

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-80524; File No. SR-FICC-2017-002)

April 25, 2017

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Designation of Longer Period for Commission Action on Proposed Rule Change to Implement the Capped Contingency Liquidity Facility in the Government Securities Division Rulebook

On March 1, 2017, Fixed Income Clearing Corporation (“FICC”) filed with the Securities and Exchange Commission (“Commission”) proposed rule change SR-FICC-2017-002 (“Proposed Rule Change”) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² to implement a Capped Contingency Liquidity Facility in FICC’s Government Securities Division Rulebook.³ The Proposed Rule Change was published for comment in the Federal Register on March 20, 2017.⁴ To date, the Commission has received one comment letter to the Proposed

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ On March 1, 2017, FICC also filed this Proposed Rule Change as advance notice SR-FICC-2017-802 (“Advance Notice”) with the Commission pursuant to Section 806(e)(1) of the Dodd-Frank Wall Street Reform and Consumer Protection Act entitled the Payment, Clearing, and Settlement Supervision Act of 2010, 12 U.S.C. 5465(e)(1), and Rule 19b-4(n)(1)(i) of the Act, 17 CFR 240.19b-4(n)(1)(i). Notice of filing of the Advance Notice was published for comment in the Federal Register on March 15, 2017. Securities Exchange Act Release No. 80191 (March 9, 2017), 82 FR 13876 (March 15, 2017) (SR-FICC-2017-802). The Commission extended the review period of the Advance Notice from April 30, 2017 to June 29, 2017. Securities Exchange Act Release No. 80520 (April 25, 2017) (SR-FICC-2017-802). The proposal in the Proposed Rule Change and the Advance Notice shall not take effect until all regulatory actions required with respect to the proposal are completed.

⁴ Securities Exchange Act Release No. 80234 (March 14, 2017), 82 FR 14401 (March 20, 2017) (SR-FICC-2017-002).

Rule Change.⁵

Section 19(b)(2) of the Act⁶ 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 proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day after publication of the notice for this Proposed Rule Change is May 4, 2017. The Commission is extending this 45-day time period.

In order to provide the Commission with sufficient time to consider the Proposed Rule Change, the Commission finds that it is appropriate to designate a longer period within which to take action on the Proposed Rule Change. Accordingly, the

⁵ See letter from Robert E. Pooler, Chief Financial Officer, Ronin Capital LLC, dated April 10, 2017, to Robert W. Errett, Deputy Secretary, Commission, available at <https://www.sec.gov/comments/sr-ficc-2017-002/ficc2017002.htm>. Since the proposal contained in the Proposed Rule Change was also filed as an Advance Notice, Release No. 80191, supra note 3, the Commission is considering all public comments received on the proposal regardless of whether the comments are submitted to the Proposed Rule Change or the Advance Notice.

⁶ 15 U.S.C. 78s(b)(2).

Commission, pursuant to Section 19(b)(2) of the Act,⁷ designates June 18, 2017 as the date by which the Commission shall either approve, disapprove, or institute proceedings to determine whether to disapprove proposed rule change SR-FICC-2017-002.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁸

Robert W. Errett
Deputy Secretary

⁷ Id.

⁸ 17 CFR 200.30-3(a)(31).