

impair the ability of Members or competing venues to maintain their competitive standing in the financial markets. The Exchange does not believe that its proposal would burden intramarket competition because the proposed rate would apply uniformly to all Members and the Routing Tier would be equally available 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>15</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>16</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-BYX-2015-34 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-BYX-2015-34. 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-BYX-2015-34 and should be submitted on or before September 8, 2015.

**Brent J. Fields,**  
Secretary.

[FR Doc. 2015-20280 Filed 8-17-15; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-75678; File No. SR-BATS-2015-58]**

**Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of BATS Exchange, Inc.**

August 12, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on August 3, 2015, BATS Exchange, Inc. (the "Exchange" or "BATS") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii)

of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup> which renders the proposed rule change effective upon filing with the Commission. 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 filed a proposal to amend the fee schedule applicable to Members<sup>5</sup> and non-members of the Exchange pursuant to BATS Rules 15.1(a) and (c) ("Fee Schedule") to: (i) Modify the rebate structure for certain routing strategies that route to NASDAQ OMX BX, Inc. ("Nasdaq BX"); and (ii) adopt a new Cross-Asset Step-Up Tier.

The text of the proposed rule change is available at the Exchange's Web site at [www.batstrading.com](http://www.batstrading.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 parts of such statements.

*(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

**1. Purpose**

The Exchange proposes to: (i) Modify the rebate structure for certain routing strategies that route to Nasdaq BX; and (ii) adopt a new Cross-Asset Step-Up Tier.

**Amended Fee Code C**

The Exchange currently provides: (i) A rebate of \$0.0010 per share for Members' orders that yield fee code TV, applicable to orders routed to Nasdaq BX using the TRIM2 or TRIM3 routing

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

<sup>4</sup> 17 CFR 240.19b-4(f)(2).

<sup>5</sup> The term "Member" is defined as "any registered broker or dealer that has been admitted to membership in the Exchange." See Exchange Rule 1.5(n).

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

<sup>16</sup> 17 CFR 240.19b-4(f).

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

<sup>2</sup> 17 CFR 240.19b-4.

strategy;<sup>6</sup> and (ii) a rebate of \$0.0013 per share for Members' orders that yield fee code TX, applicable to orders routed to Nasdaq BX using the TRIM routing strategy. The Exchange proposes to amend its Fee Schedule to provide a standard rebate of \$0.0010 per share for Members' orders that yield fee code TV, which would apply to all TRIM routing strategies. Thus, fee code TV would continue to include TRIM2 and TRIM3 routing to Nasdaq BX as well as routing to Nasdaq BX using the TRIM routing strategy. The Exchange would, in turn, eliminate fee code TX. The Exchange notes that the \$0.0010 per share rebate provided pursuant to the proposed change may still be a higher rebate for an order routed to Nasdaq BX that a Member may obtain when routing directly to Nasdaq BX, depending on the applicable tier for which such Member may qualify. Nasdaq BX currently provides a standard rebate to remove liquidity of \$0.0006 per share, with various tiers providing rebates up to \$0.0017 per share.<sup>7</sup>

#### Cross-Asset Step-Up Tiers

Currently, with respect to the Exchange's equities trading platform ("BATS Equities"), the Exchange determines the liquidity adding rebate that it will provide to Members using the Exchange's tiered pricing structure, which is based on the Member meeting certain volume tiers based on their ADAV<sup>8</sup> as a percentage of TCV<sup>9</sup> or ADV<sup>10</sup> as a percentage of TCV. Included amongst the volume tiers offered by the

Exchange are two Cross-Asset Step-Up Tiers for purposes of BATS Equities pricing, which require participation on the Exchange's options platform ("BATS Options"). The current Cross-Asset Step-Up Tiers provide rebates of \$0.0027 per share and \$0.0028 per share for Tier 1 and Tier 2, respectively. To qualify for Tier 1, a Member must have an Options Step-Up Add TCV that is equal to or greater than 0.30%. To qualify for Tier 2, a Member must have an Options Step-Up Add TCV that is equal to or greater than 0.40%.

The Exchange proposes to adopt a new tier, Tier 3, as well as a new definition of "Options Add TCV" and a new definition of "Step-Up ADAV" in connection with such tier. As proposed, "Options Add TCV" for the purposes of BATS Equities pricing would mean ADAV as a percentage of TCV, using the definitions of ADAV and TCV as provided under the Exchange's fee schedule for BATS Options. This definition is similar to existing definitions used for cross-asset tiers on the Exchange but is different from such definitions as it does not depend on the participant's capacity on BATS Options (as does the definition of Options Market Maker Add TCV) nor does it require additional volume levels over and above a certain baseline (as does the definition of Options Step-Up Add TCV). "Step-Up Add TCV" for the purposes of BATS Equities pricing would mean ADAV in the relevant baseline month subtracted from current ADAV. Thus, this definition would be similar to the existing definition of Step-Up Add TCV but, in contrast, would not be calculated as a percentage of TCV.

