

the Exchange Act and whether the Exchange has sufficiently met its burden in presenting a statutory analysis of how its proposal is consistent with the Exchange Act. In particular, the grounds for disapproval under consideration include whether the Exchange's proposal is consistent with Section 6(b)(5) of the Exchange Act, which requires, among other things, that the rules of a national securities exchange be "designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade," and "to protect investors and the public interest."²⁵ The Commission continues to evaluate the sufficiency of the information that would be available regarding the pricing of the OTC derivative instruments included in the Disclosed Portfolio, and the impact on the ability of investors and other market participants to value the Fund's holdings, and to engage in arbitrage and hedging activities.

IV. Procedure: Request for Written Comments

The Commission requests that interested persons provide written submissions of their views, data, and arguments with respect to the concerns identified above, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposal is consistent with Section 6(b)(5) or any other provision of the Act, or the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval which would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4, any request for an opportunity to make an oral presentation.²⁶

Interested persons are invited to submit written data, views, and arguments regarding whether the proposal should be approved or disapproved by March 21, 2014. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by April 4, 2014.

The Commission asks that commenters address the sufficiency and

merit of the Exchange's statements in support of the proposal, in addition to any other comments they may wish to submit about the proposed rule change. In particular, the Commission seeks comment on the following:

1. The Exchange states, in the proposed rule change, that the Fund's disclosure of derivative positions in the Disclosed Portfolio will include information that market participants can use to value the derivatives positions intraday, and that this information will vary by line item, and may include tickers or other identifiers which would identify the listing or clearing exchange for exchange-traded and cleared derivatives, strike price(s), underlying asset, swap or index, coupon, effective date, maturity, and quantities or exposure. The Exchange further states that market makers and participants should be able to value derivatives as long as the positions are disclosed with relevant information. Do commenters agree? Why or why not? What type of information is necessary to be included in the information to be made available about the Disclosed Portfolio for market participants to be able to value the derivatives positions intraday?

2. The Exchange states that the Adviser believes there will be minimal, if any, impact to the arbitrage mechanism as a result of the use of derivatives. Do commenters agree? Why or why not?

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-NYSEArca-2013-122 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 Numbers SR-NYSEArca-2013-122. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the

Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filings also will be available for inspection and copying at the principal office of the Exchanges. 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-2013-122 and should be submitted on or before March 21, 2014. Rebuttal comments should be submitted by April 4, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁷

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-71608; File No. SR-FINRA-2014-008]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of Proposed Rule Change Relating to Protecting Personal Confidential Information in Documents Filed With FINRA Dispute Resolution

February 24, 2014.

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 February 13, 2014, Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared substantially by FINRA. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

²⁷ 17 CFR 200.30-3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

²⁵ 15 U.S.C. 78f(b)(5).

²⁶ Section 19(b)(2) of the Act, as amended by the Securities Act Amendments of 1975, Public Law 94-29 (June 4, 1975), grants the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. See Securities Act Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

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

FINRA is proposing to amend the Code of Arbitration Procedure for Customer Disputes (the "Customer Code") and the Code of Arbitration Procedure for Industry Disputes (the "Industry Code") to provide that any document that a party files with FINRA that contains an individual's Social Security number, taxpayer identification number, or financial account number must be redacted to include only the last four digits of any of these numbers. The proposed amendments would apply only to documents filed with FINRA. They would not apply to documents that parties exchange with each other or submit to the arbitrators at a hearing on the merits. In addition, the amendments would not apply to cases administered under Rule 12800 of the Customer Code and Rule 13800 of the Industry Code (collectively, the "Simplified Arbitration rules").³

The text of the proposed rule change is available at the principal office of FINRA, on FINRA's Web site at <http://www.finra.org>, 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, FINRA 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. FINRA 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

During an arbitration proceeding, parties submit pleadings and supporting documents to FINRA Dispute Resolution ("DR") that may contain an individual's Social Security number, taxpayer identification number, or financial account number ("personal confidential information" or "PCI"). Since FINRA employees are regularly exposed to PCI as they handle party documents, FINRA has procedures in

place to guide staff on how to keep confidential information safe. FINRA maintains an Information Privacy and Protection Policy ("Policy"), and administers Information Privacy and Protection Training to all FINRA staff annually. In addition to the Policy, DR has its own detailed procedures for protecting confidential information relating to, among other matters, storage and disposal of case materials in a manner that preserves the confidentiality of the information, and removal of PCI that appears in awards that will be publicly available.⁴

DR procedures also provide staff with guidance on what arbitrators and mediators can do to protect confidential information. For example, DR requires arbitrators and mediators to keep confidential all information obtained in connection with an arbitration or mediation and to participate in FINRA training programs on information security.

