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 Number SR–EDGX–2016–04 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–EDGX–2016–04. 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 will also 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–EDGX–2016–04 and should be submitted on or before March 14, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[24]

Brent J. Fields,

Secretary.

[FR Doc. 2016–03529 Filed 2–19–16; 8:45 am]

BILLING CODE 8011–01–P

[24] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77148; File No. S7–966]

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d–2; Notice of Filing and Order Approving and Declaring Effective an Amendment to the Plan for the Allocation of Regulatory Responsibilities Among NYSE MKT LLC, BATS Exchange, Inc., BOX Options Exchange LLC, C2 Options Exchange, Incorporated, the Chicago Board Options Exchange, Incorporated, the EDGX Exchange, Inc., the International Securities Exchange LLC, ISE Gemini, LLC, ISE Mercury, LLC Financial Industry Regulatory Authority, Inc., the New York Stock Exchange LLC, NYSE Arca, Inc., The NASDAQ Stock Market LLC, NASDAQ OMX BX, Inc., the NASDAQ OMX PHLX, Inc., and Miami International Securities Exchange, LLC Concerning Options-Related Sales Practice Matters

February 16, 2016.

Notice is hereby given that the Securities and Exchange Commission (''Commission'') has issued an Order, pursuant to Section 17(d) of the Securities Exchange Act of 1934 (''Act''),[1] approving and declaring effective an amendment to the plan for allocating regulatory responsibility (''Plan'') filed on February 3, 2016, pursuant to Rule 17d–2 of the Act,[2] by NYSE MKT LLC (''MKT''), BATS Exchange, Inc., (''BATS''), the BOX Options Exchange LLC (''BOX''), C2 Options Exchange, Incorporated (''C2''), the Chicago Board Options Exchange, Incorporated (''CBOE''), the EDGX Exchange, Inc. (''EDGX'') the International Securities Exchange LLC (''ISE''), ISE Gemini, LLC (''Gemini''), ISE Mercury, LLC (''ISE Mercury'') Financial Industry Regulatory Authority, Inc. (''FINRA''), the New York Stock Exchange LLC (''NYSE''), NYSE Arca, Inc. (''Arca''), The NASDAQ Stock Market LLC (''Nasdaq''), NASDAQ OMX BX, Inc. (''BX''), NASDAQ OMX PHLX, Inc. (''PHLX''), and Miami International Securities Exchange (''MIAX'') (collectively, ''Participating Organizations'' or ''parties'').

I. Introduction

Section 19(g)(1) of the Act,[3] among other things, requires every self-regulatory organization (''SRO'') registered as either a national securities exchange or national securities association to examine for, and enforce compliance by, its members and persons associated with its members with the Act, the rules and regulations thereunder, and the SRO's own rules, unless the SRO is relieved of this responsibility pursuant to Section 17(d)[4] or Section 19(g)(2)[5] of the Act. Without this relief, the statutory obligation of each individual SRO could result in a pattern of multiple examinations of broker-dealers that maintain memberships in more than one SRO (''common members''). Such regulatory duplication would add unnecessary expenses for common members and their SROs.

Section 17(d)(1) of the Act[6] was intended, in part, to eliminate unnecessary multiple examinations and regulatory duplication.[7] With respect to a common member, Section 17(d)(1) authorizes the Commission, by rule or order, to relieve an SRO of the responsibility to receive regulatory reports, to examine for and enforce compliance with applicable statutes, rules, and regulations, or to perform other specified regulatory functions.

To implement Section 17(d)(1), the Commission adopted two rules: Rule 17d–1 and Rule 17d–2 under the Act.[8] Rule 17d–1 authorizes the Commission to name a single SRO as the designated examining authority (''DEA'') to examine common members for compliance with the financial responsibility requirements imposed by the Act, or by Commission or SRO rules.[9] When an SRO has been named as a common member's DEA, all other SROs to which the common member belongs are relieved of the responsibility to examine the firm for compliance with the applicable financial responsibility rules. On its face, Rule 17d–1 deals only with an SRO's obligations to enforce member compliance with financial responsibility requirements. Rule 17d–1 does not relieve an SRO from its obligation to examine a common member for compliance with its own rules and provisions of the federal securities laws governing matters other than financial responsibility, including

[1] 15 U.S.C. 78q(d).

[2] 17 CFR 240.17d–2.

[3] 15 U.S.C. 78s(g)(1).

[4] 15 U.S.C. 78q(d).

[5] 15 U.S.C. 78s(g)(2).

[6] 15 U.S.C. 78q(d)(1).

[7] *See* Securities Act Amendments of 1975, Report of the Senate Committee on Banking, Housing, and Urban Affairs to Accompany S. 249, S. Rep. No. 94–75, 94th Cong., 1st Session 32 (1975).

[8] 17 CFR 240.17d–1 and 17 CFR 240.17d–2, respectively.

[9] *See* Securities Exchange Act Release No. 12352 (April 20, 1976), 41 FR 18808 (May 7, 1976).

sales practices and trading activities and practices.

To address regulatory duplication in these and other areas, the Commission adopted Rule 17d–2 under the Act.[10] Rule 17d–2 permits SROs to propose joint plans for the allocation of regulatory responsibilities with respect to their common members. Under paragraph (c) of Rule 17d–2, the Commission may declare such a plan effective if, after providing for notice and comment, it determines that the plan is necessary or appropriate in the public interest and for the protection of investors, to foster cooperation and coordination among the SROs, to remove impediments to, and foster the development of, a national market system and a national clearance and settlement system, and is in conformity with the factors set forth in Section 17(d) of the Act. Commission approval of a plan filed pursuant to Rule 17d–2 relieves an SRO of those regulatory responsibilities allocated by the plan to another SRO.

