

### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule changes will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes are not designed to address any competitive issue but rather to add specificity and clarity to Exchange rules, thus providing greater transparency regarding the operation of the System.

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

The Exchange has neither solicited nor received written comments on the proposed rule changes.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will: (a) by order approve or disapprove such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be 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-BATS-2015-09 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-BATS-2015-09. 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 at 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 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-BATS-2015-09, and should be submitted on or before March 11, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**Brent J. Fields,**  
Secretary.

[FR Doc. 2015-03222 Filed 2-17-15; 8:45 am]

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## **SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-74259; File No. SR-NASDAQ-2015-010]**

### **Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Clarify the Application of Fees to Securities Under the Select Symbol Program of Rule 7018(a)(4)**

February 11, 2015.

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 February 2, 2015, The NASDAQ Stock Market LLC ("NASDAQ" 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.

<sup>18</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.

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 the Substance of the Proposed Rule Change**

The Exchange proposes to clarify the fees applicable to the list of securities eligible for the Select Symbol program under Rule 7018(a)(4), and to clarify that the fees of the program are on a per share basis.

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 Statutory Basis for, the Proposed Rule Change*

##### 1. Purpose

The purpose of the proposed rule change is to clarify that routing fees under Rules 7018(a)(1) through (3) apply to the securities of the Select Symbol program under Rule 7018(a)(4), and to clarify that fees and credits under the program are calculated on a per share executed basis. NASDAQ recently adopted the Select Symbol program,<sup>3</sup> which provides lower fees for executions received on NASDAQ in a select group of securities where access fees may be discouraging the use of public markets. NASDAQ implemented the program on February 2, 2015. Under the new rule, the Exchange states that it

<sup>3</sup> See Securities Exchange Act Release No. 73967 (December 30, 2014), 80 FR 594 (January 6, 2015) (SR-NASDAQ-2014-128). On January 27, 2015, the Exchange filed an immediately effective filing replacing a security on the list of securities under the rule. See SR-NASDAQ-2015-006 available at <http://nasdaq.cchwallstreet.com/NASDAQ/pdf/nasdaq-filings/2015/SR-NASDAQ-2015-006.pdf> (awaiting Commission notice and publication in the **Federal Register**).

applies the fees under the rule in lieu of other similar fees that would normally apply under Rules 7018(a)(1) through (3). The Exchange does not discuss fees for routing program securities for execution on other markets. In adopting the program, the Exchange did not intend to exclude the related routing fees under Rules 7018(a)(1) through (3). Accordingly, the Exchange is adding clarifying text to the rule that makes it clear that the fees assessed under Rules 7018(a)(1) through (3) for routing orders apply to the securities of the Select Symbol program.

NASDAQ is also amending the rule text to make it clear that the fees and credits under the program are calculated on a per share executed basis, like the other access fees that they replace. The Exchange notes that in adopting the rule, it discussed that it was lowering the access fees for the Select Symbol securities from the current per share executed rates to the new per share executed fees under the program.<sup>4</sup> The Exchange is adding clarifying language to the rule that makes it clear that the program's fees are on a per share executed basis.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act,<sup>5</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>6</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and 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; and are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. Specifically, the proposed change furthers these objectives because it clarifies the applicability of routing fees under Rule 7018(a) to the securities of the Select Symbol program and how the program fees are calculated. As noted, the rule currently does not discuss fees assessed for routing orders away from NASDAQ for execution, but rather notes that the fees and credits under the program, which relate to executions on

NASDAQ, are in lieu of the fees and credits under Rules 7018(a)(1) through (3). The Exchange believes that adding rule text that makes it clear that the normal routing fees apply will avoid any investor confusion concerning the applicability of the fees under the program. Similarly, although discussed in the filing adopting the program, the rule text does not currently reflect that the fees and credits are based on a per share executed basis. The Exchange believes that adding rule text that clarifies that the fees and credits are based on a per share executed calculation will serve to avoid any investor confusion caused by not including the language.

### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. Specifically, the change does not alter the meaning or application of the fees and credits provided under Rule 7018(a)(4), but rather clarifies the applicability of the fees assessed for routing securities away from NASDAQ for execution, and how the fees and credits under the Select Symbol program are calculated. Such clarifying changes impose no burdens on competition whatsoever and, as discussed above, further the purposes of the Act by avoiding potential market participant confusion over the applicability of routing fees under the rule and how the fees and credits of the Select Symbol program are calculated.

