

commitment of capital. In addition, encouraging NOM Market Makers to add greater liquidity benefits all Participants in the quality of order interaction. The Exchange believes it is equitable and not unfairly discriminatory to offer only NOM Market Makers the opportunity to earn the discounted fee described above because of the obligations borne by these market participants, as noted herein.

#### *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. The Exchange believes that the proposed pricing changes are competitive and does not impose a burden on inter-market competition. If the changes proposed herein are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

As it relates to the proposed fee change to lower the NOM Volume Threshold, the Exchange does not believe that its proposal imposes an undue burden on intra-market competition because all Participants are eligible to earn rebates and these rebates would be uniformly paid to all qualifying Participants. The Exchange also does not believe that its proposal to offer Participants an opportunity to reduce the NOM Market Maker Non-Penny Pilot Options Fee for Adding Liquidity from \$0.35 to \$0.00 if they meet the volume-based standard described above imposes an undue burden on intra-market competition because NOM Market Makers, unlike other market participants, add value

making capacity must constitute a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and Market Makers should not make bids or offers or enter into transactions that are inconsistent with such course of dealings. Further, all Market Makers are designated as specialists on NOM for all purposes under the Act or rules thereunder. See Chapter VII, Section 5.

through continuous quoting<sup>18</sup> and the commitment of capital.

#### *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**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.<sup>19</sup>

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](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2017-080 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-2017-080. 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 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-2017-080, and should be submitted on or before September 5, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>20</sup>

**Eduardo A. Aleman,**

*Assistant Secretary.*

[FR Doc. 2017-17169 Filed 8-14-17; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-81360; File No. SR-NASDAQ-2017-079]

### **Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Market Access and Routing Subsidy Program**

August 9, 2017.

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 August 1, 2017, The NASDAQ Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the 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.

<sup>20</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>18</sup> See note 17 above.

<sup>19</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

**I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to amend the Exchange’s transaction fees at Chapter XV, Section 2 entitled “NASDAQ Options Market—Fees and Rebates,” which governs pricing for Nasdaq Participants using the NASDAQ Options Market (“NOM”), Nasdaq’s facility for executing and routing standardized equity and index options. The Exchange proposes to amend its subsidy program, the Market Access and Routing Subsidy or “MARS,” for NOM Participants that provide certain order routing functionalities<sup>3</sup> to other NOM Participants and/or use such functionalities themselves.

The text of the proposed rule change is available on the Exchange’s Web site at <http://nasdaq.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 the Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Exchange proposes to amend its MARS subsidy program, which pays a subsidy to NOM Participants that provide certain order routing functionalities to other NOM

Participants and/or use such functionalities themselves. Generally, under MARS, the Exchange pays participating NOM Participants to subsidize their costs of providing routing services to route orders to NOM. At this time, the Exchange proposes to amend Chapter XV, Section 2(6) to expand the MARS Payment tiers as described further below.

Today, NOM Participants that have System Eligibility<sup>4</sup> and have routed the requisite number of Eligible Contracts daily in a month (“Average Daily Volume”), which were executed on NOM, are entitled to a MARS Payment. For the purpose of qualifying for the MARS Payment, Eligible Contracts may include Firm,<sup>5</sup> Non-NOM Market Maker,<sup>6</sup> Broker-Dealer,<sup>7</sup> or Joint Back Office or “JBO”<sup>8</sup> equity option orders that add liquidity and are electronically delivered and executed.<sup>9</sup>

The Exchange currently pays the following MARS Payments according to Average Daily Volume (“ADV”)<sup>10</sup> submitted on NOM:

Tiers	Average daily volume (“ADV”)	MARS Payment (penny)	MARS Payment (non-penny)
1 .....	2,500	\$0.07	\$0.15
2 .....	5,000	0.09	0.20
3 .....	10,000	0.11	0.30
4 .....	20,000	0.15	0.50

Also, NOM Participants that qualify for Customer and Professional Penny Pilot Options Rebate to Add Liquidity Tier 8 in Chapter XV, Section 2(1) will receive \$0.09 per contract in addition to any MARS Payment tier on MARS Eligible Contracts the NOM Participant qualifies for in a given month. The specified MARS Payment will be paid on all executed Eligible Contracts that

add liquidity, which are routed to NOM through a participating NOM Participant’s System and meet the requisite Eligible Contracts ADV. No payments will be made with respect to orders that are routed to NOM, but not executed.<sup>11</sup>

The Exchange proposes to add a new Tier 5 with an ADV of 45,000 contracts and pay a MARS Payment of (i) \$0.17

per contract for Penny Pilot Options transactions that qualify for the MARS Payment tier program and (ii) \$0.60 per contract for Non-Penny Pilot Options transactions that qualify for the MARS Payment tier program. The Exchange would continue to pay an additional \$0.09 per contract in addition to any MARS Payment tier on MARS Eligible Contracts in a given month, provided

<sup>3</sup> The order routing functionalities permit a NOM Participant to provide access and connectivity to other Participants as well as utilize such access for themselves. The Exchange notes that one NOM Participant is eligible for payments under MARS, while another NOM Participant might potentially be liable for transaction charges associated with the execution of the order, because those orders were delivered to the Exchange through a NOM Participant’s connection to the Exchange and that Participant qualified for the MARS Payment.

