annually, to determine whether the purchases were influenced by the investment by the Investing Fund in the Fund. The Board will consider, among other things: (a) Whether the purchases were consistent with the investment objectives and policies of the Fund; (b) how the performance of securities purchased in an Affiliated Underwriting compares to the performance of comparable securities purchased during a comparable period of time in underwritings other than Affiliated Underwritings or to a benchmark such as a comparable market index; and (c) whether the amount of securities purchased by the Fund in Affiliated Underwritings and the amount purchased directly from an Underwriting Affiliate have changed significantly from prior years. The Board will take any appropriate actions based on its review, including, if appropriate, the institution of procedures designed to assure that purchases of securities in Affiliated Underwritings are in the best interest of shareholders of the Fund.

8. Each Fund will maintain and preserve permanently in an easily accessible place a written copy of the procedures described in the preceding condition, and any modifications to such procedures, and will maintain and preserve for a period of not less than six years from the end of the fiscal year in which any purchase in an Affiliated Underwriting occurred, the first two years in an easily accessible place, a written record of each purchase of securities in Affiliated Underwritings once an investment by an Investing Fund in the securities of the Fund exceeds the limit of section 12(d)(1)(A)(i) of the Act, setting forth from whom the securities were acquired, the identity of the underwriting syndicate's members, the terms of the purchase, and the information or materials upon which the Board's determinations were made.

9. Before investing in a Fund in excess of the limit in section 12(d)(1)(A), an Investing Fund will execute a Participation Agreement with the Fund stating, without limitation, that their respective boards of directors or trustees and their investment advisers, or Trustee and Sponsor, as applicable, understand the terms and conditions of the order, and agree to fulfill their responsibilities under the order. At the time of its investment in Shares of a Fund in excess of the limit in section 12(d)(1)(A)(i), an Investing Fund will notify the Fund of the investment. At such time, the Investing Fund will also transmit to the Fund a list of the names of each Investing Fund Affiliate and Underwriting Affiliate. The Investing Fund will notify the Fund of any changes to the list as soon as reasonably practicable after a change occurs. The Fund and the Investing Fund will maintain and preserve a copy of the order, the Participation Agreement, and the list with any updated information for the duration of the investment and for a period of not less than six years thereafter, the first two years in an easily accessible place.

10. Before approving any advisory contract under section 15 of the Act, the board of directors or trustees of each Investing Management Company, including a majority of the disinterested directors or trustees, will find that the advisory fees charged under such contract are based on services provided that will be in addition to, rather than duplicative of, the services provided under the advisory contract(s) of any Fund in which the Investing Management Company may invest. These findings and their basis will be recorded fully in the minute books of the appropriate Investing Management Company.

11. Any sales charges and/or service fees charged with respect to shares of an Investing Fund will not exceed the limits applicable to a fund of funds as set forth in NASD Conduct Rule 2830.

12. No Fund relying on the section 12(d)(1) Relief will acquire securities of any investment company or company relying on section 3(c)(1) or 3(c)(7) of the Act in excess of the limits contained in section 12(d)(1)(A) of the Act, except to the extent permitted by exemptive relief from the Commission permitting the Fund to purchase shares of other investment companies for short-term cash management purposes.

For the Commission, by the Division of Investment Management, under delegated authority.

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2013–07415 Filed 3–29–13; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94–409, that the Securities and Exchange Commission will hold a Closed Meeting on Thursday, April 4, 2013 at 3:45 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters also may be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), 9(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), 9(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

Commissioner Paredes, as duty officer, voted to consider the items listed for the Closed Meeting in a closed session.

The subject matter of the Closed Meeting will be:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings;

Other matters relating to enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551–5400.

Dated: March 28, 2013.

