

available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549-1090, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing will also 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-2016-123 and should be submitted on or before October 27, 2016.

#### **VI. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 1**

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 1, prior to the thirtieth day after the date of publication of notice of the proposed rule change, as modified by Amendment No. 1 in the **Federal Register**. As described above, the Exchange proposes to amend its rules to comply with the Plan and clarify other rules related to LULD and Limit Order Price Protection.

The Commission believes that the proposals to clarify how LULD Price Bands that are calculated by the Exchange would be rounded in instances where they are not in the MPV for a security and how Limit Order Price Protection would be rounded in instances where it is not in the MPV for a security provides clarity in the Exchange rules.

In addition, the Commission notes that the Pilot is scheduled to start on October 3, 2016, and accelerated approval of the proposal would ensure that the rules of the Exchange would be in place for the start of the Pilot. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Exchange Act,<sup>45</sup> to approve the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

#### **VII. Conclusion**

*It is therefore ordered that*, pursuant to Section 19(b)(2) of the Act,<sup>46</sup> that the proposed rule change (SR-NYSEArca-2016-123), as modified by Amendment No. 1, be and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>47</sup>

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

[FR Doc. 2016-24146 Filed 10-5-16; 8:45 am]

**BILLING CODE 8011-01-P**

### **SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-79012; File No. SR-ISEMercury-2016-18]**

#### **Self-Regulatory Organizations; ISE Mercury, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a New Rule 209**

September 30, 2016.

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 September 28, 2016, ISE Mercury, LLC ("ISE Mercury" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II 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 Substance of the Proposed Rule Change**

The Exchange proposes to adopt a new Rule 209 entitled, "Collection of Exchange Fees and Other Claims" to require Members to provide a clearing account number at the National Securities Clearing Corporation ("NSCC") for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or monies due and owing to the Exchange.

The text of the proposed rule change is available on the Exchange's Web site at [www.ise.com](http://www.ise.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 proposed rule change. The text of these

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 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 purpose of the proposed rule change is to collect undisputed or final fees, fines, charges and/or other monetary sanctions or monies due and owing to the Exchange through NSCC.<sup>3</sup> This proposal will provide a cost savings to the Exchange in that it will alleviate administrative processes related to the collection of monies owed to the Exchange.<sup>4</sup> Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process will prevent Member accounts from becoming overdue. The Exchange notes that it has a billing dispute policy.

The Exchange proposes to adopt new Rule 209 and require Members, and all applicants for registration as such to provide a clearing account number for an account at NSCC for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or monies due and owing to the Exchange or other charges related to Rules 205 and 206.<sup>5</sup>

The Exchange will send a monthly invoice<sup>6</sup> to each Member on approximately the 4th-6th business day of the following month.<sup>7</sup> The Exchange will also send a file to NSCC each month on approximately the 23rd of the following month to initiate the debit of the appropriate amount stated on the Member's invoice for the prior month. Because the Members will receive an invoice well before any monies are debited (normally within two weeks), the Members will have adequate time to

<sup>3</sup> The Exchange will not debit accounts for fees that are unusually large or for special circumstances, unless such debiting is requested by the Member.

<sup>4</sup> Today, some fees are collected through The Options Clearing Corporation, but not all fees.

<sup>5</sup> See ISE Mercury Rules 205 (Participant Fees) and 206 (Liability for Payment of Fees).

<sup>6</sup> The monthly invoice will indicate that the amount on the invoice will be debited from the designated NSCC account. Each month, the Exchange will send a file to the Member's clearing firm which will indicate the amounts to be debited from each Member. If a Member is "self-clearing", no such file would be sent as the Member would receive the invoice, as noted above, which would indicate the amount to be debited.

<sup>7</sup> By way of example, October invoices would be sent on November 7th.

<sup>45</sup> 15 U.S.C. 78s(b)(2).

<sup>46</sup> *Id.*

<sup>47</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.

contact the staff with any questions concerning their invoice. If a Member disputes an invoice, the Exchange will not include the disputed amount in the debit if the Member has disputed the amount in writing to the Exchange's designated staff by the 15th of the month, or the following business day if the 15th is not a business day, and the amount in dispute is at least \$10,000 or greater.

