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.nysearca). 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 CME and on CME’s Web site at http://www.cmegroup.com/market-regulation/rule-filings.html.

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–CME–2014–04 and should be submitted on or before March 25, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.12
Kevin M. O’Neill,
Deputy Secretary.

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change To List and Trade Shares of the ETSpreads HY Long Credit Fund, the ETSpreads HY Short Credit Fund, the ETSpreads IG Long Credit Fund and the ETSpreads IG Short Credit Fund Under NYSE Arca Equities Rule 8.600

February 26, 2014.

On December 27, 2013, NYSE Arca, Inc. (“Exchange” or “NYSE Arca”) filed with the Securities and Exchange Commission (“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 list and trade shares of the ETSpreads HY Long Credit Fund, the ETSpreads HY Short Credit Fund, the ETSpreads IG Long Credit Fund and the ETSpreads IG Short Credit Fund (collectively, “Funds”) under NYSE Arca Equities Rule 8.600. The proposed rule change was published for comment in the Federal Register on January 15, 2014.3 The Commission received no comment letters on the proposed rule change.

Section 19(b)(2) of the Act4 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 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. The proposed rule change would permit the listing and trading of shares of the Funds, which will invest substantially all of their assets in cleared credit default index swaps, cleared single name credit default swaps, futures contracts based on credit default swaps or other similar futures contracts, and obligations of, or those guaranteed by, the United States government with a maturity of less than six years, money market instruments, and cash.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,5 designates April 15, 2014, 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 Number SR–NYSEArca–2013–144).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.6
Kevin M. O’Neill,
Deputy Secretary.

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Granting Approval of Proposed Rule Change, as Modified by Amendment No. 1, Consisting of Amendments to MSRB Rules A–12, on Initial Fee, G–14, on Reports of Sales or Purchases, and the Facility for Real-Time Transaction Reporting and Price Dissemination (“RTRS Facility”); Deletion of Rules A–14, on Annual Fee, A–15, on Notification to the Board of Change in Status or Change of Name or Address, and G–40, on Electronic Mail Contacts; Deletion of References to RTRS Testing Requirements Under G–14(b)(v), G–14(c), on RTRS Procedures, and in the RTRS Facility; Elimination of MSRB Forms RTRS and G–40, and Adoption of a Single, Consolidated Electronic Registration Form, New Form A–12

February 26, 2014.

I. Introduction

On December 24, 2013, the Municipal Securities Rulemaking Board (the “MSRB” or “Board”) filed with the Securities and Exchange Commission (“Commission” or “SEC”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)1 and Rule 19b–4 thereunder,2 a proposed rule change consisting of amendments to MSRB Rules A–12, on initial fee, G–14, on reports of sales or purchases, and the Facility for Real-Time Transaction Reporting and Price Dissemination (“RTRS Facility”); deletion of Rules A–14, on annual fee, A–15, on notification to the Board of change in status or change of name or address, and G–40, on electronic mail contacts; deletion of references to RTRS Testing Requirements under G–14(b)(v), G–14(c), on RTRS Procedures, and in the RTRS Facility; elimination of MSRB Forms RTRS and G–40, and adoption of a single, consolidated electronic registration form, new Form A–12.

require registrants to notify, as appropriate, a registered securities association or appropriate regulatory agency of their intent to engage in municipal securities and/or municipal advisory activities and provide the MSRB, on their Form A–12, with a written statement evidencing such notification. Registration with the MSRB would be effective only after the MSRB notifies a registrant that its Form A–12 is complete and all fees have been received and processed.

Rule A–12(b) would provide for the amount and method of payment of the initial registration fee. New registrants would continue to be required to pay the initial fee of $100 to the MSRB in the manner prescribed by the MSRB Registration Manual. Rule A–12(c) would provide that the annual registration fee would continue to be $500 and would be paid in accordance with the method described in the MSRB Registration Manual. The annual fee would continue to be due by October 31 each year, but proposed Rule A–12 would provide that a regulated entity that registers in September and pays an annual fee at the time of registration need not pay the annual fee for the following fiscal year, beginning October 1.

Rule A–12(d) would establish late fees for any assessment due under Rules A–12 or A–13. Any registrant that fails to pay any fee due under Rules A–12 or A–13 (underwriting, transaction or technology fee) would be assessed a monthly late fee computed based on the overdue balance and the prime rate plus an additional $25 per month, until paid.

Rule A–12(e) would require registrants to use the designation “MSRB registered” when referencing their registrant status.

According to the MSRB, the term “appropriate regulatory agency,” as used in proposed Rule A–12(a), means the Comptroller of the Currency, Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or SEC as defined in 15 U.S.C. 78(a)(34)(A).

This requirement would only be applicable to dealers or municipal advisors first registering on or after April 28, 2014. As stated in the Notice, registrants would have the flexibility to submit any form of documentation, such as a letter on company letterhead, evidencing notice to a registered securities association or appropriate regulatory agency, as applicable, of their intent to engage in municipal securities and/or municipal advisory activities.