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2013–07637 Filed 3–28–13; 4:15 pm]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–69236; File No. SR–NASDAQ–2013–049]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Fees and Rebates for Mini Options

March 26, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that, on March 15, 2013, The NASDAQ Stock Market LLC (''NASDAQ'' or ''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 Exchange. The Commission is publishing this notice to solicit comments on the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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 modify Chapter XV, Section 2, entitled ''NASDAQ Options Market—Fees and Rebates,'' which governs pricing for NASDAQ members using the NASDAQ Options Market (''NOM''), NASDAQ's facility for executing and routing standardized equity and index options, to establish fees and rebates for the option contracts overlying 10 shares of a security (''Mini Options'') applicable to NASDAQ members using NOM.[3]

The text of the proposed rule change is available at *http://nasdaq.cchwallstreet.com/,* at the Exchange'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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this proposal is to modify Chapter XV, Section 2, entitled ''NASDAQ Options Market—Fees and Rebates,'' to establish fees and rebates for Mini Options applicable to NASDAQ members using NOM.

Specifically, the Exchange is proposing to assess market participants on a per trade basis the following fees and rebates on Mini Options:

	Customer	Professional, firm, broker/dealer, non-NOM market maker	NOM market maker
Rebate to Add Liquidity	$0.030	$0.000	$0.015
Fee to Remove Liquidity	$0.049	$0.049	$0.049

The Exchange believes that the $0.030 and $0.015 rebate per trade for Customers and NOM Market Makers, respectively, should encourage these market participants to trade Mini Options on NOM and serves as a means to incentivize order flow and to promote this new infant product for trading on NOM. The Exchange is not offering at this time any rebate per trade to Professionals, Firms, Broker/Dealers, or Non-NOM Market Makers.

The Fee to Remove Liquidity for all market participants will be $0.049 on a per trade basis. The Exchange believes that this is an equitable allocation of reasonable fees since the Exchange is assessing all market participants the same rate to transact trades in Mini Options.

On a per trade basis, the Rebate to Add Liquidity or Fee to Remove Liquidity will be rounded to the nearest $0.01 using standard rounding rules. For example, a NOM Market Maker adding liquidity is contra to a Customer removing liquidity for seven contracts. The NOM Market Maker's total Rebate to Add Liquidity for this transaction will be $0.105 rounded to $0.11 and the Customer will be assessed $0.343 rounded to $0.34.

Additionally, Mini Options volume will not count toward the Penny Pilot and Non-Penny pilot tiers, where applicable.

While the changes to the NOM rules pursuant to this proposal are effective upon filing, the Exchange has designated these changes to be operative on March 18, 2013.

2. Statutory Basis

The Exchange believes that its proposal to amend its rules is consistent with Section 6(b) of the Act[4] in general, and furthers the objectives of Sections 6(b)(4) of the Act[5] in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities.

Even though the Exchange is proposing lower per trade fees as compared to standard option contracts, as it believes is necessary for the product to trade on NOM due to its smaller exercise and assignment value of a Mini Option, the Exchange recognizes the costs to the Exchange to process quotes and orders in Mini Options, perform regulatory surveillance and retain quotes and orders for archival purposes will be comparable to the same as a for a standard contract. The Exchange believes, therefore, that adopting the proposed fees for Mini Options is appropriate, not unreasonable, not unfairly discriminatory and not burdensome on competition between participants or between the Exchange and other exchanges in the listed options market place.

Specifically, the proposed Fee to Remove Liquidity is equitable and not unfairly discriminatory because all market participants will be charged the same fee of $0.049 per contract. The Exchange believes that treating all market participants equally, in turn, will increase order flow and will provide increased liquidity to the market and benefit all participants. The Exchange also believes that the proposed $0.049 per contract Fee to Remove Liquidity is equitable and not unfairly discriminatory because in the current U.S. options market many of the standard contracts are quoted in pennies. Under this pricing structure, the minimum penny tick increment equates to a $1.00 economic value difference per contract, given that a single standardized U.S. options contract covers 100 shares of the underlying stock. Where contracts are quoted in $0.05 increments (non-pennies), the economic value per tick is $5.00 in proceeds to the investor transacting in these contracts. Since the Exchange is planning to file to permit Mini Options to have the same minimum tick as permitted for standard options, including penny increments, the minimum penny tick increment equates to a $0.10 economic value in comparison to fee structures on

[3] *See* Securities Exchange Act Release No. 68720 (Jan. 24, 2013), 78 FR 6382 (Jan. 30, 2013).

