For the Nuclear Regulatory Commission.

**George A. Wilson,**

*Deputy Director, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.*

[FR Doc. 2017–00909 Filed 1–13–17; 8:45 am]

**BILLING CODE 7590–01–P**

## NUCLEAR REGULATORY COMMISSION

**[NRC–2016–0276]**

### Category 3 Source Security and Accountability; Correction

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Source protection; public meetings and request for comment; correction.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is correcting a notice that was published in the **Federal Register** (FR) on January 9, 2017, regarding Category 3 source security and accountability. This action is necessary to delete erroneous text in the paragraph under the heading ''IV. Public Comments Process.''

**DATES:** The correction is effective January 17, 2017.

**ADDRESSES:** Please refer to Docket ID NRC–2016–0276 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2016–0276. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: *Carol.Gallagher@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''*ADAMS Public Documents*'' and then select ''*Begin Web-based ADAMS Search.*'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.*
- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

**FOR FURTHER INFORMATION CONTACT:** Irene Wu, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–1951; email: *Irene.Wu@nrc.gov.*

**SUPPLEMENTARY INFORMATION:** In the FR on January 9, 2017, in FR Doc. 2017–00169, on page 2402, in the first column, the second sentence under the heading ''IV. Public Comments Process,'' is corrected to read as follows: ''Responses to this solicitation will inform staff consideration of the regulatory impacts for any recommendations related to Category 3 source security and accountability, which will be documented in a paper to be provided to the Commission in August 2017.''

Dated at Rockville, Maryland, this 11th day of January 2017.

For the Nuclear Regulatory Commission.

**Douglas Bollock,**

*Acting Deputy Director, Division of Material Safety, State, Tribal and Rulemaking Programs, Office of Nuclear Material Safety and Safeguards.*

[FR Doc. 2017–00822 Filed 1–13–17; 8:45 am]

**BILLING CODE 7590–01–P**

## OFFICE OF SCIENCE AND TECHNOLOGY POLICY

### National Nanotechnology Initiative Meetings

**ACTION:** Notice of public webinars.

**SUMMARY:** The National Nanotechnology Coordination Office (NNCO), on behalf of the Nanoscale Science, Engineering, and Technology (NSET) Subcommittee of the Committee on Technology, National Science and Technology Council (NSTC), will hold one or more webinars to share information with the general public and the nanotechnology research and development community. Topics covered may include technical subjects; environmental, health, and safety issues; business case studies; or other areas of potential interest to the nanotechnology community.

**DATES:** The NNCO will hold one or more webinars between the publication of this Notice and December 31, 2017. The first webinar will be held on or after January 18, 2017.

**ADDRESSES:** For information about upcoming webinars, please visit *http://www.nano.gov/PublicWebinars.* Many webinars will be broadcast via AdobeConnect, which requires the installation of a free plug-in on a computer or of a free app on a mobile device.

*Submitting Questions:* Some webinars may include question-and-answer segments in which questions of interest may be submitted through the webinar interface. During the question-and-answer segments of the webinars, submitted questions will be considered in the order received and may be posted on the NNI Web site (*http://www.nano.gov*). A moderator will identify relevant questions and pose them to the speaker(s). Due to time constraints, not all questions may be addressed during the webinars. The moderator reserves the right to group similar questions and to skip questions, as appropriate. The Public Webinar page on *nano.gov* (*http://www.nano.gov/PublicWebinars*) will indicate which webinars will include question-and-answer segments.

*Registration:* Registration for the webinars will open approximately two weeks prior to each event and will be capped at 500 participants or as space limitations dictate. Individuals planning to attend a webinar can find registration information at *http://www.nano.gov/PublicWebinars.* Written notices of participation by email should be sent to *sstandridge@nnco.nano.gov* or mailed to Stacey Standridge, 4201 Wilson Blvd., Stafford II, Suite 405, Arlington, VA 22230.

**FOR FURTHER INFORMATION CONTACT:** For information regarding this Notice, please contact Stacey Standridge at National Nanotechnology Coordination Office, by telephone (703–292–8103) or email (*sstandridge@nnco.nano.gov*).

