

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-ISE-2014-19, and should be submitted on or before April 22, 2014.

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

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-71810; File No. SR-ICC-2014-02]

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change To Update ICC's Liquidity Thresholds for Euro Denominated Products

March 26, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder² notice is hereby given that on March 12, 2014, ICE Clear Credit LLC ("ICC") 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 primarily by ICC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The purpose of the proposed rule change is to update ICC's liquidity thresholds for Euro denominated products.

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

In its filing with the Commission, ICC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received regarding the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ICC

has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

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

The proposed revisions are intended to update ICC's liquidity thresholds for Euro denominated products. ICC will require the first 65% of Clearing Participant Non-Client Initial Margin and Guaranty Fund Liquidity Requirements ("Non-Client Liquidity Requirements") to be satisfied with collateral in the currency of the underlying instrument. Accordingly, ICC proposes updating the liquidity thresholds for Euro denominated products, listed in Schedule 401 of the ICC Rules, to require the first 65% of Non-Client Liquidity Requirements for Euro denominated products to be satisfied with Euro cash.

ICC believes such changes will facilitate the prompt and accurate clearance and settlement of securities transactions and derivative agreements, contracts, and transactions for which it is responsible. The proposed changes are described in detail as follows.

For United States Dollar ("USD") denominated products, the first 65% of Non-Client Liquidity Requirements must be satisfied with USD denominated collateral. Specifically, the first 45% of Non-Client Liquidity Requirements must be posted in USD cash and the next 20% may be posted in USD denominated assets (USD cash and/or US Treasury securities). Currently, for Euro denominated products, 45% of Non-Client Liquidity Requirements must be posted in Euro cash and the next 20% may be posted in Euro cash, USD cash, and/or US Treasury securities.

ICC proposes to require the first 65% of Non-Client Liquidity Requirements for both USD and Euro denominated products to be satisfied with collateral in the currency of the underlying instrument. Accordingly, ICC is updating its liquidity thresholds for Euro denominated products so that the first 65% of Non-Client Liquidity Requirements for Euro denominated products must be satisfied with Euro cash. This change will increase the Euro cash Non-Client Liquidity Requirements for Euro denominated products and create more consistent liquidity requirements across USD and Euro denominated products.

Redundant references to "US cash" in Schedule 401 of the ICC Rules have

been removed, as US cash is included in all "G7 cash" references.

The ICC Treasury Operations Policies and Procedures have been updated to reflect the update to ICC's Non-Client Liquidity Requirements for Euro denominated products. The changes to the Euro cash Non-Client Liquidity Requirements do not require any operational changes.

Section 17A(b)(3)(F) of the Act³ requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions. ICC believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, to Section 17(A)(b)(3)(F),⁴ because ICC believes that the update to its liquidity thresholds for Euro denominated products will facilitate the prompt and accurate settlement of securities, specifically security-based swaps, and contribute to the safeguarding of securities and funds associated with security-based swap transactions in ICC's custody or control, or for which ICC is responsible. This change will increase available liquidity and make liquidity requirements consistent across USD and Euro denominated products.

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

ICC does not believe the proposed rule change would have any impact, or impose any burden, on competition. The proposed update to ICC's liquidity thresholds for Euro denominated products applies consistently across all market participants and the implementation of the proposed liquidity thresholds for Euro denominated products does not preclude the implementation of similar changes by other market participants. Therefore, ICC does not believe the update to its liquidity thresholds for Euro denominated products imposes any burden on competition that is inappropriate in furtherance of the purposes of the Act.

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

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the

¹³ 17 CFR 200.30-3(a)(12).

¹⁴ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78q-1(b)(3)(F).

⁴ Id.

Commission of any written comments received by ICC.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) By order approve or disapprove the proposed rule change or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-ICC-2014-02 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-ICC-2014-02. 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 will also be available for inspection and copying at the principal office of ICC and on ICC's Web site at <https://www.theice.com/notices/Notices.shtml?regulatoryFilings>.

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-ICC-2014-02 and should be submitted on or before April 22, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵

Kevin M. O'Neill,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-71813; File No. SR-NASDAQ-2014-009]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing of Amendment No. 1 and Designation of a Longer Period for Commission Action on Proposed Rule Change, as Modified by Amendment No. 1 Thereto, Relating to the Listing and Trading of the Shares of the First Trust Tactical High Yield ETF of First Trust Exchange-Traded Fund IV

March 26, 2014.

On January 22, 2014, The NASDAQ Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to modify the description of certain investments for the First Trust Tactical High Yield ETF (formerly known as the First Trust High Yield Long/Short ETF) ("Fund"). The proposed rule change was published for comment in the **Federal Register** on February 10, 2014.³ The Commission has received no comments on the proposal. On March 11, 2014, the Exchange filed Amendment No. 1 to the proposed rule

change.⁴ The Commission is publishing this notice to solicit comments from interested persons on the proposed rule change, as modified by Amendment No. 1 thereto and to designate a longer period for Commission action on the proposed rule change, as modified by Amendment No. 1 thereto.

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

Nasdaq proposes to list and trade the shares of the First Trust Tactical High Yield ETF (formerly known as the First Trust High Yield Long/Short ETF) of First Trust Exchange-Traded Fund IV (the "Trust") under Nasdaq Rule 5735 ("Managed Fund Shares"). The shares of the Fund are collectively referred to herein as the "Shares."

The text of the proposed rule change is available at <http://nasdaq.cchwallstreet.com/>, at Nasdaq'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, Nasdaq included statements concerning the purpose of, and basis for, the proposed rule change. The text of these statements may be examined at the places specified in Item III below, and is set forth in Sections A, B, and C below.

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

1. Purpose

The Exchange proposes to reflect changes to the means of achieving the investment objectives of the Fund.⁵ The Commission has approved the listing and trading of Shares under NASDAQ

⁴ In Amendment No. 1, which amended and replaced the proposed rule change in its entirety, the Exchange: (a) Clarified the types of Derivative Instruments (as defined herein) as proposed to be used by the Fund; (b) provided specific representations relating to the use of these Derivative Instruments; (c) provided additional information as to the valuation of these Derivative Instruments for purposes of determining NAV (as defined herein); (d) provided additional information as to the availability of pricing for the Derivative Instruments to market participants, as well as information relating to the Derivative Instruments as part of the Disclosed Portfolio (as defined herein); and (e) provided additional details as to the Exchange's surveillance procedures with respect to the Derivative Instruments.

⁵ See Securities Exchange Act Release No. 68972 (February 22, 2013), 78 FR 13721 (February 28, 2013) (SR-NASDAQ-2012-147) (order approving listing and trading of First Trust High Yield Long/Short ETF).

¹ 17 CFR 200.30-3(a)(12).

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4.

⁵ See Securities Exchange Act Release No. 71473 (Feb. 4, 2014), 79 FR 7728 ("Notice").