

designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

Specifically, the Commission notes that the new BTL, pursuant to a pilot program, may allow member organizations to become authorized to trade on the Exchange pursuant to a license more specifically tailored to a member organization's trading. Therefore, this aspect of the proposal may increase efficiency, without compromising regulatory oversight, both for member applicants as well as the Exchange. In addition, the Commission notes that NYSE has represented it will submit a separate fee filing to address the BTL, and the Commission expects that the costs for the BTL would be less than the general trading license on the Exchange. Thus, the BTL may also decrease costs for organizations choosing to trade just bonds on NYSE.

The Commission also notes that BLPs would be required to have adequate trading infrastructure and technology to support trading in the bonds and meet quoting requirements and be approved by NYSE, and upon bringing liquidity to NYSE's bond market, BLPs would receive a rebate based on an incentive and quoting structure. BLPs that fail to meet the quoting requirements set forth in the proposed rule would no longer be eligible for the rebate and may, in the Exchange's discretion, have one or more issues revoked or be disqualified as a BLP. The Commission believes it is consistent with the Act for the Exchange to provide an incentive to member organizations bringing liquidity to the bond marketplace, and to remove the incentive when the BLP does not meet its obligations. Importantly, the Commission notes that the proposed rules relating to BLPs would be on a pilot basis. The Commission believes that, while the framework proposed by the Exchange as part of this proposed rule change may be suitable for the Exchange's current level of trading activity on its bond platform, this framework may not be suitable in the future should the characteristics of the bond platform, including but not limited to trading activity, change. Thus, the Commission believes that it is appropriate that the proposed rules be approved on a pilot basis, such that the Exchange and Commission may review the suitability of these rules again. The Commission notes that the Exchange has represented that it would monitor

the quoting and rebate structure and may consider modifications.

The Commission understands that one BLP would be matched to each issuer. BLPs would be able to choose issuers having at least one issue with an outstanding principal of \$500 million or greater in an order determined by lottery. Issuers not having at least one issue with an outstanding principal of \$500 million or greater would be matched to BLPs willing to represent the most bonds for that given issuer, and any tie with respect to BLPs wishing to represent these issuers would be resolved by allowing BLPs to choose in the order determined by lottery. The Commission believes that this is an objective way to commence the pilot program for all parties, as it is intended by the Exchange to result in broad coverage of issuers; however, the Commission believes the results of the issuer selection and assignment process should be evaluated by the Exchange, and the findings shared with the Commission, prior to any proposal to modify or permanently establish the rules relating to the BLP selection process.

Finally, the Commission understands that NYSE would allow BLPs and BLP applicants the opportunity to appeal disapproval or disqualification decisions, as applicable, to a BLP panel, and that NYSE would provide a disqualified BLP with a month's prior written notice of the disqualification. This should provide transparency to the process and an additional opportunity for BLPs and BLP applicants to be heard.

For the reasons discussed above, the Commission finds that the rule change is consistent with the Act.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁹ that the proposed rule change (SR-NYSE-2010-74), be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁰

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2011-1709 Filed 1-26-11; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-63746; File No. SR-NYSEAmex-2011-05]

Self-Regulatory Organizations; NYSE Amex LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Adopting Standards for Market Maker Electronic Quotes That Are Present During an Opening Auction

January 20, 2011.

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 January 14, 2011, NYSE Amex LLC (the "Exchange" or "NYSE Amex") 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 adopt standards for Market Maker electronic quotes that are present during an opening auction. The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and <http://www.nyse.com>.

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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this filing is to adopt rules governing quote widths for Market

¹⁹ 15 U.S.C. 78s(b)(2).

²⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Maker electronic quotes that are present during an opening auction, based on a provision of the Rules of NASDAQ OMX PHLX ("Phlx"), by revising the Obligations of Market Makers in Rule 925NY.

Currently, the only restriction on quote widths for NYSE Amex Market Maker electronic quotes is that they be no more than \$5 wide. The Exchange has found that the absence of more narrow quotes during an opening auction has prevented series from opening promptly and is unnecessarily delaying the execution of orders.

