



**Martha Redding**  
Associate General Counsel  
Assistant Secretary

New York Stock Exchange  
11 Wall Street  
New York, NY 10005

August 25, 2017

**VIA E-MAIL**

Brent J. Fields  
Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-1090

Re: SEC Release No. 34-80800 (SR-NYSEArca-2017-57)

Dear Mr. Fields:

NYSE Arca, Inc. filed the attached Partial Amendment No. 1 to the above-referenced filing on August 25, 2017.

Sincerely,

A handwritten signature in blue ink, appearing to be "BJF", written in a cursive style.

Encl. (Partial Amendment No. 1 to SR-NYSEArca-2017-57)

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="7"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2017"/> - * <input type="text" value="57"/> Amendment No. (req. for Amendments *) <input type="text" value="1"/>
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Filing by NYSE Arca, Inc.  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/> Extension of Time Period for Commission Action * <input type="checkbox"/> Date Expires * <input type="text"/>			Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/> Section 806(e)(2) * <input type="checkbox"/>	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>
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Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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**Description**  
Provide a brief description of the action (limit 250 characters, required when Initial is checked \*).

**Contact Information**  
Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name \*  Last Name \*   
 Title \*   
 E-mail \*   
 Telephone \*  Fax

**Signature**  
Pursuant to the requirements of the Securities Exchange Act of 1934,  
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.  
(Title \*)

Date  Associate General Counsel  
 By    
 (Name \*)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

**Form 19b-4 Information \***

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

## SR-NYSEArca-2017-57, Partial Amendment No. 1

On May 15, 2017, NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”)<sup>1</sup> filed with the Securities and Exchange Commission (the “Commission” or “SEC”) proposed rule change SR-NYSEArca-2017-57 (the “Proposal”), pursuant to which the Exchange proposed to delete NYSE Arca Rule 6.20 (now Rule 6.20-O) and subsections (a)(1)-(13) of NYSE Arca Rule 6.68 (now Rule 6.68-O) which collect information for the consolidated options audit trail system (“COATS”) once the Exchange, in conjunction with the other options exchanges, publishes a notice announcing the date that COATS will be retired.

The Commission published the proposed rule change for public comment in the Federal Register on June 2, 2017.<sup>2</sup> No comments were received to the Proposal.

With this Partial Amendment No. 1, the Exchange is including Exhibit 4, which reflects changes to the text of the proposed rule change pursuant to this Partial Amendment No. 1, and Exhibit 5, which reflects the changes to the current rule text that are proposed in the Proposal, as amended by this Partial Amendment No. 1.

This Partial Amendment No. 1 adds introductory language to NYSE Arca Rules 6.20-O and 6.68-O to clarify that, if the SEC approves the proposed rule change, NYSE Arca Rules 6.20-O and subsections (a)(1)-(13) of NYSE Arca Rule 6.68-O will be deleted upon announcement by the Exchange, in conjunction with the other options exchanges, that the CAT has achieved a level of accuracy and reliability sufficient to replace COATS.

Introductory Language to the NYSE Arca Rules 6.20-O and 6.68-O

The National Market System Plan Governing the Consolidated Audit Trail (the “CAT NMS Plan” or “Plan”),<sup>3</sup> provides that the elimination of rules that are duplicative of the

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<sup>1</sup> In connection with the merger of its wholly owned subsidiary NYSE Arca Equities with and into NYSE Arca effective August 17, 2017, the Exchange recently amended, among other things, certain Rules of the Exchange to facilitate the integration of NYSE Arca Equities and create a single rulebook, including the rules relating to Order Audit Trail System and the submission of Electronic Blue Sheet trading data. See Securities Exchange Act Release No. 81419 (August 17, 2017) (SR-NYSEArca-2017-40) (the “Arca Merger Filing”). Specifically, the NYSE Arca Equities Rule 7400 Series (Order Audit Trail System) is now NYSE Arca Rule 6-E (Order Audit Trail System) of the Equities Rules, and NYSE Arca Rule 10.2 (Investigations and Regulatory Cooperation) and NYSE Arca Equities Rule 10.2 (Investigations and Regulatory Cooperation) have been combined into a single rule, NYSE Arca Rule 10.2 of the Disciplinary and Miscellaneous Rules, which applies to both options and equities trading and permit holders.

