

of \$0.0034 per share for all Retail Orders is reasonable because it mirrors the rebate currently provided by Nasdaq.<sup>19</sup>

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

The Exchange does not believe the proposed amendment to its Fee Schedule would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed change represents a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Additionally, Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed change will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets.

The Exchange does not believe that the proposed tier revisions would burden competition, but instead, enhances competition, as they are intended to increase the competitiveness of and draw additional volume to the Exchange. As stated above, the Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee structures to be unreasonable or excessive. The proposed changes are generally intended to update, simplify, and streamline the Exchange's tiered pricing structure, which the Exchange designed to attract additional liquidity. The Exchange believes that the proposed tier revisions will allow the Exchange to compete more ably with other execution venues by drawing additional volume to the Exchange, thereby making it a more desirable destination venue for its customers. The Exchange does not believe the proposed tier revisions would burden intramarket competition as they would apply to all Members uniformly.

Regarding the Retail Orders, the Exchange believes that its proposal to provide a uniform rebate to all Retail Orders will increase intermarket competition for Retail Orders because the proposed would mirror the rebate currently provided by Nasdaq.<sup>20</sup> The

Exchange believes that its proposal would neither increase nor decrease intramarket competition because the rebate would apply uniformly to all Members.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from Members or other interested parties.

### **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) of the Act<sup>21</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>22</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 necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

### **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-BatsEDGX-2016-02 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-BatsEDGX-2016-02. 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/Trader.aspx?id=PriceListTrading2> (offering a rebate of \$0.0034 per share to add displayed designated retail liquidity)).

<sup>21</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>22</sup> 17 CFR 240.19b-4(f).

[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-BatsEDGX-2016-02, and should be submitted on or before April 13, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>23</sup>

**Robert W. Errett,**  
*Deputy Secretary.*

[FR Doc. 2016-06514 Filed 3-22-16; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-77400]**

### **Order Granting a Temporary Exemption Pursuant to Section 36 of the Securities Exchange Act of 1934 From Compliance With Rules 13n-1 to 13n-12 Under the Securities Exchange Act of 1934**

March 18, 2016.

#### **I. Introduction**

On June 15, 2011, the Securities and Exchange Commission ("Commission") issued an exemptive order that provided guidance and certain exemptions with respect to the requirements under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act") that had an effective date of July 16, 2011 (*i.e.*, the effective date of Title VII).<sup>1</sup> With respect

<sup>23</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> See Temporary Exemptions and Other Temporary Relief, Together With Information on Compliance Dates for New Provisions of the

Continued

<sup>19</sup> See Nasdaq Price List—Trading Connectivity available at <http://www.nasdaqtrader.com/Trader.aspx?id=PriceListTrading2> (offering a rebate of \$0.0034 per share to add displayed designated retail liquidity).

<sup>20</sup> See Nasdaq Price List—Trading Connectivity available at <http://www.nasdaqtrader.com/>

to Commission regulation of security-based swap data repositories (“SDR”), the DFA Effective Date Order provided exemptions from Exchange Act Sections 13(n)(5)(D)(i), 13(n)(5)(F), 13(n)(5)(G), 13(n)(5)(H), 13(n)(7)(A), 13(n)(7)(B), and 13(n)(7)(C), each of which will expire on the earlier of (1) the date the Commission grants registration to an SDR and (2) the earliest compliance date set forth in any of the final rules regarding the registration of SDRs.<sup>2</sup> The DFA Effective Date Order also provided an exemption from Exchange Act Section 29(b) with respect to provisions of the Exchange Act amended or added by subtitle B of the Dodd-Frank Act for which compliance is triggered by registration or by adoption of final rules by the Commission, or for which the Commission has provided an exception or exemptive relief, until such date as the Commission specifies.<sup>3</sup> Absent other Commission action, these exemptions relevant to SDRs (“SDR Relief”) will expire as of March 18, 2016, as further explained below.