II. The Plan

On September 8, 1983, the Commission approved the SRO participants' plan for allocating regulatory responsibilities pursuant to Rule 17d–2.[11] On May 23, 2000, the Commission approved an amendment to the plan that added the ISE as a participant.[12] On November 8, 2002, the Commission approved another amendment that replaced the original plan in its entirety and, among other things, allocated regulatory responsibilities among all the participants in a more equitable manner.[13] On February 5, 2004, the parties submitted an amendment to the plan, primarily to include the BSE, which was establishing a new options trading facility to be known as BOX, as an SRO participant.[14] On December 5, 2007, the parties submitted an amendment to the plan to, among other things, provide that the National Association of Securities Dealers (''NASD'') (n/k/a FINRA) and NYSE are Designated Options Examining Authorities under the plan.[15] On June 5, 2008, the parties submitted an amendment to the plan primarily to remove the NYSE as a Designated Options Examining Authority, leaving FINRA as the sole Designated Options Examining Authority for all common members that are members of FINRA.[16] On February 9, 2010, the parties submitted a proposed amendment to the plan to add BATS and C2 as SRO participants and to reflect the name changes of the American Stock Exchange LLC to the NYSE Amex LLC, the Boston Stock Exchange, Inc., to the NASDAQ OMX BX, Inc. and the Philadelphia Stock Exchange, Inc. to the NASDAQ OMX PHLX, Inc.[17] On May 22, 2012, the parties submitted a proposed amendment to add BOX as an SRO participant, and to amend Section XIII of the plan to set forth a revised procedure for adding new participants to the plan.[18] On November 20, 2012, the parties submitted a proposed amendment to add MIAX as an SRO participant, and to change the name of NYSE Amex LLC to NYSE MKT LLC.[19] On June 21, 2013, the parties submitted a proposed amendment to add Topaz Exchange LLC as an SRO participant.[20] On October 9, 2015, the parties submitted a proposed amendment to add EDGX as an SRO participant and to change the name of Topaz Exchange, LLC to ISE Gemini, LLC.[21]

The plan reduces regulatory duplication for a large number of firms currently members of two or more of the SRO participants by allocating regulatory responsibility for certain options-related sales practice matters to one of the SRO participants. Generally, under the plan, the SRO participant responsible for conducting options-related sales practice examinations of a firm, and investigating options-related customer complaints and terminations for cause of associated persons of that firm, is known as the firm's ''Designated Options Examining Authority'' (''DOEA''). Pursuant to the plan, any other SRO of which the firm is a member is relieved of these responsibilities during the period in which the firm is assigned to another SRO acting as that firm's DOEA.

III. Proposed Amendment to the Plan

On February 3, 2016, the Parties submitted a proposed amendment to the Plan. The primary purpose of the amendment is to add ISE Mercury, and remove the NYSE, as a Participant to the Plan. The text of the proposed amended 17d–2 plan is as follows (additions are *italicized;* deletions are [bracketed]):

* * * * *

Agreement by and among BATS Exchange, Inc., BOX Options Exchange, LLC, the Chicago Board Options Exchange, Incorporated, C2 Options Exchange, Incorporated, the International Securities Exchange, LLC, Financial Industry Regulatory Authority, Inc., Miami International Securities Exchange, LLC, [the New York Stock Exchange LLC,] the NYSE MKT LLC, the NYSE Arca, Inc., The NASDAQ Stock Market LLC, NASDAQ OMX BX, Inc., the NASDAQ OMX PHLX LLC, ISE Gemini, LLC, [and] EDGX Exchange, Inc. *and ISE Mercury, LLC,* Pursuant to Rule 17d–2 under the Securities Exchange Act of 1934.

This agreement (''Agreement''), by and among BATS Exchange, Inc., BOX Options Exchange, LLC, the Chicago Board Options Exchange, Incorporated, C2 Options Exchange, Incorporated, the International Securities Exchange, LLC, Financial Industry Regulatory Authority, Inc. (''FINRA''), Miami International Securities Exchange, LLC, The NASDAQ Stock Market LLC (''NASDAQ''), NASDAQ OMX BX, Inc., [the New York Stock Exchange LLC (''NYSE''),] the NYSE MKT LLC, the NYSE Arca, Inc., the NASDAQ OMX PHLX LLC, ISE Gemini, LLC, and EDGX Exchange, Inc., hereinafter collectively referred to as the Participants, is made this [8th]*2nd* day of [October]*February,* 201[5]*6,* pursuant to the provisions of Rule 17d–2 under the Securities Exchange Act of 1934 (the ''Exchange Act''), which allows for plans among self-regulatory organizations to allocate regulatory responsibility. This Agreement shall be administered by a committee known as the Options Self-Regulatory Council (the ''Council'').

This Agreement amends and restates the agreement entered into among the Participants on [June 21, 2013]*October 8, 2015,* entitled ''Agreement by and among BATS Exchange, Inc., BOX Options Exchange, LLC, the Chicago Board Options Exchange, Incorporated, C2 Options Exchange, Incorporated, the International Securities Exchange, LLC,

[10] *See* Securities Exchange Act Release No. 12935 (October 28, 1976), 41 FR 49091 (November 8, 1976).

