Act [12] and the rules and regulations thereunder.

*It is therefore ordered,* pursuant to section 19(b)(2) of the Act,[13] that the proposed rule change (File No. SR–ICC–2014–18) be, and hereby is, approved.[14]

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–30120 Filed 12–23–14; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–73878; File No. SR–BOX–2014–28]**

## Self-Regulatory Organizations; BOX Options Exchange LLC; Notice of Filing of Proposed Rule Change To Adopt New Rule 7300 To Allow the Exchange To Trade Preferenced Orders

December 18, 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 December 8, 2014, BOX Options Exchange LLC (the ''Exchange'') 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 the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule from interested persons.

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

The Exchange proposes to adopt new Rule 7300 to allow the Exchange to trade Preferenced Orders. The text of the proposed rule change is available from the principal office of the Exchange, at the Commission's Public Reference Room and also on the Exchange's Internet Web site at *http://boxexchange.com.*

### 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 these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Exchange proposes to adopt new Rule 7300 (Preferenced Orders) to allow BOX Options Participants (''Participants'') to submit orders for which a Market Maker is designated to receive an allocation preference on the Exchange (''Preferenced Orders''). This proposal provides an enhanced allocation to a Preferred Market Maker when it is quoting at NBBO.

This is a competitive filing based on the rules of a number of competing options exchanges.[3] This proposal will allow the Exchange to be competitive with other options exchanges that provide similar enhanced allocation opportunities to Market Makers to reward them for attracting order flow to the Exchange.

Preferenced Orders

A Preferenced Order, as proposed, is any order submitted by a Participant to the Exchange for which a Market Maker is designated (a ''Preferred Market Maker'') to receive execution priority, with respect to a portion of the Preferenced Order, upon meeting certain qualifications described below. Preferenced Orders are submitted by a Participant by designating an order as such and identifying a Preferred Market Maker when entering the order.

Preferenced Orders may be submitted by any Participant on the Exchange. All existing order types and designations may be entered as Preferenced Orders, with the exception of Customer Cross Orders (which do not involve Market Makers) and Directed Orders (which relate to the PIP and COPIP matching algorithms). If a Market-on-Opening Order or a Complex Order is submitted as a Preferenced Order, the designation as a Preferenced Order will be disregarded and such order will be treated on the Exchange the same as if it were not a Preferenced Order. Preferenced Orders may interact with auctions and other functionality of the Exchange.

Participants may designate an order as a Preferenced Order and identify the applicable Preferred Market Maker across all forms of connectivity to the Exchange. Preferenced Orders will be displayed on the Exchange's High Speed Vendor Feed (''HSVF'') the same as orders that are not designated as Preferenced Orders.

A Preferred Market Maker must maintain a continuous two-sided market, pursuant to Rule 8050(c)(1), throughout the trading day, in option classes for which it accepts Preferenced Orders, for 99% of the time the Exchange is open for trading in each such option class; provided, however, that for purposes of this requirement, a Preferred Market Maker is not required to quote in intra-day add-on series or series that have a time to expiration of nine months or more in classes for which it receives Preferenced Orders and a Market Maker may still be a Preferred Market Maker in any such series if the Market Maker otherwise complies with the Preferred Market Maker requirements. Compliance with this requirement will be determined on a monthly basis; however, determining compliance with this requirement on a monthly basis does not relieve a Preferred Market Maker from meeting this quoting requirement on a daily basis, nor does it prohibit the Exchange from taking disciplinary action against a Preferred Market Maker for failing to meet this requirement each trading day. If a technical failure or limitation of a system of the Exchange prevents a Market Maker from maintaining, or prevents a Market Maker from communicating to the Exchange, timely and accurate electronic quotes in an option class, the duration of such failure will be disregarded in determining whether the Market Maker has satisfied this requirement. The Exchange may consider other exceptions to this obligation based on a demonstrated legal or regulatory requirement or other mitigating circumstances.

Except as described below, orders submitted to the Exchange as Preferenced Orders will be treated the same as other orders submitted to the Exchange, including being executed in price/time priority according to the existing matching algorithm on the Exchange.

