

securities purchased during a comparable period of time in underwritings other than Affiliated Underwritings or to a benchmark such as a comparable market index; and (iii) whether the amount of securities purchased by the Fund, or its respective Master Fund, in Affiliated Underwritings and the amount purchased directly from an Underwriting Affiliate have changed significantly from prior years. The Board will take any appropriate actions based on its review, including, if appropriate, the institution of procedures designed to ensure that purchases of securities in Affiliated Underwritings are in the best interest of shareholders of the Fund.

8. Each Fund, or its respective Master Fund, will maintain and preserve permanently in an easily accessible place a written copy of the procedures described in the preceding condition, and any modifications to such procedures, and will maintain and preserve for a period of not less than six years from the end of the fiscal year in which any purchase in an Affiliated Underwriting occurred, the first two years in an easily accessible place, a written record of each purchase of securities in Affiliated Underwritings once an investment by a Fund of Funds in the securities of the Fund exceeds the limit of section 12(d)(1)(A)(i) of the Act, setting forth from whom the securities were acquired, the identity of the underwriting syndicate's members, the terms of the purchase, and the information or materials upon which the Board's determinations were made.

9. Before investing in a Fund in excess of the limit in section 12(d)(1)(A), a Fund of Funds and the Trust will execute a FOF Participation Agreement stating without limitation that their respective boards of directors or trustees and their investment advisers, or trustee and Sponsor, as applicable, understand the terms and conditions of the order, and agree to fulfill their responsibilities under the order. At the time of its investment in Shares of a Fund in excess of the limit in section 12(d)(1)(A)(i), a Fund of Funds will notify the Fund of the investment. At such time, the Fund of Funds will also transmit to the Fund a list of the names of each Fund of Funds Affiliate and Underwriting Affiliate. The Fund of Funds will notify the Fund of any changes to the list of the names as soon as reasonably practicable after a change occurs. The Fund and the Fund of Funds will maintain and preserve a copy of the order, the FOF Participation Agreement, and the list with any updated information for the duration of

the investment and for a period of not less than six years thereafter, the first two years in an easily accessible place.

10. Before approving any advisory contract under section 15 of the Act, the board of directors or trustees of each Investing Management Company, including a majority of the disinterested directors or trustees, will find that the advisory fees charged under such contract are based on services provided that will be in addition to, rather than duplicative of, the services provided under the advisory contract(s) of any Fund, or its respective Master Fund, in which the Investing Management Company may invest. These findings and their basis will be fully recorded in the minute books of the appropriate Investing Management Company.

11. Any sales charges and/or service fees charged with respect to shares of a Fund of Funds will not exceed the limits applicable to a fund of funds as set forth in NASD Conduct Rule 2830.

12. No Fund, or its respective Master Fund, will acquire securities of an investment company or company relying on section 3(c)(1) or 3(c)(7) of the Act in excess of the limits contained in section 12(d)(1)(A) of the Act, except to the extent (i) the Fund, or its respective Master Fund, acquires securities of another investment company pursuant to exemptive relief from the Commission permitting the Fund, or its respective Master Fund, to acquire securities of one or more investment companies for short-term cash management purposes or (ii) the Fund acquires securities of the Master Fund pursuant to the Master-Feeder Relief.

For the Commission, by the Division of Investment Management, under delegated authority.

Brent J. Fields,
Secretary.

[FR Doc. 2015-08023 Filed 4-7-15; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-74637; File No. SR-NASDAQ-2015-028]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Postpone Implementation of Changes to Rule 4751(h)(5)

April 2, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

(“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 25, 2015, The NASDAQ Stock Market LLC (“NASDAQ” or “Exchange”) 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 the Exchange. 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 proposes to postpone implementation of changes to Rule 4751(h)(5).

The text of the proposed rule change is available on the Exchange's Web site at <http://nasdaq.cchwallstreet.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 aspects of such statements.

