

• Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-BatsEDGX-2017-24 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-BatsEDGX-2017-24. 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 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-BatsEDGX-2017-24, and should be submitted on or before June 28, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>21</sup>

**Eduardo A. Aleman,**  
*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80838; File No. SR-NYSEArca-2017-61]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the NYSE Arca Options Fee Schedule

June 1, 2017.

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 May 31, 2017, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "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 Arca Options Fee Schedule ("Fee Schedule") with respect to the Lead Market Maker ("LMM") Rights Fee. The Exchange proposes to implement the fee change effective June 1, 2017. The proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://www.nyse.com), at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

##### 1. Purpose

The purpose of this filing is to modify the calculation of the threshold for qualification for the LMM Rights Fee discount.

The LMM Rights Fee is charged "on a per issue basis to the OTP Firm acting as LMM in the issue."<sup>4</sup> The Exchange charges a Rights Fee on each issue in a LMM's allocation, with rates based on the Average National Daily Customer Contracts. LMMs are also able to achieve a 50% discount to their total monthly LMM Rights Fee by achieving an average daily volume ("ADV") of 50,000 contracts, of which at least 10,000 are within its LMM Appointment (the "Discount").<sup>5</sup>

The Exchange proposes to replace the static minimum contract thresholds of 50,000 and 10,000 with market share criteria expressed as a percentage of Total Industry Customer Equity and exchange traded fund ("ETF") option ADV ("TCADV").<sup>6</sup> The Exchange believes this proposed modification would enable Market Makers to achieve the Discount more consistently, despite monthly or seasonal fluctuations in industry volume. The Exchange is not proposing to adjust the source of the qualifying volume for each component of the Discount, as this criterion will remain the same.

Specifically, the Exchange proposes the market share requirements for achieving the Discount as follows: "An LMM with daily contract volume traded electronically of at least 0.40% Total Industry Customer equity and ETF option ADV ("TCADV"), of which 0.08% TCADV are within its LMM appointment, will be charged 50% of the monthly Lead Market Maker Rights Fee."<sup>7</sup> The Exchange notes that the TCADV percentages proposed are a

<sup>4</sup> See Fee Schedule, available here, [https://www.nyse.com/publicdocs/nyse/markets/arca-options/NYSE\\_Arca\\_Options\\_Fee\\_Schedule.pdf](https://www.nyse.com/publicdocs/nyse/markets/arca-options/NYSE_Arca_Options_Fee_Schedule.pdf) (NYSE Arca General Options and Trading Permit (OTP) Fee, Lead Market Maker Rights Fee).

<sup>5</sup> See *id.*, endnote 2.

<sup>6</sup> The volume thresholds are based on Market Makers' volume transacted electronically as a percentage of total industry Customer equity and ETF options volumes as reported by the Options Clearing Corporation (the "OCC"). Total industry Customer equity and ETF option volume is comprised of those equity and ETF contracts that clear in the Customer account type at OCC and does not include contracts that clear in either the Firm or Market Maker account type at OCC or contracts overlying a security other than an equity or ETF security. See OCC Monthly Statistics Reports, available here, <http://www.theocc.com/webapps/monthly-volume-reports>.

<sup>7</sup> See proposed Fee Schedule, endnote 2.

<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>21</sup> 17 CFR 200.30-3(a)(12).

rough equivalent to the existing 50,000 and 10,000 ADV contract thresholds, based on TCADV for the First Quarter of 2017.

The Exchange is not proposing any changes to the amount of the LMM Rights Fees or any of the other available per issue discounts to the LMM Rights Fee.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>8</sup> in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,<sup>9</sup> in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that modifying the qualification calculation for the Discount from a static monthly contract amount to a percentage of TCADV is reasonable, equitable, and not unfairly discriminatory because it would make the Discount more consistently achievable as the calculation will be more aligned with fluctuations in overall monthly industry volume. The Exchange believes the proposed change is not unfairly discriminatory because the proposed benchmark of TCADV is tied to the amount of monthly volume executed on the Exchange, which would incentivize and reward consistent order flow month-to-month. The Exchange notes that other options exchanges likewise utilize percentages of market share as a benchmark in determining eligibility for monthly [sic] certain credits or rebates.<sup>10</sup> The Exchange also believes the proposed change would help to prevent LMMs from achieving the Discount only during periods of heavy volumes or from being penalized (*i.e.*, not achieving the Discount) during months of overall lower volumes on the

Exchange. The Exchange notes that there is only one LMM per issue, and only LMMs are subject to the LMM Rights Fee, therefore the proposed discount is not unfairly discriminatory.

