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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78215]

Order Extending a Temporary Exemption from Compliance with Rules 13n-1 to 13n-12 under the Securities Exchange Act of 1934

June 30, 2016.

I. Introduction

On March 18, 2016, under its authority in Section 36 of the Securities Exchange Act of 1934 (“Exchange Act”), the Securities and Exchange Commission (“Commission”) granted a temporary exemption from compliance with Rules 13n-1 to 13n-12 (“SDR Rules”) until June 30, 2016. The Commission also granted an extension of the exemptions from Exchange Act Sections 13(n)(5)(D)(i), 13(n)(5)(F), 13(n)(5)(G), 13(n)(5)(H), 13(n)(7)(A), 13(n)(7)(B), 13(n)(7)(C) and 29(b) provided in the DFA Effective Date Order¹ (“SDR Relief”), as described in the Commission’s March 18, 2016 order, such that the SDR Relief will expire on the earlier of (1) the date the Commission grants registration to an SDR and (2) June 30, 2016.² The Commission granted the exemptions to help facilitate the potential submission of any SDR applications at the time.

¹ See Temporary Exemptions and Other Temporary Relief, Together with Information on Compliance Dates for New Provisions of the Exchange Act Applicable to Security-Based Swaps, Exchange Act Release No. 64678 (June 15, 2011), 76 FR 36287 (June 22, 2011) (the “DFA Effective Date Order”).

² See Exchange Act Release No. 77400 (Mar. 18, 2016), 81 FR 15599 (Mar. 23, 2016) (“SDR Section 36 Order”).

Since March 18, 2016, two entities have filed applications to register with the Commission as SDRs.³ To allow the Commission additional time to review these applications prior to the compliance date for the SDR Rules and the expiration of the SDR Relief, the Commission is extending the exemptions granted in the March 18, 2016 order.

II. Discussion

The SDR Rules Release⁴ states that SDRs were required to be in compliance with the SDR Rules by March 18, 2016. The SDR Rules Release also notes that, absent an exemption, any SDR must be registered with the Commission and in compliance with the federal securities laws and the rules and regulations thereunder (including the applicable Dodd-Frank Act provisions and all of the SDR Rules) by March 18, 2016.⁵

Since March 18, 2016, two entities have filed applications to register with the Commission as SDRs. ICE Trade Vault, LLC (“ICE Trade Vault”) filed with the Commission a Form SDR seeking registration as an SDR on March 29, 2016 and amended that form on April 18, 2016. The Commission’s notice of ICE Trade Vault’s application for registration as an SDR was published in the Federal Register on April 28, 2016.⁶ DTCC Data Repository (U.S.) LLC (“DDR”) filed with the Commission a Form SDR seeking registration as an SDR on April 6,

³ See Exchange Act Release No. 77699 (Apr. 22, 2016), 81 FR 25475 (Apr. 28, 2016) (“ICE Trade Vault Notice”) and Exchange Act Release No. xxxx (xx, 2016), xx FR xxxx (xx, 2016) (“DDR Notice”).

⁴ See Exchange Act Release No. 74246 (Feb. 11, 2015), 80 FR 14438 (Mar. 19, 2015) (“SDR Rules Release”).

⁵ See id., 80 FR at 14456. The SDR Rules Release also notes that all exemptions that the Commission provided in a previous release, including the exemption to provisions in Exchange Act Section 13(n), will expire on the March 18, 2016 compliance date. See id. (discussing the “DFA Effective Date Order.”

⁶ See ICE Trade Vault Notice.

2016 and amended that form on April 25, 2016. The Commission's notice of DDR's application for registration as an SDR was published in the Federal Register on [X, 2016].⁷ Rule 13n-1(c) provides that, within 90 days of the date of the publication of notice of the filing of an application for registration (or within such longer period as to which the applicant consents), the Commission will either grant the registration by order or institute proceedings to determine whether registration should be granted or denied.

Subject to certain exceptions, Section 36 of the Exchange Act⁸ authorizes the Commission, by rule, regulation, or order, to exempt, either conditionally or unconditionally, any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of the Exchange Act or any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors. The Commission finds that it is necessary and appropriate in the public interest, and consistent with the protection of investors, to grant a temporary exemption from compliance with the SDR Rules and an extension of the SDR Relief. The applications filed by ICE Trade Vault and DDR are the first SDR applications submitted to the Commission and therefore present issues of first impression for the Commission's consideration. Therefore, to allow the Commission additional time prior to the compliance date for the SDR Rules and the expiration of the SDR Relief to review the applications and consider issues related to the first applications for registration of SDRs, the Commission hereby grants, pursuant to Section 36 of the Exchange Act, a temporary exemption from compliance with the SDR Rules and an

⁷ See DDR Notice.

⁸ 15 U.S.C. 78mm.

extension of the SDR Relief until [X, 2016], which is 90 days from publication of notice of DDR's application for registration as a SDR.

By the Commission.

Brent J. Fields,
Secretary.

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