

an imbalance going into the closing transaction.

*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**

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 after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act<sup>36</sup> and Rule 19b-4(f)(6)<sup>37</sup> 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. 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEMKT-2013-107 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-NYSEMKT-2013-107. 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-NYSEMKT-2013-107 and should be submitted on or before February 3, 2014. For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>38</sup>

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014-00344 Filed 1-10-14; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-71251; File No. SR-NSCC-2013-11]

**Self-Regulatory Organizations; National Securities Clearing Corporation; Order Approving Proposed Rule Change To Add a New Service to the National Securities Clearing Corporation's Obligation Warehouse ("OW") Which Would Pair Off and Close Certain Open Obligations, Reducing the Number of Open Obligations in OW**

January 7, 2014.

**I. Introduction**

On November 14, 2013, the National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change SR-NSCC-2013-11 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> The proposed rule change was published for comment in the **Federal Register** on November 29, 2013.<sup>3</sup> The Commission did not receive comments on the proposed rule change. This order approves the proposed rule change.

**II. Description of the Proposal**

NSCC's proposed rule change consisted of amendments to the Rules and Procedures ("Rules") of NSCC to modify its Rules to add a new service to NSCC's Obligation Warehouse ("OW") that will daily apply a pair off methodology to open OW Obligations, designated by Members as eligible for the service, based on the quantity of underlying securities, the final money amount, and the settlement dates of the underlying obligations, the ("Pair Off Function"). Upon making those revisions to NSCC's Rules, this approved, new service to OW will pair off and close certain open obligations, thereby reducing the number of open obligations in OW. The effective date of the proposed rule change will be announced via an NSCC Important Notice.

NSCC's OW, implemented in 2011, is a non-guaranteed, automated service that tracks, stores, and maintains unsettled ex-clearing and failed obligations, as well as obligations exited from NSCC's Continuous Net Settlement ("CNS") system, non-CNS Automated Customer Account Transfer Service

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

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

<sup>3</sup> Securities Exchange Act Release No. 34-70937 (Nov. 25, 2013), 78 FR 71686 (Nov. 29, 2013) (SR-NSCC-2013-11).

<sup>36</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>37</sup> 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. The Exchange has satisfied this requirement.

<sup>38</sup> 17 CFR 200.30-3(a)(12).

("ACATS") Receive and Deliver Instructions, Balance Orders, and Special Trades, as defined in NSCC's Rules (collectively "OW Obligations"). The service provides transparency, serves as a central storage of open (i.e. failed or unsettled) broker-to-broker obligations, and allows users to manage and resolve exceptions in an efficient and timely manner. Simultaneously, OW provides on-going maintenance and servicing of matched obligations that have not been marked by a Member as subject to upcoming delivery, closure, or cancellation. Examples of this on-going maintenance and servicing include: Adjustments for certain corporate actions; daily review for CNS eligibility; and regular processing of the Reconfirmation and Pricing Service ("RECAPS") in the OW on days announced by Important Notices. During the daily review for CNS eligibility, OW Obligations that are eligible for CNS are exited from the OW and forwarded to CNS. On days when RECAPS is run in the OW, OW Obligations that are eligible for RECAPS<sup>4</sup> are re-netted and, if appropriate, marked to the current market price<sup>5</sup> and provided with an updated settlement date of the next business day. The Pair Off Function will run once a day, immediately following the completion of the review for CNS eligibility.<sup>6</sup>

Today, in order to reduce the number of obligations that remain on their books and records, Members may take actions away from NSCC to close out these open obligations in OW. Those Members would then close the obligations in OW. The Pair Off Function will facilitate the close out of any OW Obligations that Members designate as eligible for the service. By facilitating the close out of these obligations in an automated manner within the OW, the Pair Off Function should add transparency to the life cycle of these obligations that may otherwise be closed out away from NSCC. With respect to obligations that are removed from the OW as a result of the Pair Off Function, Members' administrative costs associated with

maintaining these obligations in OW should be reduced.