[12] 15 U.S.C. 78q–1.

[13] 15 U.S.C. 78s(b)(2).

[14] In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

[15] 17 CFR 200.30–3(a)(12).

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

[2] 17 CFR 240.19b–4.

[3] *See, e.g.* Phlx Rule 1080(l), CBOE Rule 8.13, ISE Supplementary Material .03 to Rule 713, MIAX Rule 514.

For each price level at which all order quantities on the BOX Book are fully executable against a Preferenced Order on a single options series, all such orders at that price will be filled and the balance of the Preferenced Order, if any, will be executed, to the extent possible, against orders at the next best price level. However, at the final price level, where the remaining quantity of the Preferenced Order is insufficient to match the total quantity of orders on the BOX Book, the allocation algorithm for orders executable against the remaining quantity of the Preferenced Order will differ from the regular price/time priority algorithm by allocating executions as described below, in the following order: (1) To Public Customers, (2) a preferred percentage to the Preferred Market Maker, (3) to all remaining quotes and orders on single option series and (4) to any Legging Order.

(Step 1) Public Customer Allocation

First, all orders for the account of Public Customers, if any, will be allocated for execution against the Preferenced Order. If multiple orders on the Exchange for the account of Public Customers are available for execution at the same price, the respective trade allocations will be by time priority. If, at the end of the Public Customer allocation, any unallocated quantity of the Preferenced Order remains, the balance of the Preferenced Order will next be allocated as described in paragraph (2) below.

(Step 2) Preferred Market Maker Allocation

After the Public Customer allocation, if (i) the price level being processed is at NBBO, (ii) the Preferred Market Maker has an existing quote on the opposite side of the Preferenced Order that is also at NBBO at the time the Preferenced Order is received and (iii) the Preferred Market Maker would not receive a greater allocation if allocated according to time priority in the next step, then a preferred trade allocation shall be provided to the Preferred Market Maker equal to forty percent (40%) of the remaining quantity of the Preferenced Order, notwithstanding any time priority of other executable orders at the same price level. However, if only one other executable, non-Public Customer order (in addition to the quote of the Preferred Market Maker) matches the Preferenced Order at the final price level, then the Preferred allocation to the Preferred Market Maker shall be equal to fifty percent (50%) of the remaining quantity of the Preferenced Order.

The quantity of the allocation to the Preferred Market Maker will be limited by the total quantity of the Preferred Market Maker quote. Executions are allocated in numbers of whole contracts and, to ensure the allocation priority afforded to Preferred Market Makers does not exceed the applicable 40% or 50% specified in proposed Rule 7300(c)(2), allocations of fractional contracts to the Preferred Market Maker in the Preferred allocation step are rounded down to the nearest whole number, which will not be less than one (1) contract. Legging Orders will not be considered when determining whether the Preferred Market Maker is allocated 40% or 50% in this step. As a result, in no case will a Preferred Market Maker receive an allocation preference (above what it would otherwise receive if executed in normal price-time priority) in excess of forty percent (40%) of the remaining quantity of the Preferenced Order after Public Customer orders are filled (or fifty percent (50%) if only one other non-Public Customer matches) at the final price level.

At the end of the Preferred allocation or if no Preferred allocation is made, the balance of the Preferenced Order will next be allocated as described in paragraph (3) below.

(Step 3) Remaining Orders Allocation

After the Preferred allocation or if no Preferred allocation is made, any remaining unallocated quantity of the Preferenced Order will be allocated to all remaining orders and quotes not receiving allocation in paragraphs (1) or (2) above, including any quote by the Preferred Market Maker if no Preferred allocation is made, but not including any Legging Order, each in order of time priority. At the end of the Remaining Orders allocation, the balance of the Preferenced Order will next be allocated as described in paragraph (4) below.

(Step 4) Legging Orders

If, after the allocation of all orders and quotes in paragraphs (1) through (3) above, there remains any unallocated quantity of the Preferenced Order, allocation of such remaining quantity of the Preferenced Order will be made to the Legging Order at the same price.