[11] *See* Securities Exchange Act Release No. 20158 (September 8, 1983), 48 FR 41256 (September 14, 1983).

[12] *See* Securities Exchange Act Release No. 42816 (May 23, 2000), 65 FR 34759 (May 31, 2000).

[13] *See* Securities Exchange Act Release No. 46800 (November 8, 2002), 67 FR 69774 (November 19, 2002).

[14] *See* Securities Exchange Act Release No. 49197 (February 5, 2004), 69 FR 7046 (February 12, 2004).

[15] *See* Securities Exchange Act Release No. 55532 (March 26, 2007), 72 FR 15729 (April 2, 2007).

[16] *See* Securities Exchange Act Release No. 57987 (June 18, 2008), 73 FR 36156 (June 25, 2008).

[17] *See* Securities Exchange Act Release No. 61589 (February 25, 2012), 75 FR 9976 (March 4, 2010).

[18] *See* Securities Exchange Act Release No. 66974 (May 11, 2012), 77 FR 29705 (May 18, 2012).

[19] *See* Securities Exchange Act Release No. 68363 (December 5, 2012), 77 FR 73711 (December 11, 2012).

[20] *See* Securities Exchange Act Release No. 70051 (July 26, 2013), 78 FR 46644 (August 1, 2013).

[21] *See* Securities Exchange Act Release No. 76309 (October 29, 2015), 80 FR 68361 (November 4, 2015).

Financial Industry Regulatory Authority, Inc., Miami International Securities Exchange, LLC, the New York Stock Exchange LLC, NYSE MKT LLC, the NYSE Arca, Inc., the NASDAQ Stock Market LLC, NASDAQ OMX BX, Inc., the NASDAQ OMX PHLX, Inc.*, ISE Gemini, LLC* and [Topaz Exchange, LLC]*EDGX Exchange, Inc.,* Pursuant to Rule 17d–2 under the Securities Exchange Act of 1934.''

WHEREAS, the Participants are desirous of allocating regulatory responsibilities with respect to broker-dealers, and persons associated therewith, that are members [1] of more than one Participant (the ''Common Members'') and conduct a public business for compliance with Common Rules (as hereinafter defined) relating to the conduct by broker-dealers of accounts for listed options, index warrants, currency index warrants and currency warrants (collectively, ''Covered Securities''); and

WHEREAS, the Participants are desirous of executing a plan for this purpose pursuant to the provisions of Rule 17d–2 and filing such plan with the Securities and Exchange Commission (''SEC'' or the ''Commission'') for its approval;

Now, therefore, in consideration of the mutual covenants contained hereafter, the Participants agree as follows:

I. As used herein the term Designated Options Examining Authority (''DOEA'') shall mean: (1) FINRA insofar as it shall perform Regulatory Responsibility (as hereinafter defined) for its broker-dealer members that also are members of another Participant or (2) the Designated Examination Authority (''DEA'') pursuant to SEC Rule 17d–1 under the Securities Exchange Act (''Rule 17d–1'') for a broker-dealer that is a member of a more than one Participant (but not a member of FINRA).

II. As used herein, the term ''Regulatory Responsibility'' shall mean the examination and enforcement responsibilities relating to compliance by Common Members with the rules of the applicable Participant that are substantially similar to the rules of the other Participants (the ''Common Rules''), insofar as they apply to the conduct of accounts for Covered Securities. A list of the current Common Rules of each Participant applicable to the conduct of accounts for Covered Securities is attached hereto as Exhibit A. Each year within 30 days of the anniversary date of the commencement of operation of this Agreement, each Participant shall submit in writing to FINRA and each DEA performing as a DOEA for any members of such Participant any revisions to Exhibit A reflecting changes in the rules of the Participant, and confirm that all other rules of the Participant listed in Exhibit A continue to meet the definition of Common Rules as defined in this Agreement. Within 30 days from the date that FINRA and each DEA performing as a DOEA has received revisions and/or confirmation that no change has been made to Exhibit A from all Participants, FINRA and each DEA performing as a DOEA shall confirm in writing to each Participant whether the rules listed in any updated Exhibit A are Common Rules as defined in this Agreement. Notwithstanding anything herein to the contrary, it is explicitly understood that the term ''Regulatory Responsibility'' does not include, and each of the Participants shall (unless allocated pursuant to Rule 17d–2 otherwise than under this Agreement) retain full responsibility for, each of the following:

(a) Surveillance and enforcement with respect to trading activities or practices involving its own marketplace, including without limitation its rules relating to the rights and obligations of specialists and other market makers;

(b) Registration pursuant to its applicable rules of associated persons;

(c) Discharge of its duties and obligations as a DEA; and

(d) Evaluation of advertising, responsibility for which shall remain with the Participant to which a Common Member submits same for approval.

III. Apparent violations of another Participant's rules discovered by a DOEA, but which rules are not within the scope of the discovering DOEA's Regulatory Responsibility, shall be referred to the relevant Participant for such action as the Participant to which such matter has been referred deems appropriate. Notwithstanding the foregoing, nothing contained herein shall preclude a DOEA in its discretion from requesting that another Participant conduct an enforcement proceeding on a matter for which the requesting DOEA has Regulatory Responsibility. If such other Participants agree, the Regulatory Responsibility in such case shall be deemed transferred to the accepting Participant and confirmed in writing by the Participants involved. Each Participant agrees, upon request, to make available promptly all relevant files, records and/or witnesses necessary to assist another Participant in an investigation or enforcement proceeding.

