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 Section, 100 F Street NE., Washington, DC 20549, on official business days between 10:00 a.m. and 3:00 p.m. Copies of the filing will also be available for inspection and copying at the principal office of NYSE. 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–2014–42 and should be submitted on or before May 22, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[76]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–09924 Filed 4–30–14; 8:45 am]

BILLING CODE 8011–01–P

[76] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72019; File No. SR–MSRB–2014–03]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Consisting of New Rule A–11, on Assessments for Municipal Advisor Professionals

April 25, 2014.

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 April 17, 2014, the Municipal Securities Rulemaking Board (the ''MSRB'' or ''Board'') filed with the Securities and Exchange Commission (the ''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. The MSRB has designated the proposed rule change as changing fees imposed by the MSRB under Section 19(b)(3)(A)(ii) of the Act,[3] which renders the proposal effective upon receipt of this filing by 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 Substance of the Proposed Rule Change

The MSRB is filing with the Commission a proposed rule change consisting of new Rule A–11, on assessments for municipal advisor professionals (the ''proposed rule change'').

The text of the proposed rule change is available on the MSRB's Web site at *www.msrb.org/Rules-and-Interpretations/SEC-Filings/2014-Filings.aspx,* at the MSRB'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 MSRB 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 MSRB 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 proposed rule change consists of new Rule A–11, on assessments for municipal advisor professionals. In the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (''Dodd-Frank Act''),[4] Congress charged the SEC and MSRB with the regulation of municipal advisors. The Dodd-Frank Act specifically amended the Exchange Act to grant the MSRB authority to charge municipal advisors reasonable fees to defray the costs of the operation of the MSRB. The purpose of the proposed rule change is to assess a reasonable fee on municipal advisors to help defray the costs and expenses of operating and administering the MSRB, particularly the increased costs as a result of the regulation of municipal advisors. New Rule A–11 will charge each municipal advisor an annual fee of $300 for each Form MA–I on file with the SEC in the relevant year.[5] This fee is separate from the initial $100 and annual $500 registration fees the MSRB charges all market participants subject to MSRB regulation [6] and is a step towards the MSRB's goal to provide for assessments that are fairly and equitably apportioned among all such registrants.[7]

Section (a) of Rule A–11 establishes an annual municipal advisor professional fee. This section provides that, beginning with the MSRB's fiscal year 2015 (which begins October 1, 2014), each municipal advisor that is registered with the Commission will be required to pay a recurring annual fee of $300 for each Form MA–I filed with the Commission as of January 31 of the relevant year by the municipal advisor. Section (a) further provides that the professional fee will be due by April 30 of each year and will be payable in the manner provided by the MSRB Registration Manual.

Section (b) of Rule A–11 provides for a late fee for any municipal advisor that fails to pay timely in full any professional fee due under section (a) or (c) of the proposed rule. The total late fee will equal twenty-five dollars monthly for each $300 assessment not paid in full, plus a late fee on the total overdue balance based on the prime rate as provided for in the MSRB Registration Manual.

Section (c) of Rule A–11 provides for a transitional municipal advisor professional fee. This transitional fee takes account of the timing of the phased-in compliance period for the SEC's permanent registration process, which begins in the second half of calendar year 2014, and which entails the first filings of Forms MA–I by municipal advisors. Each municipal advisor registered, either temporarily or permanently, with the SEC on or before September 30, 2014 (the last day of the MSRB's fiscal year 2014), will be required to pay an assessment of $300 for each Form MA–I filed with the SEC by the municipal advisor in connection with its permanent registration. The transitional fee will be payable in the manner provided by the MSRB

[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] Public Law 111–203, 124 Stat. 1376 (2010).

[5] *See* 17 CFR 240.15Ba1–2(b) (setting forth requirements to file Form MA–I with the SEC).

[6] *See* MSRB Rules A–12 and A–14. *See also* MSRB Notice 2014–05 (Feb. 27, 2014) (describing SEC-approved amendments to MSRB Rule A–12 and deletion of Rule A–14 to consolidate MSRB registration requirements in Rule A–12, which will become effective on May 12, 2014).

