

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-80746; File No. SR-NYSEMKT-2016-103)

May 23, 2017

Self-Regulatory Organizations; NYSE MKT LLC; 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 Amendments No. 1 and 2, Allowing the Exchange to Trade, Pursuant to Unlisted Trading Privileges, Any NMS Stock Listed On Another National Securities Exchange; Establishing Rules for the Trading Pursuant to UTP of Exchange-Traded Products; and Adopting New Equity Trading Rules Relating to Trading Halts of Securities Traded Pursuant to UTP on the Pillar Platform

On November 17, 2016, NYSE MKT LLC (“Exchange”) 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 (1) allow the Exchange to trade, pursuant to unlisted trading privileges (“UTP”), any NMS Stock listed on another national securities exchange; (2) establish rules for the trading pursuant to UTP of exchange-traded products; and (3) adopt new equity trading rules relating to trading halts of securities traded pursuant to UTP on the Pillar platform. The proposed rule change was published for comment in the Federal Register on December 1, 2016.³ On January 4, 2017, 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 February 24, 2017, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁶ to determine

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 79400 (Nov. 25, 2016), 81 FR 86750.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 79738, 82 FR 3068 (Jan. 10, 2017).

⁶ 15 U.S.C. 78s(b)(2)(B).

whether to approve or disapprove the proposed rule change.⁷ On March 28, 2017, the Exchange filed Amendment No. 1 to the proposed rule change.⁸ Amendment No. 1 was published for comment in the Federal Register on April 27, 2017.⁹ On April 27, 2017, the Exchange filed Amendment No. 2 to the proposed rule change.¹⁰ The Commission has received no comments on the proposed rule change.

Section 19(b)(2) of the Act¹¹ 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, however, by not more than 60 days if the Commission determines that a longer

⁷ See Securities Exchange Act Release No. 80097, 82 FR 12251 (Mar. 1, 2017). 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.* at 12252.

⁸ Amendment No. 1 is available at: <https://www.sec.gov/comments/sr-nysemkt-2016-103/nysemkt2016103-1672987-149219.pdf>.

⁹ See Securities Exchange Act Release No. 80500 (Apr. 21, 2017), 82 FR 19416.

¹⁰ In Amendment No. 2, the Exchange: (1) corrected the cross-reference in footnote 66 of the filing to read “See supra note 63”; (2) amended proposed Rule 5.2E(j)(6)(B)(V)(2)(a) to read “may” instead of “will”; (3) amended proposed Rule 5.5E(m)(1)(c) to clarify that the regulatory function described therein would be exercised by “the Exchange” instead of “Regulation”; (4) amended Supplementary Material .01 to proposed Rule 8.200E to erase the repetitive words “are satisfied” at the end of the introductory paragraph; and (5) amended proposed Rule 8.700E(h) to add at the beginning of the paragraph the sentence “The Exchange will file separate proposals under Section 19(b) of the Securities Exchange Act of 1934 before listing and trading separate and distinct Managed Trust Securities.” Amendment No. 2 is available at: <https://www.sec.gov/comments/sr-nysemkt-2016-103/nysemkt2016103-1724667-150689.pdf>. Because Amendment No. 2 to the proposed rule change does not materially alter the substance of the proposed rule change or raise unique or novel regulatory issues, Amendment No. 2 is not subject to notice and comment.

¹¹ 15 U.S.C. 78s(b)(2).

period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the Federal Register on December 1, 2016. May 30, 2017 is 180 days from that date, and July 29, 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,¹² designates July 29, 2017 as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR-NYSEMKT-2016-103).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Eduardo A. Aleman
Assistant Secretary

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Id.

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17 CFR 200.30-3(a)(57).