

of individual portfolio managers, so that requiring shareholder approval of Sub-Advisory Agreements would impose unnecessary delays and expenses on the Subadvised Series. Applicants believe that the requested relief from the Disclosure Requirements meets this standard because it will improve the Advisor's ability to negotiate fees paid to the Sub-Advisors that are more advantageous for the Funds.

For the Commission, by the Division of Investment Management, under delegated authority.

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2017-03476 Filed 2-22-17; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80050; File No. SR-BatsBZX-2017-13]

Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Option Regulatory Fees as They Relate to the Equity Options Platform

February 16, 2017.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on February 8, 2017, Bats BZX Exchange, Inc. (the "Exchange" or "BZX") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposed rule change effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange filed a proposal to amend the fee schedule applicable to

Members⁵ and non-Members of the Exchange pursuant to BZX Rules 15.1(a) and (c) to amend its Options Regulatory Fee ("ORF").

The text of the proposed rule change is available at the Exchange's Web site at www.bats.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to modify the fee schedule applicable to the Exchange's options platform ("BZX Options") to amend the rate of its ORF.⁶ Currently, the Exchange charges an ORF in the amount of \$0.0010 per contract side. The Exchange proposes to decrease the amount of ORF to \$0.0009 per contract side.⁷ The proposed change to

⁵ The term "Member" is defined as "any registered broker or dealer that has been admitted to membership in the Exchange." See Exchange Rule 1.5(n).

⁶ The Exchange also proposes to insert a colon after the title "Options Regulatory Fee".

⁷ The Exchange notes that it previously proposed to decrease its ORF of \$0.0008 per contract in August 2016 and to assess ORF to each Member and non-Member for all options transactions cleared by OCC in the "customer" range, regardless of the exchange on which the transaction occurred. See Securities Exchange Act Release No. 78453 (August 1, 2016), 81 FR 51954 (August 5, 2016) (SR-BatsBZX-2016-42). The Exchange then filed to delay the implementation of SR-BatsBZX-2016-42 until February 1, 2017. See Securities Exchange Act Release No. 78746 (September 1, 2016), 81 FR 62225 (September 8, 2016) (SR-BatsBZX-2016-52). The Commission later issued an order suspending and [sic] SR-BatsBZX-2016-42 and instituted proceedings to determine whether to approve or disapprove the proposed rule change asking whether the [sic] "a sufficient regulatory nexus exists between the Exchange and a non-Member to justify imposition of the ORF on such non-Member." See Securities Exchange Act Release No. 78849 (September 15, 2016), 81 FR 64960 (September 21, 2016). On January 10, 2017, the Exchange withdrew SR-BatsBZX-2016-42. The Exchange also proposes in this filing to remove text from its fee schedule adopted by SR-BatsBZX-

ORF should continue to balance the Exchange's regulatory expenses against the anticipated revenue.

The per-contract ORF is assessed by the Exchange on each Member for all options transactions executed and cleared, or simply cleared, by the Member, that are cleared by OCC in the "customer" range, regardless of the exchange on which the transaction occurs. The ORF is collected indirectly from Members through their clearing firms by OCC on behalf of the Exchange. The ORF is also charged for transactions that are not executed by a Member but are ultimately cleared by a Member. Thus, in the case where a non-Member executes a transaction and a Member clears the transaction, the ORF is assessed to the Member who clears the transaction. Similarly, in the case where a Member executes a transaction and another Member clears the transaction, the ORF is assessed to the Member who clears the transaction.

The ORF is designed to recover a material portion of the costs to the Exchange of the supervision and regulation of Members' customer options business, including performing routine surveillances and investigations, as well as policy, rulemaking, interpretive and enforcement activities. The Exchange believes that revenue generated from the ORF, when combined with all of the Exchange's other regulatory fees and fines, will continue to cover a material portion, but not all, of the Exchange's regulatory costs.⁸

The Exchange will continue to monitor the amount of revenue collected from the ORF to ensure that it, in combination with its other regulatory fees and fines, does not exceed the Exchange's total regulatory costs. The Exchange expects to monitor its regulatory costs and revenues at a minimum on a semi-annual basis. If the Exchange determines regulatory revenues exceed or are insufficient to cover a material portion of its regulatory costs, the Exchange will adjust the ORF by submitting a fee change filing to the Commission. The Exchange will continue to notify Members of adjustments to the ORF at least 30

2016-52 which delayed the implementation of SR-BatsBZX-2016-42 until February 1, 2017.