[7] On July 26, 2011, the MSRB filed a proposed rule change with the SEC that would have established an interim $300 per professional assessment of municipal advisors and would have required municipal advisors to complete a survey for the MSRB to use in establishing a permanent assessment for municipal advisor professionals. This filing was subsequently withdrawn due to the SEC's continuing consideration of the definition of the term ''municipal advisor'' under the Act. *See* MSRB Notice 2011–51 (Sept. 12, 2011).

Registration Manual. The transitional fee will only be assessed upon municipal advisors that are either temporarily or permanently registered on or before September 30, 2014, and will help defray in particular the costs of establishing a regulatory regime for municipal advisors. Owing to the timing of the SEC's phased-in compliance period, some municipal advisors will not pay this transitional fee until after the start of the MSRB's 2015 fiscal year. Although these municipal advisors will owe two assessments during the same MSRB fiscal year, the MSRB believes this timing of the transitional fee minimizes the administrative burden on municipal advisors by using the filing of Forms MA–I as the basis of the fee, rather than requiring an additional submission, analysis and categorization of professionals. Municipal advisors paying this transitional fee will then pay their first annual professional fee by April 30, 2015, according to Rule A–11(a).

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)(J) of the Act, which provides that the MSRB's rules shall

> provide that each municipal securities broker, municipal securities dealer, and municipal advisor shall pay to the Board such reasonable fees and charges as may be necessary or appropriate to defray the costs and expenses of operating and administering the Board.

In addition, Section 15B(b)(2)(L)(iv) of the Act requires that rules adopted by the MSRB

> not impose a regulatory burden on small municipal advisors that is not necessary or appropriate in the public interest and for the protection of investors, municipal entities, and obligated persons, provided that there is robust protection of investors against fraud.

The proposed rule change will establish a fee for municipal advisors that will help to defray the costs and expenses of operating and administering the MSRB, particularly the MSRB's regulatory and related activities in connection with municipal advisors. The total amount of the assessment payable by each municipal advisor will be dependent on the number of Forms MA–I filed by the municipal advisor and, therefore, will result in relatively lower assessments for smaller firms. Being based on the number of persons engaging in municipal advisory activities on behalf of a firm, the total fee will bear a reasonable relationship to the level of regulated municipal advisory activities that are undertaken by each firm. Single-person firms filing one Form MA–I will be charged only $300 annually under proposed Rule A–11.[8] The $300 fee will not be triggered by persons for whom the municipal advisor is not required by the SEC to file a Form MA–I, such as persons performing solely clerical, administrative, support or similar functions.[9] The MSRB believes that the reasonableness of the fee is also supported by its simplicity of calculation. Rather than establish a new category of professional for purposes of assessing this fee, which would have required additional analysis and compliance efforts, the fee leverages the existing categorization under the Commission's rules and the analysis by firms already required by those rules. The MSRB further believes, for all of these reasons, that the assessment will not impose an unnecessary or inappropriate regulatory burden on small municipal advisors.

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

The MSRB 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 since it would apply equally to all municipal advisors based on the number of Forms MA–I filed by each firm.

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 on the proposed rule change.

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 and paragraph (f) of Rule 19b–4 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.

[8] *See* 17 CFR 240.15Ba1–2(b)(2) (requiring a natural person applying for registration with the SEC as a municipal advisor to file a Form MA–I).

[9] *See* Exchange Act Release No. 70462, at p. 636 (Sept. 20, 2013), 78 FR 67468, 67655 (Nov. 12, 2013) (Glossary of Terms).

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–MSRB–2014–03 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549.

All submissions should refer to File Number SR–MSRB–2014–03. 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 MSRB. 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–MSRB–2014–03 and should be submitted on or before May 22, 2014.