Example 1: Preferenced Order Allocation

Suppose that the BOX Book on options instrument A is as follows in order of time priority:

NBBO: Buy at 2.00/Sell at 2.03

Legging Order to buy 30 contracts at 2.00
Market Maker 1 Order to buy 8 contracts at 2.00
Preferred Market Maker 2 Quote [4] to buy 30 contracts at 2.00
Public Customer 1 Order to buy 10 contracts at 2.00
Market Maker 3 Order to buy 7 contracts at 2.00
*Public Customer 2 Order to buy 5 contracts at 2.00*
Total Orders to buy 90 contracts at 2.00

Example 1(a): Allocation of Non-preferenced Order

Suppose a Market Order that is not a Preferenced Order [5] to sell 50 contracts of options instrument A is submitted. The trade allocation at the best available price (at 2.00) is in time priority as follows:
Market Maker 1: 8 contracts
Market Maker 2: 30 contracts
Public Customer 1: 10 contracts
*Market Maker 3: 2 contracts*
Total allocation: 50 contracts

Example 1(b) Preferenced Order Allocation (40% to Preferred Market Maker)

Suppose a Preferenced Order that is a Market Order to sell 25 contracts of options instrument A is submitted. The trade allocation at the best available price (at 2.00) is as follows:

Step 1

Public Customer 1: 10 contracts
(Public Customers allocated in time priority)
Public Customer 2: 5 contracts
(Public Customers allocated in time priority)

Step 2

Preferred Market Maker 2: 4 contracts
(Preferred allocation = 40% of 10 contracts remaining = 4 contracts)

Step 3

Market Maker 1: 6 contracts
(Remaining orders allocated in time priority; Preferenced Order is filled)
Total allocation: 25 contracts

Example 1(c): Allocation of Preferenced Order to Preferred Market Maker When Time Priority Is Better Than Preferred Allocation

Suppose a Preferenced Order that is a Market Order to sell 85 contracts of options instrument A is submitted. The

[4] For purposes of Example 1(a), in which the order submitted is not a Preferenced Order, Market Maker 2 is treated as any other Market Maker and does not have any preference as a Preferred Market Maker.

[5] Example 1(a) illustrates the price/time priority matching algorithm that currently exists on the Exchange.

trade allocation at the best available price (at 2.00) is as follows:

Step 1

Public Customer 1: 10 contracts
(Public Customers allocated in time priority)
Public Customer 2: 5 contracts
(Public Customers allocated in time priority)

Step 2

Preferred Market Maker 2: 0 contracts
(Preferred allocation = 40% of 70 contracts remaining = 28 contracts to be allocated in Step 2; however, if executed in time priority with all remaining quotes/orders in Step 3, the full 30 contracts of the Preferred Market Maker's quote would be allocated at that step; accordingly, no preference is allocated in this Step 2 and the Preferred Market Maker is allocated with all other orders in time priority in Step 3)

Step 3

Market Maker 1: 8 contracts
(Remaining orders allocated in time priority)
Preferred Market Maker 2: 30 contracts
(Remaining orders allocated in time priority, which results in a greater allocation than it would have received under Step 2; accordingly, no preference is allocated in Step 2 and the Preferred Market Maker is allocated with other orders in time priority in this Step 3)
Market Maker 3: 7 contracts
(Remaining orders allocated in time priority)

Step 4

Legging Order: 25 contracts
(Legging Order allocated last; Preferenced Order is filled)
Total allocation: 85 contracts

Example 2: Preferenced Order Allocation (50% to Preferred Market Maker)

Suppose that the BOX Book on options instrument A is as follows in order of time priority:

NBBO: Buy at 2.00/Sell at 2.03

Market Maker 1 Order to buy 20 contracts at 2.00
Preferred Market Maker 2 Quote to buy 30 contracts at 2.00
Public Customer 1 Order to buy 10 contracts at 2.00
Public Customer 2 Order to buy 5 contracts at 2.00
*Legging Order to buy 30 contracts at 2.00*
Total Orders to buy 95 contracts at 2.00