*Meeting Accomodations:* Individuals requiring special accommodation to access any of these public events should contact Stacey Standridge (telephone 703–292–8103) at least ten business days prior to the meeting so that appropriate arrangements can be made.

**Ted Wackler,**

*Deputy Chief of Staff and Assistant Director.*

[FR Doc. 2017–00790 Filed 1–13–17; 8:45 am]

**BILLING CODE 3270–F7–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. IA–4605/803–00229]**

### Brown Advisory LLC; Notice of Application

January 10, 2017.

**AGENCY:** Securities and Exchange Commission (''Commission'').

**ACTION:** Notice of application for an exemptive order under Section 206A of the Investment Advisers Act of 1940

(the ''Advisers Act'') and Rule 206(4)–5(e).

**APPLICANT:** Brown Advisory LLC (''Applicant'' or ''Adviser'').

**RELEVANT ADVISERS ACT SECTIONS:** Exemption requested under section 206A of the Advisers Act and rule 206(4)–5(e) from rule 206(4)–5(a)(1) under the Advisers Act.

**SUMMARY OF APPLICATION:** Applicant requests that the Commission issue an order under section 206A of the Advisers Act and rule 206(4)–5(e) exempting it from rule 206(4)–5(a)(1) under the Advisers Act to permit Applicant to receive compensation from certain government entities for investment advisory services provided to the government entities within the two-year period following a contribution by a covered associate of the Applicant to an official of the government entities.

**FILING DATES:** The application was filed on July 18, 2016, and an amended and restated application was filed on November 22, 2016.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving Applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on February 6, 2017, and should be accompanied by proof of service on Applicant, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Advisers Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the Commission's Secretary.

**ADDRESSES:** Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090. Applicant: Brown Advisory LLC, 901 South Bond Street, Suite 400, Baltimore, MD 21231.

**FOR FURTHER INFORMATION CONTACT:** Vanessa M. Meeks, Senior Counsel, or Parisa Haghshenas, Branch Chief, at (202) 551–6825 (Division of Investment Management, Chief Counsel's Office).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application may be obtained via the Commission's Web site at *http://www.sec.gov/rules/iareleases.shtml* or by calling (202) 551–8090.

**Applicant's Representations**

1. Applicant is a Maryland limited liability company registered with the Commission as an investment adviser under the Advisers Act. Applicant provides discretionary investment advisory services to individuals and institutions.

2. The individual who made the campaign contribution that triggered the two-year compensation ban (the ''Contribution'') is Douglas Godine (the ''Contributor''). The Contributor is the head of business development for the Adviser's private client team and has been with the Adviser for five years. The Contributor's role focuses on oversight of business development for the private client and Outsourced Chief Investment Officer (''OCIO'') teams. Applicant submits that, because the Contributor, in his OCIO role, oversees business development activities related to clients that may include entities covered by Rule 206(4)–5(f)(5), he is a covered associate as defined by Rule 206(4)–5(f)(2)(ii).

3. Seven of the Adviser's clients are agencies, authorities, or instrumentalities of the State of Maryland (the ''Clients''). The Clients are government entities as defined in Rule 206(4)–5(f)(5)(i).

4. The recipient of the Contribution was Larry Hogan (the ''Candidate''), who, at the time of the Contribution was the governor-elect of Maryland, and at the time of this Application is Maryland's Governor. The Maryland Governor is the chief executive of the state and can influence investment decisions, including the hiring of an investment adviser, for the state and for other entities that are overseen by boards composed of individuals appointed by the Maryland Governor (''Gubernatorial Appointees''). Due to his office and the power of appointment, the Maryland Governor is an ''official'' of the Clients as defined in Rule 206(4)–5(f)(6)(ii). None of the Gubernatorial Appointees serving at the time of the Contribution were appointed by the Candidate, who had not yet taken office.