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(4).

standard options on the make-take exchanges, including NOM, where securities quoted in penny increments are commonly in the $0.30 to $0.45 per contract range. A $0.30 per contract rebate in a penny quoted security is a rebate equivalent to 30% of the value of the minimum tick. A $0.45 per contract fee in a penny quoted security is a charge equivalent to 45% of the value of the minimum tick. For Mini Options the proposed Fee to Remove Liquidity is $0.049 or 49% of the proposed value of that minimum tick, but still less than 50% of the proposed value of that minimum tick as in the case with standard options trading in penny increments today.

The Exchange believes that the proposed Rebate to Add Liquidity for Mini Options is equitable and not unfairly discriminatory because Customers and NOM Market Makers, receiving rebates of $0.030 and $0.015 per trade respectively, would be the only market participants to receive a rebate. The Exchange believes that it is reasonable to assess Customers and NOM Market Makers lower fees as compared to other market participants because these market participants contribute to the market in terms of liquidity and trading environment as compared to other market participants. For NOM Market Makers this includes its specific Market Maker quoting obligations and certain other obligations to the market that do not apply to other market participants.[6] The Exchange believes that the differentiation between the rebates offered to Customers as compared with all other market participants, including NOM Market Makers, is justified and not unfairly discriminatory because it is in recognition of the important contribution that Customers provide to the market place. Increased Customer liquidity benefits all market participants seeking to provide liquidity to Customers.

Finally, the Exchange believes that the proposed fees and rebates are reasonable and not unfairly discriminatory because the fees are consistent with price differentiation that exists today on all option exchanges.

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 not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that by offering Mini Options it will encourage order flow to be directed to the Exchange, which will benefit all market participants by increasing liquidity on the Exchange. The Exchange will assess a Fee to Remove Liquidity of $0.049 per contract on all market participants, essentially treating market participants equally and ignoring their varying contributions to the market. Additionally, Customers and NOM Market Makers are eligible for a Rebate to Add Liquidity. The Exchange believes these pricing amendments do not impose a burden on competition but rather that the proposed rule change will continue to promote competition on the Exchange and position the Exchange as an attractive alternative when compared to other options exchanges.

The Exchange believes that the adoption of the proposed fees and rebates for Mini Options, which will be listed for trading on one or more exchange, will not impose any unnecessary burden on intramarket competition. The Exchange operates in a highly competitive market, comprised of eleven exchanges, where market participants are highly knowledgeable and can easily and without any material impediments, direct Mini Options orders to the options exchange that they believe is the most attractive for their business.

Accordingly, the fees that are assessed and the rebates paid by the Exchange described in the above proposal are influenced by these robust market forces and therefore must remain competitive with fees charged and rebates paid by other venues on other products and therefore must continue to be reasonable and equitably allocated.

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

Written comments were neither solicited nor 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.[7] 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. 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–NASDAQ–2013–049 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–NASDAQ–2013–049. 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–NASDAQ–2013–049 and should be submitted on or before April 22, 2013.

[6] *See* Exchange Rules Section VII, Market Participants, Sections 5, Obligations of Market Makers, and Section 6, Market Maker Quotations.

[7] 15 U.S.C. 78s(b)(3)(A)(ii).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[8]

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2013–07475 Filed 3–29–13; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–69235; File No. SR–CBOE–2013–036]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Order Type and Auction Rules in Advance of Mini-Option Launch

March 25, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on March 20, 2013, the Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE'') 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 Exchange. The Exchange filed the proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act [3] and Rule 19b–4(f)(6) thereunder.[4] 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

CBOE proposes to amend Rules 6.53 (Certain Types of Orders Defined), 6.74 (Crossing Orders), 6.74A (Automated Improvement Mechanism (''AIM'')) and 6.74B (Solicitation Auction Mechanism). Each of these rules sets forth minimum order quantities predicated on an option contract delivering 100 shares. The proposal would amend these rules to maintain the same minimum order quantities in amounts proportional to mini-options delivering 10 shares (*i.e.,* the same number of underlying securities). The Exchange is not proposing to change the substantive content of these rules. The text of the proposed rule change is available on the Exchange's Web site (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), 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 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

CBOE recently amended its rules to allow for the listing of mini-options that deliver 10 physical shares on SPDR S&P 500 (''SPY''), Apple, Inc. (''AAPL''), SPDR Gold Trust (''GLD''), Google Inc. (''GOOG'') and Amazon.com Inc. (''AMZN'').[5] Mini-options trading is expected to commence on March 18, 2013.