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

1. Purpose

NASDAQ is proposing to delay implementation of changes to Rule 4751(h)(5) relating to processing of Market Hours IOC (“MIOC”) orders and to make clarifying changes to the rule, which are effective but not yet implemented. On March 6, 2015, the Exchange filed an immediately effective filing³ to amend the processing of MIOC orders under Rule 4751(h)(5). MIOC is a Time in Force⁴ characteristic of an

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 74518 (March 17, 2015), 80 FR 15260 (March 23, 2015) (SR-NASDAQ-2015-022).

⁴ Time in Force is the period of time that the System will hold an order for potential execution. See Rule 4751(h).

order that will cause it (or unexecuted portion thereof) to be canceled if, after entry into the System the order (or unexecuted portion thereof) becomes non-marketable during the Regular Market Session, 9:30 a.m. until 4:00 p.m. Eastern Time.⁵ Currently, MIOC orders entered from 4 a.m. Eastern Time to immediately prior to 9:30 a.m. Eastern Time are held by the System until 9:30 a.m. Eastern Time, at which time the System determines whether such orders are marketable. The Exchange proposed to no longer accept MIOC orders entered prior to the beginning of the Regular Market Session. The Exchange also proposed clarifying the rule text to make it clear that MIOC orders will be available for order entry and execution beginning at completion of the Opening Cross.

The Exchange had originally anticipated implementing the changes on April 13, 2015. The Exchange, however, has experienced unanticipated delay in the development of the changes to its systems, which has made the original implementation date unachievable. The Exchange believes it will be able to implement the changes sometime in the second quarter of 2015, and will provide notice of the implementation date of the changes in an Equity Trader Alert not less than 30 days prior to implementation.

2. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁶ in general, and with Section 6(b)(5) of the Act,⁷ in particular, because it is 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 information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange believes that the changes NASDAQ is making to Rule 4751(h)(5) promote consistency and transparency in the process for handling MIOC orders. Delaying implementation of the changes for brief period so that NASDAQ may implement and test the changes to its systems necessary to

ensure that the processing of MIOC orders operate as planned promotes fair and orderly markets, and the protection of investors and the public interest.

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

NASDAQ 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 amended.⁸ The Exchange believes that the proposal is irrelevant to competition because it is not driven by, and will have no impact on, competition. Specifically, the proposal is representative of the Exchange's efforts to harmonize and simplify the processing of orders. Delaying implementation of the proposal will ensure the proposed changes are adequately implemented and tested.

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

No written comments were either solicited or 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)(iii) of the Act⁹ and subparagraph (f)(6) of Rule 19b-4 thereunder.¹⁰

The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange notes that waiving the operative delay is consistent with the protection of investors and the public interest because it will allow the Exchange to postpone implementation of the previously proposed changes immediately, prior to the operative date of those changes. For this reason, the Commission waives the operative delay

and designates the proposed rule change to be operative upon filing.¹¹

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-NASDAQ-2015-028 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-NASDAQ-2015-028. 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

⁸ 15 U.S.C. 78f(b)(8).

⁹ 15 U.S.C. 78s(b)(3)(a)(ii) [sic].

¹⁰ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

¹¹ For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁵ As defined by Rule 4120(b)(4)(D).

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(5).

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 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–NASDAQ–2015–028 and should be submitted on or before April 29, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Brent J. Fields,
Secretary.

[FR Doc. 2015–07965 Filed 4–7–15; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–74635; File No. SR–NYSEArca–2015–17]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change Amending Rule 6.35 To Refine the Appointment Process Utilized by the Exchange

April 2, 2015.

Pursuant to Section 19(b)(1) ¹ of the Securities Exchange Act of 1934 (the “Act”) ² and Rule 19b–4 thereunder,³ notice is hereby given that, on March 20, 2015, NYSE Arca, Inc. (the “Exchange” or “NYSE Arca”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend Rule 6.35 (Appointment of Market Makers) to refine the appointment process utilized by the Exchange. The text of the proposed rule change is available on the Exchange’s Web site at www.nyse.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 self-regulatory organization 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 those 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 amend Rule 6.35 to refine the appointment process utilized by the Exchange. The Exchange believes this proposal, which is consistent with the rules of other option exchanges,⁴ would simplify and enhance the efficiency of the appointment process for both Market Makers and the Exchange and add clarity to Exchange rules.