IV. The Council shall be composed of one representative designated by each of the Participants. Each Participant shall also designate one or more persons as its alternate representative(s). In the absence of the representative of a Participant, such alternate representative shall have the same powers, duties and responsibilities as the representative. Each Participant may, at any time, by notice to the then Chair of the Council, replace its representative and/or its alternate representative on such Council. A majority of the Council shall constitute a quorum and, unless specifically otherwise required, the affirmative vote of a majority of the Council members present (in person, by telephone or by written consent) shall be necessary to constitute action by the Council. The representative from FINRA shall serve as Chair of the Council. All notices and other communications for the Council shall be sent to it in care of the Chair or to each of the representatives.

V. The Council shall determine the times and locations of Council meetings, provided that the Chair, acting alone, may also call a meeting of the Council in the event the Chair determines that there is good cause to do so. To the extent reasonably possible, notice of any meeting shall be given at least ten-business days prior thereto. Notwithstanding anything herein to the contrary, representatives shall always be given the option of participating in any meeting telephonically at their own expense rather than in person.

VI. FINRA shall have Regulatory Responsibility for all Common Members that are members of FINRA. For the purpose of fulfilling the Participants' Regulatory Responsibilities for Common Members that are not members of FINRA, the Participant that is the DEA shall serve as the DOEA. All Participants shall promptly notify the DOEAs no later than the next scheduled meeting of any change in membership of Common Members. A DOEA may request that a Common Member that is allocated to it be reallocated to another DOEA by giving thirty days written notice thereof. The DOEAs in their discretion may approve such request and reallocate such Common Member to another DOEA.

VII. Each DOEA shall conduct an examination of each Common Member. The Participants agree that, upon request, relevant information in their respective files relative to a Common Member will be made available to the applicable DOEA. At each meeting of the Council, each DOEA shall be

[1] In the case of BOX Options Exchange, LLC (''BOX''), NASDAQ OMX BX, Inc. (''BX'') and NASDAQ members are those persons who are options participants (as defined in the BOX, BX and NASDAQ Options Market Rules).

prepared to report on the status of its examination program for the previous quarter and any period prior thereto that has not previously been reported to the Council.

VIII. Each DOEA will promptly furnish a copy of the Examination report, relating to Covered Securities, of any examination made pursuant to the provisions of this Agreement to each other Participant of which the Common Member examined is a member.

IX. Each DOEA's Regulatory Responsibility shall for each Common Member allocated to it include investigations into terminations ''for cause'' of associated persons relating to Covered Securities, unless such termination is related solely to another Participant's market. In the latter instance, that Participant to whose market the termination for cause relates shall discharge Regulatory Responsibility with respect to such termination for cause. In connection with a DOEA's examination, investigation and/or enforcement proceeding regarding a Covered Security-related termination for cause, the other Participants of which the Common Member is a member shall furnish, upon request, copies of all pertinent materials related thereto in their possession. As used in this Section, ''for cause'' shall include, without limitation, terminations characterized on Form U5 under the label ''Permitted to Resign,'' ''Discharge'' or ''Other.''

X. Each DOEA shall discharge the Regulatory Responsibility for each Common Member allocated to it relative to a Covered Securities-related customer complaint [2] unless such complaint is uniquely related to another Participant's market. In the latter instance, the DOEA shall forward the matter to that Participant to whose market the matter relates, and the latter shall discharge Regulatory Responsibility with respect thereto. If a Participant receives a customer complaint for a Common Member related to a Covered Security for which the Participant is not the DOEA, the Participant shall promptly forward a copy of such complaint to the DOEA.

XI. Any written notice required or permitted to be given under this Agreement shall be deemed given if sent by certified mail, return receipt requested, or by a comparable means of electronic communication to each Participant entitled to receipt thereof, to the attention of the Participant's representative on the Council at the Participant's then principal office or by email at such address as the representative shall have filed in writing with the Chair.

XII. The Participants shall notify the Common Members of this Agreement by means of a uniform joint notice approved by the Council.

XIII. This Agreement may be amended to add a new Participant provided that such Participant does not assume Regulatory Responsibility, solely by an amendment by FINRA and such new Participant. All other Participants expressly consent to allow FINRA to add new Participants to this Agreement as provided above. FINRA will promptly notify all Participants of any such amendments to add new Participants. All other amendments to this Agreement must be approved in writing by each Participant. All amendments, including adding a new Participant, must be filed with and approved by the SEC before they become effective.

XIV. Any of the Participants may manifest its intention to cancel its participation in this Agreement at any time by giving the Council written notice thereof at least 90 days prior to the effective date of such cancellation. Upon receipt of such notice the Council shall allocate, in accordance with the provisions of this Agreement, any Common Members for which the petitioning party was the DOEA. Until such time as the Council has completed the reallocation described above; the petitioning Participant shall retain all its rights, privileges, duties and obligations hereunder.

XV. The cancellation of its participation in this Agreement by any Participant shall not terminate this Agreement as to the remaining Participants. This Agreement will only terminate following notice to the Commission, in writing, by the then Participants that they intend to terminate the Agreement and the expiration of the applicable notice period. Such notice shall be given at least six months prior to the intended date of termination, provided that in the event a notice of cancellation is received from a Participant that, assuming the effectiveness thereof, would result in there being just one remaining member of the Council, notice to the Commission of termination of this Agreement shall be given promptly upon the receipt of such notice of cancellation, which termination shall be effective upon the effectiveness of the cancellation that triggered the notice of termination to the Commission.

