

2. When this agreement is approved and signed by the Chairpersons of the respective DIBs, the USPS, as the recipient agency, will submit the agreement and the proposed public notice of the match as attachments in duplicate via a transmittal letter to OMB and Congress for review. The time period for review begins as of the date of the transmittal letter.

3. USPS will forward the public notice of the proposed matching program for publication in the **Federal Register**, in accordance with section 552(a)(e)(12) of Title 5 U.S.C., the transmittal letter to OMB and Congress. The matching notice will clearly identify the record systems and category of records being used and state that the program is subject to review by the OMB and Congress. A copy of the published notice shall be provided to the DoD.

4. The effective date of the matching agreement and date when matching may actually begin shall be at the expiration of the 40 day review period for OMB and Congress, or 30 days after publication of the matching notice in the **Federal Register**, whichever is later. The parties to this agreement may assume OMB and Congressional concurrence if no comments are received within 40 days of the date of the transmittal letter. Both the 40 day OMB and Congressional review period, and the mandatory 30 day public comment period for the **Federal Register** publication of the notice will run concurrently.

5. This agreement may be renewed for 12 months after the initial agreement period as long as the statutory requirement for the data match exists, subject to the Privacy Act, including certification by the participating agencies to the responsible DIBs that:

- a. The matching program will be conducted without change, and
- b. The matching program has been conducted in compliance with the original agreement.

6. This agreement may be modified at any time by a written modification to this agreement. Any modification shall satisfy both parties and shall be approved by the DIB of each agency. In addition, any modification shall comply with the Privacy Act of 1974, as amended, as well as guidance issued by the Office of Management and Budget.

7. This agreement may be terminated at any time with the consent of both parties. If either party does not want to continue this program, it should notify the other party of its intention not to continue at least 90 days before the end of the then current period of the agreement. Either party may unilaterally terminate this agreement upon written notice to the other party requesting termination, in which case the termination shall be effective 90 days after the date of the notice or at a later date specified in the notice provided the expiration date does not exceed the original or the extended completion date of the match.

Q. Waiver of Cost Benefit Analysis

The purpose of this matching agreement is to verify eligibility of Service members enrolling or enrolled in the TRS or the TRR Programs. By statute, such coverage may be provided if the person is not eligible for the

FEHB Program. FEHB Program eligibility can only be obtained from USPS, and without this information, a determination of continued eligibility cannot be made. Matching must occur regardless of the associated cost or anticipated benefits. Accordingly, the cost benefit is waived.

R. Comptroller General

The Comptroller General may have access to all records of the USPS that the Comptroller General deems necessary in order to monitor or verify compliance with the agreement.

S. Persons To Contact

The contacts on behalf of DoD are: Ms. Cindy Allard, Chief, Privacy, Civil Liberties, and Transparency Division, ODCMO, Directorate For Oversight And Compliance 4800 Mark Center Drive, Attn: DPCLTD, Mailbox# 24, Alexandria, VA 22350-1700, (703) 571-0070; Mr. Matthew Dubois, Deputy Assistant Secretary of Defense (Reserve Integration), 1500 Defense Pentagon, Washington DC 20301-1150, (703) 693-2232; Ms. Dena Colburn, DEERS Division, Defense Manpower Data Center, DoD Center Monterey Bay, 400 Gigling Rd., Seaside, CA. 93955-6771, (831) 583-2400 x4332; DMDC Security and Incident Response: Donna Naulivou, IA Branch Chief, Defense Manpower Data Center, 400 Gigling Road, Seaside, CA 93955-6771, 831-583-4159, donna.m.maulivou.civ@mail.mil. The contact on behalf of USPS is: Ms. Erica Hayton, Manager Benefits and Wellness Program, 475 L'Enfant Plaza SW., Washington DC 20260-4101, (202) 268-3735, (202) 268-3337 fax, Erica.m.hayton@usps.gov; Ms. Christine Harris, Headquarters Payroll Accountant, 2825 Lone Oak Parkway, Eagan, MN 55121-9500, (651) 406-2128, (651) 406-1212 fax, christine.a.harris@usps.gov; USPS Security and Incident Response: USPS Computer Incident Response Team, 1-866-877-7247, USPSCIRT@usps.gov.

