

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79485; File No. SR-BX-2016-066]

Self-Regulatory Organizations; NASDAQ BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Titles of Equities Rule 7015 and Options Chapter XV, Section 3, and To Make Related Changes

December 6, 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 November 30, 2016, NASDAQ BX, Inc. (“BX” or “Exchange”) 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 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 rename the title of rules that assess fees for connectivity to systems operated by the Exchange or FINRA under Equities Rule 7015 and Options Chapter XV, Section 3, and to make related changes to other rules that reference the renamed rules.

The text of the proposed rule change is available on the Exchange’s Web site at <http://nasdaqbx.cchwallstreet.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 rename related text in Rule 7015 and Chapter XV Section 3 to more accurately reflect the services being provided and eliminate an outdated term. Both Rule 7015 and Chapter XV, Section 3, include connectivity to the TradeInfo³ service, which is not related to connecting to the Exchange trading system. As a consequence, the Exchange believes that it is appropriate to rename the title of Rule 7015 as “Ports and other Services” and rename the title of Chapter XV, Section 3, as “BX Options Market—Ports and other Services,” which the Exchange believes more accurately describe the services provided to members under those rules.

The Exchange is also proposing to amend reference to the title of Rule 7015 in Rule 7011(a), which is titled “Collection of Exchange Fees and Other Claims and Billing Policy,” and is also amending reference to the title of Chapter XV, Section 3, found under Section 7(c)(2) of Chapter XV to reflect the amended titles of Rule 7015 and Chapter XV, Section 3. Last, the Exchange is deleting “OMX” from the name of the Exchange in references to the Exchange in Rules 7011 and 7015. The Exchange removed “OMX” from its name effective January 9, 2016,⁴ and thus the change corrects the reference in the rules.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁶ in particular, in that it is designed 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, by clarifying applicability of rules whose current titles could confuse market participants. Specifically, the Exchange is eliminating the term “Access” and replacing it with the phrase “Ports and

other” because the new titles will more accurately describe the depth and breadth of services provided to members under Rule 7015 and Chapter XV, Section 3. As explained above, Rule 7015 and Chapter XV, Section 3, include the TradeInfo service, which is not related to connecting to the equity or options markets. Last, the Exchange is making technical changes to Rules 7011 and 7015 to remove “OMX” from references to the Exchange thereunder. As noted above, the Exchange removed “OMX” from its name effective January 9, 2016. Thus, the changes proposed herein do not impact the fees, connectivity or services described under Rule 7015 and Chapter XV, Section 3, but rather merely clarify and harmonize the terminology used to better align it with what is provided under the 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 Exchange believes that, to the extent it has any impact on competition, the proposed change will promote competition by making it clear to all market participants and exchange competitors what is provided under Rule 7015 and Chapter XV Section 3.

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.

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 Act⁷ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁸

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)⁹ permits the Commission to designate a shorter time if such action

³ TradeInfo is an Internet-based tool that, among other things, allows users to view all of the BX order and execution information for their entire firm for both equities and options through a single interface. TradeInfo may be subscribed to under both Rule 7015 and Chapter XV, Section 3.

⁴ See Securities Exchange Release Act [sic] No. 76656 (December 15, 2015), 80 FR 79381 (December 21, 2016) (SR-BX-2015-080).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

⁸ 17 CFR 240.19b-4(f)(6).

⁹ 17 CFR 240.19b-4(f)(6)(iii).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposed rule change will become operative on filing. The Exchange stated that the proposed rule change promotes the protection of investors and the public interest by clarifying and harmonizing the terminology used in the Exchange's rules. Waiver of the operative delay would allow the Exchange, without delay, to rename the rules to make clear what the rules cover, therefore, 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.¹⁰

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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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. Please include File Number SR-BX-2016-066 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-BX-2016-066. 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

¹⁰ For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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-BX-2016-066 and should be submitted on or before January 3, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79488; File No. SR-DTC-2016-003]

Self-Regulatory Organizations; The Depository Trust Company; Order Granting Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Impose Deposit Chills and Global Locks and Provide Fair Procedures to Issuers

December 6, 2016.

I. Introduction

On May 27, 2016, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") proposed rule change SR-DTC-2016-003 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4

thereunder.² The proposed rule change was published in the **Federal Register** on June 9, 2016.³ The Commission received 10 comment letters to the proposed rule change from five commenters, including three response letters from DTC.⁴ Pursuant to Section 19(b)(2) of the Act,⁵ on July 21, 2016, 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.⁶ On July 29, 2016, DTC filed Amendment No. 1 to the proposed rule change. On September 6, 2016, the Commission published notice of Amendment No. 1 and instituted proceedings under Section 19(b)(2)(B) of the Act⁷ to determine whether to approve or disapprove the proposed rule change.⁸

Section II below provides an overview and brief description of both DTC and the proposed rule change. Section III provides a summary of the comments received and DTC's response to those comments. Section IV provides a discussion of the proposed rule change,

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 77991 (June 3, 2016), 81 FR 37232 (June 9, 2016) (SR-DTC-2016-003) ("Notice").

⁴ See letter from Charles V. Rossi, Chairman, The Securities Transfer Association ("STA"), Inc. Board Advisory Committee, dated June 30, 2016, to Brent J. Fields, Secretary, Commission ("STA Letter I"); letter from Dorian Deyet, dated June 30, 2016 ("Deyet Letter"); letter from Ann K. Shuman, Managing Director and Deputy General Counsel, DTC, dated July 21, 2016, to Brent J. Fields, Secretary, Commission ("DTC Letter I"); letter from Harvey Kesner ("Kesner"), Sichenzia, Ross, Friedman, Ference, dated August 11, 2016, to Brent J. Fields, Secretary, Commission ("Kesner Letter I"); letter from Isaac Montal, Managing Director and Deputy General Counsel, DTC, dated August 22, 2016, to Brent J. Fields, Secretary, Commission ("DTC Letter II"); letter from Charles V. Rossi, Chairman, STA Board Advisory Committee, dated August 29, 2016, to Brent J. Fields, Secretary, Commission ("STA Letter II"); letter from Kesner, Sichenzia, Ross, Friedman, Ference, dated August 30, 2016, to Brent J. Fields, Secretary, Commission ("Kesner Letter II"); letter from Norman B. Arnoff ("Arnoff"), dated September 4, 2016 to Secretary Fields ("Arnoff Letter"); letter from Charles V. Rossi, Chairman, STA Board Advisory Committee, dated October 3, 2016, to Brent J. Fields, Secretary, Commission ("STA Letter III"); and letter from Ann K. Shuman, Managing Director and Deputy General Counsel, DTC, dated October 17, 2016, to Brent J. Fields, Secretary, Commission ("DTC Letter III"). See comments on the proposed rule change (SR-DTC-2016-003), <https://www.sec.gov/comments/sr-dtc-2016-003/dtc2016003.shtml>.

⁵ 15 U.S.C. 78s(b)(2).

⁶ See Securities Exchange Act Release No. 78379 (July 21, 2016), 81 FR 49309 (July 27, 2016). The Commission designated September 7, 2016, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

⁷ 15 U.S.C. 78s(b)(2)(B).

⁸ See Securities Exchange Act Release No. 78774 (September 6, 2016), 81 FR 62775 (September 12, 2016).

¹¹ 17 CFR 200.30-3(a)(12).

¹⁵ U.S.C. 78s(b)(1).