XVI. No Participant nor the Council nor any of their respective directors, governors, officers, employees or representatives shall be liable to any other Participant in this Agreement for any liability, loss or damage resulting from or claimed to have resulted from any delays, inaccuracies, errors or omissions with respect to the provision of Regulatory Responsibility as provided hereby or for the failure to provide any such Responsibility, except with respect to such liability, loss or damages as shall have been suffered by one or more of the Participants and caused by the willful misconduct of one or more of the other participants or their respective directors, governors, officers, employees or representatives. No warranties, express or implied, are made by any or all of the Participants or the Council with respect to any Regulatory Responsibility to be performed by each of them hereunder.

XVII. Pursuant to Section 17(d)(1)(A) of the Securities Exchange Act of 1934 and Rule 17d–2 promulgated pursuant thereto, the Participants join in requesting the Securities and Exchange Commission, upon its approval of this Agreement or any part thereof, to relieve those Participants which are from time to time participants in this Agreement which are not the DOEA as to a Common Member of any and all Regulatory Responsibility with respect to the matters allocated to the DOEA.

* * * * *

REVISED [October 8, 2015] *February 2, 2016*

EXHIBIT A

RULES ENFORCED UNDER 17d–2 AGREEMENT

Pursuant to Section II of the Agreement by and among BATS Exchange, Inc. (''BATS''), BOX Options Exchange, LLC (''BOX''), the Chicago Board Options Exchange, Incorporated (''CBOE''), C2 Options Exchange, Incorporated (''C2''), the International Securities Exchange, LLC (''ISE''), Financial Industry Regulatory Authority, Inc. (''FINRA''), Miami International Securities Exchange, LLC (''MIAX''), The NASDAQ Stock Market LLC (''NASDAQ''), NASDAQ OMX BX, Inc. (''BX''), [the New York Stock Exchange LLC (''NYSE''),] the NYSE MKT LLC (''NYSE MKT''), the NYSE Arca, Inc. (''NYSE ARCA''), the NASDAQ OMX PHLX LLC (''PHLX''), ISE Gemini, LLC (''ISE Gemini''), [and] EDGX Exchange, Inc. (''EDGX'') *and ISE Mercury, LLC (''ISE Mercury'')* pursuant to Rule 17d–2 under the Securities Exchange Act of 1934 dated [October 8, 2016] *February 2, 2016* (the

[2] For purposes of complaints, they can be reported pursuant to Form U4, Form U5 or RE–3 and any amendments thereto.

''Agreement''), a revised list of the current Common Rules of each Participant, as compared to those of FINRA, applicable to the conduct of accounts for Covered Securities is set forth in this Exhibit A.

OPENING OF ACCOUNTS

NYSE MKT ..	Rules 411, 921 and 1101.
BATS	Rule 26.2.
BOX	Rule 4020.
CBOE	Rule 9.7.
C2*	CBOE Rule 9.7.
EDGX	Rule 26.2.
ISE	Rule 608.
FINRA	Rules 2360(b)(16) and 2352.
MIAX	Rule 1307.
[NYSE	N/A].
ISE Gemini ..	Rule 608.
ISE Mercury	*Rule 608.*
PHLX	Rule 1024(b) and (c)[1].
NYSE ARCA	Options Rules 9.2(a) and 9.18(b) and Equities Rules 9.18(b) and 8.4.
BX	Chapter XI, Section 7.
NASDAQ	Chapter XI, Section 7.

[1] FINRA shall not have any Regulatory Responsibility regarding foreign currency option requirements specified in any of the PHLX rules in this Exhibit A.

SUPERVISION

NYSE MKT ..	Rules 411, 922 and 1104.
BATS	Rule 26.3.
BOX	Rule 4030.
CBOE	Rule 9.8.[2]
C2	CBOE Rule 9.8.[2]
EDGX	Rule 26.3.
ISE	Rule 609.
FINRA	Rules 2360(b)(20), 2360(b)(17)(B), 2360(b)(16)(E), 2355 and 2358.
MIAX	Rule1308.
ISE Gemini ..	Rule 609.
ISE Mercury	*Rule 609.*
[NYSE	N/A].
PHLX	Rule 1025.
NYSE ARCA	Options Rules 9.2(b) and 9.18(d)(2)(G) and Equities Rules 9.18(d)(2)(G) and 8.7.
BX	Chapter XI, Section 8.
NASDAQ	Chapter XI, Section 8.

[2] FINRA shall not have any Regulatory Responsibility regarding receipt of written reports by April 1 of each year pursuant to CBOE Rule 9.8(g).

SUITABILITY

NYSE MKT ..	Rules 923 and 1102.
BATS	Rule 26.4.
BOX	Rule 4040.
CBOE	Rule 9.9.
C2	CBOE Rule 9.9.
EDGX	Rule 26.4.
ISE	Rule 610.
FINRA	Rule 2360(b)(19) and 2353.
MIAX	Rule 1309.
ISE Gemini ..	Rule 610.
ISE Mercury	*Rule 610.*
[NYSE	N/A].

SUITABILITY—Continued

PHLX	Rule 1026.
NYSE ARCA	Options Rule 9.18(c) and Equities Rules 9.18(c) and 8.5.
BX	Chapter XI, Section 9.
NASDAQ	Chapter XI, Section 9.

