

respect to each repurchase, each fund spends 2.5 hours to comply with the rule's written confirmation, asset coverage disclosure and six month notice requirements. Thus, Commission staff estimates the total annual respondent reporting burden is 1755 hours.<sup>2</sup> Commission staff further estimates that the cost of the hourly burden per repurchase is \$295 (one half hour of a compliance attorney's time at \$334 per hour,<sup>3</sup> and two hours of clerical time at \$64 per hour<sup>4</sup>). The total annual cost for all funds is estimated to be \$207,090.<sup>5</sup>

In addition, the fund must file with the Commission a copy of any written solicitation to purchase securities given by or on behalf of the fund to 10 or more persons. The copy must be filed as an exhibit to Form N-CSR (17 CFR 249.331 and 274.128).<sup>6</sup> The burden associated with filing Form N-CSR is addressed in the submission related to that form.

The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act, and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

Complying with the collection of information requirements of the rule is mandatory. The filings that the rule requires to be made with the Commission are available to the public. 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 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,

<sup>2</sup> This estimate is based on the following calculation: 702 repurchases × 2.5 hours per repurchase = 1755 hours.

<sup>3</sup> The \$334/hour figure for a compliance attorney is from SIFMA's Management & Professional Earnings in the Securities Industry 2013, modified by Commission staff to account for an 1800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead.

<sup>4</sup> The \$64/hour figure for a compliance clerk is from SIFMA's Office Salaries in the Securities Industry 2013, modified by Commission staff to account for an 1800-hour work-year and multiplied by 2.93 to account for bonuses, firm size, employee benefits and overhead.

<sup>5</sup> This estimate is based on the following calculation: 702 repurchases × \$295 per repurchase = \$207,090.

<sup>6</sup> In addition, Item 9 of Form N-CSR requires closed-end funds to disclose information similar to the information that was required in Form N-23C-1, which was discontinued in 2004.

or by sending an email to: *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*. Comments must be submitted to OMB within 30 days of this notice.

Dated: March 31, 2015.

**Brent J. Fields,**

Secretary.

[FR Doc. 2015-07753 Filed 4-3-15; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-74616; File No. SR-NASDAQ-2015-027]

### Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to NASDAQ Options Market Fees and Rebates

March 31, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> 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, II, and III, below, which Items have been prepared by NASDAQ. 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

NASDAQ proposes to amend the manner in which the Exchange assesses Port Fees which are located in Chapter XV, entitled "Options Pricing," which governs pricing for NASDAQ members using the NASDAQ Options Market ("NOM"), NASDAQ's facility for executing and routing standardized equity and index options.

While the changes proposed herein are effective upon filing, the Exchange has designated the amendments become operative on April 1, 2015.

The text of the proposed rule change is available on the Exchange's Web site at <http://www.nasdaq.cchwallstreet.com>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

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

#### 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. 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

The Exchange proposes to increase Port Fees for the following ports from \$600.00 to \$650.00 per port, per month, per mnemonic: Order Entry Port,<sup>3</sup> CTI Port,<sup>4</sup> ITTO Port,<sup>5</sup> BONO Port,<sup>6</sup> Order

<sup>3</sup> The Order Entry Port Fee is a connectivity fee in connection with routing orders to the Exchange via an external order entry port. NOM Participants access the Exchange's network through order entry ports. A NOM Participant may have more than one order entry port.

<sup>4</sup> CTI offers real-time clearing trade updates. A real-time clearing trade update is a message that is sent to a member after an execution has occurred and contains trade details. The message containing the trade details is also simultaneously sent to The Options Clearing Corporation. The trade messages are routed to a member's connection containing certain information. The administrative and market event messages include, but are not limited to: System event messages to communicate operational-related events; options directory messages to relay basic option symbol and contract information for options traded on the Exchange; complex strategy messages to relay information for those strategies traded on the Exchange; trading action messages to inform market participants when a specific option or strategy is halted or released for trading on the Exchange; and an indicator which distinguishes electronic and non-electronically delivered orders.

