

VI. Accelerated Approval of Proposed Rule Change, as Modified by Amendment Nos. 1, 2, and 3

The Commission finds good cause, pursuant to Section 19(b)(2) of the Exchange Act, to approve the proposed rule change, as modified by Amendment Nos. 1, 2, and 3, prior to the 30th day after the date of publication of Amendment No. 3 in the **Federal Register**. FINRA proposed the changes in Amendment No. 3 in response to issues raised by commenters.¹⁹⁰

More specifically, Amendment No. 3 revised the proposal to increase the gross open position exception from \$2.5 million or less to \$10 million or less. Second, FINRA revised the proposed language in new Supplementary Material .05(a)(1) to delete the clause “except with respect to any account or group of commonly controlled accounts whose assets managed by that investment adviser constitute more than 10 percent of the investment adviser’s regulatory assets under management as reported on the investment adviser’s most recent Form ADV.” The Commission believes that the changes proposed in Amendment No. 3 do not raise any novel regulatory issues because they provide greater clarity with respect to the application of the proposed rule change and will reduce the regulatory burden on FINRA members, particularly smaller firms and counterparties. Therefore, the Commission finds that Amendment No. 3 is consistent with the protection of investors and the public interest.

Amendment No. 3 also clarified which paragraphs related to the required written risk limit determinations become effective six months after Commission approval of the proposed rule change. The Commission believes that these are technical clarifications and do not change the substance of the proposed implementation timeframe as proposed in the Order Instituting Proceedings and the Amendment No. 2 Notice.

Accordingly, the Commission finds good cause pursuant to Section 19(b)(2) of the Exchange Act,¹⁹¹ for approving the proposed rule change, as modified by Amendment Nos. 1, 2, and 3, on an accelerated basis.

VII. Conclusion

IT IS THEREFORE ORDERED, pursuant to section 19(b)(2) of the Exchange Act,¹⁹² that the proposed rule change, as modified by Amendment Nos. 1, 2, and 3 (SR-FINRA-2015-036)

be, and hereby is approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹³

Robert W. Errett,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78078; File No. SR-NASDAQ-2016-064]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change Relating to the Listing and Trading of the Shares of the First Trust Strategic Mortgage REIT ETF of First Trust Exchange-Traded Fund VIII

June 15, 2016.

On May 3, 2016, The NASDAQ Stock Market LLC (“Nasdaq”) 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 list and trade shares of the First Trust Strategic Mortgage REIT ETF of First Trust Exchange-Traded Fund VIII under Nasdaq Rule 5735. The proposed rule change was published for comment in the **Federal Register** on May 12, 2016.³ The Commission 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 June 26, 2016. The Commission is extending this 45-day time period.

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

¹⁹³ 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. 77781 (May 6, 2016), 81 FR 29590 (“Notice”).

⁴ 15 U.S.C. 78s(b)(2).

within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change. Accordingly, the Commission, pursuant to section 19(b)(2) of the Act,⁵ designates August 10, 2016, as the date by which the Commission should either approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change (File Number SR-NASDAQ-2016-064).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Robert W. Errett,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78080; File No. SR-MIAX-2016-16]

Self-Regulatory Organizations; Miami International Securities Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 510 To Extend the Penny Pilot Program Until December 31, 2016

June 15, 2016.

Pursuant to the provisions of 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 June 13, 2016, Miami International Securities Exchange LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a 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 is filing a proposal to amend Exchange Rule 510, Interpretations and Policies .01 to extend the pilot program for the quoting and trading of certain options in pennies (the “Penny Pilot Program”).

The text of the proposed rule change is available on the Exchange’s Web site at http://www.miaxoptions.com/filter/wotitle/rule_filing, at MIAX’s principal

⁵ 15 U.S.C. 78s(b)(2).

⁶ 17 CFR 200.30-3(a)(31).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹⁹⁰ See Amendment No. 3, *supra* note 14.

¹⁹¹ 15 U.S.C. 78s(b)(2).

¹⁹² 15 U.S.C. 78s(b)(2).