DISCRETIONARY ACCOUNTS

NYSE MKT ..	Rules 421, 924 and 1103.
BATS	Rule 26.5.[3]
BOX	Rule 4050.
CBOE	Rule 9.10.
C2	CBOE Rule 9.10.
EDGX	Rule 26.5.[3]
ISE	Rule 611.
FINRA	Rules 2360(b)(18) and 2354.
MIAX	Rule 1310.
ISE Gemini ..	Rule 611.
ISE Mercury	*Rule 611.*
[NYSE	N/A].
PHLX	Rule 1027.
NYSE ARCA	Options Rule 9.18(e) and Equities Rules 9.18(e) and 8.6.
BX	Chapter XI, Section 10.
NASDAQ	Chapter XI, Section 10.

[3] FINRA shall not have any Regulatory Responsibility to enforce this rule as to time and price discretion in institutional accounts.

CUSTOMER COMMUNICATIONS (ADVERTISING)

NYSE MKT ..	Rules 991 and 1106.
BATS	Rule 26.16.
BOX	Rule 4170.
CBOE	Rule 9.21.
C2	CBOE Rule 9.21.
EDGX	Rule 26.16.
ISE	Rule 623.
FINRA	Rules 2220 and 2357.
MIAX	Rule 1322.
ISE Gemini ..	Rule 623.
ISE Mercury	*Rule 623.*
[NYSE	N/A].
PHLX	N/A.
NYSE ARCA	Options Rules 9.21(a) and 9.21(b).
BX	Chapter XI, Section 22.
NASDAQ	Chapter XI, Section 22.

CUSTOMER COMPLAINTS

NYSE MKT ..	Rules 932 and 1105.
BATS	Rule 26.17.
BOX	Rule 4190.
CBOE	Rule 9.23.
C2	CBOE Rule 9.23.
EDGX	Rule 26.17.
ISE	Rule 625.
FINRA	FINRA Rules 2360(b)(17)(A) and 2356.
MIAX	Rule 1324.
ISE Gemini ..	Rule 625.
ISE Mercury	*Rule 625.*
[NYSE	N/A].
PHLX	Rule [1070]1028.
NYSE ARCA	Options Rule 9.18(l) and Equities Rules 9.18(l) and 8.8.
BX	Chapter XI, Section 24.
NASDAQ	Chapter XI, Section 24.

CUSTOMER STATEMENTS

NYSE MKT ..	Rules 419 and 930.
BATS	Rule 26.7.
BOX	Rule 4070.
CBOE	Rule 9.12.
C2	CBOE Rule 9.12.
EDGX	Rule 26.7.
ISE	Rules 613.
FINRA	Rule 2360(b)(15).
MIAX	Rule 1312.
ISE Gemini ..	Rule 613.
ISE Mercury	*Rule 613.*
[NYSE	N/A].
PHLX	Rule 1032.
NYSE ARCA	Options Rule 9.18(j) and Equities Rule 9.18(j).
BX	Chapter XI, Sections 12.
NASDAQ	Chapter XI, Section 12.

CONFIRMATIONS

NYSE MKT ..	Rule 925.
BATS	Rule 26.6.
BOX	Rule 4060.
CBOE	Rule 9.11.
C2	CBOE Rule 9.11.
EDGX	Rule 26.6.
ISE	Rule 612.
FINRA	Rule 2360(b)(12).
MIAX	Rule 1311.
ISE Gemini ..	Rule 612.
ISE Mercury	*Rule 612.*
[NYSE	N/A].
PHLX	Rule 1028.
NYSE ARCA	Options Rule 9.18(f) and Equities Rule 9.18(j).
BX	Chapter XI, Section 11.
NASDAQ	Chapter XI, Section 11.

ALLOCATION OF EXERCISE ASSIGNMENT NOTICES

NYSE MKT ..	Rule 981.
BATS	Rule 23.2.
BOX	Rule 9010.
CBOE	Rule 11.2.
C2	CBOE Rule 11.2.
EDGX	Rule 23.2.
ISE	Rule 1101.
FINRA	Rule 2360(b)(23)(C).
MIAX	Rule 701.
ISE Gemini ..	Rule 1101.
ISE Mercury	*Rule 1101.*
[NYSE	N/A].
PHLX	Rule 1043.
NYSE ARCA	Options Rule 6.25(a).
BX	Chapter VIII, Section 2.
NASDAQ	Chapter VIII, Section 2.

DISCLOSURE DOCUMENTS

NYSE MKT ..	Rules 921 and 926.
BATS	Rule 26.10.
BOX	Rule 4100.
CBOE	Rule 9.15.
C2	CBOE Rule 9.15.
EDGX	Rule 26.10.
ISE	Rule 616.
FINRA	Rule 2360(b)(11).
MIAX	Rule 1315.
ISE Gemini ..	Rule 616.

DISCLOSURE DOCUMENTS—Continued

ISE Mercury	*Rule 616.*
[NYSE	N/A].
PHLX	Rule 1024(b)(v), 1029.
NYSE ARCA	Options Rule 9.18(g) and Equities Rule 9.18(g).
BX	Chapter XI, Section 15.
NASDAQ	Chapter XI, Section 15.

BRANCH OFFICES OF MEMBER ORGANIZATIONS

NYSE MKT	Rule 922(d).[4]
BOX	Rule 4010(b).
CBOE	Rule 9.6.
C2	CBOE Rule 9.6.
ISE	Rule 607.
FINRA	Rules 2360(b)(20)(B) and 2355.
MIAX	Rule 1306.
ISE Gemini	Rule 607.
ISE Mercury	*Rule 607.*
[NYSE	N/A].
PHLX	N/A.
NYSE ARCA	Options Rule 9.18(m) and Equities Rule 9.18(m).
BX	Chapter XI, Section 6.
NASDAQ	Chapter XI, Section 6.