Suppose a Preferenced Order that is a Market Order to sell 50 contracts of options instrument A is submitted. The trade allocation at the best available price (at 2.00) is as follows:

Step 1

Public Customer 1: 10 contracts
(Public Customers allocated in time priority)
Public Customer 2: 5 contracts
(Public Customers allocated in time priority)

Step 2

Preferred Market Maker 2: 17 contracts
(Preferred allocation = 50% of 35 contracts remaining = 17 contracts (rounded down))

Step 3

Market Maker 1: 18 contracts
(Remaining orders allocated in time priority; Preferenced Order is filled)
Total allocation: 50 contracts

Example 3: Multiple Price Levels

The following examples illustrate trade allocation of Preferenced Orders at multiple price levels.

Example 3(a): Exposed Order

Suppose that the BOX Book on options instrument A is as follows in order of time priority:

NBBO: Buy at 2.00/Sell at 2.10

Broker Dealer Order to sell 10 contracts at 2.10
Public Customer Order to sell 10 contracts at 2.10
Preferred Market Maker Quote to sell 10 contracts at 2.10
(No buy orders on instrument A exist on the BOX Book)

Suppose an Order to sell 10 contracts at $2.00 (within the NBBO spread) is received and exposed.

Suppose next that, while the foregoing sell Order is exposed, NBBO moves to:
Buy at 1.95/Sell at 2.10

Suppose finally that, while the foregoing sell Order is exposed, a Preferenced Order to buy 30 contracts at $2.10 is received.

The trade allocation is as follows:
*First Price Level ($2.00)*
Exposed Order: 10 contracts
*Second Price Level ($2.10)*

Step 1

Public Customer: 10 contracts

Step 2

Preferred Market Maker: 5 contracts
(Preferred allocation = 50% of 10 contracts remaining = 5 contracts)

Step 3

Broker Dealer: 5 contracts
Total allocation: 30 contracts

Example 3(b): PIP Order

Suppose that the BOX Book on options instrument A is as follows in order of time priority:

NBBO: Buy at 2.00/Sell at 2.10

Broker Dealer Order to sell 10 contracts at 2.10
Public Customer Order to sell 10 contracts at 2.10
Preferred Market Maker Quote to sell 10 contracts at 2.10
(No buy orders on instrument A exist on the BOX Book)

Suppose a PIP Order to sell 10 contracts is received with a Primary Improvement Order to buy 10 contracts at $2.00.

Suppose further that, during the PIP, a Preferenced Order to buy 30 contracts at $2.10 is received.

The trade allocation is as follows:
*First Price Level ($2.09)*
PIP Order: 10 contracts [6]
*Second Price Level ($2.10)*

Step 1

Public Customer: 10 contracts

Step 2

Preferred Market Maker: 5 contracts
(Preferred allocation = 50% of 10 contracts remaining = 5 contracts)

Step 3

Broker Dealer: 5 contracts
Total allocation: 30 contracts

As described above, only orders on single option series designated as Preferenced Orders will be treated differently from orders entered on the Exchange that are not Preferenced Orders. Complex Orders may also be submitted as Preferenced Orders. However, any Preferenced Order designation will be disregarded for Complex Orders for purposes of dissemination, matching and execution and Complex Orders submitted as Preferenced Orders will be treated the same as Complex Orders submitted without such designation. As a result, no special allocation will be made to any Preferred Market Maker, and no alternate allocation algorithm will be applied, when executing a Complex Order designated as a Preferenced Order.

It will be a violation of proposed Rule 7300 for a Market Maker to be informed of a pending Preferenced Order, with

[6] As provided in the Exchange's Rule 7150(a)(1), the Preferenced Order is an Unrelated Order to the PIP and, pursuant to Rule 7150(j), executes at a penny better than NBBO because the best BOX price on the opposite side of the market from the Preferenced Order is at NBBO ($2.10).

respect to which such Market Maker is designated as the Preferred Market Maker, prior to its entry on the Exchange.