<sup>5</sup> ITTO is a data feed that provides quotation information for individual orders on the NOM book, last sale information for trades executed on NOM, and Order Imbalance Information as set forth in NOM Rules Chapter VI, Section 8. ITTO is the options equivalent of the NASDAQ TotalView/ITCH data feed that NASDAQ offers under NASDAQ Rule 7023 with respect to equities traded on NASDAQ. As with TotalView, members use ITTO to "build" their view of the NOM book by adding individual orders that appear on the feed, and subtracting individual orders that are executed. See Chapter VI, Section 1 at subsection (a)(3)(A).

<sup>6</sup> BONO<sup>SM</sup> is a data feed that provides the NOM Best Bid and Offer ("NOM NBBO") and last sale information for trades executed on NOM. The NOM NBBO and last sale information are identical to the information that NOM sends to the Options Price Regulatory Authority ("OPRA") and which OPRA disseminates via the consolidated data feed for options. BONO is the options equivalent of the NASDAQ Basic data feed offered for equities under NASDAQ Rule 7047. See Chapter VI, Section 1 at subsection (a)(3)(B).

Entry DROP Port Fees<sup>7</sup> and OTTO Drop Ports.<sup>8</sup> The OTTO Port<sup>9</sup> will be increased from \$600.00 to \$750.00 per port, per month, per mnemonic, and the SQF Port<sup>10</sup> will be increased from \$600.00 to \$750.00 per port, per month. ITTO and BONO Port fees will continue to be assessed to non-NOM Participants and NOM Participants.

Each NOM Participant is assigned a market participant identifier or “mnemonic”<sup>11</sup> and in some cases, certain NOM Participants request multiple mnemonics for purposes of accounting for trading activity. These mnemonics identify users at a particular NOM Participant. The Exchange bills its port fees based on the number of mnemonics configured for each port. By way of example, if a NOM Participant, ABC, requested 2 ports from the Exchange and further requested that each port be configured to be accessed by 4 mnemonics or in some cases account numbers,<sup>12</sup> the NOM Participant, today, would be billed for 8 ports at the rate of \$600 per port for that month. All billing is captured at the Participant level. NOM Participants may choose to have multiple mnemonics or in some case multiple account numbers for the convenience of conducting their business, however only one mnemonic and one account number is required to conduct business on NOM. The aforementioned will not apply to SQF ports, which are not billed by mnemonic.

The Exchange is proposing to increase OTTO and SQF Ports from \$600.00 to \$750.00, per port, per month, per

mnemonic for the OTTO Port and per port, per month for the SQF port. All other port fees (Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO Drop Ports) will increase from \$600.00 to \$650.00 per port, per month, per mnemonic. NOM Market Makers utilize OTTO and SQF ports for their market making business, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee for these ports as compared to other ports.

## 2. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>13</sup> in general, and with Section 6(b)(4) and 6(b)(5) of the Act,<sup>14</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which NASDAQ operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that increasing the Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 per port, per month, per mnemonic is reasonable because it would allow the Exchange to keep pace with increasing technology costs. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Port Fees are reasonable because they enable the Exchange to offset, in part, its connectivity costs associated with making such ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support. The Exchange's Port Fees are in line with costs for ports at other options exchanges.<sup>15</sup>

<sup>13</sup> 15 U.S.C. 78f.

<sup>14</sup> 15 U.S.C. 78f(b)(4) and (5).

<sup>15</sup> Miami International Securities Exchange LLC (“MIAX”) assesses port fees that range in price up to \$1,000 depending on connectivity levels. See MIAX’s Fee Schedule. ISE Gemini, LLC (“ISE Gemini”) assesses port fees that range from \$750–\$15,000 depending on connectivity levels. See ISE Gemini’s Fee Schedule. Finally, C2 Options Exchange, Incorporated (“C2”) assesses port fees that range from \$500–\$1,000 depending on connectivity levels. See C2’s Fee Schedule. See also NASDAQ OMX PHLX LLC’s (“Phlx”) Pricing Schedule. Phlx assesses higher fees which range from \$2,500 to \$15,000 for its Active SQF Port which is utilized by Phlx market makers as compared to \$550 for Order Entry Ports.

The Exchange believes that increasing the Order Entry Ports, CTI Ports, ITTO Ports, BONO Ports, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 per port, per month, per mnemonic is equitable and not unfairly discriminatory because the Exchange assesses the same fees for all ports to all NOM participants.