[4] FINRA shall only have Regulatory Responsibility for the first paragraph and shall not have any Regulatory Responsibility regarding the requirements for debt options.

PROHIBITION AGAINST GUARANTEES

NYSE MKT	Rule 390.
BATS	Rule 26.13.
BOX	Rule 4130.
CBOE	Rule 9.18.
C2	CBOE Rule 9.18.
EDGX	Rule 26.13.
ISE	Rules 619.
FINRA	Rule 2150(b).
MIAX	Rule 1318.
ISE Gemini	Rule 619.
ISE Mercury	Rule 619.
[NYSE	Rule 2150(b)].
PHLX	Rule 777.
NYSE ARCA	Options Rule 9.1(e).
BX	Chapter XI, Sections 18 and 19.
NASDAQ	Chapter XI, Sections 18 and 19.

SHARING IN ACCOUNTS

NYSE MKT	Rule 390.
BATS	Rule 26.14.[6]
BOX	Rule 4140.
CBOE	Rule 9.18(b).
C2	CBOE Rule 9.18(b).
EDGX	Rule 26.14.[6]
ISE	Rule 620.[5]
FINRA	Rule 2150(c).
MIAX	Rule 1319.
ISE Gemini	Rule 620.[5]
ISE Mercury	*Rule 620.*[5]
[NYSE	Rules 2150(c)].
PHLX	N/A.
NYSE ARCA	Options Rule 9.1(f).

SHARING IN ACCOUNTS—Continued

BX	Chapter XI, Section 19.[6]
NASDAQ	Chapter XI, Section 19.[6]

[5] FINRA shall not have any Regulatory Responsibility regarding ISE's, [and] ISE Gemini's *and ISE Mercury's* requirements to the extent its rule does not contain an exception to permit sharing in the profits and losses of an account.

[6] FINRA shall not have any Regulatory Responsibility regarding NASDAQ's, BX's, BATS's, and EDGX's requirements to the extent such rules do not contain an exception addressing immediate family.

REGISTRATION OF ROP

NYSE MKT	Rule 920.
BATS	Rule 17.2(g)(1), (2), (6) and (7).
BOX	Rule 2020(c)(1), (e)(1) and IM–2040–4 and IM–2040–5(b).
CBOE	Rule 9.2.
C2	CBOE Rule 9.2.
EDGX	Rule 17.2(g)(1), (2), (6) and (7).
ISE	Rule 601.
FINRA	NASD Rules 1022(f), IM–1022–1, & 1250(a)(1).
MIAX	Rule 1301.
ISE Gemini	Rule 601.
ISE Mercury	*Rule 601.*
[NYSE	N/A].
PHLX	Rule 1024(a)(i).
NYSE ARCA	Options Rule 9.26 and Equities Rule 9.26.
BX	Chapter XI, Section 2 and Chapter II, Section 2(g).
NASDAQ	Chapter XI, Section 2 and Chapter II, Section 2(g).

CERTIFICATION OF REGISTERED PERSONNEL [7]

NYSE MKT	Rule 920.
BATS	Rule 2.5 Interpretation .01(c) and 11.4(e).
BOX	IM–2040–3.
CBOE	Rule 9.3.
C2	CBOE Rule 9.3.
EDGX	Rule 2.5 Interpretation .01(c) and 11.4(e).
ISE	Rule 602.
FINRA	NASD Rule 1032(d).
MIAX	Rule 1302.
ISE Gemini	Rule 602.
ISE Mercury	*Rule 602.*
[NYSE	N/A].
PHLX	Rule 1024.
NYSE ARCA	Options Rule 9.27(a).
BX	Chapter XI, Section 3 and Chapter II, Section 2(h).
NASDAQ	Chapter XI, Section 3 and Chapter II, Section 2(h).

[7 FINRA shall not have Regulatory Responsibility with regard to the Series 56 Examination under any exchange rules, as this examination is not recognized by FINRA.]

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. 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 Number S7–966 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 S7–966. 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 plan that are filed with the Commission, and all written communications relating to the proposed plan 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 plan also will be available for inspection and copying at the principal offices of FINRA and ISE Mercury. 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 S7–966 and should be submitted on or before March 14, 2016.

V. Discussion

The Commission continues to believe that the proposed plan is an achievement in cooperation among the SRO participants. The Plan, as amended, will reduce unnecessary regulatory duplication by allocating to the designated SRO the responsibility for certain options-related sales practice matters that would otherwise be

performed by multiple SROs. The plan promotes efficiency by reducing costs to firms that are members of more than one of the SRO participants. In addition, because the SRO participants coordinate their regulatory functions in accordance with the plan, the plan promotes, and will continue to promote, investor protection.

Under paragraph (c) of Rule 17d–2, the Commission may, after appropriate notice and comment, declare a plan, or any part of a plan, effective. In this instance, the Commission believes that appropriate notice and comment can take place after the proposed amendment is effective. The primary purpose of the amendment is to add ISE Mercury as a Participant, and remove the NYSE as a Participant, to the Plan. By declaring it effective today, the amended Plan can become effective and be implemented without undue delay.[22] The Commission notes that the prior version of this plan immediately prior to this proposed amendment was published for comment and the Commission did not receive any comments thereon. Furthermore, the Commission does not believe that the amendment to the plan raises any new regulatory issues that the Commission has not previously considered.

VI. Conclusion

This order gives effect to the amended Plan submitted to the Commission that is contained in File No. S7–966.

