

treatment. The Commission believes that C2's DPM requirements, including those requiring additional liquidity and competitive quoting, impose sufficient affirmative obligations on the Exchange's DPMs, while allowing public customer orders at the best price to continue to be satisfied before a participation entitlement will be applied. Accordingly, the Commission believes that these requirements are consistent with the Act.

The Commission also finds that C2's proposed DPM qualification requirements are consistent with the Act. In particular, the Exchange's rules provide an objective process by which an applicant can become a DPM on the Exchange and are designed to provide for oversight by C2 to monitor for continued compliance by DPMs with the terms of their application for such status and the Exchange's rules. The proposed rules require that the Exchange consider several factors in determining whether to allow a Participant to act as a DPM, including the applicant's adequacy of capital, operational capacity, trading experience, regulatory history, and willingness and ability to promote the Exchange. These factors should ensure that those organizations approved to act as DPMs have the ability to supply liquidity, quote competitively, and perform their obligations competently.

The Exchange also may condition its approval for an applicant's DPM status, including by imposing conditions on the capital or operations of the applicant or the number of securities allocated to the applicant, which should contribute to the Exchange's ability to ensure that a DPM applicant is able to perform its DPM functions. The Commission believes that the financial requirements for DPMs proposed by the Exchange are designed to promote investor protection by ensuring that DPMs have sufficient capital to maintain an orderly market for their allocated securities.

Finally, the Commission believes that the Exchange's proposed procedures for allocating securities to DPMs should help to ensure that securities traded by the Exchange are allocated in an equitable manner, giving all DPMs a fair opportunity to obtain allocations. In addition, the Commission believes that the Exchange's proposed rule limiting each DPM's term to one year should open opportunities to all Participants to become a DPM.

#### IV. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>16</sup> that the

proposed rule change (SR-C2-2012-024) be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>17</sup>

**Kevin M. O'Neill,**

*Deputy Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34-68069; File No. SR-ICC-2012-19]**

### **Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Schedule 502 of the ICC Rules To Update the Contract Reference Obligation ISINs Associated With Eight Single Name Contracts**

October 18, 2012.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> notice is hereby given that on October 10, 2012, ICE Clear Credit LLC ("ICC") 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 primarily by ICC. ICC filed the proposal pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>2</sup> and Rule 19b-4(f)(3)<sup>3</sup> thereunder so that the proposal was 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 purpose of the proposed rule change is to update the Contract Reference Obligation International Securities Identification Numbers ("Contract Reference Obligation ISINs") in Schedule 502 of ICC's Rules in order to be consistent with the industry standard reference obligations for eight single name contracts that ICC currently clears (Beam Inc.; AT&T Inc.; Exelon Corporation; Avnet, Inc.; Cardinal Health, Inc.; The Hartford Financial Services Group, Inc.; International Paper Company; and Metlife, Inc.).

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

In its filing with the Commission, ICC 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. ICC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.<sup>4</sup>

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

ICC is updating the Contract Reference Obligation ISINs in order to remain consistent with the industry standard reference obligations. The Contract Reference Obligation ISINs update does not require any changes to the body of the ICC Rules. Also, the Contract Reference Obligation ISINs update does not require any changes to the ICC risk management framework. The only change being submitted is the update to the Contract Reference Obligation ISINs in Schedule 502 of the ICC Rules.

Section 17A(b)(3)(F) of the Act<sup>5</sup> requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions. ICC believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, to Section 17A(b)(3)(F), because the update to the Contract Reference Obligation ISINs for Beam Inc.; AT&T Inc.; Exelon Corporation; Avent, Inc.; Cardinal Health, Inc.; The Hartford Financial Services Group, Inc.; International Paper Company, and Metlife, Inc. will facilitate the prompt and accurate settlement of securities transactions and contribute to the safeguarding of securities and funds associated with swap transactions that are in custody or control of ICC or of which it is responsible.

<sup>17</sup> 17 CFR 200.30-3(a)(12).

<sup>15</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>3</sup> 17 CFR 240.19b-4(f)(3).

<sup>4</sup> The Commission has modified the text of the summaries provided by ICC.

<sup>5</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>16</sup> 15 U.S.C. 78s(b)(2).

*(B) Self-Regulatory Organization's Statement on Burden on Competition*

ICC does not believe the proposed rule change would have any impact, or impose any burden, on competition.

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

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

**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)(iii) of the Act<sup>6</sup> and Rule 19b-4(f)(3)<sup>7</sup> thereunder because it is concerned solely with the administration of the self-regulatory organization. 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.<sup>8</sup>

**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](mailto:rule-comments@sec.gov). Please include File Number SR-ICC-2012-19 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-ICC-2012-19. 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 of submission. 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 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 Section, 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 such filings will also be available for inspection and copying at ICC's principal office and on ICC's Web site at [https://www.theice.com/publicdocs/regulatory\\_filings/ICEclearCredit\\_100512.pdf](https://www.theice.com/publicdocs/regulatory_filings/ICEclearCredit_100512.pdf).

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 Number SR-ICC-2012-19 and should be submitted on or before November 14, 2012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>9</sup>

**Kevin M. O'Neill,**  
*Deputy Secretary.*

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**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-68067; File No. SR-NYSE-2012-53]

**Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending NYSE Rule 17 To Add a New Paragraph (c)(3) Addressing the Authority of the Exchange or Archipelago Securities LLC To Cancel Orders When a Technical or Systems Issue Occurs and To Describe the Operation of an Error Account for Arca Securities**

October 18, 2012.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the

"Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that October 10, 2012, New York Stock Exchange LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 proposes to amend NYSE Rule 17 by adding a new paragraph (c)(3) that addresses the authority of the Exchange or Archipelago Securities LLC ("Arca Securities") to cancel orders when a technical or systems issue occurs and to describe the operation of an error account for Arca Securities. The text of the proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://www.nyse.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 self-regulatory organization 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 those 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 Statutory Basis for, the Proposed Rule Change*

**1. Purpose**

The Exchange proposes to amend NYSE Rule 17 by adding a new paragraph (c)(3) that addresses the authority of the Exchange or Arca Securities to cancel orders when a technical or systems issue occurs and to describe the operation of an error account for Arca Securities.<sup>4</sup>

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> Arca Securities is a facility of the Exchange. Accordingly, under NYSE Rule 17, the Exchange is responsible for filing with the Commission rule changes and fees relating to Arca Securities'

<sup>6</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>7</sup> 17 CFR 240.19b-4(f)(3).

<sup>8</sup> 15 U.S.C. 78s(b)(3)(C).

<sup>9</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).