The Exchange proposes to adopt a provision based on Phlx Rule 1014(c)(i)(A)(2)(a). The Phlx rule sets the maximum bid/ask differential for electronic quotes at \$5, but also requires electronic quotes that are submitted during an opening rotation to have a bid/ask differential that is consistent with the quote width requirements for open outcry trading. NYSE Amex intends to modify the requirements of NYSE Amex Rule 925NY(b)³ to also apply them to quotes submitted for possible participation in a Trading Auction as defined in Rule 952NY.

Specifically, the Exchange proposes that an electronic quote that is submitted for possible participation in an opening auction must have a bid/ask differential of no more than:

(A) .25 between the bid and the offer for each option contract for which the bid is less than \$2,

(B) No more than .40 where the bid is \$2 or more but does not exceed \$5,

(C) No more than .50 where the bid is more than \$5 but does not exceed \$10,

(D) No more than .80 where the bid is more than \$10 but does not exceed \$20, and

(E) No more than \$1 when the last bid is \$20.10 or more.

These differentials are common in the options industry,⁴ and are often referred to as "legal width".

As is currently the case, different bid/ask differentials would be permitted to be established, but only with the approval of at least two Trading Officials.

³ While our proposed rule text is not exactly identical to Phlx Rule 1014(c)(i)(A)(2)(a), the intent and impact of the rule is the same—namely, to provide for narrower quotes during an opening auction, which in turn helps facilitate a prompt and efficient opening. As discussed below, we believe that this proposed rule change qualifies for immediate effectiveness as a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4. 17 CFR 240.19b-4(f)(6).

⁴ See, e.g., Boston Options Exchange Rule Chapter VI Sec.5(a)(vii), International Securities Exchange Rule 803(b)(4), NASDAQ OMX PHLX Rule 1014(c)(i)(A)(1)(a).

The Exchange believes that setting a narrower differential for opening auction quotes will expedite the opening of all options series on the Exchange promptly after the opening of the underlying security.

NYSE Arca [sic] will implement this rule change upon notification to OTP Holders through the issuance of a Regulatory Bulletin.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with Section 6(b)⁵ of the Securities Exchange Act of 1934 (the "Act"), in general, and furthers the objectives of Section 6(b)(5)⁶ in particular in that it is designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, to remove impediments to and to perfect the mechanism for a free and open market and a national market system and, in general, to protect investors and the public interest, by expediting the opening auction process and the execution of Customer orders submitted for the opening.

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 that is not necessary or appropriate in furtherance of the purposes of the Act.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Because the foregoing proposed rule change: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) by its terms does not become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to provide the Commission with written notice of its

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 e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEAmex-2011-05 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-NYSEAmex-2011-05. 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 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 Room, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the

intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has fulfilled this requirement.

Exchange.⁹ 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-NYSEAmex-2011-05 and should be submitted on or before February 17, 2011.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁰

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2011-1725 Filed 1-26-11; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-63753; File No. SR-NYSEArca-2010-110]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Approving a Proposed Rule Change To List and Trade Shares of the Teucrium Natural Gas Fund

January 21, 2011.

I. Introduction

On December 3, 2010, NYSE Arca, Inc. ("Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to list and trade shares of the Teucrium Natural Gas Fund under NYSE Arca Equities Rule 8.200. The proposed rule change was published for comment in the **Federal Register** on December 15, 2010.³ The Commission received no comments on the proposal. This order approves the proposed rule change.

II. Description of the Proposal

The Exchange proposes to list and trade shares ("Shares") of the Teucrium Natural Gas Fund ("Fund") pursuant to NYSE Arca Equities Rule 8.200. NYSE Arca Equities Rule 8.200, Commentary .02, permits the trading of Trust Issued

Receipts either by listing or pursuant to unlisted trading privileges.⁴

The Shares represent beneficial ownership interests in the Fund, which is a commodity pool that is a series of the Teucrium Commodity Trust ("Trust"), a Delaware statutory trust.⁵ The Fund is managed and controlled by Teucrium Trading, LLC ("Sponsor"). The Sponsor is a Delaware limited liability company that is registered as a commodity pool operator with the Commodity Futures Trading Commission ("CFTC") and is a member of the National Futures Association.