### *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)(ii) [sic] of the Act<sup>7</sup> and

subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>8</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>9</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>10</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that NASDAQ may add the clarifying language immediately. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because it will allow NASDAQ to clarify the intent of this rule immediately. The Commission sees no reason to delay the addition of language designed to remove ambiguity to the rule. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing with the Commission.<sup>11</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

<sup>8</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 requested a waiver of this requirement.

<sup>9</sup> 17 CFR 240.19b-4(f)(6).

<sup>10</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>11</sup> For purposes only of waiving the operative delay for this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>4</sup> See, e.g., Securities Exchange Act Release No. 73967 (December 30, 2014), 80 FR 594, 596 (January 6, 2015) (SR-NASDAQ-2014-128).

<sup>5</sup> 15 U.S.C. 78f.

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> 15 U.S.C. 78s(b)(3)(a)(ii). [sic]

• Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR–NASDAQ–2015–010 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–NASDAQ–2015–010. 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 offices 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–2015–010, and should be submitted on or before March 11, 2015.

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

**Brent J. Fields,**  
Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–74257; File No. SR–ICC–2014–23]

### Self-Regulatory Organizations; ICE Clear Credit LLC; Order Granting Approval of Proposed Rule Change To Revise ICC End-of-Day Price Discovery Policies and Procedures

February 11, 2015.

#### I. Introduction

On December 18, 2014, ICE Clear Credit LLC (“ICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change SR–ICC–2014–23 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> The proposed rule change was published for comment in the **Federal Register** on January 5, 2015.<sup>3</sup> The Commission received no comment letters regarding the proposed change. For the reasons discussed below, the Commission is granting approval of the proposed rule change.

#### II. Description of the Proposed Rule Change

ICC is proposing this change to revise the ICC End-of-Day Price Discovery Policies and Procedures to remove the ability for Clearing Participants to submit end-of-day submissions for Single Name instruments in terms of spread and associated recovery rate. This revision does not require any changes to the ICC Clearing Rules.

ICC requires all Clearing Participants to provide end-of-day submissions for specific instruments related to their cleared open interest. ICC states that it uses these submissions as inputs to its price discovery algorithm, which determines end-of-day levels.

According to ICC, it computes margin and guaranty fund requirements, and all other money movements, in price terms, but currently supports Clearing Participant submissions in terms of price (or the equivalent points upfront), or spread and associated recovery rate. As a result, according to ICC, the first step in the price discovery algorithm for Single Name instruments is to convert any submissions in terms of spread and associated recovery rate to the equivalent submission in price terms using the ISDA standard model.

ICC therefore proposes to revise its End-of-Day Price Discovery Policies and

Procedures to remove the ability for Clearing Participants to provide end-of-day submissions for Single Name instruments in terms of spread and associated recovery rate. Rather, ICC will require price (or the equivalent points upfront) submissions for all Single Name instruments. According to ICC, this change will result in the elimination of the use of the ISDA standard model to determine end-of-day prices for Single Name instruments. Furthermore, ICC also proposes to add clarifying language regarding its determination of implied recovery rates.

#### III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act<sup>4</sup> directs the Commission to approve a proposed rule change of a self-regulatory organization if the Commission finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such self-regulatory organization. Section 17A(b)(3)(F) of the Act<sup>5</sup> requires, among other things, that the rules of a clearing agency are designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible and, in general, to protect investors and the public interest.

The Commission finds that the proposed rule change is consistent with Section 17A of the Act<sup>6</sup> and the rules thereunder applicable to ICC. The revised ICC End-of-Day Price Discovery Policies and Procedures will ensure ICC uses data that reflect its Clearing Participants' view of the price of a given Single Name instrument, without the use of a model to imply a given price, resulting in an end-of-day price that is not subject to any potential model limitations or assumptions. As such, the Commission believes that the proposed rule change will promote the prompt and accurate settlement of securities and derivatives transactions, and therefore is consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, Section 17A(b)(3)(F).<sup>7</sup>

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> Securities Exchange Act Release No. 34–73951 (Dec. 29, 2014), 80 FR 269 (Jan. 5, 2015) (SR–ICC–2014–23).

<sup>4</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>5</sup> 15 U.S.C. 78q–1(b)(3)(F).

<sup>6</sup> 15 U.S.C. 78q–1.

<sup>7</sup> 15 U.S.C. 78q–1(b)(3)(F).

<sup>12</sup> 17 CFR 200.30–3(a)(12).