

proposing to expand its operational hours to open the System⁴ earlier so that firms can enter orders and execute beginning at 7 a.m. rather than 8 a.m. This change will allow the Exchange to compete with other exchanges that open their markets for entry of orders prior to 8 a.m.⁵

The Exchange will provide notice to members in an information circular when this proposed rule change will be effective, which date will be no later than January 1, 2012.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁶ in general, and with Sections 6(b)(1) and 6(b)(5) of the Act,⁷ in particular, in that the proposal 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 with and enforce compliance by members, member organizations, and persons associated with members and member organizations with provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange. The proposal is also consistent with Section 6 of the Act in that the proposal is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in 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. An earlier opening time will enhance the national market system by providing market participants increased opportunity to more effectively carry out the execution of orders in the manner addressed by Exchange rules. Such improvements will enhance the protection of investors and the public interest.

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

The proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act⁸ and Rule 19b-4(f)(6)⁹ thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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 e-mail to rule-comments@sec.gov. Please include File Number SR-EDGA-2011-28 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-EDGA-2011-28. This file

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. EDGA has satisfied this requirement.

number should be included on the subject line if e-mail 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 a.m. and 3 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 should refer to File Number SR-EDGA-2011-28 and should be submitted on or before September 21, 2011.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁰

Elizabeth M. Murphy,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-65198; File No. SR-FICC-2011-06]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change To Eliminate Two Rules of the Mortgage-Backed Securities Division That FICC Believes Are No Longer Utilized or Necessary

August 25, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder² notice is hereby given that on August 17, 2011, the Fixed Income Clearing

¹⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

⁴ See EDGA Rule 1.5(aa).

⁵ See The NASDAQ Stock Market LLC Rule 4617 (opens at 7 a.m. EST). See also NASDAQ OMX BX Rule 4617 (opens at 7 a.m. EST); NYSE Arca Equities Rule 7.34 (opens at 1 a.m. Pacific Time).

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(1), (5).

Corporation (“FICC”) 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 primarily by FICC. 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 proposed rule change would eliminate two rules of the Mortgage-Backed Securities Division (“MBSD”) that FICC believes are no longer utilized or necessary.

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

In its filing with the Commission, FICC 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. FICC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.³

(A) Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the proposed rule change is to eliminate two MBSD rules which FICC believes are no longer utilized or necessary. The first rule proposed to be eliminated is Article II, Rule 1, Section 3, which was put in place to stem certain abuses of cash adjustments taking place in the mid to late 1990s (specifically, traders were manipulating pricing on their submission of trades in order to maximize their cash adjustments). Because cash adjustments were deleted from the rules via the approved rule filing FICC 2010–08,⁴ FICC believes the rule imposing trade restrictions between accounts is no longer necessary.

The second rule proposed to be eliminated relates to the “match modes” currently referenced in the MBSD rules. Currently, the rules provide that dealers may elect to have the comparison of their transactions governed in either “Exact Match Mode” or “Net Position Match Mode.” In Exact Match Mode,

trade input that matches in all other respects will be compared only if the par amount of the eligible securities reported to have been sold or purchased by the dealer for a particular transaction is identical to the par amount for a particular transaction reported by the broker. In a Net Position Match Mode, trade input that matches in all other respects will be compared only if the aggregate par amount for one or more transactions in eligible securities reported to have been sold or purchased by the dealer equals the aggregate par amount for one or more transactions reported by the broker. Currently, no participants have elected to have their transactions governed in Exact Match Mode. FICC believes there is no need to provide participants with a choice of match mode because MBSD’s system already attempts to find an exact match for trade input and, only if an exact match is not found, will the system revert to Net Position Match Mode. This change would require the deletion of subpart (a) of Article II, Rule 3, Section 4 and conforming changes to the definitions (in Article I) and in Article II, Rule 3, Sections 3 and 4 to reflect that Net Position Match Mode will be the only available match mode.

Given that FICC believes these rules have no utility for MBSD’s participants, MBSD proposes to eliminate these rules. FICC believes elimination of these rules would also promote efficiency. MBSD is currently undertaking a rewrite of its internal software applications and operating systems to promote efficiency and streamline its operations. Approval of the elimination of these rules will allow MBSD to avoid writing unnecessary coding during the rewrite process.

The effective date of this change will be announced to MBSD participants via Important Notice.

FICC believes the proposed rule change is consistent with the requirements of Section 17A of the Act⁵ and the rules and regulations thereunder because it would facilitate the prompt and accurate clearance and settlement of securities transactions by eliminating rules that no longer have utility for participants. FICC believes this would promote efficiency because the rules would be more clear and easier to understand once they are revised to remove these outdated and unnecessary rules and resources would be conserved by avoiding writing unnecessary code during MBSD’s software rewrite process.

