

provide that capital withdrawals by partners cannot be made without the prior written approval of the Exchange, that prospective member corporations submit an opinion of counsel reciting facts contained in its public filings, and that certain prohibitions have been made legally effective would remove impediments to and perfect the mechanism of a free and open market and a national market system by ensuring that potential member organizations, persons subject to the Exchange's jurisdiction, regulators, and the public could more easily navigate the Exchange's rulebook and better understand what obligations attach and when. Further, the Exchange represents that updating the Exchange's rules to remove what the Exchange considers redundant requirements is also designed to protect investors as well as the public interest by providing transparency and reducing potential confusion regarding the Exchange membership process that may result from having what the Exchange characterizes as obsolete rules and outdated guidelines in the Exchange's rulebook. For the same reasons, the Exchange represents that updating the Exchange's rules to remove requirements that the Exchange considers outdated would remove impediments to and perfect the mechanism of a free and open market and a national market system and is equally designed to protect investors as well as the public interest.

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

The Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed rule change would foster competition by expanding the types of organizational forms a member organization may take and, by removing geographic restrictions on corporate Exchange membership, permitting foreign broker-dealers that are members of FINRA or another SRO and that do not have their principal place of business in the United States to become Exchange member organizations. The Exchange represents that, by removing outdated and redundant provisions from the Exchange membership rules not found in the rules of other SROs and adding a provision found in the rules of another SRO, the proposed rule change also would foster competition by providing greater harmonization between Exchange membership requirements and the requirements of other SROs, resulting in less burdensome and more

efficient and consistent standards for prospective member organizations.

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

No written comments were solicited or received with respect to the proposed rule change.

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 up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) By order approve or disapprove the 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. Please include File Number SR-NYSEMKY-2014-97 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-NYSEMKY-2014-97. 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 Section, 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 NYSE's principal office and on its Internet Web site at www.nyse.com. 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-NYSEMKY-2014-97 and should be submitted on or before December 19, 2014.

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

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73669; File No. SR-NYSEMKY-2014-81]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change, as Modified by Amendment No. 1 Thereto, Amending Rule 902.1NY To Authorize the Exchange To Share Any User-Designated Risk Settings in Exchange Systems With the Clearing Member That Clears Transactions on Behalf of the User

November 21, 2014.

On September 19, 2014, NYSE MKT LLC, ("NYSE MKT" or "Exchange") filed with the Securities and Exchange Commission (the "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 amend Rule 902.1NY to authorize the Exchange to share any User-designated risk settings in Exchange systems with the Clearing Member³ that clears transactions on

¹⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Exchange Rule 900.2NY (11) defining "Clearing Member" as "an Exchange ATP Holder

behalf of the User.⁴ The proposed rule change was published for comment in the **Federal Register** on October 7, 2014.⁵ On November 19, 2014, the Exchange also submitted Amendment No. 1 to the proposed rule change. The Commission received one comment on the proposed rule change.

Section 19(b)(2) of the Act⁶ 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 for this filing is November 21, 2014.⁷ The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider this proposed rule change. The proposed rule change, if approved, would authorize the Exchange to share any User-designated risk settings in Exchange systems with the Clearing Member that clears transactions on behalf of the User.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁸ designates January 5, 2015, 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 No. SR-NYSEMKT-2014-81).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Kevin M. O'Neill,
Deputy Secretary.

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which has been admitted to membership in the Options Clearing Corporation pursuant to the provisions of the Rules of the Options Clearing Corporation.”

⁴ See Exchange Rule 900.2NY (87) defining “User” as “any ATP Holder that is authorized to obtain access to the System pursuant to Rule 902.1NY.”

⁵ See Securities Exchange Act Release No. 73280 (October 1, 2014), 79 FR 60553.

⁶ 15 U.S.C. 78s(b)(2).

⁷ On November 19, 2014, the Exchange consented to an extension of this time period until November 29, 2014. See 15 U.S.C. 78s(b)(2)(A)(ii)(II).

⁸ *Id.*

⁹ 17 CFR 200.30-3(a)(31).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73666; File No. SR-ICC-2014-16]

Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change Related to ICC's Use of House Initial Margin as an Internal Liquidity Resource

November 21, 2014.

I. Introduction

On October 1, 2014, ICE Clear Credit LLC (“ICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change SR-ICC-2014-16 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder.² The proposed rule change was published for comment in the **Federal Register** on October 20, 2014.³ The Commission did not receive comments on the proposed rule change. For the reasons discussed below, the Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

ICC has stated that the purpose of the proposed rule change is to amend ICC Clearing Rule 402(j) to provide further clarity regarding ICC's obligation to return any Clearing Participant's House Initial Margin used as an internal liquidity resource. Under Rule 402(j), ICC may, in connection with a Clearing Participant default, (i) exchange House Initial Margin held in the form of cash for securities of equivalent value and/or (ii) exchange House Initial Margin held in the form of cash in one currency for cash of equivalent value in a different currency. The proposed rule change clarifies that the exchanges involving a Clearing Participant's Initial Margin in its House Account will occur on a temporary basis and that ICC will reverse any such exchange as soon as practicable following the conclusion of event which gave rise to the liquidity need. ICC states that the duration of the liquidity event will likely be significantly shorter than the amount of time necessary to complete the default management process for the event which gave rise to the liquidity need. The proposed rule change will also delete general references to ICC's liquidity policies and procedures and instead will use the defined term “ICE

Clear Credit Procedures” found throughout the ICC Rules.

III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act⁴ 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 Act⁵ 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 the requirements of Section 17A of the Act⁶ and the rules and regulations thereunder applicable to ICC. The proposed modification to Rule 402(j) provides clarity regarding ICC's obligation and timing to return any House Initial Margin used as an internal liquidity resource and is reasonably designed to allow ICC to manage its liquidity needs in the event of one or more Clearing Participant defaults. Accordingly, the Commission believes that the proposed rule change is reasonably designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, and 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, consistent with Section 17A(b)(3)(F) of the Act.⁷

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act⁸ and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁹ that the

⁴ 15 U.S.C. 78s(b)(2)(C).

⁵ 15 U.S.C. 78q-1(b)(3)(F).

⁶ 15 U.S.C. 78q-1.

⁷ 15 U.S.C. 78q-1(b)(3)(F).

⁸ 15 U.S.C. 78q-1.

⁹ 15 U.S.C. 78s(b)(2).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 34-73347 (Oct. 14, 2014), 79 FR 62683 (Oct. 20, 2014) (SR-ICC-2014-16).