Once NSCC receives the file from the Exchange, NSCC would proceed to debit the amounts indicated from the Clearing Members' account. In the instance where the Member clears through an Exchange Clearing Member, the estimated transactions fees owed to the Exchange are reconciled daily by the Clearing Member to ensure adequate funds have been escrowed. The Exchange would debit any monies owed including undisputed or final fees,<sup>8</sup> fines, charges and/or other monetary sanctions or monies due and owing to the Exchange.<sup>9</sup>

The Exchange proposes this rule change become operative on October 1, 2016. On November 23, 2016, the Exchange will debit October 2016 billing pursuant to the process described in this rule change.<sup>10</sup> The Exchange will notify Members of this rule change to provide its Members ample time to provide the Exchange with the information necessary for the direct debit and prepare for the change to the collection process.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>11</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>12</sup> in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in

<sup>8</sup> Exchange fees are noted on the Exchange Fee Schedule.

<sup>9</sup> This includes, among other things, fines which result from the imposition of fines pursuant to Rules 1611, Judgment and Sanction; and 1614, Imposition of Fines for Minor Rules Violations. With respect to disciplinary sanctions that are imposed by either the Business Conduct Committee or a Hearing Panel, the Exchange would not debit any monies until such action is final. The Exchange would not consider an action final until all appeal periods have run and/or all appeal timeframes are exhausted. With respect to non-disciplinary actions, the Exchange would similarly not take action to debit a Member account until all appeal periods have run and/or all appeal timeframes are exhausted. Any uncontested disciplinary or non-disciplinary actions will be debited, and the amount due will appear on the Member's invoice prior to the actual NSCC debit.

<sup>10</sup> The initial debit will include all outstanding fees through October 1, 2016.

<sup>11</sup> 15 U.S.C. 78f(b).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

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 by providing Members with an efficient process to pay undisputed or final fees, fines, charges and/or monetary sanctions or monies dues and owing to the Exchange.

The Exchange believes that its proposal to debit NSCC accounts is reasonable because it would ease the Member's administrative burden in paying monthly invoices, avoid overdue balances and provide same day collection from all Members who owe monies to the Exchange. The Exchange has a billing dispute policy. The Member may dispute the invoice prior to the debit. This policy also lowers the Exchange's administrative costs because staff resources would not be diverted to review of untimely requests regarding billing.

The Exchange believes that its proposal to debit NSCC accounts is equitable and not unfairly discriminatory because it will apply to all Members in a uniform manner. Today, the debit process is applied at all Nasdaq exchanges.<sup>13</sup>

### *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 that is not necessary or appropriate in furtherance of the purposes of the Act. With this proposal, the proposed debit process would apply uniformly to all Members.

Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the collection of monies owed to the Exchange. Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process would prevent Member accounts from becoming overdue.

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

No written comments were either solicited or received.

<sup>13</sup> See NASDAQ Phlx LLC Rule 909, The NASDAQ Stock Market LLC Rule 7007, NASDAQ Options Market LLC Rules at Chapter XV, Section 1, NASDAQ BX, Inc. Rule 7011 and BX Option Rules at Chapter XV, Section 1 (collectively "Nasdaq exchanges").

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

Because the foregoing 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 for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>14</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>15</sup>

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. However, Rule 19b-4(f)(6)(iii)<sup>16</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. In its filing with the Commission, the Exchange requests that the Commission waive the 30-day operative delay. The Exchange proposes that the proposed rule change become operative on October 1, 2016. On November 23, 2016, the Exchange would debit October 2016 billing pursuant to the process set forth in the proposed rule change. The Exchange represents that waiver of the 30-day operative delay would allow it to conform its billing processes similar to the process in place at the various Nasdaq exchanges.<sup>17</sup> The Exchange notes that all ISE Mercury Members have an NSCC account or have a clearing firm with an NSCC account. Direct debit is an options industry standard. According to the Exchange, all members should be able to provide ISE Mercury with an NSCC account prior to the date of the November 23, 2016 debit. Further, the Exchange believes that this process will alleviate administrative processes related to the collection of monies owed to the Exchange. For these reasons, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission designates the proposed rule change to be operative upon filing.<sup>18</sup>

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

<sup>15</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>16</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>17</sup> See *supra* note 13.

