

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-NYSE-2015-02 and should be submitted on or before January 28, 2016.

#### VI. Accelerated Approval of Proposed Rule Change, as Modified by Amendment Nos. 1 and 2

The Commission finds good cause, pursuant to Section 19(b)(2) of the Act, to approve the proposed rule change, as modified by Amendment Nos. 1 and 2, prior to the 30th day after the date of publication of Amendment Nos. 1 and 2 in the **Federal Register**. As discussed above, Amendment No. 1 merely clarified that the proposed exemption from shareholder approval transactions involving the sale of stock for cash by an early stage company applies not only to a Related Party, as originally proposed, but also to a subsidiary, affiliate or other closely-related person of a Related Party; or any company or entity in which a Related Party has a substantial direct or indirect interest.<sup>93</sup> Similarly, Amendment No. 2 clarified that (i) an early stage company may not use the proposed exemption to fund an acquisition of stock or assets of another company that would otherwise require shareholder approval under Section 312.03(b) of the Manual; (ii) any sale of a listed company's securities at a below-market price to an employee, director or service provider constitutes equity compensation under Section 303A.08 of the Manual and is therefore subject to the shareholder approval requirements under that rule; and (iii) shareholder approval of any issuance is required if any of the subparagraphs of Section 312.03 require such approval, notwithstanding the fact that the transaction does not require approval under Section 312.03(b) or one or more of the other subparagraphs.<sup>94</sup> The Commission believes that these revisions provide greater clarity on the application of the proposal and remove uncertainty as to which transactions the Exchange proposes to exempt from shareholder approval under Section 312.03.

Accordingly, the Commission finds good cause for approving the proposed rule change, as modified by Amendment

Nos. 1 and 2, on an accelerated basis, pursuant to Section 19(b)(2) of the Act.

#### VII. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act<sup>95</sup> that the proposed rule change (SR-NYSE-2015-02), as modified by Amendment Nos. 1 and 2, be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>96</sup>

**Jill M. Peterson,**

*Assistant Secretary.*

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#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76811; File No. SR-DTC-2015-013]

#### Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Postponing the Date for Retirement of Computer to Computer Facility Corporate Action Announcement Files, and Implementing a Fee Associated With Its Use

December 31, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 24, 2015, The Depository Trust Company ("DTC") 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 DTC. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act<sup>3</sup> and Rules 19b-4(f)(2) and (f)(4) thereunder.<sup>4</sup> 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 (i) the postponement of the date for the retirement of DTC's proprietary computer to computer facility ("CCF") files for corporate action

announcements ("CCF Announcement Files") until further notice; and (ii) the implementation of a fee associated with the use of CCF Announcement Files.

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

In its filing with the Commission, DTC 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. DTC 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

##### 1. Purpose

The proposed rule change would (i) postpone the date for the retirement of CCF Announcement Files until further notice, and (ii) implement a fee associated with the use of CCF Announcement Files, as described below.<sup>5</sup>

##### Background

DTC handles essential aspects of processing corporate action<sup>6</sup> events by routinely receiving and distributing information to its Participants using CCF Announcement Files. There are three corporate action event groups for which CCF files are available: Distributions, Redemptions, and Reorganizations. Participants subscribe to the CCF files for each event group separately.

##### Postponement of the Date for Retirement

Since 2011, DTC has informed Participants that CCF Announcement Files will be retired in 2015, and has been supporting Participant efforts to migrate to the ISO 20022 standard by providing a robust online learning center, hosting ISO specific monthly

<sup>5</sup> Each term not otherwise defined herein has its respective meaning as set forth in the Rules, By-Laws and Organization Certificate of DTC (the "Rules"), available at <http://www.dtcc.com/legal/rules-and-procedures.aspx> and the Guide to the 2015 DTC Fee Schedule ("Fee Schedule"), available at <http://www.dtcc.com/~media/Files/Downloads/legal/fee-guides/dtcfeeguide.pdf?la=en>.

<sup>6</sup> Corporate actions processed by DTC include but are not limited to the restructuring of DTC-eligible securities resulting from mergers, acquisitions, and reverse splits. DTC performs corporate actions processing through its Mandatory and Voluntary Reorganization Services. See DTC Operational Arrangements ("OA"), available at <http://www.dtcc.com/~media/Files/Downloads/legal/issue-eligibility/eligibility/operational-arrangements.pdf>.

<sup>95</sup> 15 U.S.C. 78f(b)(2).

<sup>96</sup> 17 CFR 200.30-3(a)(12).

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

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

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

<sup>4</sup> 17 CFR 240.19b-4(f)(2) and (f)(4).

<sup>93</sup> See *supra* note 7.

