of 1934 ("Act") and Rule 19b−4 thereunder, a proposed rule change to amend Rule 1017, Openings in Options. The proposed rule change was published for comment in the Federal Register on August 22, 2016. The Commission received no comment letters on the proposed rule change.

Section 19(b)(2) of the Act 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 after publication of the notice for this proposed rule change is October 6, 2016.

The Commission is extending this 45-day time period. The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act, designates November 20, 2016, as the date by which the Commission shall either approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change (File Number SR−FINRA−2016−038).

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

Robert W. Errett, Deputy Secretary.

[FR Doc. 2016−24278 Filed 10−6−16; 8:45 am]

BILLING CODE 8011−01−P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34−79026; File No. SR−FINRA−2016−038]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend FINRA Rule 6191 To Modify the Quoting and Trading Requirements Relating to the Block Size Exception and the Use of Intermarket Sweep Orders and Trade-at Intermarket Sweep Orders

October 3, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") and Rule 19b−4 thereunder, notice is hereby given that on September 30, 2016, Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a "non-controversial" rule change under paragraph (f)(6) of Rule 19b−4 under the Act, which renders the proposal effective upon receipt of this filing by 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

FINRA is proposing to amend FINRA Rule 6191 (Compliance with Regulation NMS Plan to Implement a Tick Size Pilot Program) to modify the quoting and trading requirements relating to the block size exception and the use of Intermarket Sweep Orders ("ISOs") and Trade-at Intermarket Sweep Orders ("TAISOs"). The text of the proposed rule change is available on FINRA's Web site at http://www.finra.org, at the principal office of FINRA 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

On August 25, 2014, FINRA and several other self-regulatory organizations ("Participants") filed with the Commission, pursuant to Section 11A of the Act and Rule 608 of SEC Regulation NMS, the Regulation NMS Plan to Implement a Tick Size Pilot Program ("Plan"). The Participants filed the Plan to comply with an order issued by the Commission on June 24, 2014. The Plan was published for comment in the Federal Register on November 7, 2014, and approved by the Commission, as modified, on May 6, 2015. The Commission approved the Plan on a two-year pilot basis. On November 6, 2015, the SEC exempted the Participants from implementing the pilot until October 3, 2016.

The Plan is designed to allow the Commission, market participants, and the public to study and assess the impact of increment conventions on the liquidity and trading of the common stock of small-capitalization companies. Each Participant is required to comply, and to enforce compliance by its member organizations, as applicable, with the provisions of the Plan. The Plan provides for the creation of a group of Pilot Securities, which shall be placed in a control group and three separate test groups, with each subject to varying quoting and trading increments. Pilot Securities in the control group will be quoted at the current tick size increment of $0.01 per share and will trade at the currently permitted increments. Pilot Securities in

5 Id.
7 See Letter from Brendon J. Weiss, Vice President, Intercontinental Exchange, Inc., to Secretary, Commission, dated August 25, 2014.
10 See Approval Order.
the first test group will be quoted in $0.05 minimum increments but will continue to trade at any price increment that is currently permitted.12

Pilot Securities in the second test group (“Test Group Two”) will be quoted in $0.05 minimum increments and will trade at $0.05 minimum increments subject to a midpoint exception, a retail investor order exception, a negotiated trade exception, and an exception for certain executions to comply with FINRA Rule 5320.13 Pilot Securities in the third test group (“Test Group Three”) will be subject to the same quoting and trading increments as Test Group Two, and also will be subject to the “Trade-at” requirement to prevent price matching by a market participant that is not displaying at the price of a Trading Center’s “Best Protected Bid” or “Best Protected Offer,” unless an enumerated exception applies.14 On November 13, 2015, FINRA filed with the Commission a proposed rule change to adopt Rule 6191(a) to implement the quoting and trading requirements of the Plan,15 which was approved, as amended, on February 23, 2016.16

FINRA is now proposing to amend Rule 6191(a) to make refinements to the operation of the Block Size and TAISO exceptions to the Trade-at requirement. With respect to the Block Size exception, FINRA is filing the proposed rule change to eliminate the condition that, to be eligible for the Block Size exception, the order may not be executed on multiple Trading Centers.17

FINRA also is amending provisions relating to the TAISO exceptions of Rule 6191(a)(6)(D) by amending the definition of “Trade-at Intermarket Sweep Order” in Rule 6191(a)(7)(C) to clarify that a Trading Center can simultaneously route TAISOs or ISOs to execute against the full “displayed” size of the Protected Quotation that was traded at and to amend Rule 6191(a)(6)(D)(i) to provide that additional limit orders routed simultaneously with a TAISO can be routed as either TAISOs or ISOs, as further discussed below.18

Block Size Exception

FINRA is proposing to amend Rule 6191(a)(6)(D)(ii)b. to clarify the operation of the Block Size exception to the Trade-at requirement. Specifically, FINRA is deleting current prong three of the Block Size exception, which provides that orders executed on multiple Trading Centers do not qualify for the Block Size exception. By deleting this requirement, the Block Size exception to the Trade-at requirement would apply to an order, irrespective of whether the member routes out a portion of the Block Size order to another Trading Center to comply with Rule 611.19