In 2010, FINRA published a Notice to Parties⁵ ("Notice") stating that parties and their counsel should take steps to protect confidential information. The Notice states that parties can safeguard confidential information by redacting such information from pleadings,⁶ exhibits, and other documents upon agreement of the parties. For example, the parties may agree not to use, or to redact, Social Security, account, or driver license numbers. Where parties must reference such data, they may use only the last few digits of the numbers or similar information. While these efforts have enhanced the security of party documents and information, parties continue to file with DR pleadings and attachments containing PCI. For example, customers often file account opening documents and account statements that show their account numbers.

As a service to forum users, DR serves certain pleadings on other parties to an arbitration matter. The parties are responsible for providing DR with addresses for service. The greatest risk of DR staff misdirecting PCI occurs when DR staff serves pleadings on a party (e.g., an associated person of a member who has not updated his or her

Central Registration Depository record) at an incorrect/outdated address. In addition, DR provides the arbitrators with pleadings and attachments. On occasion, arbitrators have misplaced parties' pleadings containing PCI.

In an effort to protect parties from identity theft and the accidental loss of PCI, FINRA is proposing to amend the Customer Code and the Industry Code to require parties to redact specified PCI from documents they file with FINRA. FINRA is proposing to amend Rules 12300 (Filing and Serving Documents) and 12307 (Deficient Claims) of the Customer Code and Rules 13300 (Filing and Serving Documents) and 13307 (Deficient Claims) of the Industry Code as described below. For ease of reading, the description below only refers to Rules 12300 and 12307 of the Customer Code. The proposed amendments to Rules 13300 and 13307 of the Industry Code are identical and FINRA's rationale is the same.

FINRA is proposing to amend Rule 12300 to provide that, in an electronic or paper filing with FINRA, any document that contains an individual's Social Security number, taxpayer identification number, or financial account number must be redacted to include only the last four digits of any of these numbers. The rule would specify that a party shall not include full numbers. If FINRA receives a claim,⁷ including supporting documents, with a full Social Security, taxpayer identification, or financial account number, FINRA would deem the filing deficient under Rule 12307 and would request that the party refile the document, without the PCI, within 30 days. If a party files a document with PCI that is not covered by Rule 12307 (a document other than a claim, such as a motion), FINRA would deem the filing to be improper and would request that the party refile the document, with the required redaction, within 30 days. If the party refiles the document within 30 days in compliance with the rule, FINRA would consider the document to be filed on the date the party initially filed it with FINRA.

The proposed rule change would include two exemptions—one for documents that parties exchange with each other or submit to the arbitrators at a hearing on the merits, and one for cases administered under the Simplified Arbitration rules. As explained above, FINRA's greatest risk of misdirecting PCI occurs when DR staff is transmitting pleadings and documents to parties and

³ Rules 12800 and 13800 apply to arbitrations involving \$50,000 or less, exclusive of interest and expenses.

⁴ FINRA keeps all documents and information in DR case files confidential except for arbitration awards. FINRA publishes every award in the Arbitration Awards Online Database on FINRA's Web site.

⁵ <http://www.finra.org/ArbitrationAndMediation/Arbitration/Rules/NoticestoArbitratorsParties/NoticestoParties/P123999>.

⁶ A pleading is a statement describing a party's causes of action or defenses. Documents that are considered pleadings are: A statement of claim, an answer, a counterclaim, a cross claim, a third party claim, and any replies.

⁷ The term "claim" means an allegation or request for relief and includes counterclaims, cross claims and third party claims.

arbitrators. Therefore, FINRA is proposing to exempt documents that parties exchange with each other or submit as exhibits during a hearing to reduce the burden of the new requirements. The parties can agree to measures to protect PCI in documents they share or use at a hearing and DR staff would not be at risk of transmitting PCI. FINRA is less concerned about exhibits produced by parties at hearings because parties only bring hard copies of exhibits to a hearing, as opposed to transmitting them via email, and can safely dispose of them by using secure shredding services. FINRA believes this is a balanced approach to protecting PCI that would minimize the burden on parties.

The second exemption relates to claims administered under the Simplified Arbitration rules. Generally, a single arbitrator decides these claims based solely on the parties' written submissions. Many claimants who initiate a claim under the Simplified Arbitration rules are not represented by counsel (*i.e.*, they are pro se parties). FINRA believes that the redaction requirements in the proposed rule change may prove difficult for pro se parties to handle because they are not familiar with the practice of redacting documents. Therefore, FINRA proposes to exempt from this rule all claims administered under the Simplified Arbitration rules.

