

reporting of Manual Order Events.<sup>273</sup> The Commission believes that it is appropriate to provide sufficient flexibility so as not to preclude the approach described by the SROs in the Exemption Request.

Based on the information provided by the SROs in the Exemption Request, the Commission is persuaded to grant exemptive relief to provide flexibility such that the alternative approach to increment time stamps for capturing Manual Order Events described in the Exemption Request can be included in the CAT NMS Plan and subject to notice and comment. The Commission notes that the time stamp process for Manual Order Events may likely be inherently imprecise due to the nature of the manual recording process.

Therefore, the Commission finds that it is appropriate in the public interest and consistent with the protection of investors to exempt the SROs from Rule 613(c)(7)(i)(E), 613(c)(7)(ii)(C), 613(c)(7)(iii)(C), 613(c)(7)(iv)(C), and 613(d)(3).<sup>274</sup> The Commission notes that the proposed approach described in the Exemption Request would require that: (1) Manual Order Events be recorded and reported with granularity to the second, with the exception for system outages that prevent a floor broker from systemizing an order, in which case the requirement for recording of the manual time stamp will be made within a reasonable time frame basis after the fact; (2) Manual Order Events be identified as such in the CAT; and (3) the Electronic Capture of Manual Order Events be recorded and reported to the millisecond.<sup>275</sup>

### III. Conclusion

Section 36 of the Exchange Act<sup>276</sup> authorizes the Commission, by rule, regulation, or order, to exempt, either conditionally or unconditionally, any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of the Exchange Act or any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors. For the reasons discussed throughout this Order, the Commission

<sup>273</sup> 17 CFR 242.613(c)(7)(i)(E), (c)(7)(ii)(C), (c)(7)(iii)(C), (c)(7)(iv)(C), and (d)(3).

<sup>274</sup> 17 CFR 242.613(c)(7)(i)(E), (c)(7)(ii)(C), (c)(7)(iii)(C), (c)(7)(iv)(C), and (d)(3).

<sup>275</sup> See Exemption Request Letter, *supra* note 5, at 34 (defining "Electronic Capture" as when a Manual Order Event is captured electronically in the relevant order handling and execution system of the CAT Reporter).

<sup>276</sup> 15 U.S.C. 78mm.

is granting the relief requested in the Exemption Request.

*It is hereby ordered*, pursuant to Section 36 of the Exchange Act<sup>277</sup> and with respect to the proposed approaches specifically described above, that the SROs are exempted from the following provisions of Rule 613: (1) for the reporting of options market quotations, Rule 613(c)(7)(ii) and (iv);<sup>278</sup> (2) for the reporting and use of the Customer-ID, Rule 613(c)(7)(i)(A), (iv)(F), (viii)(B) and (c)(8);<sup>279</sup> (3) for the reporting of the CAT-Reporter-ID with respect to broker-dealer CAT Reporters, Rule 613(c)(7)(i)(C), (ii)(D), (ii)(E), (iii)(D), (iii)(E), (iv)(F), (v)(F), (vi)(B), and (c)(8);<sup>280</sup> (4) for the linking of executions to specific subaccount allocations, Rule 613(c)(7)(vi)(A);<sup>281</sup> and (5) for time stamp granularity, Rule 613(c)(7)(i)(E), (ii)(C), (iii)(C), (iv)(C), and (d)(3).<sup>282</sup>

By the Commission.

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2016-04910 Filed 3-4-16; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77268; File No. SR-NYSEARCA-2016-36]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Exchange Rule 7.21, Obligations of Market Maker Authorized Traders

March 1, 2016.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the "Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on February 22, 2016, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in

<sup>277</sup> *Id.*

<sup>278</sup> 17 CFR 242.613(c)(7)(ii); 17 CFR 242.613(c)(7)(iv).

<sup>279</sup> 17 CFR 242.613(c)(7)(i)(A); 17 CFR 242.613(c)(7)(iv)(F); 17 CFR 242.613(c)(7)(viii)(B); 17 CFR 242.613(c)(8).