5. The Contribution that triggered rule 206(4)–5's prohibition on compensation under rule 206(4)–5(a)(1) was recorded on January 12, 2015, for the amount of $1,000 made out to ''Larry Hogan for Governor.'' Applicant submits that the contribution was made by the Contributor for purely personal reasons, separate and apart from the Contributor's role with the Adviser. The Contribution was made at the request of a family friend with whom the Contributor has been friends for about a decade. The Contributor and his friend are active together in their local sports community, and they have been active participants together in their children's sports teams. In the past, the Contributor has provided support for other causes at the request of the friend, including monetary support. The friend invited the Contributor to a dinner at a restaurant in Annapolis for members of the local community. Applicant submits that the Contributor was unaware the event was a fundraiser for the Candidate until he attended the event, and that the Contributor had no prior contact, affiliation with, or intention to contribute to the Candidate. Applicant represents that the Contributor did not seek out or initiate contact with the Candidate and that he was briefly introduced to the Candidate at the event, but at no time was there any mention of the Adviser or the Clients.

6. The Clients' decisions to invest with the Adviser occurred long before the Candidate commenced his campaign for office in January 2014, before the Candidate was elected in November 2014, and before the Contribution was made in January 2015. The earliest of the Clients made a commitment to invest with the Adviser in 2004, and the most recent Client did so in 2012. Applicant represents that none of the Clients have materially increased the amounts of assets managed by the Adviser, initiated new investment mandates, or opened new accounts with the Adviser since the Contribution was made. The Contributor has had no interaction with the Clients, with any representative of the Clients, or with the Clients' boards.

7. The Adviser became aware of the Contribution when it conducted a check of campaign contribution disclosures on June 8, 2016. Within one week, the Contributor requested the return of the full Contribution from the Candidate. This request was granted and a check refunding the full Contribution was received on July 15, 2016. After identifying the Contribution, the Adviser took steps beginning on June 8, 2016 to establish an escrow account, and the Adviser has deposited an amount equal to the sum of all fees paid to the Adviser and its affiliates, directly or indirectly, with respect to the Clients since the date of the Contribution, January 12, 2015. Additional fees or other compensation accruing in favor of the Adviser and its affiliates will continue to be deposited into the escrow account or will not be collected from the Clients until it is determined whether exemptive relief will be granted to the Adviser.

8. The Applicant's Political Contributions Policy (the ''Policy'') was adopted and published in January 2011, before Rule 206(4)–5's compliance date and long before the Contribution was made. All contributions by employees to federal, state, and local office incumbents and candidates are subject to pre-clearance, not post-contribution reporting, under the Policy. There is no *de minimis* exception from pre-clearance for small contributions. Both before and after the Rule's compliance date, the Adviser has conducted a series of compliance training sessions that addressed the Policy, including reiterating the need to pre-clear all political contributions, together with an annual policy compliance attestation by all employees. The Adviser also circulates periodic reminders of the Policy to employees. The compliance testing conducted by the Adviser includes periodic searches of campaign contribution databases for the names of employees, such as the search that identified the Contribution.

**Applicant's Legal Analysis**

1. Rule 206(4)–5(a)(1) under the Advisers Act prohibits a registered investment adviser from providing investment advisory services for compensation to a government entity within two years after a contribution to an official of the government entity is made by the investment adviser or any covered associate of the investment adviser. Each of the Clients is a ''government entity,'' as defined in rule 206(4)–5(f)(5), the Contributor is a ''covered associate'' as defined in rule 206(4)–5(f)(2), and the Candidate is an ''official'' as defined in rule 206(4)–5(f)(6).

2. Section 206A of the Advisers Act grants the Commission the authority to ''conditionally or unconditionally exempt any person or transaction . . . from any provision or provisions of [the Advisers Act] or of any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of [the Advisers Act].''