<sup>2</sup> Securities Exchange Act Release No. 80800 (May 26, 2017), 82 FR 25639 (June 2, 2017) (SR-NYSEArca-2017-57).

requirements of the CAT and the retirement of the related systems should be effective at such time as CAT Data meets minimum standards of accuracy and reliability.<sup>4</sup> The Proposal notes that the Exchange and the other options exchanges believe that COATS may be retired at a date after all Industry Members are reporting to the CAT when the proposed error rate thresholds have been met, and the Exchange has determined that its usage of the CAT Data has not revealed material issues that have not been corrected, confirmed that the CAT includes all data necessary to allow the Exchange to continue to meet its surveillance obligations, and confirmed that the Plan Processor is sufficiently meeting all of its obligations under the CAT NMS Plan.

If the Commission approves the proposed rule change, the rule text to delete NYSE Arca Rules 6.20-O and subsections (a)(1)-(13) of NYSE Arca Rule 6.68-O will be effective; however, the amendments will not be implemented until the Exchange, in conjunction with the other options exchanges, publishes a notice announcing the date for the retirement of COATS once the options exchanges determine that the thresholds for accuracy and reliability described below have been met and that the Plan Processor is sufficiently meeting all of its obligations under the CAT NMS Plan. Because the time period for implementation for the deletion of NYSE Arca Rule 6.20-O and subsections (a)(1)-(13) of NYSE Arca Rule 6.68-O could be significant, the Exchange is proposing in this Partial Amendment No. 1 to add language to NYSE Arca Rules 6.20-O and 6.68-O that would alert OTP Holders and OTP Firms that the SEC has approved a proposed rule change to remove NYSE Arca Rules 6.20-O and subsections (a)(1)-(13) of NYSE Arca Rule 6.68-O upon announcement by the Exchange, in conjunction with the other options exchange, that the CAT has achieved a level of accuracy and reliability sufficient to replace COATS. The rule text for NYSE Arca Rule 6.68-O would also note that, upon the announcement by FINRA, OTP Holders and OTP Firms will no longer be required to submit the data elements in subsections (a)(1)-(13) of the Rule and would instead be required to include the elements required by the Rule 11.6800 Series and such other information as may be required by the Exchange. The Exchange believes that adding this language to NYSE Arca Rules 6.20-O and 6.68-O would help to alert OTP Holders and OTP Firms of the status of the COATS retirement and is proposing that this language be added to NYSE Arca Rules 6.20-O and 6.68-O upon approval of the Proposal by the SEC.

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<sup>3</sup> See Securities Exchange Act Release No. 79318 (Nov. 15, 2016), 81 FR 84696, 85010 (November 23, 2016) (File No. 4-698).

<sup>4</sup> Appendix C of CAT NMS Plan, Approval Order at 85010.

Deletions: [Bracketed]

Marked Additions: Double-underlined

Marked Deletions: ~~Strikethrough~~

Exhibit 4 shows the changes proposed in this Partial Amendment No. 1, with the proposed changes in the original filing shown as if adopted. Proposed new language in this Partial Amendment No. 1 is double-underlined; proposed deletions in this Partial Amendment No. 1 are in brackets. Changes to the Rules as a result of the Arca Merger Filing are reflected as current text.

#### Rules of NYSE Arca, Inc.

\* \* \* \* \*

#### **Rule 6.20-O. Reserved.**

The SEC has approved a proposed rule change to remove Rule 6.20-O upon announcement by the Exchange, in conjunction with the other options exchanges, that the Consolidated Audit Trail has achieved a level of accuracy and reliability sufficient to replace the consolidated options audit trail system.

