

with the protection of investors and the public interest.<sup>12</sup> As stated in the proposal, the proposed changes do not alter the Fund's investment objective. Under the proposal, the Fund will seek to achieve its investment objective by providing exposure to the China A-Shares market, rather than being designed to correspond to the performance of the Benchmark. In addition, the Fund will not be obligated to invest in the instruments included in the Benchmark or to track the performance of the Benchmark or of any index, and will seek to exceed the performance of the Benchmark. Further, the proposal provides that in seeking to achieve its investment objective, the Trust will not utilize a Subsidiary and that the Fund will make its investments directly. As proposed, the Fund also will not enter into repurchase or reverse repurchase agreements. Moreover, the proposal states that the Trust is unable to rely on the exclusion from amended CFTC Rule 4.5 and will be subject to regulation under the CEA and CFTC rules as a commodity pool. The proposal reiterates that the Adviser is registered as a CPO. Because the proposed changes do not alter the Fund's investment objective and conforms the Fund more closely with the requirements of the 1940 Act, the Commission designates the proposed rule change as operative upon filing.

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 email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEArca-2013-97 on the subject line.

<sup>12</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

##### *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-NYSEArca-2013-97. 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-NYSEArca-2013-97 and should be submitted on or before October 24, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>13</sup>

**Kevin M. O'Neill,**

*Deputy Secretary.*

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**BILLING CODE 8011-01-P**

<sup>13</sup> 17 CFR 200.30-3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-70546; File No. SR-CHX-2013-18]

### Self-Regulatory Organizations; Chicago Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a Market Data Revenue Rebates Program

September 27, 2013.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup>, and Rule 19b-4<sup>2</sup> thereunder, notice is hereby given that on September 26, 2013, the Chicago Stock Exchange, Inc. ("CHX" or the "Exchange") 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 CHX. CHX has filed this proposal pursuant to Exchange Act Rule 19b-4(f)(6)<sup>3</sup> which is 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 the Substance of the Proposed Rule Change

CHX proposes to amend its Schedule of Fees and Assessments (the "Fee Schedule") by adopting Section P to implement the Market Data Revenue Rebates program. The text of this proposed rule change is available on the Exchange's Web site at ([www.chx.com](http://www.chx.com)) and in 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 CHX included statements concerning the purpose of and basis for the proposed rule changes 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 CHX has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 17 CFR 240.19b-4(f)(6).

*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 Fee Schedule to adopt Section P to implement the Market Data Revenue (“MDR”) Rebate program. In sum, the proposed MDR Rebate program calls for 50% of MDR that exceeds fixed thresholds in any one of three pools (“Excess MDR”) to be shared with Participants in proportion to their respective eligible quoting activity in Tapes A, B and C securities. The proposed MDR Rebate program is designed to improve display liquidity and promote order flow to the Exchange by offering an incentive for market participants to quote on the Exchange.

Background

The Securities Information Processors (“SIPs”), which include the Securities Information [sic] Automation Corporation (“SIAC”) and the Unlisted Trading Privilege Plan Quotation Data Feed (“UQDF”), collect fees from

subscribers for trade and quote tape data received from trading centers and reporting facilities, such as the CHX (collectively “SIP Participants”). After deducting the cost of operating each tape, the profits are allocated among the SIP Participants on a quarterly basis, according to a complex set of calculations that consider estimates of anticipated MDR, adjustments to comport to actual MDR from previous quarters and a non-linear aggregation of total trading and quoting activity in Tapes A, B and C securities in attributing MDR to each SIP Participant. Based on these calculations, the SIPs provide MDR payments to each SIP Participant during the first month of each quarter for trade and quote data from the previous calendar quarter, which are subject to adjustment through subsequent quarterly payments. These payments can be divided into six pools (*i.e.*, trade and quote activity in Tape A, B and C securities).

Proposed MDR Rebate Program

As the Exchange does not currently share MDR with Participants, the

Exchange now proposes to implement an MDR Rebate program to share MDR attributed to quote activity only by adopting proposed Section P of the Fee Schedule.<sup>4</sup> Specifically, proposed Section P(1) provides that assuming that the requirements of this proposed Section are met, a Participant will receive a quarterly MDR Rebate attributable to the Participant’s quoting of displayed orders in Tapes A, B and C securities, collectively referred to as “eligible quote activity,” from the previous calendar quarter.<sup>5</sup> Furthermore, proposed Section P(2) provides that MDR will be calculated separately for quote activity in Tape A, B and C securities, for a total of three pools. Specifically, if the MDR received by the Exchange in any given pool exceeds the following proposed thresholds in any given calendar quarter, 50% of such Excess MDR will be paid to Participants in proportion to their respective eligible quote activity in that pool.