In February 2015, the Commission adopted Rules 13n–11 to 13n–112 under the Exchange Act to govern SDRs (the “SDR Rules”). The SDR Rules became effective on May 18, 2015.<sup>4</sup> The SDR Rules Release states that SDRs must be in compliance with the SDR Rules by March 18, 2016, which is 365 days after publication of the SDR Rules in the *Federal Register* (the “SDR Rules Compliance Date”).<sup>5</sup> The SDR Rules Release also notes that (1) absent an exemption, any SDR must be registered with the Commission and in compliance with the federal securities laws and the rules and regulations thereunder (including the applicable Dodd-Frank Act provisions and all of the SDR Rules) by the SDR Rules Compliance Date, and (2) all exemptions that the Commission provided in the DFA Effective Date Order will expire on the compliance date, including the exemptions set forth in the DFA Effective Date Order.<sup>6</sup> The SDR Rules govern the SDR registration process, duties, and core principles. The 12 core SDR Rules establish a framework for SDRs to register with the Commission by filing a new Form SDR, and require an SDR to update its Form

SDR when any information becomes inaccurate. The SDR Rules also provide a process for the Commission to cancel or revoke the registration of an SDR.

In addition to the requirements set forth in the SDR Rules, there are a number of regulatory requirements applicable to SDRs once registered under Regulation SBSR, which was adopted by the Commission at the same time as the SDR Rules.<sup>7</sup> Regulation SBSR provides for the reporting of security-based swap information to registered SDRs, and the public dissemination of security-based swap transaction, volume, and pricing information by registered SDRs. Rule 907 of Regulation SBSR requires a registered SDR to establish and maintain written policies and procedures for carrying out its duties under Regulation SBSR.<sup>8</sup>

## II. Discussion

The Commission is using its authority under Section 36 of the Exchange Act to grant a temporary exemption from compliance with the SDR Rules until June 30, 2016 and to extend the SDR Relief so that it will expire on the earlier of (1) the date the Commission grants registration to an SDR and (2) June 30, 2016. The temporary exemption is designed to help facilitate the potential submission of any SDR applications.

Subject to certain exceptions, Section 36 of the Exchange Act<sup>9</sup> authorizes the Commission, by rule, regulation, or order, to exempt, either conditionally or unconditionally, any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of the Exchange Act or any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors. The Commission finds that it is necessary and appropriate in the public interest, and consistent with the protection of investors to grant a temporary exemption from compliance with the SDR Rules until June 30, 2016. The SDR Rules implement mandates under Title VII of the Dodd-Frank Act and govern the SDR registration process, duties and core principles.

The Commission notes that the SDR Rules Compliance Date is less than one month away. The Commission believes that granting the temporary exemption along with an extension of the SDR Relief will give additional time to

potential SDR registrants to thoroughly develop and prepare a complete application for registration. Notices of completed Forms SDR will be published to afford interested persons an opportunity to submit written comments concerning such application.<sup>10</sup> Given the SDR Rules Compliance Date, the temporary exemption should also provide staff sufficient time to analyze adequately any application materials that may be submitted.

## II. Conclusion

Accordingly, the Commission hereby grants, pursuant to Section 36 of the Exchange Act, a temporary exemption from compliance with the SDR Rules until June 30, 2016, and an extension of the SDR Relief such that it will expire on the earlier of (1) the date the Commission grants registration to an SDR and (2) June 30, 2016.

By the Commission.

**Brent J. Fields,**  
*Secretary.*

[FR Doc. 2016–06546 Filed 3–22–16; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77392; File No. SR–NASDAQ–2016–036]

### Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Include U.S. Non-Display Policies in the Nasdaq Rule Book

March 17, 2016.

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 March 4, 2016, 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, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to

<sup>10</sup> In the SDR Rules Release, the Commission stated that if a person files an amendment to its application for registration after the Commission has already published notice of the filing of its Form SDR and the Commission finds that the amendment renders the prior filing materially incomplete, then the 90-day period pursuant to Rule 13n–11(c) will reset from the time that the Commission deems the amended application to be complete for the Commission’s review.

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

<sup>2</sup> 17 CFR 240.19b–4.

Exchange Act Applicable to Security-Based Swaps, Exchange Act Release No. 64678 (June 15, 2011), 76 FR 36287 (June 22, 2011) (the “DFA Effective Date Order”).

<sup>2</sup> See DFA Effective Date Order, 76 FR at 36306.

<sup>3</sup> See DFA Effective Date Order, 76 FR at 36305–36306.

<sup>4</sup> See Exchange Act Release No. 74246 (Feb. 11, 2015), 80 FR 14438 (Mar. 19, 2015) (“SDR Rules Release”).

<sup>5</sup> See SDR Rules Release, 80 FR at 14456.

<sup>6</sup> See *id.*

<sup>7</sup> See Exchange Act Release No. 74244 (Feb. 11, 2015), 80 FR 14563 (Mar. 19, 2015).

<sup>8</sup> See 17 CFR 242.907.

<sup>9</sup> 15 U.S.C. 78mm.