

recognizes the unique nature of the fund industry in treating distributions with respect to a common group of shareholders as a single distribution for purposes of the fee tiers.

The Commission understands that, in setting the reimbursement rates in Rule 451.90, the Exchange balances the competing interests of issuers who must pay for distributions of shareholder reports and brokers who need assurance of adequate reimbursement for making such distributions on their behalf.<sup>52</sup> The Commission notes that all commenters broadly supported NYSE's proposal.<sup>53</sup> As discussed above, two commenters expressed some concern with assessing the details of the NYSE's proposal before a final decision is made on proposed Rule 30e-3. However, given that the Exchange's rule is applicable to the "distribution of investment company shareholder reports pursuant to any 'notice and access' rules adopted by the [Commission] in relation to such distributions" as well as the functional similarities between notice and access processing for proxy and investment company report distributions,<sup>54</sup> the Commission believes, for the reasons discussed above, that it is appropriate at this time to approve substantially similar reimbursement rates, with the proposed amendments described herein, which should establish a reasonable and practical reimbursement structure, if notice and access distribution of investment company shareholder reports is authorized.

For the reasons discussed above, the Commission believes that the proposed rule change is consistent with the Exchange Act.

<sup>52</sup> The Commission notes that the Exchange and certain commenters suggested that FINRA may be better positioned than the Exchange to perform the regulatory role of setting the reimbursement rates for mutual fund report distributions. See Notice, 81 FR at 56718; see also ICI Letter; Ariel Letter; T. Rowe Letter; MFS Letter; Invesco Letter; Dimensional Letter; Columbia Letter. The issue of whether FINRA would be better positioned than the Exchange to perform this regulatory role is outside the scope of the Commission's consideration of whether to approve the Exchange's proposed rule change. See Section 19(b)(2)(C) of the Exchange Act ("The Commission shall approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of this title and the rules and regulations applicable to such organization.").

<sup>53</sup> See *supra* note 4.

<sup>54</sup> See Broadridge Letter (stating that processing work for investment company shareholder report distribution using notice and access is functionally similar in many respects to proxy report distribution through notice and access, although many of the underlying systems and production operations would be different).

## V. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Exchange Act<sup>55</sup> that the proposed rule change (SR–NYSE–2016–55) be, and *hereby is*, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>56</sup>

**Brent J. Fields,**

*Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–79351; File No. SR–DTC–2016–008]

### Self-Regulatory Organizations; The Depository Trust Company; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change Relating to Processing of Transactions in Money Market Instruments

November 18, 2016.

On September 23, 2016, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") proposed rule change SR–DTC–2016–008 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> to establish a change in the processing of transactions in money market instruments.<sup>3</sup> The proposed rule change was published for comment in the **Federal Register** on October 11, 2016.<sup>4</sup> To date, the Commission has not received any comments on the proposed rule change.

Section 19(b)(2) of the Act<sup>5</sup> provides that, within 45 days of the publication

<sup>55</sup> 15 U.S.C. 78f(b)(2).

<sup>56</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> On September 23, 2016, DTC also filed this proposed rule change as an advance notice (SR–DTC–2016–802) with the Commission pursuant to Section 806(e)(1) of the Dodd-Frank Wall Street Reform and Consumer Protection Act entitled the Payment, Clearing, and Settlement Supervision Act of 2010, 12 U.S.C. 5465(e)(1), and Rule 19b–4(n)(1)(i) of the Act, 17 CFR 240.19b–4(n)(1)(i). Notice of filing of and extension of the review period of the advance notice was published for comment in the **Federal Register** on November 9, 2016. Securities Exchange Act Release No. 79224 (November 3, 2016), 81 FR 78884 (November 9, 2016) (SR–DTC–2016–802). The Commission shall have until January 21, 2017 to object or not object to the advance notice.

<sup>4</sup> See Securities Exchange Act Release No. 79046 (October 5, 2016), 81 FR 70200 (October 11, 2016) (SR–DTC–2016–008).

<sup>5</sup> 15 U.S.C. 78s(b)(2).

of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding, or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day after publication of the notice for this proposed rule change is November 25, 2016. The Commission is extending this 45-day time period.

In order to provide the Commission with sufficient time to consider the proposed rule change, the Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>6</sup> designates January 9, 2017 as the date by which the Commission shall either approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change (File No. SR–DTC–2016–008).

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

**Brent J. Fields,**

*Secretary.*

[FR Doc. 2016–28307 Filed 11–23–16; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–79354; File No. SR–ISEMercury–2016–21]

### Self-Regulatory Organizations; ISE Mercury, LLC; Notice of Filing of Proposed Rule Change To Reduce the Response Times in the Block Mechanism, Facilitation Mechanism, Solicited Order Mechanism and Price Improvement Mechanism

November 18, 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 November 8, 2016, ISE Mercury, LLC (the "Exchange" or the "ISE Mercury") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have

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

<sup>7</sup> 17 CFR 200.30–3(a)(31).

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

<sup>2</sup> 17 CFR 240.19b–4.