Source	Tape A	Tape B	Tape C
Quotes .....	\$3,000	\$204,000	\$12,000

In addition, proposed Section P(3) provides a *de minimis* requirement that states that a Participant will not receive an MDR Rebate in any calendar quarter in which the total MDR Rebate attributed to a Participant is less than \$500.

In attributing eligible quote activity to Participants, the Exchange proposes to utilize a set of calculations similar to those used by the SIPs in allocating MDR to SIP Participants. In sum, if Excess MDR exists in any given pool, the Exchange will allocate quote credits to each Participant for eligible quote activity in that pool, which will take into account the actual dollar amount of the quote and how long the quote was at the National Best Bid or Offer (“NBBO”). In turn, the actual dollar amount of the rebate for a Participant will be the product of the percentage of the total quote credits attributed to the Participant in a given pool and the

Excess MDR in the same pool. If a Participant is eligible for MDR Rebates from multiple pools, the Participant will be eligible to receive an MDR rebate equal to the sum of all the rebates. However, if the sum of the rebates is less than \$500, the Participant will not receive a payment and the rebate will be kept by the Exchange. The purpose of the *de minimis* requirement is to encourage significant quote activity and for the Exchange to avoid having to pay Participants for *de minimis* Excess MDR.<sup>6</sup>

As for calculating the pool of funds from which MDR Rebates will be paid, unlike the SIPs, the Exchange will derive MDR Rebate allocation from a fixed value that will not be subject to adjustment (*i.e.*, the amount of MDR actually received by the Exchange on a quarterly basis). This avoids the problem of having to adjust MDR rebates that have already been paid to

Participants to comport to adjustments to MDR made by the SIPs.<sup>7</sup>

In addition, the Exchange proposes to adopt three of the six MDR pools utilized by the SIPs, by excluding the three pools for trading activity, for the purposes of attributing the proposed MDR Rebates to Participants (*i.e.*, quote activity in each Tape A, B and C security). The proposed thresholds were selected based on historical data of the Exchange’s quote activity and MDR that has been paid to the Exchange in previous quarters. The dollar values represent the amount of MDR that must be paid to the Exchange by the SIPs before the Excess MDR would be eligible for distribution.

The following *Examples 1 and 2* illustrate how Excess MDR will be calculated and distributed.

*Example 1.* The following table represents the proposed MDR pool thresholds:

<sup>4</sup> The Exchange does not propose to share MDR attributed to trading activity at this time.

<sup>5</sup> Undisplayed orders are not eligible quote activity.

<sup>6</sup> For example, it would be unduly burdensome to the Exchange to calculate and pay MDR Rebates to

Participants if the total Excess MDR of all the pools was \$4000 and ten Participants were each attributed \$400 in rebates.

<sup>7</sup> For example, if MDR paid to the Exchange was less than anticipated in Q3 2014 due to an adjustment to the MDR paid to the Exchange in Q2

2014 (*i.e.*, actual MDR in Q2 fell short of estimates), the Exchange will not recoup the difference from the Participants that had been paid the Q2 MDR Rebate. Instead, the MDR Rebate for Q3 will be calculated based on the actual MDR paid to the Exchange in Q3.

Source	Tape A	Tape B	Tape C
Quotes .....	\$3,000	\$204,000	\$12,000

Assume that the Q1 2014 MDR paid to the Exchange is apportioned as follows:

Source	Tape A	Tape B	Tape C
Quotes .....	\$2,900	\$244,000	\$12,000

Under this Example, the Tape B pool has Excess MDR in the amount of \$40,000. However, the Tapes A and C pools have no Excess MDR because the actual MDR received in the Tape A pool was \$100 short of its \$3,000 threshold and the Tape C pool was equal to its \$12,000 threshold. Thus, Participants may be paid MDR Rebates for attributed eligible quoting activity from 50% of the Excess MDR in the Tape B pool, which is \$20,000.