<sup>18</sup> For purposes only of waiving the 30-day operative delay, the Commission also has

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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule 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-ISEMercury-2016-18 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-ISEMercury-2016-18. 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

considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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-ISEMercury-2016-18 and should be submitted on or before October 27, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>19</sup>

**Robert W. Errett,**

*Deputy Secretary.*

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#### DEPARTMENT OF STATE

[Public Notice: 9746]

##### **International Security Advisory Board (ISAB) Meeting Notice**

In accordance with section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App 10(a)(2), the Department of State announces a meeting of the International Security Advisory Board (ISAB) to take place on November 30, 2016, at the Department of State, Washington, DC.

Pursuant to section 10(d) of the Federal Advisory Committee Act, 5 U.S.C. App 10(d), and 5 U.S.C. 552b(c)(1), it has been determined that this Board meeting will be closed to the public because the Board will be reviewing and discussing matters properly classified in accordance with Executive Order 13526. The purpose of the ISAB is to provide the Department with a continuing source of independent advice on all aspects of arms control, disarmament, nonproliferation, political-military affairs, international security, and related aspects of public diplomacy. The agenda for this meeting will include classified discussions related to the Board's studies on current U.S. policy and issues regarding arms control, international security, nuclear proliferation, and diplomacy.

For more information, contact Christopher Herrick, Executive Director of the International Security Advisory Board, U.S. Department of State, Washington, DC 20520, telephone: (202) 647-9683.

<sup>19</sup> 17 CFR 200.30-3(a)(12).

Dated: September 23, 2016.

**Christopher Herrick,**

*Executive Director, International Security Advisory Board, U.S. Department of State.*

[FR Doc. 2016-24210 Filed 10-5-16; 8:45 am]

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#### DEPARTMENT OF STATE

[Public Notice 9747]

##### **U.S. Department of State Advisory Committee on Private International Law (ACPIL): Public Meeting on the Judgments Project**

The Office of the Assistant Legal Adviser for Private International Law, Department of State, gives notice of a public meeting to discuss the judgments project. The public meeting will take place on Tuesday, November 15, 2016, from 10:00 a.m. until 12:30 p.m. EST. This is not a meeting of the full Advisory Committee.

A Special Commission of the Hague Conference met in June 2016 to discuss the structure and the provisions of a draft convention on the recognition and enforcement of foreign judgments in civil and commercial matters. Another Special Commission of the Hague Conference is scheduled to meet in February 2017 to continue the drafting process.

The purpose of the public meeting is to obtain the views of interested stakeholders on the current draft provisions of the convention, located at <https://assets.hcch.net/docs/> to discuss certain matters such as scope, possible declarations to the convention, and general and final clauses.

*Time and Place:* The meeting will take place from 10:00 a.m. until 12:30 p.m. EST on November 15, 2016, in Room 240, South Building, State Department Annex 4, Washington, DC 20037. Participants should plan to arrive at the Navy Hill gate on the west side of 23rd Street NW. (at the intersection of 23rd Street NW. and D Street NW.) by 9:30 a.m. for visitor screening. If you are unable to attend the public meeting and would like to participate from a remote location, teleconferencing will be available. Those who cannot attend but wish to comment are welcome to do so by email to John Kim at [kimmjj@state.gov](mailto:kimmjj@state.gov) or Mike Dennis at [dennismj@state.gov](mailto:dennismj@state.gov).

*Public Participation:* This meeting is open to the public, subject to the capacity of the meeting room. Access to the building is strictly controlled. For pre-clearance purposes, those planning to attend should email [pil@state.gov](mailto:pil@state.gov) providing full name, address, date of