The MSRB represents that the MSRB Registration Manual would not contain any substantive requirements not contained in MSRB rules or fairly and reasonably implied from those rules. See Notice, supra note 3, at 2485. The Commission notes that, if the MSRB Registration Manual contains any substantive requirements not provided in MSRB rules, the MSRB Registration Manual would have to be filed with, or filed with and approved by, the Commission.
by such firms. Currently, the MSRB collects similar information from municipal advisor registrants on Form G–40, and from dealers on Form RTRS. Finally, MSRB registrants would be able to withdraw their registration, either fully or partially, by amending Form A–12.

Section (l) of Rule A–12 refers to the MSRB Registration Manual as the source of specifications for the reporting of information required under Rule A–12, the instructions for submitting Form A–12, and other information relevant to payments and reporting under Rule A–12.

Form A–12

As stated in the Notice, the new Form A–12 would be required to be submitted electronically by each registrant through a web portal located on the MSRB’s Web site. Form A–12 would require the submission of the following categories of information: Registration categories; general firm information (i.e., firm identifiers; evidence of intent to engage in municipal securities and/or municipal advisory activities; business information; and form of organization); types of business activity; contact information for primary regulatory contact, master account administrator, billing contact, compliance contact, data quality contact, optional regulatory contact, optional data quality contact, and optional technical contact; and trade reporting (i.e., submission information, including the manner of reporting transactions to the MSRB; feedback information, including the method to receive and respond to transaction status and error feedback messages from the MSRB; and trade reporting identifiers). A full description of the information required to be submitted on Form A–12 is contained in the Notice.10

Rules A–14, A–15 and G–40


Forms RTRS and G–40

The MSRB proposes to discontinue Forms RTRS and G–40.

Rule G–14(b)(iv)

As stated in the Notice, the proposed amendments to Rule G–14(b)(iv) would replace a requirement to provide a completed Form RTRS with a provision exempting dealers from all of the requirements listed in Rule G–14(b), related to trade reporting, if the dealer does not effect any municipal securities transactions or if the dealer’s transactions in municipal securities are limited to (1) transactions in securities without assigned CUSIP numbers, (2) transactions in municipal fund securities, or (3) inter-dealer transactions for principal movement of securities between dealers that are not inter-dealer transactions eligible for comparison in a clearing agency registered with the Commission.11 Furthermore, the amended rule would require dealers to confirm that they qualified for the exemption as provided in proposed Rule A–12(g).12

Rule G–14(b)(v)

The MSRB proposes to delete the entire language for this section.

Rule G–14(c)

The MSRB proposes to delete the reference to testing procedures contained in the RTRS Users Manual. A full description of the proposal is contained in the Notice. The MSRB requested an effective date for the proposed rule change of April 28, 2014.

III. Summary of Comments Received

As noted above, the Commission received one comment letter regarding the proposed rule change.13 In its comment letter, the commenter expressed general support for the proposed rule change.14

IV. Discussion and Commission Findings

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the MSRB.15 Specifically, the Commission finds that the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act,16 which provides that the MSRB’s rules shall be “designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing transactions or if the dealer’s transactions in municipal securities are limited to (1) transactions in securities without assigned CUSIP numbers, (2) transactions in municipal fund securities, or (3) inter-dealer transactions for principal movement of securities between dealers that are not inter-dealer transactions eligible for comparison in a clearing agency registered with the Commission.11 Furthermore, the amended rule would require dealers to confirm that they qualified for the exemption as provided in proposed Rule A–12(g).12

The Commission believes that the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act because it helps to remove impediments to dealers and municipal advisors by streamlining the registration process for new registrants and reduce burdens on registrants who currently must complete multiple forms to register with the MSRB. As noted by the MSRB, the consolidation into a single rule of requirements currently located in multiple rules will help clarify and simplify the identification of regulatory requirements. Also as noted by the MSRB, the proposed rule change would allow the MSRB to collect information on the business activities of registrants, which may assist the MSRB and other appropriate regulatory authorities in regulating dealers and municipal advisors.

V. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the MSRB, and in particular, Section 15B(b)(2)(C) of the Act.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,18 that the proposed rule change (SR–MSRB–2013–09), as modified by Amendment No. 1, be, and hereby is, approved.

For the Commission pursuant to delegated authority.

Kevin M. O’Neill,

Deputy Secretary.

[FR Doc. 2014–04681 Filed 3–3–14; 8:45 am]

BILLING CODE 8011–01–P

10 See Notice, supra note 3, at 2485–2487.
11 MSRB Rule G–14(b)(vi).
12 In connection with the proposed rule change, as a result of the proposed deletion of Form RTRS, the MSRB proposes deleting the following sentence in the description of the Facility for Real-Time Transaction Reporting and Price Dissemination (the “REAL–TIME TRANSACTION REPORTING SYSTEM” or “RTRS”): “The requirement for testing and submission of a “Form RTRS” with the name of a contact person is reflected in Rule G–14.”
13 See NAIPFA Letter, supra note 4.
14 See id.
15 In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78s(d).