#### **[Time Synchronization**

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#### **Rule 6.68-O. Record of Orders**

The SEC has approved a proposed rule change to remove subsections (a)(1)-(13) from Rule 6.68-O upon announcement by the Exchange, in conjunction with the other options exchanges, that the Consolidated Audit Trail has achieved a level of accuracy and reliability sufficient to replace the consolidated options audit trail system. Upon this announcement by the Exchange, OTP Holders and OTP Firms would no longer be required to submit the data elements in subsections (a)(1)-(13) of Rule 6.68-O and would instead be required to include the elements required by the Rule 11.6800 Series and such other information as may be required by the Exchange.

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Additions underlined  
 Deletions [bracketed]

Rules of NYSE Arca, Inc.

\* \* \* \* \*

**Rule 6.20-O. Reserved.**

The SEC has approved a proposed rule change to remove Rule 6.20-O upon announcement by the Exchange, in conjunction with the other options exchanges, that the Consolidated Audit Trail has achieved a level of accuracy and reliability sufficient to replace the consolidated options audit trail system.

**[Time Synchronization**

(a) Each OTP Holder and OTP Firm must synchronize, within a time frame established by the Exchange, the business clocks that it uses for the purpose of recording the date and time of any event that must be recorded pursuant to the Rules of the Exchange. OTP Holders and OTP Firms may use any time provider source. Each OTP Holder and OTP Firm must, however, ensure that the business clocks it uses on the Exchange are accurate to within a three-second of the National Institute of Standards and Technology Atomic Clock in Boulder Colorado ("NIST Clock") or the United States Naval Observatory Master Clock in Washington D.C. ("USNO Master Clock"). This tolerance includes all of the following:

- (1) the difference between the NIST/USNO standard and a time provider's clock;
- (2) transmission delay from the source; and
- (3) the amount of drift of the OTP Holder or OTP Firm's business clock.

For purposes of this Rule, "business clocks" mean an OTP Holder or OTP Firm's proprietary system clocks. OTP Holders and OTP Firms must set forth in their written supervisory procedures, required by Rule 11.18, the manner in which synchronization of business clocks will be conducted, documented and maintained.]

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**Rule 6.68-O. Record of Orders**

The SEC has approved a proposed rule change to remove subsections (a)(1)-(13) from Rule 6.68-O upon announcement by the Exchange, in conjunction with the other options exchanges, that the Consolidated Audit Trail has achieved a level of accuracy and reliability sufficient to replace the consolidated options audit trail system. Upon this

announcement by the Exchange, OTP Holders and OTP Firms would no longer be required to submit the data elements in subsections (a)(1)-(13) of Rule 6.68-O and would instead be required to include the elements required by the Rule 11.6800 Series and such other information as may be required by the Exchange.

(a) Every OTP Holder or OTP Firm must maintain and preserve for the period specified under SEC Rule 17a-4, a record of every order and of any other instruction given or received for the purchase or sale of option contracts. Such record must show the terms and conditions (market order, limit order, etc.) of the order or instruction and of any modification or cancellation thereof, and in addition must include the elements required by the Rule 11.6800 Series:

- (1) CMTA Information and clearing OTP Holder or Firm;
- (2) Option symbol, expiration month, exercise price, and type of option (call or put);
- (3) Side of market (buy or sell) and order type (customer, firm, firm market maker);
- (4) Quantity of option contracts;
- (5) Any limit price, stop price, or special conditions;
- (6) Opening or closing transaction;
- (7) Time in force;
- (8) Account origin code;
- (9) Solicited or unsolicited;
- (10) Order identification number;
- (11) Order entry date and time, or the date and time of any modification of the terms of the order or cancellation of the order;
- (12) Order execution time and price;
- (13) Identity of the executing broker and the other party to the transaction; and
- (14) S]and such other information as may be required by the Exchange.

(b) No Change

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