⁸ The Exchange notes that its regulatory responsibilities with respect to compliance with options sales practice rules has been allocated to the Financial Industry Regulatory Authority, Inc. ("FINRA") under a 17d-2 Agreement. The ORF is not designed to cover the cost of options sales practice regulation.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

calendar days prior to the effective date of the change.⁹

Implementation Date

The Exchange proposes to implement changes to the ORF immediately.¹⁰

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.¹¹ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹² in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using its facilities. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues or providers of routing services if they deem fee levels to be excessive.

The Exchange believes the decreased ORF is equitable and not unfairly discriminatory because it would be objectively allocated to Members in that it would be charged to all Members on all their transactions that clear as customer transactions at the OCC. The Exchange believes that decreasing the ORF is reasonable because the Exchange's collection of ORF needs to be balanced against the amount of regulatory revenue collected by the Exchange. The Exchange believes that the proposed adjustment noted herein will serve to continue to balance the Exchange's regulatory revenue against its anticipated regulatory costs. In addition, the Exchange believes the amount of the ORF is reasonable as it is significantly lower than ORFs charged by other exchanges. By way of comparison, MIAX charges an ORF of \$0.0045 per contract side,¹³ and both NYSE Arca and NYSE Amex charge an

ORF of \$0.0055 per contract side.¹⁴ The CBOE charges an ORF of \$0.0081 per contract.¹⁵

The Exchange has designed the ORF to generate revenues that, when combined with all of the Exchange's other regulatory fees, will be less than or equal to the Exchange's regulatory costs, which is consistent with the Commission's view that regulatory fees be used for regulatory purposes and not to support the Exchange's business side. In this regard, the Exchange believes that the decreased level of the fee is reasonable and appropriate.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The ORF is not intended to have any impact on competition. Rather, it is designed to enable the Exchange to recover a material portion of the Exchange's cost related to its regulatory activities. The Exchange is obligated to ensure that the amount of regulatory revenue collected from the ORF, in combination with its other regulatory fees and fines, does not exceed regulatory costs.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. The decreased ORF continues to also be comparable to ORFs charged by other options exchanges.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁶ and paragraph (f) of Rule 19b-4 thereunder.¹⁷ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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. 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. Please include File No. SR-BatsBZX-2017-13 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 No. SR-BatsBZX-2017-13. 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

⁹ The Exchange announced the proposed changes to ORF on December 30, 2016. See *Bats Options Exchange Regulatory Fee Schedule Update Effective February 1, 2017* available at http://cdn.batstrading.com/resources/fee_schedule/2017/Bats-Options-Exchange-Regulatory-Fee-Schedule-Update-Effective-February-1-2017.pdf.

¹⁰ The Exchange originally filed the proposed rule change on January 30, 2017. (SR-BatsBZX-2017-02). On February 8, 2017, the Exchange withdrew SR-BatsBZX-2017-02 and submitted this filing.

¹¹ 15 U.S.C. 78f.

¹² 15 U.S.C. 78f(b)(4).

¹³ See MIAX fee schedule available at http://www.miaxoptions.com/sites/default/files/MIAX_Options_Fee_Schedule_06012016.pdf (dated January 1, 2017).

¹⁴ See NYSE Arca Options fee schedule available at https://www.nyse.com/publicdocs/nyse/markets/arca-options/NYSE_Arca_Options_Fee_Schedule.pdf (dated January 1, 2017); and NYSE Amex fee schedule available at https://www.nyse.com/publicdocs/nyse/markets/amex-options/NYSE_Amex_Options_Fee_Schedule.pdf (dated January 1, 2017).