Using these definitions, under proposed Tier 3, the Exchange would provide a rebate of \$0.0029 per share to a Member with an Options Add TCV that is equal to or greater than 0.30% and a Step-Up ADAV from June 2015 that is equal to or greater than 1,000,000 shares.

In addition to the changes proposed above, the Exchange proposes to clarify the definition of ADAV to make clear that volume is calculated "per day" on a monthly basis. Further, in order to incorporate Tier 3 into the current table and account for the new definitions, the Exchange proposes non-substantive structural changes to the chart.

#### Implementation Date

The Exchange proposes to implement these amendments to its Fee Schedule immediately.

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with

the objectives of Section 6 of the Act,<sup>11</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>12</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities. The Exchange also 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 levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

The Exchange believes that its proposal to modify the rebate for Members' orders that utilize the TRIM routing strategy and receive executions of orders routed to Nasdaq BX by eliminating fee code TX and applying fee code TV represents an equitable allocation of reasonable dues, fees, and other charges among Members and other persons using its facilities. The Exchange notes that this proposal will not result in any change to Members using the TRIM2 or TRIM3 routing strategies. Though the proposed change will result in a lower rebate for Members using the TRIM routing strategy, the Exchange notes that the rebate provided for routing to Nasdaq BX through the Exchange is still higher than the rebate provided by Nasdaq BX unless a Member would otherwise qualify for certain higher rebate tiers at Nasdaq BX. Therefore, the Exchange believes that the proposed change to fee code TV and the elimination of fee codes TX is equitable and reasonable. The Exchange notes that routing through the Exchange is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

Volume-based rebates and fees such as the proposed Cross-Asset Step-Up Tier 3 have been widely adopted by equities and options exchanges and are equitable because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to the value to an exchange's market quality associated

<sup>6</sup> The TRIM routing strategies are defined in Rule 11.13(b)(3)(G).

<sup>7</sup> See the Nasdaq BX fee schedule available at: [http://www.nasdaqtrader.com/Trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/Trader.aspx?id=bx_pricing).

<sup>8</sup> As provided in the fee schedule, for purposes of BATS Equities pricing, "ADAV" means average daily added volume calculated as the number of shares added per day on a monthly basis; neither routed shares nor shares added on any day that the Exchange's system experiences a disruption that lasts for more than 60 minutes during regular trading hours ("Exchange System Disruption") and on the last Friday in June (the "Russell Reconstitution Day") are included in ADAV calculation.

<sup>9</sup> As provided in the fee schedule, for purposes of BATS Equities pricing, "TCV" means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply, excluding volume on any day that the Exchange experiences an Exchange System Disruption or the Russell Reconstitution Day.

<sup>10</sup> As provided in the fee schedule, for purposes of BATS Equities pricing, "ADV" means average daily volume calculated as the number of shares added or removed, combined, per day on a monthly basis; neither routed shares nor shares added or removed on any day that the Exchange experiences an Exchange System Disruption and the Russell Reconstitution Day are included in ADV calculation.

<sup>11</sup> 15 U.S.C. 78f.

<sup>12</sup> 15 U.S.C. 78f(b)(4).

with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and introduction of higher volumes of orders into the price and volume discovery processes. The Exchange believes that the proposal to add a Cross-Asset Step-Up Tier 3 is a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because it will provide Members with an additional incentive to reach certain thresholds on both the Exchange securities and BATS Options. The increased liquidity from this proposal also benefits all investors by deepening the Exchange and BATS Options liquidity pools, offering additional flexibility for all investors to enjoy cost savings, supporting the quality of price discovery, promoting market transparency and improving investor protection. Such pricing programs thereby reward a Member's growth pattern on the Exchange and such increased volume increases potential revenue to the Exchange, and will allow the Exchange to continue to provide and potentially expand the incentive programs operated by the Exchange. To the extent a Member participates on the Exchange but not on BATS Options, the Exchange does believe that the proposal is still reasonable, equitably allocated and non-discriminatory with respect to such Member based on the overall benefit to the Exchange resulting from the success of BATS Options. As noted above, such success allows the Exchange to continue to provide and potentially expand its existing incentive programs to the benefit of all participants on the Exchange, whether they participate on BATS Options or not. The proposed pricing program is also fair and equitable in that membership in BATS Options is available to all market participants which would provide them with access to the benefits on BATS Options provided by the proposed changes, as described above, even where a member of BATS Options is not necessarily eligible for the proposed increased rebates on the Exchange. Further, the proposed changes will result in Members receiving either the same or an increased rebate than they would currently receive.

*(B) Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe its proposed amendments 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 changes

represent 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 its proposal would burden intramarket competition because the proposed rebate for all TRIM routing strategies would apply uniformly to all Members.

With respect to the proposed new tier, the Exchange does not believe that the proposal burdens competition, but instead, enhances competition, as it is intended to increase the competitiveness of and draw additional volume to both BATS Equities and BATS Options. 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 the [sic] deem fee structures to be unreasonable or excessive. The proposed changes are generally intended to enhance the rebates for liquidity added to the Exchange, which is intended to draw additional liquidity to the Exchange.

