(i) significantly affect the protection of investors or the public interest, (ii) impose any significant burden on competition, and (iii) become operative for 30 days after its filing date, or such shorter time as the Commission may designate.

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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or 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–ISE–2015–24 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–ISE–2015–24. 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 such 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–ISE–2015–24, and should be submitted on or before September 21, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.13

Robert W. Errett.
Deputy Secretary.

[FR Doc. 2015–21403 Filed 8–28–15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Adopt FINRA Rule 3280 (Private Securities Transactions of an Associated Person) in the Consolidated FINRA Rulebook


Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)1 and Rule 19b–4 thereof,2 notice is hereby given that on August 20, 2015, Financial Industry Regulatory Authority, Inc. (“FINRA”) 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 substantially prepared by FINRA. FINRA has designated the proposal as constituting a “non-controversial” proposed rule change pursuant to section 19(b)(3)(A) of the Act3 and Rule 19b–4(f)(6) thereunder,4 which renders it effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

FINRA is proposing to adopt NASD Rule 3040 (Private Securities Transactions of an Associated Person) as FINRA Rule 3280 (Private Securities Transactions of an Associated Person) in the consolidated FINRA rulebook without any substantive changes. FINRA also proposes to update cross-references within other FINRA rules accordingly.

The text of the proposed rule change is available at the principal office of FINRA, on FINRA’s Web site at http://www.finra.org, 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, FINRA 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. FINRA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

As part of the process of developing a new consolidated rulebook (“Consolidated FINRA Rulebook”),5 FINRA is proposing to transfer NASD Rule 3040 (Private Securities Transactions of an Associated Person) into the Consolidated FINRA Rulebook as FINRA Rule 3280 (Private Securities Transactions of an Associated Person) without any substantive changes. As with NASD Rule 3040, proposed FINRA Rule 3280 states that, prior to participating in any private securities transaction, any person associated with a FINRA member must provide written


5 The current FINRA rulebook consists of: (1) FINRA Rules; (2) NASD Rules; and (3) rules incorporated from New York Stock Exchange LLC (“NYSE”) (“Incorporated NYSE Rules”) (together, the NASD Rules and Incorporated NYSE Rules are referred to as the “Transitional Rulebook”). While the NASD Rules generally apply to all FINRA members, the Incorporated NYSE Rules apply only to those members of FINRA that are also members of the NYSE. The FINRA Rules apply to all FINRA members, unless such rules have a more limited application by their terms. For more information about the rulebook consolidation process, see Information Notice, March 12, 2008 (Rulebook Consolidation Process).
notice to the member with which he or
she is associated. The written notice
must describe the transaction and the
associated person’s role, and disclose
whether the associated person has
received or may receive selling
compensation in connection with the
transaction. If the associated person has
received or may receive selling
compensation, the FINRA member must
advise the individual in writing whether
it approves or disapproves the
associated person’s participation in the
transaction. If the member disapproves
the associated person’s participation in
the transaction, the associated person
may not directly or indirectly
participate in the transaction in any
manner. If the member approves the
associated person’s participation in the
transaction, then the transaction must
be recorded on the member’s books and
records, and the member must supervise
the associated person’s participation as
if the transaction were executed on
behalf of the member. If the associated
person has not received and will not
receive any selling compensation, the
member must provide the associated
person with written acknowledgment of
the notice and, at its discretion, may
impose conditions on the associated
person’s participation in the transaction.
In addition, proposed FINRA Rule 3280
includes definitions of the terms
“private securities transaction” and
“selling compensation” that are
substantively identical to the definitions
in NASD Rule 3040.

Proposed FINRA Rule 3280 closely
tracks the language of NASD Rule 3040
and makes only non-substantive,
technical changes to the text of the
NASD rule by, for instance, replacing
the reference to a legacy NASD rule
with the applicable FINRA rule.\footnote{FINRA previously solicited comment on a
proposal to move NASD Rule 3040 to the
Consolidated FINRA Rulebook with substantive
changes and make it part of FINRA’s supervision
rule, but determined to address NASD Rule 3040 as
a separate proposal. See Regulatory Notice 08–24
64736 (June 23, 2011), 76 FR 38245 (June 29, 2011)
(withdrawn on September 27, 2011)). Given that
FINRA would like to proceed with the rulebook
consolidation process expeditiously to provide
greater clarity and regulatory efficiency to FINRA
members, FINRA is proposing to move NASD Rule
3040 to the Consolidated FINRA Rulebook without
substantive changes at this time, but FINRA may
consider proposing substantive changes to the rule
in the future.}

Activities of Registered Persons), and
6630 (Applicability of FINRA Rules to
Securities Previously Designated as
PORTAL Securities) with references to
proposed FINRA Rule 3280 accordingly.
FINRA has filed the proposed rule change
for immediate effectiveness.