Standard equity and exchange-traded fund (''ETF'') option contracts have a unit of trading of 100 shares deliverable and mini-options will have a unit of trading of 10 shares deliverable.[6] Except for the difference in the number of deliverable shares, mini-options will have the same terms and contract characteristics as standard equity and ETF options, including exercise style. Accordingly, the Exchange represented in its original mini-option filing that Exchange rules that apply to the trading of standard option contracts will apply to mini-options as well.[7]

Prior to the commencement of trading mini-options, the Exchange proposes to amend Rules 6.53 (Certain Types of Orders Define), 6.74 (Crossing Orders), 6.74A (AIM) and 6.74B (Solicitation Auction Mechanism). Each of these rules sets forth minimum order quantities predicated on an option contract delivering 100 shares. The purpose of the proposed rule change is to amend these rules to maintain the same minimum order quantities in amounts proportional to mini-options delivering 10 shares (*i.e.,* the same number of underlying securities). The Exchange is not proposing to change the substantive content of these rules.

CBOE Rule 6.53(u): Certain Types of Orders Defined—Qualified Contingent Crosses (''QCC'')

CBOE Rule 6.53 sets forth different order types that may be made available on a class-by-class basis for trading on the Exchange. Subparagraph (u) to CBOE Rule 6.53 provides for the availability of QCC orders, which are orders to buy (sell) at least 1,000 standard options that are identified as being a part of a qualified contingent trade coupled with a contra-side order to buy (sell) an equal number of contracts.

A controversial feature of QCC orders is that they ''may execute without exposure provided the execution (1) is not at the same price as a public customer order resting in the electronic book and (2) is at or between the [National Best Bid or Offer]''.[8] The Commission approved the availability of QCC orders in which the order has a minimum size of 1,000 standard option contracts (which is equivalent to 10,000 mini-option contracts). Because QCC orders may be executed without exposure, the Exchange believes that it is imperative to maintain the minimum QCC order size for mini-options that is required for standard options in proportion.

Accordingly, CBOE proposes to amend CBOE Rule 6.53(u) to specify that the minimum QCC order size for standard options is 1,000 contracts and the minimum order size for mini-

[8] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(iii).

[4] 17 CFR 240.19b–4(f)(6).

[5] *See* Securities Exchange Act Release No. 68656 (January 15, 2013), 78 FR 4526 (January 22, 2013) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to List and Trade Option Contracts Overlying 10 Shares of Certain Securities) (SR–CBOE–2013–001). *See* also CBOE Rule 5.5.22.

[6] Strike prices for mini-options will be set at the same level as for standard options. *See* CBOE Rule 5.5.22(b). Bids and offers for mini-options will be expressed in terms of dollars per 1/10th part of the total value of the contract. *See* CBOE Rule 6.41(c). No additional series of mini-options may be added if the underlying security is trading at $90 or less. The underlying security must trade above $90 for five consecutive days prior to listing mini-option contracts in an additional expiration month. *See* CBOE Rule 5.5.22(c).

[7] 78 FR 4527.

[8] *See* CBOE Rule 6.53(u)(ii). CBOE commented extensively when QCC orders were initially proposed by the International Securities Exchange, LLC (''ISE'') and a protracted regulatory review of QCC orders culminated with the Commission approving the introduction of QCC orders, notwithstanding CBOE's strong objections to the order type. *See* Exchange Act Release No. 63955 (February 24, 2011), 76 FR 11533 (March 2, 2011) (SR–ISE–2010–73). CBOE adopted rules to permit QCC orders as a competitive response but continues to remain critical of the order type. *See* Exchange Act Release No. 64653 (June 13, 2011), 76 FR 35491 (June 17, 2011) (SR–CBOE–2011–041).