*(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>13</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>14</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.

<sup>13</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>14</sup> 17 CFR 240.19b-4(f).

**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-2015-58 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-2015-58. 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-BATS-2015-58 and should be submitted on or before September 8, 2015.

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

**Brent J. Fields,**  
Secretary.

[FR Doc. 2015-20281 Filed 8-17-15; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-218, OMB Control No. 3235-0242]

### Submission for OMB Review; Comment Request

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549-2736.

*Extension:*  
Rule 206(4)-3.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (“Commission”) has submitted to the Office of Management and Budget a request for approval of extension of the previously approved collection of information discussed below.

Rule 206(4)-3 (17 CFR 275.206(4)-3) under the Investment Advisers Act of 1940, which is entitled “Cash Payments for Client Solicitations,” provides restrictions on cash payments for client solicitations. The rule requires that an adviser pay all solicitors’ fees pursuant to a written agreement. When an adviser will provide only impersonal advisory services to the prospective client, the rule imposes no disclosure requirements. When the solicitor is affiliated with the adviser and the adviser will provide individualized advisory services to the prospective client, the solicitor must, at the time of the solicitation or referral, indicate to the prospective client that he is affiliated with the adviser. When the solicitor is not affiliated with the adviser and the adviser will provide individualized advisory services to the prospective client, the solicitor must, at the time of the solicitation or referral, provide the prospective client with a copy of the adviser’s brochure and a disclosure document containing information specified in rule 206(4)-3. Amendments to rule 206(4)-3, adopted in 2010 in connection with rule 206(4)-5, specify that solicitation activities involving a government entity, as defined in rule 206(4)-5, are subject to

the additional limitations of rule 206(4)-5. The information rule 206(4)-3 requires is necessary to inform advisory clients about the nature of the solicitor’s financial interest in the recommendation so the prospective clients may consider the solicitor’s potential bias, and to protect clients against solicitation activities being carried out in a manner inconsistent with the adviser’s fiduciary duty to clients. Rule 206(4)-3 is applicable to all Commission registered investment advisers. The Commission believes that approximately 4,422 of these advisers have cash referral fee arrangements. The rule requires approximately 7.04 burden hours per year per adviser and results in a total of approximately 31,130 total burden hours ( $7.04 \times 4,422$ ) for all advisers.

The disclosure requirements of rule 206(4)-3 do not require recordkeeping or record retention. The collections of information requirements under the rules are mandatory. Information subject to the disclosure requirements of rule 206(4)-3 is not submitted to the Commission. The disclosures pursuant to the rule are not kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The public may view the background documentation for this information collection at the following Web site, [www.reginfo.gov](http://www.reginfo.gov). Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: [Shagufta.Ahmed@omb.eop.gov](mailto:Shagufta.Ahmed@omb.eop.gov); and (ii) Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549 or send an email to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 30 days of this notice.

Dated: August 13, 2015.

**Brent J. Fields,**  
Secretary.

[FR Doc. 2015-20327 Filed 8-17-15; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

### Submission for OMB Review; Comment Request

*Upon Written Request, Copies Available From:* Securities and Exchange

Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549-2736.

*Extension:*

Form N-8B-2. SEC File No. 270-186, OMB Control No. 3235-0186.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (the “Commission”) has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Form N-8B-2 (17 CFR 274.12) is the form used by unit investment trusts (“UITs”) other than separate accounts that are currently issuing securities, including UITs that are issuers of periodic payment plan certificates and UITs of which a management investment company is the sponsor or depositor, to comply with the filing and disclosure requirements imposed by section 8(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-8(b)). Form N-8B-2 requires disclosure about the organization of a UIT, its securities, the personnel and affiliated persons of the depositor, the distribution and redemption of securities, the trustee or custodian, and financial statements. The Commission uses the information provided in the collection of information to determine compliance with section 8(b) of the Investment Company Act.

Each registrant subject to the Form N-8B-2 filing requirement files Form N-8B-2 for its initial filing and does not file post-effective amendments on Form N-8B-2.<sup>1</sup> The Commission staff estimates that approximately four respondents each file one Form N-8B-2 filing annually with the Commission. Staff estimates that the burden for compliance with Form N-8B-2 is approximately 10 hours per filing. The total hour burden for the Form N-8B-2 filing requirement therefore is 40 hours in the aggregate ( $4 \text{ respondents} \times \text{one filing per respondent} \times 10 \text{ hours per filing}$ ).

Estimates of the burden hours are made solely for the purposes of the PRA and are not derived from a comprehensive or even a representative survey or study of the costs of SEC rules and forms. The information provided on Form N-8B-2 is mandatory. The information provided on Form N-8B-2 will not be kept confidential. An agency

<sup>1</sup> Post-effective amendments are filed with the Commission on the UIT’s Form S-6. Hence, respondents only file Form N-8B-2 for their initial registration statement and not for post-effective amendments.

<sup>15</sup> 17 CFR 200.30-3(a)(12).