3. Rule 206(4)–5(e) provides that the Commission may exempt an investment adviser from the prohibition under Rule 206(4)–5(a)(1) upon consideration of the factors listed below, among others:

(1) Whether the exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Advisers Act;

(2) *Whether the investment adviser:* (i) Before the contribution resulting in the prohibition was made, adopted and implemented policies and procedures reasonably designed to prevent violations of the rule; and (ii) prior to or at the time the contribution which resulted in such prohibition was made, had no actual knowledge of the contribution; and (iii) after learning of the contribution: (A) Has taken all available steps to cause the contributor involved in making the contribution which resulted in such prohibition to obtain a return of the contribution; and (B) has taken such other remedial or preventive measures as may be appropriate under the circumstances;

(3) Whether, at the time of the contribution, the contributor was a covered associate or otherwise an employee of the investment adviser, or was seeking such employment;

(4) The timing and amount of the contribution which resulted in the prohibition;

(5) The nature of the election (*e.g.,* federal, state or local); and

(6) The contributor's apparent intent or motive in making the contribution which resulted in the prohibition, as evidenced by the facts and circumstances surrounding such contribution.

4. Applicant requests an order pursuant to section 206A and rule 206(4)–5(e), exempting it from the two-year prohibition on compensation imposed by rule 206(4)–5(a)(1) with respect to investment advisory services provided to the Clients within the two-year period following the Contribution.

5. Applicant submits that the exemption is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Advisers Act. Applicant further submits that the other factors set forth in rule 206(4)–5(e) similarly weigh in favor of granting an exemption to the Applicant to avoid consequences disproportionate to the violation.

6. Applicant contends that given the nature of the Rule violation, and the lack of any evidence that the Adviser or the Contributor intended to, or actually did, interfere with any client's merit-based process for the selection or retention of advisory services, the interests of the Clients are best served by allowing the Adviser and its Clients to continue their relationship uninterrupted. Applicant states that causing the Adviser to serve without compensation for a two-year period could result in a financial loss that is more than 1,949 times the amount of the Contribution that exceeded the *de minimis* threshold. Applicant suggests that the policy underlying the Rule is served by ensuring that no improper influence is exercised over investment decisions by governmental entities as a result of campaign contributions and not by withholding compensation as a result of unintentional violations.

7. Applicant represents the Policy was adopted and published in January 2011, before the Rule's compliance date and long before the Contribution was made. Applicant further represents that, at all times, the Policy has conformed to the requirements of the Rule and has been even broader than what was contemplated by the Rule. Both before and after the Rule's compliance date, the Adviser has conducted a series of compliance training sessions that addressed the Policy, including reiterating the need to pre-clear all political contributions, together with an annual policy compliance attestation by all employees. The compliance testing conducted by the Adviser includes periodic searches of campaign contribution databases for the names of employees, such as the search that identified the Contribution.

8. Applicant asserts that at no time did any employee of the Adviser other than the Contributor have any knowledge that the Contribution had been made before its discovery by the Adviser in June 2016.

9. Applicant asserts that after learning of the Contribution, the Adviser and the Contributor promptly took steps to obtain a return of the Contribution and to implement additional measures to prevent future error, including providing supplemental training to all employees on the Policy to ensure that other employees fully understand the Policy and do not make the same mistake as the Contributor.

10. Applicant states that after learning of the Contribution, it confirmed that the Contributor had no contact with any representative of the Clients and will have no contact with any representative of the Clients for the duration of the two-year period beginning January 12, 2015.

11. Applicant asserts that the Clients' decisions to invest with the Adviser occurred long before the Candidate commenced his campaign for office in January 2014, before the Candidate was elected in November 2014, and before the Contribution was made in January 2015. Applicant states that, at the time of the Contribution, the Candidate had not exercised or even obtained the appointment power reserved to his State office. The Contributor is a longtime Maryland resident and voter, and

Applicant states that the Contributor's violation of the Policy and the Rule resulted from the Contributor's failure to appreciate the regulatory significance of the Contribution, which was intended as a friendly gesture toward a social acquaintance.

12. Applicant submits that neither the Adviser nor the Contributor sought to interfere with the Clients' merit-based selection process for advisory services, nor did they seek to negotiate higher fees or greater ancillary benefits than would be achieved in arms' length transactions. Applicant further submits that there was no violation of the Adviser's fiduciary duty to deal fairly or disclose material conflicts given the absence of any intent or action by the Adviser or the Contributor to influence the selection process. Applicant contends that in the case of the Contribution, imposition of the two-year prohibition on compensation does not achieve the Rule's purposes and would result in consequences disproportionate to the mistake that was made.