T. Approvals

Department of Defense Program Officials

The authorized program officials, whose signatures appear below, accept and expressly agree to the terms and conditions expressed herein, confirm that no verbal agreements of any kind shall be binding or recognized, and hereby commit their respective organizations to the terms of this agreement.

Matthew Dubois, Deputy Assistant Secretary of Defense, (Reserve Affairs); Mary Snaveley-Dixon, Director, Defense Manpower Data Center

Department of Defense Data Integrity Board

The respective DIBs having reviewed this agreement and finding that it complies with applicable statutory and regulatory guidelines signify their respective approval thereof by the signature of the officials appearing below.

Mr. Joo Y. Chung, Chair, Defense Data Integrity Board, Department of Defense

United States Postal Service Program Official
Janine Castornina, (A) Chief Privacy Officer, Secretary, Data Integrity Board, United States Postal Service.

United States Postal Service Data Integrity Board

The respective DIBs having reviewed this agreement and finding that it complies with applicable statutory and regulatory guidelines signify their respective approval thereof by the signature of the officials appearing below.

Thomas J. Marshall, General Counsel and Executive Vice President, Chairperson, Data Integrity Board, United States Postal Service.
[FR Doc. 2016-19710 Filed 8-17-16; 8:45 am]

BILLING CODE 7710-12-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78567; File No. SR-NASDAQ-2016-115]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Nasdaq Rule 7018

August 12, 2016.

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 August 10, 2016, The NASDAQ Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. 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

Nasdaq is proposing to amend Nasdaq Rule 7018(a) to add a new credit tier for a combination of accessing and providing liquidity in securities of all three Tapes.³

The text of the proposed rule change is available at nasdaq.cchwallstreet.com, at Nasdaq’s principal office, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ There are three Tapes, which are based on the listing venue of the security: Tape C securities are Nasdaq-listed; Tape A securities are New York Stock Exchange (“NYSE”)-listed; and Tape B securities are listed on exchanges other than Nasdaq and NYSE.

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

In its filing with the Commission, Nasdaq included statements concerning the purpose of, and basis for, the proposed rule change 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

The purpose of the proposed rule change is to add a new credit tier for the use of the order execution and routing services of the Nasdaq Market Center by members for all securities priced at \$1 or more that it trades. The Exchange proposes to amend Nasdaq Rule 7018(a)(1), (2), and (3) to add a new credit tier for a combination of accessing and providing liquidity in securities of all three Tapes. Specifically, this new credit tier will be added to the Nasdaq rule book under each of Nasdaq Rule 7018(a)(1), (2), and (3) in the part entitled "Credit to member for displayed quotes/orders (other than Supplemental Orders or Designated Retail Orders) that provide liquidity".

The new credit tier will be for \$0.0027 per share executed and will be available for a member (i) with shares of liquidity accessed in all securities through one or more of its Nasdaq Market Center market participant identifiers ("MPIDs") that represent more than 0.65% of consolidated volume ("Consolidated Volume") during the month, and (ii) with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.10% of Consolidated Volume during the month.

As a general principle, the Exchange chooses to offer credits to members in return for market improving behavior. Under Rule 7018(a), the various credits the Exchange provides for members require them to significantly contribute to market quality by accessing and providing liquidity at certain levels of Consolidated Volume through one or more of its [sic] Nasdaq Market Center MPIDs.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁴ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,⁵ in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facility or system which the Exchange operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The credits Nasdaq provides are designed to improve market quality for all market participants, and Nasdaq allocates its credits in a manner that it believes are the most likely to achieve that result. Specifically, the Exchange believes that the proposed rule change to add a new credit tier of \$0.0027 per share executed is reasonable because it is consistent with other credits that the Exchange provides to members that access and/or provide liquidity. As discussed previously, as a general principle the Exchange chooses to offer credits to members in return for market improving behavior. Under Rule 7018(a), the various credits the Exchange provides for members require them to significantly contribute to market quality by accessing and/or providing certain levels of Consolidated Volume through one or more of its [sic] Nasdaq Market Center MPIDs, and volume.

The proposed credit will be provided to members that not only access liquidity in all securities through one or more of its [sic] Nasdaq Market Center MPIDs of more than 0.65% of Consolidated Volume during the month, but also that contribute to the Exchange by providing liquidity in all securities through one or more of its [sic] Nasdaq Market Center MPIDs of more than 0.10% of Consolidated Volume during the month.