<sup>94</sup> See Amendment No. 2, *supra* note 12.

calls and offering a dedicated email box for client inquiries.<sup>7</sup>

The use of the ISO 20022 standard reduces risk and improves transparency in the announcement and processing of corporate actions. ISO 20022 is a standard that provides the financial industry with a common language to capture business transactions and associated message flows. ISO 20022 is a business-model-based standard for the development of messages for the international financial services industry and can support different messaging syntaxes, including XML. In contrast, CCF files use proprietary function and activity codes which differ from the market standard codes. With the ISO 20022 standard, corporate action announcements are identified by a unique corporate action ID and are event based. ISO 20022 standard messages provide more data elements than the CCF files and they are available in near real-time throughout the day.

Certain Participants nevertheless have inquired whether DTC could continue supporting CCF Announcement Files while they prepare to transition to the ISO 20022 standard, which is provided to Participants free of charge. Some Participants suggested that they were willing to pay for continued use of CCF Announcement Files while they prepare to migrate to ISO 20022 standard.

In response to these Participant requests, with this proposed rule change, DTC would postpone the date for the retirement of CCF Announcement Files and implement a fee for a Participant's continued receipt of the CCF Announcement Files. A new retirement date would be announced, subject to a future proposed rule change and Important Notice issued by DTC.

#### Implementation of a CCF File Fee

To encourage full adoption of the ISO 20022 standard, DTC is proposing to implement a fee for each event group of CCF Announcement Files that a Participant receives (the "CCF File Fee"). The CCF File Fee would be \$50,000 per event group, per twelve month period as set forth below for each event group (the "Fee Period"). The CCF File Fee would be charged to the Account of the Participant, upon the Participant's first receipt of CCF Announcement Files for a particular event group during the Fee Period. The CCF File Fee would cover all CCF Announcement Files within that event

group during the Fee Period. In addition, once a Participant that is part of an Affiliated Family<sup>8</sup> is charged the CCF File Fee for a particular event group, the other Participants that are part of the Affiliated Family will not be charged the CCF File Fee for such event group during that Fee Period. The amount of the CCF File Fee is based on DTC's analysis of industry-standard pricing for equivalent data.

DTC has communicated with its Participants about the CCF File Fee through several outreach efforts, including Important Notices<sup>9</sup> and customer surveys regarding the December 2015 date and the amount of the CCF File Fee. DTC did not receive any objections during its outreach.

#### Implementation Schedule

DTC would implement the CCF File Fee in three phases, divided by event group. The timeline for the implementation of the fees would be as follows:

- CCF Announcement Files for the Distributions event group would be subject to a CCF File Fee beginning on January 1, 2016. The Fee Period would run from January through December.<sup>10</sup>
- CCF Announcement Files for the Redemptions event group would be subject to a CCF File Fee beginning on July 1, 2016. The Fee Period would run from July through June.<sup>11</sup>
- CCF Announcement Files for the Reorganizations event group would be subject to a CCF File Fee at a future date to be announced by Important Notice. The Fee Period would be announced by Important Notice.

#### Implementation Date

The proposed rule change would take effect on January 1, 2016.

<sup>8</sup> An Affiliated Family means each Participant that controls or is controlled by another Participant and each Participant that is under the common control of any Person. For purposes of this definition, "control" means the direct or indirect ownership of more than 50% of the voting securities or other voting interests of any Person. Rule 1, *supra* note 1 [sic].

<sup>9</sup> See, e.g., Important Notice B#0354-15, available at <http://dtcc.com/~media/Files/pdf/2015/3/25/0354-15.pdf>; Important Notice B# 1946-15, available at <http://www.dtcc.com/globals/pdfs/2015/october/22/1946-15>.

<sup>10</sup> On December 30, 2015, staff of the Commission's Division of Trading and Markets had a conversation with DTC's legal counsel to confirm that the Fee Period for the Distributions event group would run from January 1 through December 31, as provided in the proposed rule text.

<sup>11</sup> On December 30, 2015, staff of the Commission's Division of Trading and Markets had a conversation with DTC's legal counsel to confirm that the Fee Period for the Redemptions event group would run from July 1 through June 30, as provided in the proposed rule text.

