to C2 from non-TPH PULSe workstations made available by the TPH. The fee is \$0.02

³ The Exchange initially filed the proposed fee change on April 3, 2017 (SR-C2-2017-012). On April 13 [sic], 2017, the Exchange withdrew that filing and submitted this filing. The Commission notes that C2 withdrew C2-2017-012 on April 17, 2017.

³⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

³⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

per contract or share equivalent for the first 1 million contracts or share equivalent executed in a month on C2 that originate from non-TPH PULSe workstations made available by the TPH, and \$0.03 per contract or share equivalent for each additional contract or share equivalent executed on C2 in the same month from the non-TPH PULSe workstations made available by the TPH. The Exchange notes it no longer wishes to assess these fees.

Lastly, the Exchange proposes to eliminate the Routing Intermediary Inactivity fee. The Routing Intermediary Inactivity fee would be charged to a Routing Intermediary in the calendar year after the year in which the Routing Intermediary was charged the Routing Intermediary Certification Fee. The fee is \$5,000/year less the aggregate amount of Away-Market Routing Intermediary and C2 Routing fees charged to a Routing Intermediary during that calendar year (if Routing Intermediary was charged less than an aggregate of \$5,000 in Away-Market Routing Intermediary and C2 Routing fees that year).⁴ As the Exchange is eliminating both the Away-Market Routing Intermediary and C2 Routing fees and the inactivity fee is based in part on the amount of those fees assessed, the Exchange proposes to eliminate the inactivity fee as well.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁵ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁶ requirements that the rules of an exchange be 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with

Section 6(b)(4) of the Act,⁷ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes eliminating the Away-Market Routing Intermediary fee, C2 Routing fee and Routing Intermediary Inactivity fee is reasonable because market participants who would otherwise be subject to those fees will no longer be assessed the fees. The Exchange believes it's reasonable, equitable and not unfairly discriminatory because it applies uniformly to the applicable market participants (*i.e.*, applies to all Routing Intermediaries and TPHs that make the PULSe workstations available to non-TPHs).

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

The Exchange does not believe that the proposed rule changes will impose any burdens on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change to eliminate certain PULSe fees applies to all applicable users of the PULSe workstation. The Exchange does not believe that the proposed change will cause any unnecessary burden on intermarket competition because the proposed relates to use of an Exchange-provided order entry system. To the extent that any proposed change makes the Exchange a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Exchange market participants.

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

The Exchange neither solicited nor received comments on 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)⁸ of the Act and subparagraph (f)(2) of Rule 19b-4⁹

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)¹⁰ 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-C2-2017-015 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-C2-2017-015. 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

⁴ The Exchange notes that in the filing that adopted the Routing Intermediary Inactivity fee, it inadvertently referenced the CBOE Routing fee instead of the C2 Routing Fee.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78f(b)(4).

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(2).

¹⁰ 15 U.S.C. 78s(b)(2)(B).

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-C2-2017-015 and should be submitted on or before May 12, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Brent J. Fields,
Secretary.

[FR Doc. 2017-08061 Filed 4-20-17; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80468; File No. SR-PEARL-2017-18]

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

April 17, 2017.

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 April 6, 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 substantially 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”).

The Exchange initially filed the proposal on March 29, 2017 (SR-PEARL-2017-14). That filing was withdrawn and replaced with the current filing (SR-PEARL-2017-18).

The text of the proposed rule change is available on the Exchange’s Web site at <http://www.miaxoptions.com/rule-filings/pearl> at MIAX’s principal office,

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 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 places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects 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 amend its Fee Schedule to permit Exchange Market Makers³ to appoint Electronic Exchange Members⁴ (“EEMs”), and vice versa, as “Affiliates,” solely for purposes of calculating transaction volume in order to qualify for certain transaction rebate and fee incentives under the Fee Schedule. The Exchange notes that this concept of appointment between market makers and order flow providers currently exists at a number of other exchanges, including Bats BZX Exchange, Inc. (“BATS”), Bats EDGX Exchange, Inc. (“EDGX”), Chicago Board Options Exchange, Incorporated (“CBOE”), NYSE Amex Options LLC (“Amex Options”), and NASDAQ PHLX LLC (“PHLX”), as more fully discussed below.

In order for the Exchange to implement this concept of appointment, the Exchange proposes to amend the definition of “Affiliate” contained in the Definitions section of the Fee Schedule. The definition of “Affiliate” currently reads:

“Affiliate” means an affiliate of a Member of at least 75% common ownership between the firms as reflected on each firm’s Form BD, Schedule A.

³ The term “Market Maker” means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange and that is vested with the rights and responsibilities specified in Chapter VI of the Exchange’s Rules. See Exchange Rule 100.

⁴ The term “Electronic Exchange Member” or “EEM” means the holder of a Trading Permit who is a Member representing as agent Public Customer Orders and Non-Customer Orders on the Exchange and those non-Market Maker Members conducting proprietary trading. EEMs are deemed “members” under the Exchange Act. See Exchange Rule 100.

The Exchange proposes to amend the definition so that it instead reads:

“Affiliate” means (i) an affiliate of a Member of at least 75% common ownership between the firms as reflected on each firm’s Form BD, Schedule A, or (ii) the Appointed Market Maker of an Appointed EEM (or, conversely, the Appointed EEM of an Appointed Market Maker). An “Appointed Market Maker” is a MIAX PEARL Market Maker (who does not otherwise have a corporate affiliation based upon common ownership with an EEM) that has been appointed by an EEM and an “Appointed EEM” is an EEM (who does not otherwise have a corporate affiliation based upon common ownership with a MIAX PEARL Market Maker) that has been appointed by a MIAX PEARL Market Maker, pursuant to the following process. A MIAX PEARL Market Maker appoints an EEM and an EEM appoints a MIAX PEARL Market Maker, for the purposes of the Fee Schedule, by each completing and sending an executed Volume Aggregation Request Form by email to membership@miaxoptions.com no later than 2 business days prior to the first business day of the month in which the designation is to become effective. Transmittal of a validly completed and executed form to the Exchange along with the Exchange’s acknowledgement of the effective designation to each of the Market Maker and EEM will be viewed as acceptance of the appointment. The Exchange will only recognize one designation per Member. A Member may make a designation not more than once every 12 months (from the date of its most recent designation), which designation shall remain in effect unless or until the Exchange receives written notice submitted 2 business days prior to the first business day of the month from either Member indicating that the appointment has been terminated. Designations will become operative on the first business day of the effective month and may not be terminated prior to the end of the month. Execution data and reports will be provided to both parties.

The purpose of the proposed rule change is to increase opportunities for EEMs and Market Makers, who do not otherwise have a corporate affiliation based upon common ownership with a MIAX PEARL Market Maker or EEM, as the case may be, to potentially qualify for tiered pricing incentives on the Exchange. Specifically, the Exchange proposes to allow a MIAX PEARL Market Maker to designate an EEM as its “Appointed EEM” and for an EEM to designate a MIAX PEARL Market Maker

¹¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.