The Exchange believes that the proposed \$0.0027 per share executed credit is an equitable allocation and is not unfairly discriminatory because a member achieving this credit tier will be both accessing and providing liquidity, which should be beneficial to other members as this both encourages more liquidity on the Exchange, as well as increasing the likelihood that members [sic] resting limit orders may be accessed by members seeking to attain this credit tier. The Exchange seeks to encourage such behavior.

Additionally, the Exchange believes that the proposed new credit tier is an

equitable allocation and is not unfairly discriminatory because the new credit tier is uniformly available to all members and affects all members equally and in the same way. Additionally, the proposed new credit tier will further encourage market participant activity and will also support price discovery and liquidity provision.

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. In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the changes to the credits provided for the use of the order execution and routing services of the Nasdaq Market Center by members for all securities priced at \$1 or more that it trades are reflective of the intense competition among trading venues in capturing order flow. Moreover, the proposed rule change does not impose a burden on competition because Exchange membership is optional and is also the subject of competition from other trading venues. For these reasons, the Exchange does not believe that any of the proposed changes will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets. Moreover, because there are numerous competitive alternatives to the use of the Exchange, it is likely that the Exchange will lose market share as a result of the changes if they are unattractive to market participants.

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(4) and (5).

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.

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

The foregoing change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.⁶ 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. Please include File Number SR-NASDAQ-2016-115 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-NASDAQ-2016-115. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and

printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such 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-NASDAQ-2016-115, and should be submitted on or before September 8, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016-19689 Filed 8-17-16; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78564; File No. SR-NYSEArca-2016-62]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change Relating to a Change to the Underlying Index for the PowerShares Build America Bond Portfolio

August 12, 2016.

I. Introduction

On May 3, 2016, NYSE Arca, Inc. ("Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to: (1) Permit the continued listing and trading of shares ("Shares") of the PowerShares Build America Bond Portfolio ("Fund") following a change to the index underlying the Fund, and (2) propose changes to the index underlying the Fund and the name of the Fund. The proposed rule change was published for comment in the **Federal Register** on May 23, 2016.³ On June 27, 2016, pursuant to Section

19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ The Commission received no comments on the proposed rule change. This order institutes proceedings under Section 19(b)(2)(B) of the Act⁶ to determine whether to approve or disapprove the proposed rule change.

II. Exchange's Description of the Proposal

The Exchange currently lists and trades Shares of the Fund⁷ under NYSE Arca Equities Rule 5.2(j)(3), Commentary .02, which governs the listing and trading of Investment Company Units ("Units") based on fixed income securities indexes.⁸ The Fund is a series of the Trust. Invesco PowerShares Capital Management LLC is the investment adviser ("Adviser") for the Fund. Invesco Distributors, Inc. is the Fund's distributor. The Bank of New York Mellon is the administrator, custodian, and fund accounting and transfer agent for the Fund.

The Exchange submitted its proposed rule change to: (1) Permit the continued listing and trading of Shares of the Fund following a change to the index underlying the Fund; and (2) propose changes to the index underlying the Fund and the name of the Fund.

The Fund seeks investment results that generally correspond to the price and yield (before fees and expenses) of The Bank of America ("BoFA") Merrill Lynch Build America Bond Index ("Build America Bond Index"). The Fund generally invests at least 80% of its total assets in taxable municipal

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 78157, 81 FR 43327 (July 1, 2016). The Commission designated August 21, 2016 as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ According to the Exchange, on February 26, 2016, PowerShares Exchange-Traded Fund Trust II ("Trust") filed a post-effective amendment on Form 485 under the Securities Act of 1933 ("Securities Act") to its registration statement on Form N-1A under the Securities Act and the Investment Company Act of 1940 ("1940 Act") (File Nos. 333-138490 and 811-21977) ("Registration Statement"). The Exchange states that the Trust has obtained certain exemptive relief under the 1940 Act. See Investment Company Act Release No. 27841 (May 25, 2007) (File No. 812-13335) ("Exemptive Order").

⁸ The PowerShares Build America Bond Portfolio was initially listed on the Exchange on November 17, 2009 pursuant to the generic listing criteria of Commentary .02 to NYSE Arca Equities Rule 5.2(j)(3).

⁷ 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. 77849 (May 17, 2016), 81 FR 32371 ("Notice").

⁶ 15 U.S.C. 78s(b)(3)(A)(ii).