2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of section 6(b) of the Securities Exchange Act of 1934 (the ''Act''),[7] in general, and section 6(b)(5) of the Act,[8] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

In particular, the Exchange believes this proposed rule change is a reasonable modification designed to provide incentives and enhanced allocation to a Preferred Market Maker when it is quoting at NBBO. The Exchange also believes that the proposed rule change will increase the number of transactions on the Exchange by attracting additional order flow to the Exchange, which will ultimately enhance competition and provide customers with additional opportunities for execution. The Exchange believes these changes are consistent with the goals to remove impediments to and to perfect the mechanism for a free and open market and a national market system.

Specifically, the Exchange believes that the proposal will result in increased liquidity available at improved prices, with more competitive pricing outside the control of any single Participant. The proposed rule change should promote and foster competition.

Preferenced Order Allocation

The Exchange believes the proposed changes to the Preferenced Order allocations are an improvement over the current allocation algorithm, and will benefit all market participants submitting Preferenced Orders on the Exchange. As a result of the proposed changes, the Exchange believes that existing and additional Participants will use Preferenced Orders to increase the number of orders that are submitted to the Exchange. Additionally, the Exchange believes that the proposed Preferenced Order allocation algorithm will encourage greater participation by Market Makers to provide quotes on the Exchange as Preferred Market Makers. These additional responses should encourage greater competition on the Exchange, which should, in turn, benefit and protect investors and the public interest through the potential for greater volume of orders and executions.

The proposed rule changes provide priority of Public Customer orders over Preferred Market Makers at the same price. The Exchange believes this priority is consistent with the purposes of the Act. The Exchange believes the Preferenced Order allocation proposal is designed to promote just and equitable principles of trade and to protect investors and the public interest, because it recognizes the unique status of Public Customers in the marketplace by ensuring Public Customers maintain priority before any allocations afforded to Preferred Market Makers.

The Exchange believes that the proposed Preferenced Order allocation is reasonable, equitable and not unfairly discriminatory to both customers and Participants. Giving Preferred Market Makers allocation priority for 40% or 50% of the remaining quantity of the Preferenced Order will provide important incentives for Preferred Market Makers to provide liquidity on BOX, which provides greater opportunity for executions, tighter spreads and better pricing for all Participants. While the Commission has, in the past, been concerned about locking up large portions of order flow from intra-market price competition, the Exchange believes that the proposed preferred allocation percentage adequately balances the aim of rewarding the Preferred Market Maker with the aim of leaving a sizeable enough portion of the incoming Preferenced Order for the other Market Makers quoting at the same price. The Commission has previously taken the position that a preference of 40% is not clearly inconsistent with the Act and standards of competition and free and open markets.[9]

The Exchange believes that disregarding Legging Orders when determining whether the Preferred Market Maker retains 40% or 50% under proposed Rule 7300(c)(2) is reasonable, equitable and not unfairly discriminatory to customers and Participants because Legging Order allocation will not be affected by the Preferred Market Maker retaining the difference between 40% or 50% as discussed above.

The Exchange believes that the Preferred Market Maker allocation is designed to promote just and equitable principles of trade and to protect investors and the public interest, because it strikes a reasonable balance between encouraging vigorous price competition and rewarding Market Makers for their unique duties. In order to receive an allocation preference, Preferred Market Makers must meet heightened quoting requirements as Market Makers, and also be quoting at the NBBO at the time the Preferenced Order is received. Heightened quoting requirements mean that Preferred Market Makers must maintain a continuous two-sided market throughout the trading day, in option classes for which it accepts Preferenced Orders, for 99% of the time the Exchange is open for trading in each such option class; provided that it is not required to so quote in intra-day add-on series or series that have a time to expiration of nine months or more. Overall, the proposed Preferred Market Maker allocations represent a careful balancing by the Exchange of the rewards and obligations of various types of market participants. The Exchange believes these requirements of Preferred Market Makers will provide an incentive for Market Makers to assume these additional responsibilities beyond those already required, which will facilitate improved trading opportunities on BOX for all Participants.