NSCC Members will have the opportunity to designate certain OW Obligations that are in "Open" status in the OW, to which they are a party, to be eligible to be paired off with other OW Obligations in the same CUSIP, and ultimately closed.<sup>7</sup> NSCC may, in its discretion, exclude certain obligations from the Pair Off Function, and will announce by Important Notice which obligations are excluded. Initially, the following obligations will be excluded: (1) OW Obligations in which the underlying security is a mutual fund, a when-issued security,<sup>8</sup> or is part of a syndicate; (2) OW Obligations that are identified in OW as an ACATS Receive and Deliver Instruction; (3) obligations that, as of the time the Pair Off Function runs, are identified in the OW as being subject to a corporate action; and (4) an obligation that is marked in the OW as being in "Open" status but has already been sent to The Depository Trust Company's Inventory Management System (IMS) as a pending delivery.

The Pair Off Function will use a matching methodology that will pair off eligible OW Obligations based on the quantity of underlying securities, the final money amount, and the settlement dates of the underlying obligations. The Pair Off Function will only match OW Obligations that have been designated as eligible for pair off by both Members that are party thereto, and that are in the same CUSIP and have the same counterparties, where the counterparties have offsetting long and short obligations. The methodology will pair off eligible OW Obligations in order by first pairing off those obligations that have the most criteria in common. For example, the methodology will first pair off eligible OW Obligations where the quantity of underlying securities, the settlement dates of the obligations, and the final money amounts are identical. The methodology will continue to review eligible OW Obligations subject to certain rules, beginning with eligible OW Obligations with the oldest settlement date, and eligible OW Obligations with the smallest number of underlying securities.

Eligible OW Obligations will be paired off where the quantity of underlying securities, the final money amount, or the settlement dates of the underlying obligations may not be identical, and, in certain cases, one OW Obligation may be paired off against multiple OW Obligations. However, a pair off would never occur if it would result in: (1) A negative quantity of underlying securities in either of the original obligations; (2) a negative final money amount; or (3) at least one of the obligations subject to the pair off to remaining open, with a reduced quantity of underlying securities and a final money amount of zero or less than zero. Additionally, OW Obligations in municipal bonds would only be eligible for pair off where the quantity of the underlying securities in the obligations subject to the pair off is identical and no underlying securities remain.

When the pair off criteria are met, the OW Obligations will either be closed or, when the quantities of underlying securities are not exactly matched between obligations being paired off, the pair off will result in one or more of the obligations being reduced by the quantity of securities that were paired off. Those obligations will remain in "Open" status in OW and will be adjusted to reflect the reduced number of underlying securities. Where the underlying final money amounts are not exactly matched between obligations being paired off, the pair off will result in a cash adjustment, which will be reflected in the Members' money settlement with NSCC on the following business day.

### III. Discussion and Commission Finding

Section 19(b)(2)(C) of the Act<sup>9</sup> directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and rules and regulations thereunder applicable to such organization. Section 17A(b)(3)(F) of the Act<sup>10</sup> requires that the rules of a clearing agency to be designed to, among other things, "promote the prompt and accurate clearance and settlement of securities transactions and . . . to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible."<sup>11</sup> Further, Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to, "perfect the mechanism of a national system for the

<sup>4</sup> Obligations that are matched and have a settlement date of at least two days prior to the date on which the RECAPS process commences will be considered for inclusion in the RECAPS process, and therefore, fail items not already in the OW and eligible for RECAPS processing must be submitted by the Member prior to RECAPS processing.

<sup>5</sup> In the event that the current market price for a security is not available, the obligation's price details will be unchanged from when it was previously matched.

<sup>6</sup> NSCC will announce by Important Notice days on which Pair Off function will not run, which may include days on which the RECAPS process is run in the OW.

<sup>7</sup> Members may either participate in the Pair Off Function on an account level, designating all OW Obligations in an "Open" status in the OW to which they are a party as eligible for the Pair Off function and then opt out of the function with respect to certain OW Obligations, or they may designate only certain OW Obligations as eligible for pair off.

<sup>8</sup> A transaction in a "when issued" security is made conditionally because the underlying security has been authorized but not yet issued, and will only settle after the security has been issued.

<sup>9</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>10</sup> 12 U.S.C. 78q-1(b)(3)(F).

<sup>11</sup> 15 U.S.C. 78q-1(b)(3)(F).

prompt and accurate clearance and settlement of securities transactions.”<sup>12</sup> The Commission finds that NSCC’s proposed rule change is consistent with these requirements because: the Pair Off Function is designed to provide for greater efficiency and transparency with respect to obligations processed through the OW; and to improve NSCC’s current mechanism for the clearance and settlement of securities transactions that are placed in the OW.

#### IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act<sup>13</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act, that the proposed rule change SR–NSCC–2013–11 be, and it hereby is, *approved*.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>14</sup>

**Kevin M. O’Neill,**

*Deputy Secretary.*

[FR Doc. 2014–00332 Filed 1–10–14; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–71248; File No. SR–CBOE–2013–113]

### Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change Relating to Multi-Class Spread Orders

January 7, 2014.

On November 18, 2013, the Chicago Board Options Exchange, Incorporated (the “Exchange” or “CBOE”) filed with the Securities and Exchange Commission (the “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> a proposed rule change to amend CBOE 24.19 to revise several provisions governing the trading of Multi-Class Spread Orders. The proposed rule change was published for comment in the **Federal Register** on December 5,

2013.<sup>3</sup> The Commission has received no comment letters on the proposal.

Section 19(b)(2) of the Act<sup>4</sup> provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is January 19, 2014. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>5</sup> designates March 5, 2014, as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR–CBOE–2013–113).

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

**Kevin M. O’Neill,**

*Deputy Secretary.*

[FR Doc. 2014–00343 Filed 1–10–14; 8:45 am]

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## SMALL BUSINESS ADMINISTRATION

[License No. 06/06–0326]

### Main Street Mezzanine Fund, L.P.; Notice Seeking Exemption Under Section 312 of the Small Business Investment Act, Conflicts of Interest

Notice is hereby given that Main Street Mezzanine Fund, L.P., 1300 Post Oak Boulevard, Suite 800, Houston TX, 77056, a Federal Licensee under the Small Business Investment Act of 1958, as amended (“the Act”), in connection with the financing of a small concern, has sought an exemption under Section 312 of the Act and Section 107.730, Financings which Constitute Conflicts of Interest of the Small Business Administration (“SBA”) Rules and Regulations (13 CFR 107.730). Main Street Mezzanine Fund, L.P. proposes to

provide loan financing to LKCM Distribution Holdings, LLC, 301 Commerce Street, Suite 1600, Fort Worth, Texas 76102 (“LKCM”).

The financing is brought within the purview of § 107.730(a)(l) of the Regulations because a director of Main Street Capital Corporation, the Parent of Main Street Mezzanine Fund, L.P. is also a director of LKCM. The financing is also brought within the purview of § 107.730(a)(4) of the Regulations because LKCM is going to use the proceeds to purchase the assets of Thermal & Mechanical Equipment Company, LLC, 1423 E. Richey Road, Houston, Texas 77073 (“TMEC”). Main Street Mezzanine Fund, L.P., Main Street Capital II, L.P., and Main Street Capital Corporation have outstanding loans to TMEC and Main Street Equity Interests, Inc. and Main Street Capital II Equity Interests hold equity in TMEC, all Associates of Main Street Mezzanine Fund, L.P. The proceeds from the sale of TMEC’s assets will be used to discharge the loan obligations and redeem the equity interests. Therefore this transaction is considered a financing constituting a conflict of interest requiring prior SBA approval.

Notice is hereby given that any interested person may submit written comments on the transaction, within fifteen days of the date of this publication, to the Associate Administrator, Office of Investment and Innovation, U.S. Small Business Administration, 409 Third Street SW., Washington, DC 20416.

**Javier Saade,**

*Associate Administrator, Office of Investment and Innovation.*

[FR Doc. 2014–00297 Filed 1–10–14; 8:45 am]

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## DEPARTMENT OF STATE

[Public Notice 8591]

### 60-Day Notice of Proposed Information Collection: Form—DS–1950, Department of State Application for Employment, OMB Control Number 1405–0139

**ACTION:** Notice of request for public comment.

**SUMMARY:** The Department of State is seeking Office of Management and Budget (OMB) approval for the information collection described below. In accordance with the Paperwork Reduction Act of 1995, we are requesting comments on this collection from all interested individuals and organizations. The purpose of this

<sup>12</sup> Id.

<sup>13</sup> In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>14</sup> 17 CFR 200.30–3(a)(12).

<sup>15</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. 70961 (November 29, 2013), 78 FR 73211.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> 15 U.S.C. 78s(b)(2).

<sup>6</sup> 17 CFR 200.30–3(a)(31).