For these reasons, the Exchange believes that the proposal is consistent with the Act.

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

In accordance with Section 6(b)(8) of the Act,<sup>11</sup> 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. By adjusting the qualifications to a market share basis rather than per contract volume levels, the Exchange believes the proposed change encourages competition without undue burden by being based on a share of overall business rather than a static volume amount.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

## 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) <sup>12</sup> of the Act and subparagraph (f)(2) of Rule 19b-4 <sup>13</sup> 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) <sup>14</sup> 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEArca-2017-61 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-NYSEArca-2017-61. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(4) and (5).

<sup>10</sup> See, e.g., Fee Schedule, *supra* note 4 (Customer and Professional Customer Monthly Posting Credit Tiers and Qualifications for Executions in Penny Pilot Issues and Customer and Professional Customer Posting Credit Tiers In Non Penny Pilot Issues, both based on percentage of TCADV); NASDAQ Options Market fee schedule, available at, <http://www.nasdaqtrader.com/Micro.aspx?id=optionsPricing> (NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options based on total industry customer equity and ETF option ADV contracts per day in a month); BATS Options Exchange fee schedule, available at, [http://www.batsoptions.com/support/fee\\_schedule/](http://www.batsoptions.com/support/fee_schedule/) (Market Maker and Non-BATS Market Maker Penny Pilot Add Volume Tiers Market Maker and Non-BATS Market Maker Non Penny Pilot Add Volume Tiers, both based on percentage of total consolidated monthly volume calculated).

<sup>11</sup> 15 U.S.C. 78f(b)(8).

<sup>12</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>13</sup> 17 CFR 240.19b-4(f)(2).

<sup>14</sup> 15 U.S.C. 78s(b)(2)(B).

should refer to File Number SR–NYSEArca–2017–61, and should be submitted on or before June 28, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Eduardo A. Aleman,**

*Assistant Secretary.*

[FR Doc. 2017–11749 Filed 6–6–17; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–80840; File No. SR–NYSEArca–2017–33]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Order Approving a Proposed Rule Change, as Modified by Amendment No. 2 Thereto, To List and Trade Shares of the Euro Gold Trust, Pound Gold Trust, and the Yen Gold Trust Under NYSE Arca Equities Rule 8.201

June 1, 2017.

#### I. Introduction

On March 31, 2017, NYSE Arca, Inc. (“NYSE Arca” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> a proposed rule change to list and trade shares (“Shares”) of the Euro Gold Trust, Pound Gold Trust, and the Yen Gold Trust (each a “Fund” and, collectively, the “Funds”) under NYSE Arca Equities Rule 8.201. On April 12, 2017, the Exchange filed Amendment No. 1 to the proposal, which amended and replaced the proposed rule change in its entirety. The proposed rule change, as modified by Amendment No. 1, was published for comment in the *Federal Register* on April 19, 2017.<sup>3</sup> On May 23, 2017, the Exchange filed Amendment No. 2 to the proposed rule change,<sup>4</sup> which amended

and replaced the proposed rule change as modified by Amendment No. 1. The Commission has not received any comments on the proposed rule change. This order approves the proposed rule change, as modified by Amendment No. 2.

#### II. The Description of the Proposed Rule Change, as Modified by Amendment No. 2<sup>5</sup>

The Exchange proposes to list and trade the Shares, which are a series of the World Currency Gold Trust (“Trust”), under NYSE Arca Equities Rule 8.201.<sup>6</sup> Under NYSE Arca Equities Rule 8.201, the Exchange may list and trade, or trade pursuant to unlisted trading privileges, Commodity-Based Trust Shares.<sup>7</sup>

The Sponsor of the Funds and the Trust will be WGC USA Asset Management Company, LLC (“Sponsor”).<sup>8</sup> BNY Mellon Asset Servicing, a division of The Bank of New York Mellon (“BNYM”), will be the Funds’ administrator (“Administrator”) and transfer agent and will not be affiliated with the Trust, the Funds, or the Sponsor. BNYM will also serve as the custodian of the Funds’ cash, if any. HSBC Bank plc will be the custodian of the Funds’ gold.

The Euro Gold Trust will be designed to track the performance of the Solactive GLD® EUR Gold Index, less the expenses of the Fund’s operations. The Solactive GLD® EUR Gold Index seeks to track the daily performance of a long position in physical gold (as represented by the Gold Price, which generally is the London Bullion Markets Association

(“LBMA”) Gold Price AM<sup>9</sup>) and a short position in the Euro (*i.e.*, a long U.S. dollar (“USD”) exposure versus the Euro).