As stated in FAQ #170 in the Tick Size Pilot Program Trading and Quoting FAQs,20 an over-the-counter (“OTC”) Trading Center may rely on the Block Size exception irrespective of whether it routes an ISO, as required by Rule 611, to execute against the full displayed size of any Protected Quotation with a price superior to the price at which the Block Size order was executed.21 The instant amendment to the Block Size exception provision of Rule 6191(a) aligns the rule text with the guidance provided by FINRA and the other Participants in the Tick Size Pilot Program Trading and Quoting FAQs. The proposed amendment is designed to accommodate activity resulting from member compliance obligations under Rule 611 while remaining consistent with the Plan. FINRA notes that the multiple trading center condition to the use of the Block Size exception is not required by the Plan; thus, the proposed rule change remains consistent with the terms of the Plan.

Trade-at Intermarket Sweep Orders

The Plan defines a “Trade-At Intermarket Sweep Order” as a limit order for a Pilot Security that, when routed to a Trading Center, is identified as an ISO, and simultaneous with the routing of the limit order identified as an ISO, one or more additional limit orders, as necessary, are routed to execute against the full displayed size of any protected bid, in the case of a limit order to sell, or the full displayed size of any protected offer, in the case of a limit order to buy, for the Pilot Security with a price that is better than or equal to the limit price of the limit order identified as an ISO.22 The Plan states that these additional routed orders also must be marked as ISOs.23

FINRA clarified the use of ISOs in connection with the Trade-at requirement by adopting a definition of “trade-at Intermarket Sweep Order.”24 FINRA is proposing to further clarify that, when a TAISO is routed to a Trading Center, when simultaneously routing additional limit orders to execute against the full displayed size of any protected bid, in the case of a limit order to sell, or the full displayed size of any protected offer, in the case of a limit order to buy, such additional limit orders can be routed as either TAISOs or ISOs. Therefore, FINRA is proposing to distinguish TAISOs from ISOs by adding the phrase “or Intermarket Sweep Orders” to the end of FINRA Rule 6191(a)(7)(C)(i), so that any such additional routed orders sent to execute against the full displayed size of any protected bid, in the case of a limit order to sell, or the full displayed size of any protected offer, in the case of a limit order to buy, for the Pilot Security with a price that is better than or equal to the limit price of the limit order identified as a TAISO, may be marked as either TAISOs or ISOs.

Likewise, FINRA is proposing to amend Rule 6191(a)(6)(D)(i) to add the

12 See Section VII(B) of the Plan.
13 See Section VII(C) of the Plan; See also FINRA Rule 6191(a)(5)(C).
14 See Section VII(D) of the Plan.
17 The Plan incorporates the definition of a “Trading Center” from Rule 600(b)(78) of Regulation NMS. Regulation NMS defines a “Trading Center” as “a national securities exchange or national securities association that operates an SRO trading facility, an alternative trading system, an exchange market maker, an OTC market maker, or any other broker or dealer that executes orders internally by trading as principal or executing orders as agent.” See 17 CFR 242.600(b).
18 FINRA understands that other Participants have filed (or intend to file) amendments to their rules relating the operation of the TAISO and Block Size exceptions consistent to the changes being proposed by FINRA in the instant filing. See e.g., Securities Exchange Act Release No. 78802 (September 9, 2016), 81 FR 63515 (September 15, 2016) (Notice of Filing of File No. SR–NYSE–2016–62).
19 17 CFR 242.611.
21 The FAQ also provides, among other things that, in all cases, an OTC Trading Center may avail itself of the Block Size exception only where it has committed to execute the order in Block Size, irrespective of whether or not the outbound ISOs required pursuant to Regulation NMS Rule 611 were fully executed. See FAQ #170, Tick Size Pilot Program Trading and Quoting FAQs.
22 See Section I(MM) of the Plan.
23 Id.
24 Rule 6191(a)(7)(C) (“Trade-at Requirement”) provides that “Trade-at Intermarket Sweep Order” means a limit order for a Pilot Security that meets the following requirements: (i) When routed to a Trading Center, the limit order is identified as a TAISO; and (ii) simultaneously with the routing of the limit order identified as a TAISO, one of more additional limit orders, as necessary, are routed to execute against the full size of any protected bid, in the case of a limit order to sell, or the full displayed size of any protected offer, in the case of a limit order to buy, for the Pilot Security with a price that is better than or equal to the limit price of the limit order identified as a TAISO. These additional routed orders also must be marked as TAISO.
operation of the exception, consistent with the Plan.

**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. FINRA notes that the proposed rule change implements the provisions of the Plan, and is designed to assist FINRA in meeting its regulatory obligations pursuant to the Plan. FINRA also notes that the quoting and trading requirements of the proposal will apply equally to all members that trade Pilot Securities.