FINRA is proposing to make conforming changes to Rule 12307. FINRA would amend Rule 12307(a) to add an item to the list of deficiencies enumerated in the rule—that the claim does not comply with the restrictions on filings with PCI under Rule 12300(g). FINRA is proposing to amend Rule 12307(c) to clarify that if a party corrects a deficiency in a counterclaim, cross claim or third party claim within 30 days, FINRA will consider the document to be filed on the date the party initially filed the counterclaim, cross claim or third party claim with FINRA. FINRA would also amend Rule 12307(c) to correct a typographical error by deleting the word “the” (indicated by brackets) in the sentence that currently reads “The Director will notify the party making the counterclaim, cross claim or third party claim of [the] any deficiencies in writing.”

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,⁸ which requires, among other things, that FINRA rules must be designed to

prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. FINRA believes that the proposed rule change would protect investors and the public interest because it would reduce the risk to forum users of identity theft. DR staff takes seriously its obligation to safeguard parties' PCI. However, because of the high volume of documents that DR staff handles and the manual process of transmitting documents, there continue to be risks to the security of an individual's personal information. FINRA believes that the best way to reduce the risk to forum users is to prohibit parties from submitting documents with PCI.

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

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. FINRA considered the potential burden on the parties of the proposed redaction requirement. FINRA believes that the potential benefits outweigh the potential burden. Currently, Rule 5.2 of the Federal Rules of Civil Procedure (Privacy Protection for Filings Made with the Court) allows parties filing documents in Federal Court to include only the last four digits of a Social Security number, taxpayer identification number, and financial account number. Rule 5.2's redaction requirement applies to all documents, including attachments. Since many party representatives are already accustomed to complying with a redaction requirement, and because the redaction requirement applies only to documents filed with DR and not to documents that the parties exchange with each other or submit to the arbitrators at a hearing on the merits, or to documents submitted pursuant to the Simplified Arbitration rules, FINRA believes that the additional burden to these representatives would be minimal. Further, FINRA member firms are required to protect PCI under federal laws such as Regulation S-P⁹ and already redact PCI in other contexts.

⁹ Under Regulation S-P (17 CFR 248.1–248.30), the SEC adopted rules implementing notice requirements and restrictions on a financial institution's ability to disclose non-public personal information about consumers.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date 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 such 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 email to rule-comments@sec.gov. Please include File Number SR-FINRA-2014-008 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-FINRA-2014-008. 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

⁸ 15 U.S.C. 78o-3(b)(6).

public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of FINRA. 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-FINRA-2014-008 and should be submitted on or before March 21, 2014.

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

Kevin M. O'Neill,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-71605; File No. SR-NSCC-2014-01]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Modify its Fee Schedule

February 24, 2014.

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 February 12, 2014 the National Securities Clearing Corporation ("NSCC") 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 NSCC. NSCC filed the proposed rule change pursuant to Section 19(b)(3)(A)(ii)³ of the Act and Rule 19b-4(f)(2)⁴ thereunder; the proposed rule change was effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to the Rules & Procedures ("Rules") of NSCC to modify its fee schedule, as more fully described below.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, NSCC 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. NSCC has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(i) Proposed Rule Change

The purpose of the proposed rule change is to revise NSCC's fee schedule (as listed in Addendum A of the Rules) in order to implement a fee for a new service being added to NSCC's Obligation Warehouse ("OW"). The new service, which will be implemented in March 2014, will pair off and close certain open, pending obligations, reducing the number of open obligations in OW ("OW Pair Off service").⁵ NSCC is proposing to revise Addendum A of the Rules in order to include a fee for this new service, as shown on Exhibit 5 hereto.

Implementation Timeframe

The proposed rules change will be implemented on a date announced by an NSCC Important Notice, to coincide with the effective date of the OW Pair Off service.

Proposed Rule Changes

NSCC proposes to amend Addendum A as marked on Exhibit 5 hereto. No other changes to the Rules are contemplated by this proposed rule change.

(ii) Statutory Basis

The proposed rule change will align NSCC's fees with the costs of delivering the OW Pair Off service, and will be applied equitably to the NSCC members that use that service. Therefore, NSCC believes the proposed rule change is consistent with the requirements of the

Act and the rules and regulations thereunder applicable to NSCC, in particular Section 17A(b)(3)(D) of the Act,⁶ which requires that NSCC's Rules provide for the equitable allocation of reasonable dues, fees, and other charges among its participants.

(B) Clearing Agency's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will have any impact, or impose any burden, on competition. As stated above, the proposed change will be applied equitably to the NSCC members that use the OW Pair Off service, and will not disproportionately impact any NSCC members.

(C) Clearing Agency'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 yet been solicited or received. NSCC will notify the Commission of any written comments received by NSCC.

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

The forgoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁷ and Rule 19b-4(f)(2)⁸ 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 email to rule-comments@sec.gov. Please include File No. SR-NSCC-2014-01 on the subject line.

⁶ 5 U.S.C. 78q-1(b)(3)(D).

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

¹⁰ 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)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ See Release No. 34-71251 (January 7, 2014), 79 FR 8 (January 7, 2014).