Current Appointment Process

To register as a Market Maker, an applicant must file an application with the Exchange on a form or forms prescribed by the Exchange.⁵ Once registered, a Market Maker may seek an appointment in one or more option classes pursuant to Rule 6.35. Specifically, this Rule provides that “[o]n a form or forms prescribed by the Exchange, a Market Maker must apply for an appointment in one or more classes of option contracts.”⁶

⁴ See, e.g., BATS Exchange, Inc. (“BATS”) Rules 22.3(a),(b) (Market Maker Registration); NASDAQ OMX PHLX (“PHLX”) Rule 3212(b) (Registration as a Market Maker); NASDAQ Options Market (“NOM”), Chapter VII (Market Participants), Section 3(a),(b) (Continuing Market Maker Registration).

⁵ See Rule 6.33 (Registration of Market Makers). See also Rule 6.32(a) (Market Maker Defined) (A “Market Maker is an individual who is registered with the Exchange for the purpose of making transactions as a dealer-specialist on the Floor of the Exchange or for the purpose of submitting quotes electronically and making transactions as a dealer-specialist through the NYSE Arca OX electronic trading system. Registered Market Makers are designated as specialists on the Exchange for all purposes under the Securities Exchange Act of 1934 and the Rules and Regulations thereunder. A Market Maker on the Exchange will be either a Market Maker or a Lead Market Maker. Unless specified, or unless the context requires otherwise, the term Market Maker refers to both Market Makers and Lead Market Maker.”).

⁶ See Rule 6.35(f).

In addition to having the authority to appoint one Lead Market Maker (“LMM”) ⁷ per option class, “[t]he Exchange may appoint an unlimited number of Market Makers in each class unless the number of Market Makers appointed to a particular option class should be limited” based on the Exchange’s judgment.⁸ Further, the Rule provides that “Market Makers may select from among any option issues traded on the Exchange for inclusion in their appointment, subject to the approval of the Exchange. In considering the approval of the appointment of a Market Maker in each security,” the Exchange will consider the Market Maker’s preference; the financial resources available to the Market Maker; the Market Maker’s experience, expertise and past performance in making markets, including the Market Maker’s performance in other securities; the Market Maker’s operational capability; and the maintenance and enhancement of competition among Market Makers in each security in which they are appointed.⁹ The Rule also sets forth the number of Options Trading Permits (“OTPs”) required of a Market Maker in order to have a specified number of options issues included in the Market Maker’s appointment (e.g., 1 OTP affords a Market Maker up to 100 option issues in their appointment, whereas 4 OTPs enables a Market Maker to include in their appointment all option issues traded on the Exchange).¹⁰

Under the current Rule, “Market Makers may change the option issues in their appointment, subject to the approval of the Exchange” provided requests for changes are “made in a form and manner prescribed by the Exchange.”¹¹ In addition, “Market Makers may withdraw from trading an option issue that is within their appointment by providing the Exchange with three business days’ written notice of such withdrawal.”¹² If Market Makers fail to provide this notice, they “may be subject to formal disciplinary

⁷ An LMM is “an individual or entity that has been deemed qualified by the Exchange for the purpose of making transactions on the Exchange in accordance with the provisions of Rule 6.82. Each LMM or nominee thereof must be registered with the Exchange as a Market Maker. Any OTP Holder or OTP Firm registered as a Market Maker with the Exchange is eligible to be qualified as an LMM.” See Rule 6.82(a)(1).

⁸ See Rule 6.35(b).

⁹ See Rule 6.35(c).

¹⁰ See Rule 6.35(d).

¹¹ See Rule 6.35(e). In considering the change request, the Exchange will consider the factors set forth in Rule 6.35(c).

¹² See Rule 6.35(f).

¹² 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b–4.