

for in crowd market makers to compete for the smaller crosses as well.<sup>19</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**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will: (A) By order approve or disapprove such proposed rule change, or (B) institute proceedings to determine whether the proposed rule change should be 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. The Commission requests comments, in particular, on the following aspects of the proposed rule change:

1. What are commenters' views on how, if at all, the proposed rule change would affect: (1) Incentives to submit limit orders; (2) quoted spreads and quoted depth; and/or (3) transaction costs for orders below 500 contracts? Please elaborate.

2. What are commenters' views on how, if at all, orders for more than 500 contracts differ from orders for less than 500 contracts? Please elaborate. Are the underlying investors/traders or the investing/trading strategies different? Please explain. What types of investor or market participant, if any, would likely be significantly affected by the proposed rule change? Please explain.

3. Commenters are requested to provide empirical data and other factual support for their views.

<sup>19</sup>The Exchange notes that it is *not* proposing to eliminate the 500 contract minimum eligible order size in Rule 1064, Commentary .02. This provision entitles a Floor Broker to cross (after all public customer orders that were (1) on the limit order book and then (2) represented in the trading crowd at the time the market was established have been satisfied) 40% of the remaining contracts in an order of the eligible size, if the order traded at or between the best bid or offer given by the crowd in response to the Floor Broker's initial request for a market. See Rule 1064, Commentary .02(iii). This aspect of intra-market competition in the context of orders under 500 contracts is being maintained.

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-Phlx-2014-23 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-Phlx-2014-23. 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 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-Phlx-2014-23 and should be submitted on or before June 3, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>20</sup>

**Kevin M. O'Neill,**

*Deputy Secretary.*

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<sup>20</sup> 17 CFR 200.30-3(a)(12).

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-72116; File No. SR-ICC-2014-02]

**Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change To Update ICC's Liquidity Thresholds for Euro Denominated Products**

May 7, 2014.

**I. Introduction**

On March 12, 2014, ICE Clear Credit LLC ("ICC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change SR-ICC-2014-02 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> The proposed rule change was published for comment in the **Federal Register** on April 1, 2014.<sup>3</sup> The Commission received no comment letters regarding the proposed change. For the reasons discussed below, the Commission is granting approval of the proposed rule change.

**II. Description**

ICC is proposing to update its liquidity thresholds for Euro denominated products. Under the proposed changes, ICC will require the first 65% of Clearing Participant Non-Client Initial Margin and Guaranty Fund Liquidity Requirements ("Non-Client Liquidity Requirements") to be satisfied with collateral in the currency of the underlying instrument. ICC notes that for United States Dollar ("USD") denominated products, its rules already state that the first 65% of Non-Client Liquidity Requirements must be satisfied with USD denominated collateral, the first 45% of which must be posted in USD cash and the next 20% of which may be posted in USD denominated assets (USD cash and/or US Treasury securities). Currently, for Euro denominated products, 45% of Non-Client Liquidity Requirements must be posted in Euro cash and the next 20% may be posted in Euro cash, USD cash, and/or US Treasury securities.

Accordingly, ICC proposes updating the liquidity thresholds for Euro denominated products, listed in Schedule 401 of the ICC Rules, to require the first 65% of Non-Client Liquidity Requirements for Euro denominated products to be satisfied

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

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

<sup>3</sup> Securities Exchange Act Release No. 34-71810 (March 26, 2014), 79 FR 18377 (April 1, 2014) (SR-ICC-2014-02).

with Euro cash. ICC states that this change is intended to increase the Euro cash Non-Client Liquidity Requirements for Euro denominated products and create more consistent liquidity requirements across USD and Euro denominated products. In addition to updating its rules, ICC also proposes to update the ICC Treasury Operations Policies and Procedures to reflect the proposed change in ICC's Non-Client Liquidity Requirements for Euro denominated products. ICC states that the update to the ICC Treasury Operations Policies and Procedures will not require any operational changes.

ICC also proposes to remove redundant references to "US cash" in Schedule 401 of the ICC Rules, as US cash is included in all "G7 cash" references.

### III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act<sup>4</sup> directs the Commission to approve a proposed rule change of a self-regulatory organization if the Commission finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such self-regulatory organization. Section 17A(b)(3)(F) of the Act<sup>5</sup> requires, among other things, that the rules of a clearing agency are designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible and, in general, to protect investors and the public interest.

The Commission finds that the proposed rule change is consistent with the requirements of Section 17A of the Act.<sup>6</sup> The proposed change provides ICC with increased available liquidity and is therefore consistent with the requirements of Section 17A(b)(3)(F) of the Act<sup>7</sup> of promoting the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivatives agreements, contracts, and transactions, and helping to protect investors and the public interest.

### IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is

consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act<sup>8</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>9</sup> that the proposed rule change (File No. SR-ICC-2014-02) be, and hereby is, approved.<sup>10</sup>

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**Kevin M. O'Neill**,  
Deputy Secretary.

[FR Doc. 2014-10897 Filed 5-12-14; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-72118; File No. SR-ISEGemini-2014-09]

### Self-Regulatory Organizations; ISE Gemini, LLC; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change Related to Market Maker Risk Parameters

May 7, 2014.

On March 10, 2014, ISE Gemini, LLC (the "Exchange" or "ISE Gemini") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to amend ISE Gemini Rule 804 to mitigate market maker risk by adopting an Exchange-provided risk management functionality. The proposed rule change was published for comment in the **Federal Register** on March 26, 2014.<sup>3</sup> The Commission received no comments on the proposal.

Section 19(b)(2) of the Act<sup>4</sup> 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

<sup>8</sup> 15 U.S.C. 78q-1.

<sup>9</sup> 15 U.S.C. 78s(b)(2).

<sup>10</sup> In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

<sup>11</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.

<sup>3</sup> See Securities Exchange Act Release No. 71758 (March 20, 2014), 79 FR 16846.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is May 10, 2014. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change, so that it has sufficient time to consider this proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>5</sup> designates June 24, 2014, 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 No. SR-ISEGemini-2014-09).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>6</sup>

**Kevin M. O'Neill**,  
Deputy Secretary.

[FR Doc. 2014-10899 Filed 5-12-14; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-72114; File No. SR-FINRA-2014-004]

### Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Order Approving a Proposed Rule Change Relating to Amendments to FINRA Rule 5110 (Corporate Financing Rule—Underwriting Terms and Arrangements) As Amended

May 7, 2014.

On January 24, 2014, the Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to amend FINRA Rule 5110 (Corporate Financing Rule—Underwriting Terms and Arrangements). On February 4, 2014, FINRA filed Amendment No. 1 to the proposed rule change. The proposed rule change was published for comment in the **Federal Register** on February 11, 2014.<sup>3</sup> The Commission received one

<sup>5</sup> *Id.*

<sup>6</sup> 17 CFR 200.30-3(a)(31).

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

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

<sup>3</sup> See Securities Exchange Act Release No. 71486 (February 5, 2014), 79 FR 8226 (SR-FINRA-2014-004) ("Notice").

<sup>4</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>5</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>6</sup> 15 U.S.C. 78q-1.

<sup>7</sup> 15 U.S.C. 78q-1(b)(3)(F).