will be filing similar extensions of the Penny Pilot Program.

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

Written comments were neither solicited nor received.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act and Rule 19b–4(f)(6) thereunder.119 Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, 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 Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)10 normally does not become operative prior to 30 days after the date of the filing.11 However, pursuant to Rule 19b–4(f)(6)(iii),12 the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because doing so will allow the Pilot Program to continue without interruption in a manner that is consistent with the Commission’s prior approval of the extension and expansion of the Pilot Program and will allow the Exchange and the Commission additional time to analyze the impact of

the Pilot Program.13 Accordingly, the Commission designates the proposed rule change as operative upon filing with the Commission.14

At any time within 60 days of the filing of such 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. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)15 of the Act to determine whether the proposed rule change should be approved or disapproved.

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);
• Send an email to rule-comments@sec.gov. Please include File Number SR–MIAX–2018–12 on the subject line.

Paper Comments

• Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.
All submissions should refer to File Number SR–MIAX–2018–12. 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. 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 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 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 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR–MIAX–2018–12 and should be submitted on or before July 20, 2018. For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.16

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2018–13981 Filed 6–28–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Exchange Rule 6.2., Hybrid Opening (and Sometimes Closing) System (“HOSS”)


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 June 15, 2018, Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) 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 Exchange. The Exchange filed the proposed pursuant to Section 19(b)(3)(A)(iii) of the Act3 and Rule 19b–4(f)(6) thereunder.4 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 Rule 6.2, Hybrid Opening (and Sometimes Closing) System ("HOSS"). (additions are italicized; deletions are [bracketed])

* * * * *

Choe Exchange, Inc. Rules

* * * * *

Rule 6.2. Hybrid Opening (and Sometimes Closing) System ("HOSS")

(a)–(b) (No change).

(c) Opening Rotation Period. After the System initiates the opening rotation procedure and sends the Rotation Notice, the System begins the opening rotation period. During the opening rotation period for a series:

(i)–(ii) (No change).

(iii) After a period of time determined by the Exchange for all classes (which period of time may be no longer than five seconds), the System opens series of a class in [a random]the following order, staggered over regular intervals of time (the Exchange determines the length and number of these intervals for all classes):]

(A) ATM and OTM Series with Expirations of 29 to 31 Days. During the initial interval (the Exchange determines the length of this interval for all classes, the length of which may be no longer than three seconds), the System opens:

(I) at-the-money ("ATM") puts and a group of out-of-the-money ("OTM") puts with strike prices closest to the ATM strike price, in a random order;

(II) ATM calls and a group of OTM calls with strike prices closest to the ATM strike price, in a random order; and

(III) alternating groups of further OTM puts and further OTM calls, each in a random order.

During this interval, the System attempts to open any ATM or OTM series that could not open on its first attempt.

(B) All Other Series. After the initial interval, the System opens all other series, and any series that did not open pursuant to subparagraph (A), in a random order, staggered over regular intervals of time (the Exchange determines the length and number of these intervals for all classes, the length of which intervals may be no longer than two seconds).

(c) Definition of ATM. For purposes of subparagraph (A), a put (call) is ATM if its strike price equals or is the first strike above (below) the last disseminated transaction price in the underlying security or index value on the same trading day. If the System begins an opening rotation for a class prior to receiving a disseminated transaction price in the underlying security or index value, the System will open all series in the class pursuant to proposed subparagraph (B) (i.e., all in a random order, staggered over regular intervals of time). Pursuant to Rule 6.2, the opening rotation for most equity and exchange-traded product options will begin after the System receives a disseminated opening trade or quote in the market for the underlying security. Additionally, the opening rotation for certain index options will begin at the later of 8:30 a.m. and the time the System receives a disseminated index value for classes determined by the Exchange. However, for certain classes, the opening rotation will begin at 8:30 a.m. As a result, it is possible the System may not have a value to determine which series are ATM. To avoid delaying the opening of these classes, the Exchange believes it is appropriate to open all series in a random order rather than wait for such a value.

Below are examples demonstrating the new opening sequence. For purposes of these examples, assume the ATM strike price is 50. Additionally, assume June expiration series are 30 days away and all other series are more than 31 days away. There will be a one second opening timer delay, an initial

* * * * *

Interpretations and Policies:

.01–.07 (No change).

* * * * *

The text of the proposed rule change is also available on the Exchange’s website (http://www.cboe.com/About CBOE/CBOELegalRegulatory Home.aspx), at the Exchange’s Office of the Secretary, 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 aspects of such statements.