<sup>4</sup> To qualify for MARS, the Participant’s routing system (“System”) is required to: (1) Enable the electronic routing of orders to all of the U.S. options exchanges, including NOM; (2) provide current consolidated market data from the U.S. options exchanges; and (3) be capable of interfacing with NOM’s API to access current NOM match engine functionality. Further, the Participant’s System would also need to cause NOM to be one of the top three default destination exchanges for (a) individually executed marketable orders if NOM is at the national best bid or offer (“NBBO”), regardless of size or time or (b) orders that establish

a new NBBO on NOM’s Order Book, but allow any user to manually override NOM as a default destination on an order-by-order basis. Any NOM Participant would be permitted to avail itself of this arrangement, provided that its order routing functionality incorporates the features described above and satisfies NOM that it appears to be robust and reliable. The Participant remains solely responsible for implementing and operating its System. See Chapter XV, Section 2(6).

<sup>5</sup> The term “Firm” or (“F”) applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

<sup>6</sup> The term “Non-NOM Market Maker” or (“O”) is a registered market maker on another options exchange that is not a NOM Market Maker. A Non-NOM Market Maker must append the proper Non-NOM Market Maker designation to orders routed to NOM.

<sup>7</sup> The term “Broker-Dealer” or (“B”) applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

<sup>8</sup> The term “Joint Back Office” or “JBO” applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC and is identified with an origin code as a JBO. A JBO will be priced the same as a Broker-Dealer as of September 1, 2014. A JBO participant is a Participant that maintains a JBO arrangement with a clearing broker-dealer (“JBO Broker”) subject to the requirements of Regulation T Section 220.7 of the Federal Reserve System as further discussed in Chapter XIII, Section 5.

<sup>9</sup> Eligible Contracts do not include Mini Option orders. Mini Options are further specified in Chapter XV, Section 2(4).

<sup>10</sup> Average Daily Volume is all Eligible Contracts daily in a month aggregating Penny and Non-Penny Pilot Options.

<sup>11</sup> A Participant will not be entitled to receive any other revenue for the use of its System specifically with respect to orders routed to NOM. The Exchange believes that MARS Payment will subsidize the costs of NOM Participants in providing the routing services.

the NOM Participant qualified for the Customer and Professional Penny Pilot Options Rebate to Add Liquidity Tier 8 in Chapter XV, Section 2(1). The Exchange believes that as proposed, MARS will continue to attract higher volumes of electronic equity and ETF options volume to the Exchange from non-NOM Participants as well as NOM Participants.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>12</sup> in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,<sup>13</sup> 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, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange's proposal to add a new Tier 5 with an ADV of 45,000 contracts and pay the MARS Payment in the amounts described above is reasonable because the amendments will attract higher volumes of electronic equity and ETF options volume to the Exchange, which will benefit all NOM Participants by offering greater price discovery, increased transparency, and an increased opportunity to trade on the Exchange. The expanded MARS Payments should enhance the competitiveness of the Exchange, particularly with respect to those exchanges that offer their own front-end order entry system or one they subsidize in some manner. The amendment to add Tier 5 will incentivize NOM Participants to achieve an even higher Penny Pilot Options Rebate, provided the NOM Participant is eligible for MARS. Further, the tier structure will allow NOM Participants to price their services at a level that will enable them to attract order flow from market participants who would otherwise utilize an existing front-end order entry mechanism offered by the Exchange's competitors instead of incurring the cost in time and money to develop their own internal systems to be able to deliver orders directly to the Exchange's System.

The Exchange's proposal to add a new Tier 5 and pay the MARS Payment in the amounts described above is equitable and not unfairly discriminatory because the Exchange will uniformly pay all NOM Participants the rebates specified in the proposed MARS Payment tiers provided the NOM

Participant has executed the requisite number of Eligible Contracts. Moreover, the Exchange believes that the proposed MARS Payments offered by the Exchange are equitable and not unfairly discriminatory because any qualifying NOM Participant that offers market access and connectivity to the Exchange and/or utilize such functionality themselves may earn the MARS Payments for all Eligible Contracts.

## 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 sum, if the fee changes proposed herein are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

Further, the Exchange's proposal does not impose an undue burden on intra-market competition because the Exchange will uniformly pay all NOM Participants the rebates specified in the proposed MARS Payment tiers provided the NOM Participant has executed the requisite number of Eligible Contracts. Moreover, any qualifying NOM Participant that offers market access and connectivity to the Exchange and/or utilizes such functionality themselves may earn the proposed MARS Payment for all Eligible Contracts.

## 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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.<sup>14</sup>

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](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2017-079 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-2017-079. 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

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

<sup>13</sup> 15 U.S.C. 78f(b)(4) and (5).

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

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-NASDAQ-2017-079, and should be submitted on or before September 5, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Eduardo A. Aleman,**  
Assistant Secretary.