For the Commission, pursuant to delegated authority.[10]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–09919 Filed 4–30–14; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72017; File No. SR–NYSEMKT–2014–33]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Exchange Rules Governing Letters of Guarantee and Letters of Authorization

April 25, 2014.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act'')[2] and Rule 19b–4 thereunder,[3] notice is hereby given that on April 11, 2014, NYSE MKT LLC (the ''Exchange'' or ''NYSE MKT'') 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 self-regulatory organization. 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 proposes to amend Exchange rules governing Letters of Guarantee and Letters of Authorization. The text of the proposed rule change is available on the Exchange's Web site at *www.nyse.com,* at the principal office of the Exchange, 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

As further described below, each ATP Holder acting as either a Market Maker or Floor Broker on NYSE Amex Options currently is required to submit to the Exchange a Letter of Guarantee or Letter of Authorization for its trading activities from a Clearing Member.[4] Typically, by a Letter of Guarantee, the Clearing Member accepts financial responsibility for all Exchange transactions made by a Market Maker[5] and, by a Letter of Authorization, a Clearing Member is responsible for the clearance of Exchange transactions of the Floor Broker on the Exchange.[6]

- The purpose of the proposal is to amend various Exchange rules governing Letters of Guarantee and Authorization to: Provide that any written notice of revocation of a Letter of Guarantee or Letter of Authorization will become effective upon processing by the Exchange.
- give the Exchange the ability to prevent access and connectivity if a Market Maker or Floor Broker is subject to written notice of revocation.

Changes to Rule 924NY(c)—Letters of Guarantee

Rule 924NY(c) states that a Letter of Guarantee filed with the Exchange shall remain in effect until a final written notice of revocation has been received by the Exchange. The current rule sets forth a time period for the effectiveness of a notice of revocation to take place. However the Exchange does not believe that a specified timeframe is necessary. Because the Exchange can process such revocations at any time after receipt, the Exchange proposes to amend Rule 924NY(c) to provide that notices of revocation shall become effective as soon as the Exchange is able to process the revocation. The Exchange notes that the proposed rule change is consistent with the rules governing the processing of the revocation of a Letter of Guarantee on the Chicago Board Options Exchange (''CBOE'').[7]

Once a notice of revocation has been processed, a Market Maker no longer has in effect a Letter of Guarantee, as required by Rule 924NY(a). If a Market Maker no longer has a valid Letter of Guarantee, that Market Maker presents risk to the marketplace and the Exchange believes it is appropriate to terminate access and connectivity to the Exchange in these situations. Accordingly, the Exchange proposes to further amend Rule 924NY(c) by stating that upon the effectiveness of a notice of revocation, the Exchange will be permitted to prevent access and connectivity to the Exchange by that Market Maker. Preventing access and connectivity by a Market Maker who does not have a valid Letter of Guarantee is consistent with similar procedures of the CBOE.[8]

Changes to Rule 932NY—Letters of Authorization

Rule 932NY(c) states that a Letter of Authorization filed with the Exchange shall remain in effect until a written notice of revocation has been filed with the Exchange. The current rule sets forth a time period for the effectiveness of a revocation to take place. However the Exchange does not believe that a specified timeframe is necessary. Because the Exchange can process such revocations at any time after receipt, the Exchange proposes to amend Rule 932NY(c) to provide that a notice of revocation shall become effective as soon as the Exchange is able to process the revocation. The Exchange notes that the proposed rules change is consistent with the rules governing the processing of the revocation of a Letter of Authorization on the CBOE.[9]

Once a notice of revocation has been processed, a Floor Broker no longer has in effect a Letter of Authorization, as required by Rule 932NY(a). If a Floor Broker no longer has a valid Letter of Authorization, that Floor Broker presents risk to the marketplace and the Exchange believes it is appropriate to terminate access and connectivity to the Exchange in these situations. Accordingly, the Exchange proposes to further amend Rule 932NY(c) by stating that upon the effectiveness of a notice of revocation, the Exchange will be permitted to prevent access and connectivity to the Exchange by that Floor Broker. Preventing access and connectivity to a Floor Broker who does not have on file an effective Letter of Authorization is consistent with similar procedures of the CBOE.[10]

The Exchange also proposes to adopt an additional provision to Rule 932NY(c) stating that final revocation shall in no way relieve a Clearing

[10] 17 CFR 200.30–3(a)(12).

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

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] A Clearing Member is an Exchange ATP Holder which has been admitted to membership in the Options Clearing Corporation pursuant to the provisions of the Rules of the Options Clearing Corporation.

[5] *See* Rule 924NY(b).

[6] *See* Rule 932NY(b).

[7] *See* CBOE Rule 8.5(c).

[8] *See* CBOE Rule 3.28(b).

[9] *See* CBOE Rule 6.72(c).

[10] *Supra* note 8.