2. Statutory Basis

FINRA believes that the proposed rule change
is consistent with the provisions of section 15A(b)(6) of the Act,\footnote{15 U.S.C. 78o–3(b)(6).} which
requires, among other things, that
FINRA rules must be designed to
prevent fraudulent and manipulative acts and
practices, to promote just and equitable principles of trade, and, in
general, to protect investors and the
public interest. FINRA believes that the
proposed rule change, which does not
substantively change the rule, is
consistent with the Act because it is
being undertaken pursuant to the
rulebook consolidation process, which is
designed to provide additional clarity
and regulatory efficiency to FINRA
members by consolidating the
applicable NASD, Incorporated NYSE,
and FINRA rules into one rule set.

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

FINRA does not believe that the
proposed rule change will result in any
burden on competition that is not
necessary or appropriate in furtherance of
the purposes of the Act. As noted
above, the proposed rule change will
not substantively change either the text
or application of the rule. FINRA would
like to proceed with the rulebook
consolidation process expeditiously, which it believes will provide
additional clarity and regulatory
efficiency to members.

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

Written comments were neither
solicited nor received with respect to
the proposed rule change to transfer
NASD Rule 3040 into the Consolidated
FINRA Rulebook without any
substantive changes.\footnote{But see supra note 6.}

III. Date of Effectiveness of the
Proposed Rule Change and Timing for
Commission Action

The Exchange has designated the
proposed rule change as non-
controversial under section 19(b)(3)(A) of
the Act \footnote{15 U.S.C. 78s(b)(3)(A).} and
proposed rule change does not: (i)
Significantly affect the protection of
investors or the public interest; (ii)
impose any significant burden on
competition; and (iii) become operative
for 30 days from the date on which it
was filed, or such shorter time as the
Commission may designate if consistent
with the protection of investors and the
public interest, it has become effective
pursuant to section 19(b)(3)(A) of the

FINRA submitted written notice of its
intent to file the proposed rule change,
along with a brief description and text
of the proposed rule change, at least five
business days prior to the date of filing,
or such shorter time as the Commission
may designate, as specified in Rule 19b–

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: (i) Necessary or appropriate in
the public interest; (ii) for the protection
of investors; or (iii) otherwise in
furtherance of the purposes of the Act.
If the Commission takes such action, the
Commission shall institute proceedings
to determine whether the proposed rule
should be approved or 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);
- Send an email to rule-comments@
  sec.gov. Please include File Number SR–

**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–FINRA–2015–030. 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 also will be available for inspection and copying at the principal office of FINRA. 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–FINRA–2015–030, and should be submitted on or before September 21, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.13

Robert W. Errett, Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION


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.


Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),2 and Rule 19b–4 thereunder,3 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 Members4 and non-members of the Exchange pursuant to BATS Rules 15.1(a) and (c).

The text of the proposed rule change is available at the Exchange’s Web site at 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 modify the “Options Pricing” section of its fee schedule, effective immediately, in order to modify pricing charged by the Exchange’s options platform (“BATS Options”) including: (i) To add definitions of Broker Dealer, Joint Back Office, and Non-BATS Market Maker; (ii) to update the definitions of Customer and Market Maker; (iii) to make certain corresponding changes associated with these new and updated definitions; and (iv) to create a new Professional Penny Pilot Add Volume Tier.

The Exchange is proposing to add the definitions of Broker Dealer, Joint Back Office, and Non-BATS Market Maker to the BATS Options fee schedule. More specifically, the Exchange is proposing to add the following definitions: (i) “Broker Dealer” applies to any order for clearing in the Customer range at the OCC; and (ii) “Joint Back Office” applies to any transaction identified by a Member for clearing in the Firm Range at the OCC that is identified with an origin code as Joint Back Office. A Joint Back Office participant is a Member that maintains a Joint Back Office arrangement with a clearing broker-dealer, and “Non-BATS Market Maker” applies to any transaction identified by a Member for clearing in the Firm Range at the OCC, where such Member is not registered with the Exchange as a Market Maker, but is registered as a market maker on another options exchange. In conjunction with the proposed new defined terms above, the Exchange proposes to amend the fee schedule in multiple places (including the Standard Rates and Fee Codes and Associated Fees tables along with Footnotes 2, 3, 4, 6, 7, and 8) such that pricing for Broker Dealer and Joint Back Office transactions is the same as for Firm transactions and Non-BATS Market Maker transactions is the same as Market Maker transactions. In certain places, this includes using the term “Non-Customer” in order to capture pricing that relates to Professional, Firm, Market Maker, Broker Dealer, Joint Back Office, and Non-BATS Market Maker transactions.

In conjunction with these proposed additions, the Exchange is also proposing to amend the current definitions of Customer, Market Maker, and Firm on the BATS Options fee schedule. Currently, the fee schedule states that “Customer” applies to any transaction identified by a Member for clearing in the Customer range at the OCC, excluding any transaction for a “Professional” as defined in Exchange Rule 16.1: “Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC; and “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC. In order to make these definitions work with proposed new definitions for Broker Dealer, Non-BATS Market Maker, and Joint Back Office described above, the Exchange is proposing that the definitions should read as follows: (i) “Customer” applies to any transaction identified by a Member for clearing in the Customer range at the

15 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).

Footnotes 2, 3, 4, 6, 7, and 8) such that