[FR Doc. 2017-17168 Filed 8-14-17; 8:45 am]

**BILLING CODE 8011-01-P**

**SMALL BUSINESS ADMINISTRATION**

**[Disaster Declaration #15240 and #15241; Oregon Disaster Number OR-00086]**

**Presidential Declaration of a Major Disaster for Public Assistance Only for the State of Oregon**

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Notice.

**SUMMARY:** This is a Notice of the Presidential declaration of a major disaster for Public Assistance Only for the State of Oregon (FEMA-4328-DR), dated 08/08/2017.

*Incident:* Severe Winter Storms, Flooding, Landslides, and Mudslides.  
*Incident Period:* 01/07/2017 through 01/10/2017.

**DATES:** Issued on 08/08/2017.

*Physical Loan Application Deadline Date:* 10/10/2017.

*Economic Injury (EIDL) Loan Application Deadline Date:* 05/08/2018.

**ADDRESSES:** Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

**FOR FURTHER INFORMATION CONTACT:** A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration,

409 3rd Street SW., Suite 6050, Washington, DC 20416, (202) 205-6734.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that as a result of the President's major disaster declaration on 08/08/2017, Private Non-Profit organizations that provide essential services of a governmental nature may file disaster loan applications at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

*Primary Counties:* Columbia, Deschutes, Hood River, Josephine.

The Interest Rates are:

	Percent
<i>For Physical Damage:</i>	
Non-Profit Organizations with Credit Available Elsewhere ...	2.500
Non-Profit Organizations without Credit Available Elsewhere .....	2.500
<i>For Economic Injury:</i>	
Non-Profit Organizations without Credit Available Elsewhere .....	2.500

The number assigned to this disaster for physical damage is 15240B and for economic injury is 152410.

(Catalog of Federal Domestic Assistance Number 59008)

**James E. Rivera,**  
Associate Administrator for Disaster Assistance.

[FR Doc. 2017-17174 Filed 8-14-17; 8:45 am]

**BILLING CODE 8025-01-P**

**DEPARTMENT OF STATE**

**[Public notice: 10083]**

**International Joint Commission: Invites Public Comment on Review of Emergency Levels for Rainy and Namakan Lakes**

**AGENCY:** Department of State.

**ACTION:** International Joint Commission: Invites Public Comment on Review of Emergency Levels for Rainy and Namakan Lakes.

**SUMMARY:** The International Joint Commission (IJC) announced today that it is inviting public comment on Emergency Levels for Rainy and Namakan Lakes (also known as Rule Curves). Comments will be accepted at public hearings and by mail, email and on-line until September 1, 2017. Following receipt of the International Rainy and Namakan Lakes Rule Curves Study Board's final report in late June,

the International Joint Commission will be holding public hearings in the basin on its own report. Draft Changes to the Rainy and Namakan Lakes Rule Curves for Public Comment. The Commission is considering proposed changes to its Orders of Approval for the emergency regulation of Rainy and Namakan Lakes that have been recommended by the Study.

**DATES:** Commissioners will be present to hear comments at four public hearings throughout the basin from August 16 to 18, 2017. A public comment period on the Commission's report will also be open from July 24 to September 1, 2017.

**ADDRESSES:** The public hearings will be held at the following locations:

Wednesday, Fort Frances, Ontario  
August 16: Fort Frances Library—Shaw Hub Room, 601 Reid Avenue, Fort Frances, ON P9A 0A2, 7:00 p.m.–9:00 p.m.

Thursday, Kabetogama, Minnesota  
August 17: Kabetogama Lake Community Centre, 9707 Gamma Road, Kabetogama, MN 56669, 3:00 p.m.–5:00 p.m.

Thursday, International Falls, Minnesota  
August 17: Backus Community Centre—Conference Room 101/102, 900 5th Street, International Falls, MN 56649, 7:00 p.m.–9:00 p.m.

Friday, Rainy River, Ontario  
August 18: Rainy River Recreation Centre, 302 Broadway Avenue, Rainy River, ON P0W 1L0, 9:30 a.m.–11:30 a.m.

**FOR FURTHER INFORMATION CONTACT:** Sarah Lobrichon (Ottawa), 613-992-5368, [lobrichons@ottawa.ijc.org](mailto:lobrichons@ottawa.ijc.org) Frank Bevacqua (Washington), 202-736-9024, [bevacquauf@washington.ijc.org](mailto:bevacquauf@washington.ijc.org)

**SUPPLEMENTARY INFORMATION:** The Commission's proposal relating to the Emergency Regulation of Levels on Rainy and Namakan Lakes are centered on five general themes:

*Changes to existing Rule Curves:* Alternative C for the rule curves for Rainy and Namakan lakes, which includes a rule curve for high flood risk years for Rainy Lake, should be adopted.

*An expanded role for the Water Levels Committee (WLC) of the International Rainy-Lake of the Woods Watershed Board (IRLWWB):* The WLC should be empowered to target specific levels outside of the middle portion of the rule curve for each lake. New operational guidelines are needed for the WLC, and further guidance, in the form of a refined directive for the IRLWWB and the WLC, is needed.

*Adaptive Management:* The Commission will work with the

<sup>15</sup> 17 CFR 200.30-3(a)(12).