¹⁵ See CBOE fee schedule available at http://www.cboe.com/framed/pdf/framed.aspx?content=/publish/feeschedule/CBOEFeeSchedule.pdf§ion=SEC_RESOURCES&title=CBOE%20Fee%20Schedule (dated January 3, 2017).

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f).

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 No. SR-BatsBZX-2017-13, and should be submitted on or before March 16, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2017-03459 Filed 2-22-17; 8:45 am]

BILLING CODE 8011-01-P

SMALL BUSINESS ADMINISTRATION

[License No. 05/05-0320]

LFE Growth Fund III, LP; Notice Seeking Exemption Under Section 312 of the Small Business Investment Act, Conflicts of Interest

Notice is hereby given that LFE Growth Fund III, LP, 319 Barry Avenue South, Suite 215, Wayzata, MN 55391, a Federal Licensee under the Small Business Investment Act of 1958, as amended (the "Act"), in connection with the financing of a small concern, has sought an exemption under Section 312 of the Act and Section 107.730, Financials which Constitute Conflicts of Interest of the Small Business Administration ("SBA") Rules and Regulations (13 CFR 107.730). LFE Growth Fund III, LP proposes to provide debt financing to Wellbeats, Inc., 11600 96th Ave. North, Maple Grove, MN 55369. The proceeds will be used to fund growth of the company.

The financing is brought within the purview of § 107.730(a)(1) of the Regulations because LFE Growth Fund III, LP and LFE Growth Fund II, LP are Associates and because LFE Growth Fund II, LP has a greater than ten percent interest in Wellbeats. Therefore this transaction is considered financing

an Associate requiring SBA prior written exemption.

Notice is hereby given that any interested person may submit written comments on the transaction, within fifteen days of the date of this publication, to the Associate Administrator for Office of Investment and Innovation, U.S. Small Business Administration, 409 Third Street SW., Washington, DC 20416.

Dated: February 15, 2017.

Michele Schimpp,

Acting Associate Administrator for Office of Investment and Innovation.

[FR Doc. 2017-03473 Filed 2-22-17; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #15049 and #15050]

California Disaster #CA-00259

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a Notice of the Presidential declaration of a major disaster for Public Assistance Only for the State of California (FEMA-4301-DR), dated 02/14/2017.

Incident: Severe Winter Storms, Flooding, and Mudslides.

Incident Period: 01/03/2017 through 01/12/2017.

DATES: *Effective Date:* 02/14/2017.

Physical Loan Application Deadline Date: 04/17/2017.

Economic Injury (EIDL) Loan Application Deadline Date: 11/14/2017.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW., Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the President's major disaster declaration on 02/14/2017, Private Non-Profit organizations that provide essential services of governmental nature may file disaster loan applications at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties: Alameda, Amador, Butte, Calaveras, Contra Costa, El Dorado, Humboldt, Inyo, Lake,

Lassen, Marin, Mendocino, Merced, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Luis Obispo, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Trinity, Tuolumne, Yolo, Yuba

The Interest Rates are:

	Percent
<i>For Physical Damage:</i>	
Non-Profit Organizations With Credit Available Elsewhere ...	2.500
Non-Profit Organizations Without Credit Available Elsewhere	2.500
<i>For Economic Injury:</i>	
Non-Profit Organizations Without Credit Available Elsewhere	2.500

The number assigned to this disaster for physical damage is 15049B and for economic injury is 15050B.

(Catalog of Federal Domestic Assistance Number 59008)

James E. Rivera,

Associate Administrator for Disaster Assistance.

[FR Doc. 2017-03468 Filed 2-22-17; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #15051 and #15052]

Disaster #CA-00260

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a Notice of the Presidential declaration of a major disaster for Public Assistance Only for the Hoopa Valley Tribe (FEMA-4302-DR), dated 02/14/2017.

Incident: Severe Winter Storm.

Incident Period: 01/03/2017 through 01/05/2017.

Effective Date: 02/14/2017.

Physical Loan Application Deadline Date: 04/17/2017.

Economic Injury (EIDL) Loan Application Deadline Date: 11/14/2017.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW., Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the President's major disaster declaration on

¹⁸ 17 CFR 200.30-3(a)(12).