

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-74909; File No. SR-CTA/CQ-2015-01)

May 8, 2015

Consolidated Tape Association; Notice of Filing of the Twenty Second Substantive Amendment to the Second Restatement of the CTA Plan and Sixteenth Substantive Amendment to the Restated CQ Plan

Pursuant to Section 11A of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 608 thereunder,<sup>2</sup> notice is hereby given that on April 27, 2015, the Consolidated Tape Association (“CTA”) Plan and Consolidated Quotation (“CQ”) Plan participants (“Participants”)<sup>3</sup> filed with the Securities and Exchange Commission (“Commission”) a proposal to amend the Second Restatement of the CTA Plan and Restated CQ Plan (collectively, the “Plans”).<sup>4</sup> The amendments represent the 22nd Substantive Amendment to the CTA Plan and 16<sup>th</sup> Substantive Amendment to the CQ Plan (collectively “the Amendments”). The Amendments propose to

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<sup>1</sup> 15 U.S.C. 78k-1.

<sup>2</sup> 17 CFR 242.608.

<sup>3</sup> Each participant executed the proposed Amendments. The Participants are: BATS Exchange, Inc. (“BATS”), BATS-Y Exchange, Inc. (BATS-Y), Chicago Board Options Exchange, Inc. (CBOE), EDGA Exchange, Inc. (“EDGA”), EDGX Exchange, Inc. (“EDGX”), Financial Industry Regulatory Authority, Inc. (“FINRA”), International Securities Exchange, LLC (“ISE”), NASDAQ OMX BX, Inc. (“Nasdaq BX”), NASDAQ OMX PHLX, Inc. (“Nasdaq PSX”), Nasdaq Stock Market LLC (“Nasdaq”), National Stock Exchange (“NSX”), New York Stock Exchange LLC (“NYSE”), NYSE MKT LLC (“NYSE MKT”), and NYSE Arca, Inc. (“NYSE Arca”).

<sup>4</sup> See Securities Exchange Act Release Nos. 10787 (May 10, 1974), 39 FR 17799 (May 20, 1974) (declaring the CTA Plan effective); 15009 (July 28, 1978), 43 FR 34851 (August 7, 1978) (temporarily authorizing the CQ Plan); and 16518 (January 22, 1980), 45 FR 6521 (January 28, 1980) (permanently authorizing the CQ Plan). The most recent restatement of both Plans was in 1995. The CTA Plan, pursuant to which markets collect and disseminate last sale price information for non-NASDAQ listed securities, is a “transaction reporting plan” under Rule 601 under the Act, 17 CFR 242.601, and a “national market system plan” under Rule 608 under the Act, 17 CFR 242.608. The CQ Plan, pursuant to which markets collect and disseminate bid/ask quotation information for listed securities, is a “national market system plan” under Rule 608 under the Act, 17 CFR 242.608.

require the Participants to include timestamps in the trade-report and bid-and-offer information that they report to the Plans' processor.

The Commission is publishing this notice to solicit comments from interested persons on the proposed Amendments.

I. Rule 608(a)

A. Purpose of the Amendments

Section VI(c) of the CTA Plan specifies that the format for a trade's last sale price information that a Participant reports to the Processor under the CTA Plan shall include the stock symbol, the number of shares and the price of the transaction. Section VI(a) of the CQ Plan provides that each bid and offer that a Participant reports to the Processor under the CQ Plan shall be accompanied by the bid or offer's quotation size or aggregate quotation size.

The Amendments propose to add to those requirements that Participants shall also include in reports to the Processor the time of the trade or the quotation.

In the case of a Participant that is a national securities exchange, the time of the transaction or quotation is to be reported in microseconds as identified in the Participant's matching engine publication timestamp.

In the case of FINRA, the time of a transaction shall be the time of execution that a FINRA member reports to a FINRA trade reporting facility and the time of a bid or offer shall be the quotation publication timestamp that the bidding or offering member reports to the FINRA quotation facility, all in accordance with FINRA rules.

In addition, if the FINRA trade reporting facility or quotation facility provides a proprietary feed of trades or quotes reported by the facility to the Processor, then the FINRA

facility shall also furnish the Processor with the time of the transmission as published on the facility's proprietary feed.

FINRA shall convert times that its members report to it in seconds or milliseconds to microseconds and shall furnish such times to the Processor in microseconds.

The Participants believe that adding timestamps to the elements that Participants must report in connection with trade reports and bids and offers will improve transparency regarding the latencies between the CTA and CQ Plans' consolidated data feeds and industry proprietary feeds. Users of the consolidated feeds would be better able to monitor the latency of those feeds and to assess whether such feeds meet their trading and other requirements.

B. Governing or Constituent Documents

Not applicable.

C. Implementation of the Amendments

All of the Participants have manifested their approval of the proposed Amendments by means of their execution of the Amendments. The Plan Amendments would become operational upon approval by the Commission.

D. Development and Implementation Phases

Not applicable.

E. Analysis of Impact on Competition

The proposed Amendments do not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act. They will improve transparency regarding the latencies between the CTA and CQ Plans' consolidated data feeds and industry proprietary feeds and will allow investors to monitor the latency of those feeds and to assess whether such feeds meet their trading and other requirements.

The Participants do not believe that the proposed plan Amendments introduce terms that are unreasonably discriminatory for the purposes of Section 11A(c)(1)(D) of the Exchange Act.<sup>5</sup>

F. Written Understanding or Agreements relating to Interpretation of, or Participation in, Plan

Not applicable.

G. Approval by Sponsors in Accordance with Plan

See Item I.C above.

H. Description of Operation of Facility Contemplated by the Proposed Amendments

Not applicable.

I. Terms and Conditions of Access

See Item I.A above.

J. Method of Determination and Imposition, and Amount of, Fees and Charges

Not applicable.

K. Method and Frequency of Processor Evaluation

Not applicable.

L. Dispute Resolution

Not applicable.

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<sup>5</sup> 15 U.S.C. 78K-1(c)(1)(D).

II. Rule 601(a)

A. Equity Securities for which Transaction Reports Shall be Required by the Plan

Not applicable.

B. Reporting Requirements

See Item I.A above.

C. Manner of Collecting, Processing, Sequencing, Making Available and Disseminating Last Sale Information

See Item I.A above.

D. Manner of Consolidation

Not applicable.

E. Standards and Methods Ensuring Promptness, Accuracy and Completeness of Transaction Reports

The Amendments propose to add timestamps to Participant reports of trades. The addition of timestamps should provide investors with a more complete picture of trades, making those reports more complete and more accurate.

F. Rules and Procedures Addressed to Fraudulent or Manipulative Dissemination

Not applicable.

G. Terms of Access to Transaction Reports

Not applicable.

H. Identification of Marketplace of Execution

Not applicable.

### III. Solicitation of Comments

The Commission seeks general comments on the Amendments. Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed Amendments are 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 e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-CTA/CQ-2015-01 on the subject line.

#### Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-CTA/CQ-2015-01. This file number should be included on the subject line if e-mail 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 website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the Amendments that are filed with the Commission, and all written communications relating to the Amendments 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 website 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 am and 3:00 pm. Copies of the Amendments also will be available for inspection and copying at the principal office of the CTA.

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-CTA/CQ-2015-01 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>6</sup>

Robert W. Errett  
Deputy Secretary

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<sup>6</sup> 17 CFR 200.30-3(a)(27).