SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-79725; File No. SR-BatsBZX-2016-30)

January 4, 2017

Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as Modified by Amendment No. 1, to BZX Rule 14.11(e)(4), Commodity-Based Trust Shares, to List and Trade Winklevoss Bitcoin Shares Issued by the Winklevoss Bitcoin Trust

On June 30, 2016, Bats BZX Exchange, Inc. 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 Winklevoss Bitcoin Shares issued by the Winklevoss Bitcoin Trust under BZX Rule 14.11(e)(4). The proposed rule change was published for comment in the Federal Register on July 14, 2016.³

On August 23, 2016, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On October 12, 2016, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁶ to determine whether to approve or disapprove the proposed rule

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⁵ See Securities Exchange Act Release No. 78653, 81 FR 59256 (Aug. 29, 2016). The Commission designated October 12, 2016, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.
change. On October 20, 2016, the Exchange filed Amendment No. 1 to the proposed rule change, and Amendment No. 1 was published for comment in the Federal Register on November 3, 2016. The Commission has received 30 comment letters on the proposed rule change.

Section 19(b)(2) of the Act provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was

See Securities Exchange Act Release No. 79084, 81 FR 71778 (Oct. 18, 2016). Specifically, the Commission instituted proceedings to allow for additional analysis of the proposed rule change’s consistency with Section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be “designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade,” and “to protect investors and the public interest.” See id., 81 FR at 71781.


See Letters from Robert D. Miller, VP Technical Services, RKL eSolutions (July 11, 2016); Jorge Stolfi, Full Professor, Institute of Computing UNICAMP (July 13, 2016); Guillaume Lethuillier (July 26, 2016); Michael B. Casey (July 31, 2016); Erik A. Aronesty, Sr. Software Engineer, Bloomberg LP (Aug. 2, 2016); Dan Anderson (Aug. 27, 2016); Robert Miller (Oct. 12, 2016); Lysle Shaw-McMinn, O.D. (Oct. 13, 2016); Nils Neidhardt (Oct. 13, 2016); Dana K. Barish (2 letters; Oct. 13, 2016); Xin Lu (Oct. 13, 2016); Rodger Delehanty CFA (Oct. 14, 2016); Dylan (Oct. 14, 2016); Dana K. Barish (Oct. 14, 2016); Dana K. Barish (2 letters; Oct. 15, 2016); Jorge Stolfi, Full Professor, Institute of Computing UNICAMP (Nov. 1, 2016); Michael B. Casey (Nov. 5, 2016); Anonymous (Nov. 8, 2016); Chris Burniske, Blockchain Products Lead, ARK Investment Management LLC (Nov. 8, 2016); Colin Keefer (Nov. 14, 2016); Robert S. Tull, (Nov. 14, 2016); Mark T. Williams (Nov. 15, 2016); Anonymous (Nov. 21, 2016); XBT OPPS Team (Nov. 21, 2016); Anonymous (Nov. 22, 2016); Ken Maher (Nov. 22, 2016); Kyle Murray, Assistant General Counsel, Bats Global Markets, Inc. (Nov. 25, 2016); and Colin Baird (Nov. 26, 2016). All comments on the proposed rule change are available on the Commission’s website at: https://www.sec.gov/comments/sr-batsbzx-2016-30/batsbzx201630.shtml.

published for notice and comment in the Federal Register on July 14, 2016. January 10, 2017 is 180 days from that date, and March 11, 2017 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving 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, designates March 11, 2017 as the date by which the Commission should either approve or disapprove the proposed rule change (File No. SR-BatsBZX-2016-30), as modified by Amendment No. 1.

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

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Assistant Secretary

¹¹ Id.