It is therefore ordered, pursuant to Section 17(d) of the Act, that the Plan, as amended, filed with the Commission pursuant to Rule 17d–2 on February 3, 2016, is hereby approved and declared effective.

It is further ordered that those SRO participants that are not the DOEA as to a particular common member are relieved of those regulatory responsibilities allocated to the common member's DOEA under the amended Plan to the extent of such allocation.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[23]

Brent J. Fields,

Secretary.

[FR Doc. 2016–03533 Filed 2–19–16; 8:45 am]

BILLING CODE 8011–01–P

[22] On January 29, 2016, the Commission approved ISE Mercury's application for registration as a national securities exchange. *See* Securities Exchange Act Release No. 76998, 81 FR 6066 (February 4, 2016).

[23] 17 CFR 200.30–3(a)(34).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77149; File No. 4–551]

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d–2; Notice of Filing and Order Approving and Declaring Effective an Amendment to the Plan for the Allocation of Regulatory Responsibilities Among NYSE MKT LLC, BATS Exchange, Inc., BOX Options Exchange LLC, C2 Options Exchange, Incorporated, the Chicago Board Options Exchange, Incorporated, the EDGX Exchange, Inc., the International Securities Exchange LLC, ISE Gemini, LLC, ISE Mercury, LLC, Financial Industry Regulatory Authority, Inc., NYSE Arca, Inc., The NASDAQ Stock Market LLC, NASDAQ OMX BX, Inc., the NASDAQ OMX PHLX, Inc., and Miami International Securities Exchange, LLC Concerning Options-Related Market Surveillance

February 16, 2016.

Notice is hereby given that the Securities and Exchange Commission (''Commission'') has issued an Order, pursuant to Section 17(d) of the Securities Exchange Act of 1934 (''Act''),[1] approving and declaring effective an amendment to the plan for allocating regulatory responsibility (''Plan'') filed on February 9, 2016, pursuant to Rule 17d–2 of the Act,[2] by NYSE MKT LLC (''MKT''), BATS Exchange, Inc., (''BATS''), the BOX Options Exchange LLC (''BOX''), C2 Options Exchange, Incorporated (''C2''), the Chicago Board Options Exchange, Incorporated (''CBOE''), the EDGX Exchange, Inc. (''EDGX'') the International Securities Exchange LLC (''ISE''), ISE Gemini, LLC (''Gemini''), ISE Mercury, LLC (''ISE Mercury''), Financial Industry Regulatory Authority, Inc. (''FINRA''), NYSE Arca, Inc. (''Arca''), The NASDAQ Stock Market LLC (''Nasdaq''), NASDAQ OMX BX, Inc. (''BX''), NASDAQ OMX PHLX, Inc. (''PHLX''), and Miami International Securities Exchange (''MIAX'') (collectively, ''Participating Organizations'' or ''parties'').

I. Introduction

Section 19(g)(1) of the Act,[3] among other things, requires every self-regulatory organization (''SRO'') registered as either a national securities exchange or national securities association to examine for, and enforce compliance by, its members and persons associated with its members with the Act, the rules and regulations thereunder, and the SRO's own rules, unless the SRO is relieved of this responsibility pursuant to Section 17(d)[4] or Section 19(g)(2)[5] of the Act. Without this relief, the statutory obligation of each individual SRO could result in a pattern of multiple examinations of broker-dealers that maintain memberships in more than one SRO (''common members''). Such regulatory duplication would add unnecessary expenses for common members and their SROs.

Section 17(d)(1) of the Act[6] was intended, in part, to eliminate unnecessary multiple examinations and regulatory duplication.[7] With respect to a common member, Section 17(d)(1) authorizes the Commission, by rule or order, to relieve an SRO of the responsibility to receive regulatory reports, to examine for and enforce compliance with applicable statutes, rules, and regulations, or to perform other specified regulatory functions.

To implement Section 17(d)(1), the Commission adopted two rules: Rule 17d–1 and Rule 17d–2 under the Act.[8] Rule 17d–1 authorizes the Commission to name a single SRO as the designated examining authority (''DEA'') to examine common members for compliance with the financial responsibility requirements imposed by the Act, or by Commission or SRO rules.[9] When an SRO has been named as a common member's DEA, all other SROs to which the common member belongs are relieved of the responsibility to examine the firm for compliance with the applicable financial responsibility rules. On its face, Rule 17d–1 deals only with an SRO's obligations to enforce member compliance with financial responsibility requirements. Rule 17d–1 does not relieve an SRO from its obligation to examine a common member for compliance with its own rules and provisions of the federal securities laws governing matters other than financial responsibility, including sales practices and trading activities and practices.

To address regulatory duplication in these and other areas, the Commission

[1] 15 U.S.C. 78q(d).

[2] 17 CFR 240.17d–2.

[3] 15 U.S.C. 78s(g)(1).

[4] 15 U.S.C. 78q(d).

[5] 15 U.S.C. 78s(g)(2).

[6] 15 U.S.C. 78q(d)(1).

[7] *See* Securities Act Amendments of 1975, Report of the Senate Committee on Banking, Housing, and Urban Affairs to Accompany S. 249, S. Rep. No. 94–75, 94th Cong., 1st Session 32 (1975).

[8] 17 CFR 240.17d–1 and 17 CFR 240.17d–2, respectively.

[9] *See* Securities Exchange Act Release No. 12352 (April 20, 1976), 41 FR 18808 (May 7, 1976).