The Pound Gold Trust will be designed to track the performance of the Solactive GLD® GBP Gold Index, less the expenses of the Fund’s operations. The Solactive GLD® GBP Gold Index seeks to track the daily performance of a long position in physical gold (as represented by the Gold Price) and a short position in the British Pound Sterling (*i.e.*, a long USD exposure versus the British Pound Sterling). The Yen Gold Trust will be designed to track the performance of the Solactive GLD® JPY Gold Index, less the expenses of the Fund’s operations. The Solactive GLD® JPY Gold Index seeks to track the daily performance of a long position in physical gold (as represented by the Gold Price) and a short position in the Japanese Yen (*i.e.*, a long USD exposure versus the Japanese Yen). The Japanese Yen, the Euro and the British Pound Sterling are referred to collectively as the “Reference Currencies.” Each of the Solactive GLD® EUR Gold Index, Solactive GLD® GBP Gold Index, and Solactive GLD® JPY Gold Index are each referred to as an “Index,” and are referred to collectively as the “Indexes.”

Generally, each Fund’s holdings will consist entirely of Gold Bullion.<sup>10</sup> Substantially all of each Fund’s Gold Bullion holdings will be delivered by Authorized Participants<sup>11</sup> in exchange for Fund Shares. The Funds’ Gold Bullion holdings will not be managed and the Funds will not have any investment discretion. The Funds will not hold their respective Reference Currencies. The Funds generally will not hold USDs (except from time to time in very limited amounts to pay Fund expenses).

<sup>9</sup> The “LBMA Gold Price” means the price per troy ounce of gold stated in USDs as set via an electronic auction process run twice daily at 10:30 a.m. and 3:00 p.m. London time each Business Day as calculated and administered by the ICE Benchmark Administration Limited and published by the LBMA on its Web site. The “LBMA Gold Price AM” is the 10:30 a.m. LBMA Gold Price. See Amendment No. 2, *supra* note 4, at 8–9.

<sup>10</sup> Gold Bullion means (a) gold meeting the requirements of “London Good Delivery Standards” or (b) credit to an “Unallocated Account” representing the right to receive Gold Bullion meeting the requirements of London Good Delivery Standards. London Good Delivery Standards are the specifications for weight dimensions, fineness (or purity), identifying marks and appearance set forth in “The Good Delivery Rules for Gold and Silver Bars” published by the LBMA. See *id.* at 6, n.19.

<sup>11</sup> According to the Exchange, Authorized Participants are the only persons that may place orders to create and redeem Creation Units and such persons must enter into a Participant Agreement. See *id.* at 18.

technical amendment that does not materially alter the substance of the proposed rule change or raise any novel regulatory issues.

<sup>5</sup> A more detailed description of the Funds, the Shares, the Indexes and the Gold Delivery Agreement (as defined in the Notice), as well as investment risks, creation and redemption procedures, NAV calculation, availability of values and other information regarding the Funds, and fees, among other things, is included in the Registration Statement, *infra* note 6, and Amendment No. 2, *supra* note 4.

<sup>6</sup> On March 30, 2017, the Trust filed with the Commission its initial registration statement on Form S–1 under the Securities Act of 1933 relating to the Funds (File No. 333–217041) (“Registration Statement”).

<sup>7</sup> Commodity-Based Trust Shares are securities issued by a trust that represent investors’ discrete identifiable and undivided beneficial ownership interest in the commodities deposited into the Trust.

<sup>8</sup> The Trust will be a Delaware statutory trust consisting of multiple series, each of which will issue common units of beneficial interest, which represent units of fractional undivided beneficial interest in and ownership of such series. The term of the Trust and each series will be perpetual (unless terminated earlier in certain circumstances). The sole trustee of the Trust will be Delaware Trust Company.

<sup>15</sup> 17 CFR 200.30–3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> See Securities Exchange Act Release No. 80457 (April 13, 2017), 82 FR 18492.

<sup>4</sup> In Amendment No. 2, the Exchange: (1) Described further the methodology for each underlying index; (2) provided additional information regarding Solactive AG, the “Index Provider;” (3) further supported its position that market makers in the Shares will be able to trade the Shares at prices that are not at a material discount or premium to net asset value (“NAV”) per Share; and (4) made additional statements regarding the continued listing requirements applicable to the Shares. The amendments to the proposed rule change are available at: <https://www.sec.gov/comments/sr-nysearca-2017-33/nysearca201733.htm>. Amendment No. 2 is not subject to notice and comment because it is a