<sup>280</sup> 17 CFR 242.613(c)(7)(i)(C); 17 CFR 242.613(c)(7)(ii)(D); 17 CFR 242.613(c)(7)(ii)(E); 17 CFR 242.613(c)(7)(iii)(D); 17 CFR 242.613(c)(7)(iii)(E); 17 CFR 242.613(c)(7)(iv)(F); 17 CFR 242.613(c)(7)(v)(F); 17 CFR 242.613(c)(7)(vi)(B); and 17 CFR 242.613(c)(8).

<sup>281</sup> 17 CFR 242.613(c)(7)(iv)(A).

<sup>282</sup> 17 CFR 242.613(c)(7)(i)(E), (c)(7)(ii)(C), (c)(7)(iii)(C), (c)(7)(iv)(C), and (d)(3).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

Items I, II, and III below, of which Items I and II 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 Substance of the Proposed Rule Change

The Exchange proposes to amend Exchange Rule 7.21, Obligations of Market Maker Authorized Traders. The proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://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 the Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

The Exchange recently amended its rules to prescribe the Securities Traders examination (Series 57) (the "Series 57 Examination") as the qualifying examination for employees of ETP Holders ("Member") engaged solely in proprietary trading.<sup>4</sup> Under current rules, Securities Traders and Market Maker Authorized Traders ("MMATs") essentially perform similar functions. In the Series 57 Filing, which, among other things, amended Exchange rules regarding the registration requirements for Securities Traders, the Exchange also intended to amend Rule 7.21 to amend the registration requirements for MMATs but inadvertently failed to do so. The Exchange is now proposing to amend Rule 7.21 so that the registration requirements applicable to MMATs are the same as those imposed on Securities Traders. Specifically, Rule 7.21(b)(2) states that to be eligible for registration

<sup>4</sup> See Securities Exchange Act Release No. 76578 (December 8, 2015), 80 FR 77068 (December 11, 2015) (SR-NYSEArca-2015-117) ("Series 57 Filing").

as a MMAT, a person must successfully complete the General Securities Representative Examination (Series 7) and complete a training and certification program sponsored by the Corporation.<sup>5</sup> The rule further provides that the examination requirement may be waived if an applicant MMAT has served as a dealer-specialist or market maker on a registered national securities exchange for at least two consecutive years within three years of the date of the application.<sup>6</sup> The Exchange does not intend to impose different registration requirements on MMATs than are required of Securities Traders. In order to satisfy the registration requirement, Securities Traders are required to successfully complete the Series 57 Examination.<sup>7</sup> The proposed amendment to Rule 7.21(b) would ensure that MMATs would also be required to successfully complete the Series 57 Examination in order to satisfy the Exchange's registration requirement.

The Exchange intends to announce the implementation date of the Series 57 registration requirement in a notice to members to be issued no later than 30 days after the effective date of the proposed rule change.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Act"),<sup>8</sup> in general, and furthers the objectives of Section 6(c)(3)(B)<sup>9</sup> of the Act, pursuant to which a national securities exchange prescribes standards of training, experience and competence for members and their associated persons, and Section 6(b)(5)<sup>10</sup> of the Act, in particular, in that it is designed, among other things, to promote just and equitable principles of trade, 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. The proposed rule change, which would ensure that Securities Traders and MMATs are not subject to different registration requirements, is designed to maintain consistency in the Exchange's rules, which would promote just and equitable principles of trade and remove impediments to a free and open market. The Exchange believes that the proposed rule change to make the Series 57 Examination the qualifying exam for

registration as a MMAT is appropriate because the Series 57 Examination addresses industry topics that establish the foundation for the regulatory and procedural knowledge necessary for MMATs to appropriately register under Exchange rules.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change does not impose any additional examination burdens on persons who are already registered. There is no obligation to take the Series 57 examination in order to continue in their present duties, so the proposed rule change is not expected to disadvantage current registered persons relative to new entrants in this regard.