#### 2. Statutory Basis

Section 17(A)(b)(3)(F) of the Act, requires, *inter alia*, that DTC's Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.<sup>12</sup> By postponing the date for the retirement of CCF Announcement Files until further notice, the proposed rule change would allow Participants to minimize potential business interruption by undertaking an orderly and organized migration from CCF files to the ISO 20022 standard. The proposed rule change thereby facilitates the transition to the ISO 20022 standard without disrupting the announcement of corporate actions and the clearance and settlement activities related thereto. In addition, by revising the Fee Schedule to implement a fee for Participants that continue to receive the CCF Announcement Files, the proposed rule change encourages efficiencies in communicating information about corporate action events and in Participants' transition to the industry-standard ISO 20022. Therefore, DTC believes that the proposed rule change would promote the prompt and accurate clearance and settlement of securities transactions and is consistent with the requirements of the Act, in particular Section 17(A)(b)(3)(F) of the Act, cited above.

Section 17A(b)(3)(D) of the Act requires that DTC's Rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Participants.<sup>13</sup> DTC believes that the proposed fee would be consistent with this provision because it would apply equally in accordance with Participant use of the CCF Announcement Files, and is therefore equitable, and is based on industry-standard pricing, and therefore, reasonable.

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

DTC does not believe that the proposed rule change would have any impact, or impose any burden, on competition, because the postponement of the date for the retirement of CCF Announcement Files would apply equally to all Participants, and the proposed fee would apply equally in accordance with Participant use of the CCF Announcement Files.

#### (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 been

<sup>12</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>13</sup> 15 U.S.C. 78q-1(b)(3)(D).

<sup>7</sup> See Securities Exchange Act Release No. 63886 (February 10, 2011), 76 FR 9070 (February 16, 2011) (File No. SR-DTC-2011-02); Securities Exchange Act Release No. 68114 (October 26, 2012), 77 FR 66497 (November 5, 2011) (File No. SR-DTC-2012-08).

solicited or received. DTC will notify the Commission of any written comments received by DTC.

### 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) of the Act<sup>14</sup> and subparagraphs (f)(2) and (f)(4) of Rule 19b-4 thereunder.<sup>15</sup> 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](mailto:rule-comments@sec.gov). Please include File Number SR-DTC-2015-013 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-DTC-2015-013. 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 DTC and on DTCC's Web site (<http://dtcc.com/legal/sec-rule-filings.aspx>). 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-DTC-2015-013 and should be submitted on or before January 28, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

Jill M. Peterson,  
Assistant Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76807; File No. SR-SCCP-2015-02]

### Self-Regulatory Organizations; Stock Clearing Corporation of Philadelphia; Notice of Filing of Proposed Rule Change, as Modified by Amendment No. 1 Thereto, To Amend the By-Laws of Nasdaq, Inc.

December 31, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 21, 2015, Stock Clearing Corporation of Philadelphia ("SCCP") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by SCCP. On December 29, 2015, SCCP filed Amendment No. 1 to the proposal.<sup>3</sup> The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 1, from interested persons.

<sup>16</sup> 17 CFR 200.30-3(a)(12).

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

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

<sup>3</sup> Amendment No. 1 amends and replaces the original filing in its entirety. In Amendment No. 1, SCCP, among other things, clarified the operation of the current and proposed provisions of the By-Laws of Nasdaq, Inc. and how the proposed rule change would operate in conjunction with the Listing Rules of The NASDAQ Stock Market. See *infra*, note 5.

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

SCCP is filing this proposed rule change with respect to amendments of the By-Laws (the "By-Laws") of its parent corporation, Nasdaq, Inc. ("Nasdaq" or the "Company"), to revise the requirements regarding Director classifications. This Amendment No. 1 to SR-SCCP-2015-02 amends and replaces the original filing in its entirety. The proposed amendments will be implemented on a date designated by the Company following approval by the Commission. The text of the proposed rule change is available on SCCP's Web site at <http://nasdaqomxphlx.cchwallstreet.com/nasdaqomxphlx/sccp/>, at the principal office of SCCP, 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, SCCP 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. SCCP 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 Company is proposing amendments to certain provisions of its By-Laws that relate to Director<sup>4</sup> classifications.<sup>5</sup> Specifically, the Company proposes to revise Section 4.3 of the By-Laws to state that it may, rather than shall, include at least one, but no more than two, Issuer Directors on its Board. In addition, the Company proposes to revise Section 4.7 of the By-Laws to clarify the procedures when a Director's classification changes

<sup>4</sup> "Director" means a member of the Company's Board of Directors. See Article I(j) of the By-Laws.

<sup>5</sup> The provisions of the Company's By-Laws that relate to Director classifications are completely distinct from the Listing Rules of The NASDAQ Stock Market. Therefore, the proposed amendments do not affect in any way the Company's obligation, as an issuer listed on The NASDAQ Stock Market, to comply with the Listing Rules, and the Company will continue to comply with the Listing Rules, including provisions relating to corporate governance, following the effectiveness of the proposed By-Law amendments.

<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 17 CFR 240.19b-4(f)(2) and (f)(4).