*Example 2.* Assume the same as Example 1 and there are five Participants (*i.e.*, Participants A, B, C, D and E) that had eligible quote activity in Tape B securities in the previous calendar quarter. After calculating the Tape B quote credits for each Participant, the attributed MDR for each Participant would be as follows:

Participant	Tape B Quote Credits	Attributed MDR
A .....	24,000	\$480
B .....	75,000	1,500
C .....	201,000	4,020
D .....	300,000	6,000
E .....	400,000	8,000
TOTAL	1,000,000	20,000

In sum, each Participant would be attributed MDR according to their [sic] respective percentage of the Tape B quote credits allocated. For instance, Participant A was allocated 2.4% (*i.e.*, 24,000 credits) of the total 1,000,000 Tape B quote credits attributed to all five Participants. As such, Participant A would be attributed 2.4% of the Excess MDR, which is \$480 (*i.e.*, 2.4% × \$20,000 = \$480). However, since the attributed MDR is less than \$500 and there are no other MDR pools with Excess MDR, the *de minimis* exception would result in Participant A not receiving an MDR payment. In contrast, since the other Participants were attributed MDR in amounts greater than \$500, these Participants would be paid MDR according to the above amounts.

As a final matter, the Exchange proposes to amend the initial subtitle to the Fee Schedule to accurately reflect

that the Fee Schedule includes “Fees, Assessments, Credits and Rebates,” as opposed to merely “Fees and Assessments.”

## 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 Section 6(b)(4) of the Act<sup>9</sup> in particular, in that it provides for the equitable allocation of MDR Rebates among members and other persons using any facility or system which the Exchange operates or controls. The Exchange believes that the proposed MDR Rebate program will promote display liquidity and order flow to the Exchange. In addition, these changes to the Fee Schedule would equitably allocate MDR Rebates among Participants by paying MDR Rebates according to the total quoting activity in Tape A, B and C securities attributable to a Participant in any given calendar quarter.

## 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 Act. The proposed change to provide MDR Rebates contributes to the protection of investors and the public interest by promoting display liquidity on, and order flow to, the Exchange. Consequently, the proposed MDR rebates will promote competition that is necessary and appropriate in furtherance of the purpose of the Act.

## 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

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 Section 19(b)(3)(A) of the Act<sup>10</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>11</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>12</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>13</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing.

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. The Exchange proposes to implement the program in time for the final calendar quarter for 2013. Waiver would allow the Exchange to adhere to this proposed timetable. Also, prompt implementation of the program may encourage competition among exchanges that have market data revenue sharing programs. For these reasons, and because the proposed rule change presents no novel issues, the Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.<sup>14</sup>

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>14</sup> For purposes only of waiving the 30-day operative delay, the Commission has considered the

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

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

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>15</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-CHX-2013-18 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-CHX-2013-18. 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 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 offices 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-CHX-2013-18, and should be submitted on or before October 24, 2013.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2013-24164 Filed 10-2-13; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-70543; File No. SR-MIAX-2013-45]

### Self-Regulatory Organizations; Miami International Securities Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 503

September 27, 2013.

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> notice is hereby given that on September 19, 2013, Miami International Securities Exchange LLC ("MIAX" 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 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 the Substance of the Proposed Rule Change

The Exchange is filing a proposal to amend Rule 503.

The text of the proposed rule change is available on the Exchange's Web site at [http://www.miaxoptions.com/filter/wotitle/rule\\_filing](http://www.miaxoptions.com/filter/wotitle/rule_filing), 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 Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The Exchange proposes to amend Rule 503 to provide details regarding the treatment of market orders to sell in two specific scenarios during the Exchange's Opening Process—when market sell interest outweighs buy interests and (i) the highest quote bid is either zero or the lowest Minimum Trading Increment or (ii) the Expanded Quote Range has been calculated as zero. The proposal codifies existing functionality during the Exchange's Opening Process. Specifically, the Exchange proposes adding the following to Rule 503(f)(3):

In series where the highest quote bid is either zero or the lowest Minimum Trading Increment and market order sell interest has a quantity greater than all of the buy interest, the System will treat the market order(s) like a limit order to sell at the lowest Minimum Trading Increment and the Opening Process will be satisfied with an opening price at the lowest Minimum Increment with any remaining balance of the sell order(s) being placed on the Book in time priority and made available for execution following the Opening Process.

The Exchange believes that this amendment will prevent any confusion on the part of its members on how such orders will be treated during the Exchange's Opening Process. For instance, in the absence of the proposed amendment to Rule 503(f)(3), a member could believe that a market order to sell could be priced at zero in a no bid series. However, the Exchange System avoids this theoretical outcome by converting the sell market order to a limit order with a limit price of the lowest Minimum Trading Increment. This is very similar to how the MIAX Order Monitor, which applies after the Opening Process, converts market orders to sell in certain circumstances to

proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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

<sup>16</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.