**Applicant's Conditions**

The Applicant agrees that any order of the Commission granting the requested relief will be subject to the following conditions:

1. The Contributor will be prohibited from discussing the business of the Applicant with any ''government entity'' client for which the Official is an ''official,'' each as defined in Rule 206(4)–5(f), until January 12, 2017.

2. The Contributor will receive a written notification of the conditions and will provide a quarterly certificate of compliance until January 12, 2017. Copies of the certifications will be maintained and preserved in an easily accessible place for a period of not less than five years, the first two years in an appropriate office of the Applicant, and be available for inspection by the staff of the Commission.

3. The Applicant will conduct testing reasonably designed to prevent violations of the conditions of the Order and maintain records regarding such testing, which will be maintained and preserved in an easily accessible place for a period of not less than five years, the first two years in an appropriate office of the Applicant, and be available for inspection by the staff of the Commission.

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

**Eduardo A. Aleman,**

*Assistant Secretary.*

[FR Doc. 2017–00778 Filed 1–13–17; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–79769; File No. SR–BatsEDGX–2017–01]**

## Self-Regulatory Organizations; Bats EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify the Fee Schedule of the Exchange's Options Platform To Adopt Fees for its Recently Adopted Bats Auction Mechanism

January 10, 2017.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] notice is hereby given that on January 3, 2017, Bats EDGX Exchange, Inc. (''EDGX'' or the ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. 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 modify the Fee Schedule applicable to the Exchange's options platform (''EDGX Options'') to adopt fees for its recently adopted Bats Auction Mechanism (''BAM'', ''BAM Auction'', or ''Auction'').[3]

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.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] See Securities Exchange Act Release No. 79718 (January 3, 2017) (SR–BatsEDGX–2016–41), *available at: https://www.sec.gov/rules/sro/batsedgx.shtml.*

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

1. Purpose

Background

The Exchange proposes to modify the Fee Schedule applicable to the Exchange's options platform (''EDGX Options'') to adopt fees for its recently adopted Bats Auction Mechanism (''BAM'', ''BAM Auction'', or ''Auction''). BAM includes functionality in which a Member (an ''Initiating Member'') may electronically submit for execution an order it represents as agent on behalf of a Priority Customer,[4] broker dealer, or any other person or entity (''Agency Order'') against principal interest or against any other order it represents as agent (an ''Initiating Order'') provided it submits the Agency Order for electronic execution into the BAM Auction pursuant Rule 21.19. All options traded on EDGX Options are eligible for BAM.

As additional background for the fees described below, the Exchange notes that any person or entity other than the Initiating Member may submit responses to an Auction. A BAM Auction takes into account responses to the Auction as well as interest resting on the Exchange's order book at the conclusion of the auction (''unrelated orders''), regardless of whether such unrelated orders were already present on the Exchange's order book when the Agency Order was received by the Exchange or were received after the Exchange commenced the applicable Auction. If contracts remain from one or more unrelated orders at the time the Auction ends, they will be considered for participation in the BAM order allocation process.

Definitions

In connection with the fee proposal, the Exchange proposes to adopt definitions necessary for BAM pricing. First, the Exchange proposes to adopt defined terms of ''BAM'' and ''BAM Auction'' to refer to Auctions on the Fee Schedule. Second, the Exchange proposes to adopt the defined term ''BAM Agency Order'', which would be

[4] The term ''Priority Customer'' means any person or entity that is not: (A) A broker or dealer in securities; or (B) a Professional. The term ''Priority Customer Order'' means an order for the account of a Priority Customer. *See* Rule 16.1(a)(45). A ''Professional'' is any person or entity that: (A) Is not a broker or dealer in securities; and (B) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). All Professional orders shall be appropriately marked by Options Members. *See* Rule 16.1(a)(46).