

maintenance of the Network Access Services, including by responding to any production issues. The Exchange accordingly believes that the proposed changes to the Network Access Service MRCs will allow them to more accurately reflect the value of the services provided.

The Exchange operates in a highly competitive market in which exchanges offer co-location services as a means to facilitate the trading and other market activities of those market participants who believe that co-location enhances the efficiency of their operations. Accordingly, fees charged for co-location services are constrained by the active competition for the order flow of, and other business from, such market participants. If a particular exchange charges excessive fees for co-location services, affected market participants will opt to terminate their co-location arrangements with that exchange, and adopt a possible range of alternative strategies, including placing their servers in a physically proximate location outside the exchange's data center (which could be a competing exchange), or pursuing strategies less dependent upon the lower exchange-to-participant latency associated with co-location. Accordingly, the exchange charging excessive fees would stand to lose not only co-location revenues but also the liquidity of the formerly co-located trading firms, which could have additional follow-on effects on the market share and revenue of the affected exchange. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

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 foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)³⁵ of the Act and subparagraph (f)(2) of Rule 19b-4³⁶ thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

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)³⁷ 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. Please include File No. SR-NYSEArca-2016-172 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 No. SR-NYSEArca-2016-172. 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 No. SR-NYSEArca-2016-172, and should be submitted on or before January 31, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁸

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79736; File No. SR-NYSE-2016-44]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change, as Modified by Amendments No. 1 and 2, Allowing the Exchange To Trade Pursuant to Unlisted Trading Privileges any NMS Stock Listed on Another National Securities Exchange; Establishing Listing and Trading Requirements for Exchange Traded Products; and Adopting New Equity Trading Rules Relating To Trading Halts of Securities Traded Pursuant to UTP on the Pillar Platform

January 4, 2017.

On June 30, 2016, New York Stock Exchange LLC ("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) allow the Exchange to trade pursuant to unlisted trading privileges ("UTP") any NMS Stock listed on another national securities exchange; (2) establish listing and trading requirements for exchange-traded products ("ETPs"); and (3) adopt new equity trading rules relating to trading halts of securities traded pursuant to UTP on the Pillar platform. The proposed rule change was published for comment in the **Federal Register** on July 14, 2016.³ On July 26, 2016, the Exchange filed Amendment

³⁸ 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. 78263 (July 8, 2016), 81 FR 45580 (July 14, 2016).

³⁵ 15 U.S.C. 78s(b)(3)(A).

³⁶ 17 CFR 240.19b-4(f)(2).

³⁷ 15 U.S.C. 78s(b)(2)(B).

No. 1 to the proposed rule change.⁴ On August 23, 2016, pursuant to Section 19(b)(2) of the Act,⁵ 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 August 26, 2016, the Exchange filed Amendment No. 2 to the proposed rule change.⁷ On October 12, 2016, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁸ to determine whether to approve or disapprove the proposed rule change.⁹ The Commission has

⁴ In Amendment No. 1, the Exchange: (1) Added a bullet point stating that “[b]ecause the Exchange’s rules regarding the production of books and records are described in Rule 440, the Exchange is proposing to refer to Rule 440 in its proposed rules wherever NYSE Arca Equities Rule 4.4 is referenced in the rules of NYSE Arca Equities proposed in this filing;” (2) deleted the sentence stating, “If an exchange has approved trading rules, procedures and listing standards in place that have been approved by the Commission for the product class that would include a new derivative securities product, the listing and trading of such ‘new derivative securities product,’ does not require a proposed rule change under Section 19b–4 of the Act” and made conforming changes to the rest of that paragraph; (3) deleted the bullet point that stated, “Correction of a typographical error in NYSE Arca Equities Rule 8.400(a) so that proposed Rule 8.400(a) reads ‘as such terms are used in Rule 5.1(b)’ in the last sentence, rather than ‘as such terms are used in the Rule 5.1(b)’ as is currently drafted in NYSE Arca Equities Rule 8.400(a)”]; and (4) noted that “for new ETPs to be traded pursuant to UTP, which are listed and traded on another exchange pursuant to Rule 19b–4(e), the Exchange would be required to file Form 19b–4(e) with the Commission in accordance with the requirements therein.” Amendment No. 1 is available at: <https://www.sec.gov/comments/sr-nyse-2016-44/nyse201644-1.pdf>. Because Amendment No. 1 to the proposed rule change does not materially alter the substance of the proposed rule change or raise unique or novel regulatory issues, Amendment No. 1 is not subject to notice and comment.

⁵ 15 U.S.C. 78s(b)(2).

⁶ See Securities Exchange Act Release No. 78641, 81 FR 59259 (Aug. 29, 2016).

⁷ In Amendment No. 2, the Exchange: (1) Added the clause “pursuant to UTP” at the end of the sentence that states, “The Exchange would have to file a Form 19b–4(e) with the Commission to trade these ETPs;” (2) in the first footnote that follows that sentence, deleted the clause “pursuant to Rule 19b–4(e);” and (3) at the end of that same footnote, added the reference, “See proposed Rule 5.1(a)(2); supra note 19 and accompanying text.” Amendment No. 2 is available at: <https://www.sec.gov/comments/sr-nyse-2016-44/nyse201644-2.pdf>. Because Amendment No. 2 to the proposed rule change does not materially alter the substance of the proposed rule change or raise unique or novel regulatory issues, Amendment No. 2 is not subject to notice and comment.

⁸ 15 U.S.C. 78s(b)(2)(B).

⁹ See Securities Exchange Act Release No. 79085, 81 FR 71771 (Oct. 18, 2016). Specifically, the Commission instituted proceedings to allow for additional analysis of the proposed rule change’s consistency with Section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be “designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles

received no comments on the proposed rule change.

Section 19(b)(2) of the Act¹⁰ provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the **Federal Register** on July 14, 2016. January 10, 2017 is 180 days from that date, and March 11, 2017 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider this proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹¹ designates March 11, 2017 as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–NYSE–2016–44).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Eduardo A. Aleman,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–79738; File No. SR–NYSEMKT–2016–103]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change Allowing the Exchange To Trade Pursuant to Unlisted Trading Privileges for Any NMS Stock Listed on Another National Securities Exchange; Establishing Rules for the Trading Pursuant to UTP of Exchange-Traded Products; and Adopting New Equity Trading Rules Relating to Trading Halts of Securities Traded Pursuant to UTP on the Pillar Platform

January 4, 2017.

On November 17, 2016, NYSE MKT LLC (“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) allow the Exchange to trade pursuant to unlisted trading privileges (“UTP”) for any NMS Stock listed on another national securities exchange; (2) establish rules for the trading pursuant to UTP of exchange-traded products; and (3) adopt new equity trading rules relating to trading halts of securities traded pursuant to UTP on the Pillar platform. The proposed rule change was published for comment in the **Federal Register** on December 1, 2016.³ The Commission has received no comments on the proposed rule change.

Section 19(b)(2) of the Act⁴ provides that, within 45 days of the publication 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 January 15, 2017. The Commission is extending this 45-day time period.

The Commission finds that it is appropriate to designate a longer period

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 79400 (Nov. 25, 2016), 81 FR 86750.

⁴ 15 U.S.C. 78s(b)(2).

of trade,” and “to protect investors and the public interest.” See *id.* at 71772.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ *Id.*

¹² 17 CFR 200.30–3(a)(57).