The Exchange believes that the proposal to give Legging Orders last priority is reasonable, equitable and not unfairly discriminatory to customers and Participants. Giving Legging Orders last priority preserves the established priority of Legging Orders since they currently have last priority under the existing allocation algorithm. The Exchange believes that providing priority for single option orders over Legging Orders in the proposed Preferenced Order allocation algorithm is reasonable as it preserves the established priority of single option orders when executing with Complex Orders. Therefore the Exchange believes this aspect of the proposal will avoid investor confusion when executing orders on the Exchange.

In addition, it is consistent with just and equitable principles of trade and protects investors and the public interest that each Preferred Market Maker be prohibited from being informed of a pending Preferenced Order prior to its entry on the Exchange,

[7] 15 U.S.C. 78f(b).

[8] 15 U.S.C. 78f(b)(5).

[9] *See, e.g.,* Securities Exchange Act Release No. 45936 (May 15, 2002), 67 FR 36279, 26280 (May 23, 2002); Securities Exchange Act Release No. 42835 (May 26, 2000), 65 FR 35683, 35685–66 (June 5, 2000); Securities Exchange Act Release No. 42455 (February 24, 2000), 65 FR 11388, 11398 (March 2, 2000); Phlx 80/20 Proposal, 67 FR at 48787–88.

if such Market Maker is designated as the Preferred Market Maker.

The Exchange notes that this proposal is similar to the rules of other exchanges.[10]

For the foregoing reasons, the Exchange believes this proposal is a reasonable modification to its rules, designed to facilitate increased interaction of orders on the Exchange, and to do so in a manner that ensures a dynamic, real-time trading mechanism that maximizes opportunities for trade executions of orders. The Exchange believes it is appropriate and consistent with the Act to adopt the proposed rule changes.

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

The Exchange does not believe the proposed rule change represents any undue burden on competition or will impose any burden on competition among exchanges in the listed options marketplace not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the proposal is pro-competitive because it will enable the Exchange to better compete with other options exchanges that provide similar allocation preferences and algorithms.[11]

With respect to intra-market competition, Preferenced Orders will be available to all Participants. The Exchange believes that the proposal should encourage Market Makers that desire to qualify as Preferred Market Makers to regularly maintain quotes at competitive price levels in order to obtain execution percentages on Preferenced Orders. As noted above, the proposed preferred allocation percentage for Preferred Market Makers leaves a sizeable enough portion of the incoming Preferenced Order for the other Market Makers quoting at the same price to encourage intra-market price competition. Submitting a Preferenced Order to the Exchange is entirely voluntary and Participants will determine whether they wish to submit these orders to the Exchange. The Exchange operates in a highly competitive marketplace with other competing exchanges and market participants can readily direct their order flow to other exchanges if they so choose.

[10] *See supra,* note 3.

[11] *See supra,* note 3.

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

The Exchange has neither solicited nor received comments on the proposed rule change.

**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 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–BOX–2014–28 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–BOX–2014–28. 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–BOX–2014–28, and should be submitted on or before January 14, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[12]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–30121 Filed 12–23–14; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–73866; File No. SR–NYSEArca–2014–120]**

## Self-Regulatory Organizations; NYSE Arca, Inc.; Order Approving a Proposed Rule Change, as Modified by Amendment No. 2 Thereto, To List and Trade Shares of the Sit Rising Rate Fund Under NYSE Arca Equities Rule 8.200

December 17, 2014.

**I. Introduction**

On October 16, 2014, NYSE Arca, Inc. (''Exchange'' or ''NYSE Arca'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Exchange Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to list and trade shares (''Shares'') of the Sit Rising Rate Fund (''Fund''), pursuant to NYSE Arca Equities Rule 8.200. The proposed rule change was published for comment in the **Federal Register** on November 4, 2014.[3] On November 6, 2014, the Exchange filed Amendment No. 2 to the proposed rule change, which superseded and replaced the proposed

[12] 17 CFR 200.30–3(a)(12).

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

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 73464 (Oct. 29, 2014), 79 FR 65437.