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

No written comments were solicited or received with respect to the proposed rule change.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>11</sup> and Rule 19b-4(f)(6) thereunder.<sup>12</sup> Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)<sup>13</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>14</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day

operative delay so that the proposal may become operative upon filing. The Exchange has stated that the proposed rule change promotes uniformity in registration requirements on the Exchange and that waiver of the operative delay would allow the Exchange to immediately create consistency in its rules. Waiving the operative delay would enable the Exchange to have and enforce the same examination requirement for MMATs as for securities traders, which the Exchange represents engage in the same activity, therefore the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the thirty-day operative delay.<sup>15</sup>

At any time within 60 days of the filing of such 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. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)<sup>16</sup> of the Act to determine whether the proposed rule change should be approved or 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEARCA-2016-36 on the subject line.

### *Paper Comments*

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-NYSEARCA-2016-36. This file number should be included on the subject line if email is used. To help the

<sup>5</sup> See Rule 7.21(b).

<sup>6</sup> *Id.*

<sup>7</sup> See Rule 2.21.

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(c)(3)(B).

<sup>10</sup> 15 U.S.C. 78f(b)(5).

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> 17 CFR 240.19b-4(f)(6).

<sup>14</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>15</sup> For purposes of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>16</sup> 15 U.S.C. 78s(b)(2)(B).

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-NYSEARCA-2016-36 and should be submitted on or before March 28, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>17</sup>

**Robert W. Errett,**  
*Deputy Secretary.*

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**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77266; File No. SR-BX-2016-008]

### Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Withdrawal of Proposed Rule Change To Adopt Limit Order Protection and Market Order Protection

March 1, 2016.

On January 21, 2016, NASDAQ OMX BX, Inc. (the "Exchange") filed with the Securities and Exchange Commission (the "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to adopt a Limit Order Protection and a Market Order Protection feature for

members accessing the Exchange. The proposed rule change was published for comment in the **Federal Register** on February 5, 2016.<sup>3</sup> The Commission received no comment letters on the proposal. On February 26, 2016, the Exchange withdrew the proposed rule change.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>4</sup>

**Robert W. Errett,**  
*Deputy Secretary.*

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**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77267; File No. SR-NASDAQ-2016-005]

### Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Withdrawal of Proposed Rule Change To Adopt Limit Order Protection and Market Order Protection

March 1, 2016.

On January 12, 2016, The Nasdaq Stock Market LLC (the "Exchange") filed with the Securities and Exchange Commission (the "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to adopt a Limit Order Protection and a Market Order Protection feature for members accessing the Exchange. The proposed rule change was published for comment in the **Federal Register** on January 27, 2016.<sup>3</sup> The Commission received no comment letters on the proposal. On February 26, 2016, the Exchange withdrew the proposed rule change.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>4</sup>

**Robert W. Errett,**  
*Deputy Secretary.*

[FR Doc. 2016-04909 Filed 3-4-16; 8:45 am]

**BILLING CODE 8011-01-P**

<sup>3</sup> See Securities Exchange Act Release No. 77006 (February 1, 2016), 81 FR 6308.

<sup>4</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> See Securities Exchange Act Release No. 76956 (January 21, 2016), 81 FR 4684.

<sup>4</sup> 17 CFR 200.30-3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77256; File No. SR-BATS-2016-23]

### Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees as They Apply to the Equity Options Platform

March 1, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 24, 2015, Bats BZX Exchange, Inc. (the "Exchange" or "BZX") (f/k/a BATS Exchange, Inc.) 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 Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup> which renders the proposed rule change effective upon filing with 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 Exchange filed a proposal to amend the fee schedule applicable to Members<sup>5</sup> and non-members of the Exchange pursuant to Exchange Rules 15.1(a) and (c) ("Fee Schedule").

The text of the proposed rule change is available at the Exchange's Web site at [www.batstrading.com](http://www.batstrading.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 Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the

<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)(ii).

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

<sup>5</sup> The term "Member" is defined as "any registered broker or dealer that has been admitted to membership in the Exchange." See Exchange Rule 1.5(n).

<sup>17</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.