**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.

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

Because the foregoing 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, it has become effective pursuant to Section 19(b)(3)(A) of the Act. 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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

FINRA has filed the proposed rule change for immediate effectiveness. FINRA has requested that the SEC waive the 30-day operative period so that the proposed rule change can become operative on October 3, 2016.

**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–FINRA–2016–038 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–FINRA–2016–038. 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 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–2016–038, and should be submitted on or before October 28, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.30 Robert W. Errett, Deputy Secretary.

BILLSING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

Reporting and Recordkeeping Requirements Under OMB Review

AGENCY: Small Business Administration.

ACTION: 30-Day notice.

SUMMARY: The Small Business Administration (SBA) is publishing this notice to comply with requirements of the Paperwork Reduction Act (PRA), which requires agencies to submit proposed reporting and recordkeeping requirements to OMB for review and approval, and to publish a notice in the Federal Register notifying the public that the agency has made such a submission. This notice also allows an additional 30 days for public comments.

DATES: Submit comments on or before November 7, 2016.

ADDRESSES: Comments should refer to the information collection by name and/ or OMB Control Number and should be sent to: Agency Clearance Officer, Curtis Rich, Small Business Administration, 409 3rd Street SW., 5th Floor, Washington, DC 20416; and SBA Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Curtis Rich, Agency Clearance Officer, (202) 205–7030 curtis.rich@sba.gov.

SUPPLEMENTARY INFORMATION: Small Business Administration (SBA) regulations require that we determine that a participating Certified Development Company’s Non-Bank Lender Institutions or Microlender’s management, ownership, etc. is of “good character”. To do so requires the information requested on the Form 1081. This form also provides data used to determine the qualifications and capabilities of the lenders key personnel.

Copies: A copy of the Form OMB 83–1, supporting statement, and other documents submitted to OMB for review may be obtained from the Agency Clearance Officer.

Solicitation of Public Comments


Curtis B. Rich, Management Analyst.

BILLSING CODE 8025–01–P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36061]

Arkansas Southern Railroad, L.L.C.—Lease Exemption Containing Interchange Commitment—The Kansas City Southern Railway Company

Arkansas Southern Railroad, L.L.C. (ARS), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to continue to lease and operate from The Kansas City Southern Railway Company (KCS) approximately 61 miles of rail lines in Arkansas and Oklahoma.1 The rail lines are located between milepost 4.0 near Heavener, Okla., and milepost 33.0 at Waldron, Ark., and between milepost 32.0 at Ashdown, Ark., and milepost 0.0 at Nashville, Ark., not including the 601 track switch at Ashdown, Ark.

ARS states that it entered into lease agreements with KCS in 2005.2 ARS recently entered into two amended and restated lease agreements, which, among other things, extend the term of the lease to August 30, 2026. As required by 49 CFR 1150.43(h)(1), ARS has disclosed in its verified notice that the amended lease agreements contain an interchange agreement that affects the interchange point at Nashville, Ark. In addition, ARS has provided additional information regarding the interchange commitment as required by 49 CFR 1150.43(h). ARS states that it will continue to be the operator of the lines.

ARS certifies that its projected revenues as a result of the proposed transaction will not result in ARS’s becoming a Class II or Class I rail carrier and that its annual revenues will not exceed $5 million.

ARS states that it intends to consummate the transaction on or shortly after October 21, 2016, the effective date of the exemption (30 days after the verified notice of exemption was filed).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than October 14, 2016 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 36061, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423–0001. In addition, a copy of each pleading must be served on applicant’s representative, Karl Morell, Karl Morell & Associates, Suite 225, 655 Fifteenth Street NW., Washington, DC 20005.

According to ARS, this action is categorically excluded from environmental review under 49 CFR 1105.6(c).

Board decisions and notices are available on our Web site at WWW.STB.GOV.

Decided: October 4, 2016.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

Kenyatta Clay, Clearance Clerk.

BILLSING CODE 4915–01–P

SURFACE TRANSPORTATION BOARD

[Docket No. AB 337 (Sub-No. 9X)]

Dakota, Minnesota & Eastern Railroad Corporation—Abandonment Exemption—in Scott County, Iowa

Dakota, Minnesota & Eastern Railroad Corporation d/b/a Canadian Pacific (DM&E) has filed a verified notice of exemption under 49 CFR pt. 1152 subpart F—Exempt Abandonments to abandon a 1.95-mile rail line referred to as the Eldridge Line, between milepost 7.52 +/- and milepost 9.47 +/- in Scott County, Iowa (the Line). The Line traverses United States Postal Service Zip Code 52748.

DM&E has certified that: (1) No local freight traffic has moved over the Line for at least two years; (2) because the Line is not a through route, no overhead


31 Pursuant to 49 CFR 1150.43(h)(1), ARS filed a confidential, complete version of the lease agreement to be kept confidential by the Board without need for the filing of an accompanying motion for protective order.