The Exchange believes that increasing the OTTO Port and SQF Port Fees from \$600 to \$750 is reasonable because it would allow the Exchange to keep pace with increasing technology costs. NOM Market Makers utilize the OTTO and SQF ports, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee as compared to other ports. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Port Fees are reasonable because they enable the Exchange to offset, in part, its connectivity costs associated with making such NOM Market Maker ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support. The Exchange's Port Fees are in line with costs for ports at other options exchanges.<sup>16</sup>

The Exchange believes that increasing the OTTO Port and SQF Port Fees from \$600 to \$750 is equitable and not unfairly discriminatory because the Exchange assesses the same fees for these ports which are utilized by NOM Market Makers for any NOM market participant desiring these ports.

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

NASDAQ does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes the proposed fee change is reasonably designed to be fair and equitable, and therefore, will not unduly burden any particular group of market participants trading on the Exchange. The Exchange’s proposal to increase all port fees for all NOM Participants with respect to the Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 does not create an undue burden on competition. The proposed fees are designed to ensure a fair and reasonable use of Exchange resources by allowing the Exchange to

<sup>16</sup> *Id.*

<sup>7</sup> The DROP interface provides real time information regarding orders sent to NOM and executions that occurred on NOM. The DROP interface is not a trading interface and does not accept order messages.

<sup>8</sup> The OTTO DROP data feed provides real-time information regarding orders entered through OTTO and the execution of those orders. The OTTO DROP data feed is not a trading interface and does not accept order messages.

<sup>9</sup> OTTO provides a method for subscribers to send orders and receive status updates on those orders. OTTO accepts limit orders from system subscribers, and if there is a matching order, the orders will execute. Non-matching orders are added to the limit order book, a database of available limit orders, where they are matched in price-time priority.

<sup>10</sup> SQF ports are ports that receive inbound quotes at any time within that month. The SQF Port allows a NOM Participant to access information such as execution reports and other relevant data through a single feed. For example, this data would show which symbols are trading on NOM and the current state of an options symbol (*i.e.*, open for trading, trading, halted or closed). Auction notifications and execution reports are also available. NOM Market Makers rely on data available through the SQF Port to provide them the necessary information to perform market making activities.

<sup>11</sup> A mnemonic is a unique identifier consisting of a four character alpha code.

<sup>12</sup> Account numbers are assigned by the Exchange and associated with particular NOM Participants.

recoup for certain of its connectivity costs, while continuing to offer competitive rates to NOM Participants.

With respect to the OTTO Port and SQF Port Fees, the increase in the port fees from \$600 to \$750 is greater. These ports are utilized by NOM Market Makers in connection with marking markets. NOM Market Makers utilize the OTTO and SQF ports, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee as compared to other ports. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Exchange does not believe these fee increases create an undue burden on competition. Moreover, the Exchange believes that its fee increases are competitive with similar fees at other options exchanges.<sup>17</sup>

*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**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.<sup>18</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. 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](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2015-027 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-NASDAQ-2015-027. 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 a.m. and 3 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-2015-027 and should be submitted on or before April 27, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>19</sup>

**Brent J. Fields,**

*Secretary.*

[FR Doc. 2015-07749 Filed 4-3-15; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-74618; File No. SR-Phlx-2015-29]

**Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Proposed Rule Change To Amend and Restate Certain Rules That Govern the NASDAQ OMX PSX**

March 31, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 20, 2015, NASDAQ OMX PHLX LLC ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III 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**

PHLX proposes to amend and restate certain rules that govern NASDAQ OMX PSX ("PSX") in order to provide a clearer and more detailed description of certain aspects of its functionality. The text of the proposed rule change is available at [nasdaq.cchwallstreet.com](http://nasdaq.cchwallstreet.com), at the Exchange's principal office, 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, Phlx 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. Phlx 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**

The Exchange proposes to amend and restate certain Exchange rules that govern PSX in order to provide a clearer and more detailed description of certain

<sup>17</sup> See note 15.

<sup>18</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>19</sup> 17 CFR 200.30-3(a)(12).

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

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