The investment objective of the Fund is to have the daily changes in percentage terms of the Shares' net asset value ("NAV") reflect the daily changes in percentage terms of a weighted average of the following: the nearest to spot month March, April, October and November Henry Hub Natural Gas Futures Contracts ("Natural Gas Futures Contracts") traded on the NYMEX, weighted 25% equally in each contract month, less the Fund's expenses.⁶ The Sponsor employs a "neutral" investment strategy intended to track the changes in the Gas Benchmark regardless of whether the Gas Benchmark goes up or down.

The Fund seeks to achieve its investment objective by investing under normal market conditions in Gas Benchmark Component Futures Contracts or, in certain circumstances, in other Natural Gas Futures Contracts traded on the New York Mercantile Exchange ("NYMEX"), Intercontinental Exchange ("ICE"), and other foreign exchanges. In addition, and to a limited extent, the Fund will invest in natural gas-based swap agreements that are cleared through the ICE or its affiliated provider of clearing services ("Cleared Natural Gas Swaps") to the extent permitted and appropriate in light of the liquidity in the Cleared Natural Gas Swap market. Once position limits in Natural Gas Futures Contracts are

applicable, the Fund may also invest first in Cleared Natural Gas Swaps to the extent permitted by the position limits applicable to Cleared Natural Gas Swaps and appropriate in light of the liquidity in the Cleared Natural Gas Swaps market, and then in contracts and instruments such as cash-settled options on Natural Gas Futures Contracts and forward contracts, swaps other than Cleared Natural Gas Swaps, and other over-the-counter transactions that are based on the price of natural gas and Natural Gas Futures Contracts (collectively, "Other Natural Gas Interests" and together with Natural Gas Futures Contracts and Cleared Natural Gas Swaps, "Natural Gas Interests").⁷

The Exchange represents that the Fund will meet the initial and continued listing requirements applicable to Trust Issued Receipts in NYSE Arca Equities Rule 8.200 and Commentary .02 thereto. With respect to application of Rule 10A-3 under the Act,⁸ the Trust will rely on the exception contained in Rule 10A-3(c)(7).⁹ A minimum of 100,000 Shares will be outstanding as of the start of trading on the Exchange.

Additional details regarding the trading policies of the Fund, creations and redemptions of the Shares, Natural Gas Interests and other aspects of the natural gas and Natural Gas Interest markets, investment risks, Benchmark performance, NAV calculation, the dissemination and availability of information about the underlying assets, trading halts, applicable trading rules, surveillance, and the Information Bulletin, among other things, can be found in the Notice and/or the Registration Statement, as applicable.¹⁰

III. Discussion and Commission's Findings

After careful consideration, the Commission finds that the proposed rule change to list and trade the Shares of the Fund is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.¹¹ In particular, the Commission finds that the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act,¹² which requires, among

⁷ The Fund will invest in Natural Gas Interests in a manner consistent with the Fund's investment objective and not to achieve additional leverage.

⁸ 17 CFR 240.10A-3.

⁹ 17 CFR 240.10A-3(c)(7).

¹⁰ See *supra* notes 3 and 5.

¹¹ In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹² 15 U.S.C. 78f(b)(5).

⁹ The text of the proposed rule change is available on the Commission's Web site at <http://www.sec.gov>.

¹⁰ 17 CFR 200.30-3(a)(12).

¹¹ 15 U.S.C. 78s(b)(1).

¹² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 63493 (December 9, 2010), 75 FR 78290 ("Notice").

⁴ Commentary .02 to NYSE Arca Equities Rule 8.200 applies to Trust Issued Receipts that invest in "Financial Instruments." The term "Financial Instruments," as defined in Commentary .02(b)(4) to NYSE Arca Equities Rule 8.200, means any combination of investments, including cash; securities; options on securities and indices; futures contracts; options on futures contracts; forward contracts; equity caps, collars and floors; and swap agreements.

⁵ See Amendment No. 1 to registration statement on Form S-1 for Teucrium Commodity Trust, dated September 7, 2010 (File No. 333-167593) relating to the Teucrium Natural Gas Fund ("Registration Statement").

⁶ This weighted average of the four referenced Natural Gas Futures Contracts is referred to herein as the "Gas Benchmark," and the four Natural Gas Futures Contracts that at any given time make up the Gas Benchmark are referred to herein as the "Gas Benchmark Component Futures Contracts."