Self-Regulatory Organization’s Statement on Burden on Competition

FICC does not believe that the proposed rule change would impose any burden on competition.

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

Written comments relating to the proposed rule change have not been solicited or received. FICC will notify the Commission of any written comments received by FICC.

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 within such longer period 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 e-mail to rule-comments@sec.gov. Please include File Number SR–FICC–2011–06 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–FICC–2011–06. This file number should be included on the subject line if e-mail 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

³ The Commission has modified the text of the summaries prepared by FICC.

⁴ See Securities Exchange Act Release No. 34–63611 (December 28, 2010), 76 FR 408 (January 4, 2011) (SR–FICC–2010–08).

⁵ 15 U.S.C. 78q–1.

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 Section, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filings will also be available for inspection and copying at the principal office of FICC and on FICC's Web site at http://www.dtcc.com/downloads/legal/rule_filings/2011/ficc/2011-06.pdf.

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-FICC-2011-06 and should be submitted on or before September 21, 2011.

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.⁶

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2011-22222 Filed 8-30-11; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-65202; File No. SR-CME-2011-05]

Self-Regulatory Organizations; Chicago Mercantile Exchange, Inc.; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change To Amend Certain Rules To Facilitate Clearing of Additional Interest Rate Swap Products

August 25, 2011.

Pursuant to 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 August 24, 2011, the Chicago Mercantile Exchange Inc. ("CME") filed with the Securities and Exchange Commission ("Commission") the proposed rule change described in Items I and II below, which items have been prepared

primarily by CME.³ The Commission is publishing this Notice and Order to solicit comments on the proposed rule change from interested persons and to approve the proposed rule change on an accelerated basis.

I. Self-Regulatory Organization's Statement of Terms of Substance of the Proposed Rule Change

The text of the proposed rule change is below. Italicized text indicates additions; bracketed text indicates deletions.

* * * * *

Rule 100—90002.E—No Change.
CME Rule 90002.F. Contract

Elections.

With respect to an IRS Contract, each of the following elections made by an IRS Participant for such IRS Contract: the: Effective Date, Notional Amount and currency, Termination Date and any Business Day Convention adjustment, Fixed Rate Payer Payment Dates, Fixed Rate, Floating Rate Payer Payment Dates, Floating Rate Option, *Designated Maturity, Spread, Floating Rate for Initial Floating Rate Payer Calculation Period*, initial payment amount (if any), initial amount payer (if any) and whether the IRS Clearing Participant is acting as a Floating Rate Payer or a Fixed Rate Payer *and whether the Clearing House is acting as a Floating Rate Payer or a Fixed Rate Payer.*

[CME Rule 90102.D. Calculation Period].

[For any USD IRS Contract submitted to the Clearing House for clearing, if the elections made by the relevant IRS Clearing Members for such USD IRS Contract include "Compounding", then the Floating Rate Calculation Period of such USD IRS Contract shall be 6 months and shall entail a Compounding Period equal to 3 months.]

[If such elections do not include "Compounding", then the Floating Rate Calculation Period of such USD IRS Contract shall equal 3 months.]

[The Fixed Rate Calculation Period of such USD IRS Contract shall equal 6 months.]

[CME Rule 90102.G. Designated Maturity].

[With respect to an USD IRS Contract, Designated Maturity shall be 3 months.]

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

In its filing with the Commission, CME included statements concerning the purpose 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 III below. CME 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 Purpose of, and Statutory Basis for, the Proposed Rule Change

CME currently offers clearing services for certain interest rate swap products. These proposed rule changes are intended to expand CME's existing US dollar interest rate swap product offerings by adding the following additional contract elections: One month and six month designated maturities; +/- Spreads; and matching on the Floating Amount for the initial Floating Rate Payer Calculation Period.

CME notes that it has also submitted the proposed rule changes that are the subject of this filing to its primary regulator, the Commodity Futures Trading Commission ("CFTC"). The text of the CME rule proposed amendments is in Section I of this notice, with additions underlined and deletions in brackets.

CME believes the proposed rule changes are consistent with the requirements of the Exchange Act including Section 17A of the Exchange Act because they involve clearing of swaps and thus relate solely to CME's swaps clearing activities pursuant to its registration as a derivatives clearing organization under the Commodity Exchange Act ("CEA") and do not significantly affect any securities clearing operations of the clearing agency or any related rights or obligations of the clearing agency or persons using such service. CME further notes that the policies of the CEA with respect to clearing are comparable to a number of the policies underlying the Exchange Act, such as promoting market transparency for over-the-counter derivatives markets, promoting the prompt and accurate clearance of transactions and protecting investors and the public interest. The proposed rule changes accomplish those objectives by offering investors clearing for an expanded range of interest rate swap products.

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

CME does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In its submission, CME incorrectly labeled the file number as CMECH-2011-04.