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

1. Purpose

The proposed rule change amends the order in which the System opens series for trading. Current Rule 6.2(c)(iii) states, after a period of time after the initiation of the opening rotation (which time is determined by the Exchange for all classes, and may be no longer than five seconds), the System opens series of a class in a random order, staggered over regular intervals of time (the Exchange determines the length and number of these intervals for all classes). The opening rotation period (including these intervals) may not exceed 60 seconds, except as otherwise set forth in the Rule.

Pursuant to the proposed rule change, during an initial interval (the Exchange determines the length of this interval for all classes, which may be no longer than three seconds), the System will first open at-the-money ("ATM") and out-of-the-money ("OTM") series with expirations of 29 to 31 days, and then open all remaining series. Specifically, during the first interval, the System will open:

- ATM puts and a group of OTM puts with strike prices closest to the ATM strike price, in a random order;
- ATM calls and a group of OTM calls with strike prices closest to the ATM strike price, in a random order; and
- alternating groups of further OTM puts and further OTM calls, each in a random order.

During this interval, the System attempts to open any ATM or OTM series that could not open on its first attempt. After the first interval, the System opens all other series, and any OTM and ATM series with expirations of 29 to 31 days that did not open during the first interval, in a random order, staggered over regular intervals of time (the Exchange determines the length and number of these intervals for all classes, the length of which may be no longer than two seconds).

For purposes of this proposed rule change, a put (call) is ATM if its strike price equals or is the first strike above (below) the last disseminated transaction price in the underlying security or index value on the same trading day. If the System begins an opening rotation for a class prior to receiving a disseminated transaction price in the underlying security or index value, the System will open all series in the class pursuant to proposed subparagraph (B) (i.e., all in a random order, staggered over regular intervals of time). Pursuant to Rule 6.2, the opening rotation for most equity and exchange-traded product options will begin after the System receives a disseminated opening trade or quote in the market for the underlying security. Additionally, the opening rotation for certain index options will begin at the later of 8:30 a.m. and the time the System receives a disseminated index value for classes determined by the Exchange. However, for certain classes, the opening rotation will begin at 8:30 a.m. As a result, it is possible the System may not have a value to determine which series are ATM. To avoid delaying the opening of these classes, the Exchange believes it is appropriate to open all series in a random order rather than wait for such a value.

Below are examples demonstrating the new opening sequence. For purposes of these examples, assume the ATM strike price is 50. Additionally, assume June expiration series are 30 days away and all other series are more than 31 days away. There will be a one second opening timer delay, an initial
interval of 500 milliseconds, and then 10 intervals of 100 milliseconds. Puts will be opened in groups of 4, and calls will be opened in groups of 3 (the first put and call group will also include the ATM strike). Class ABC consists of the following series:

- Jun ABC 62 put
- Jun ABC 61 put
- Jun ABC 60 put
- Jun ABC 59 put
- Jun ABC 58 put
- Jun ABC 57 put
- Jun ABC 56 put
- Jun ABC 55 put
- Jun ABC 54 put
- Jun ABC 53 put
- Jun ABC 52 put
- Jun ABC 51 put
- Jun ABC 50 put
- Jun ABC 49 put
- Jun ABC 48 put
- Jun ABC 47 put
- Jun ABC 46 put
- Jun ABC 45 put
- Jun ABC 44 put
- Jun ABC 43 put
- Jun ABC 42 put
- Jun ABC 41 put
- Jun ABC 40 put
- Jun ABC 39 put
- Jun ABC 38 put
- Jun ABC 37 call
- Jun ABC 36 call
- Jun ABC 35 call
- Jun ABC 34 call
- Jun ABC 33 call
- Jun ABC 32 call
- Jun ABC 31 call
- Jun ABC 30 call
- Jun ABC 29 call
- Jun ABC 28 call
- Jun ABC 27 call
- Jun ABC 26 call
- Jun ABC 25 call
- Jun ABC 24 call
- Jun ABC 23 call
- Jun ABC 22 call
- Jun ABC 21 call
- Jun ABC 20 call
- Jun ABC 19 call
- Jun ABC 18 call
- Jun ABC 17 call
- Jun ABC 16 call
- Jun ABC 15 call
- Jun ABC 14 call
- Jun ABC 13 call
- Jun ABC 12 call
- Jun ABC 11 call
- Jun ABC 10 call
- Jun ABC 9 call
- Jun ABC 8 call
- Jun ABC 7 call
- Jun ABC 6 call
- Jun ABC 5 call
- Jun ABC 4 call
- Jun ABC 3 call
- Jun ABC 2 call
- Jun ABC 1 call
- Jun ABC 0 call
- Aug ABC 58 put
- Aug ABC 57 put
- Aug ABC 56 put
- Aug ABC 55 put
- Aug ABC 54 put
- Aug ABC 53 put
- Aug ABC 52 put
- Aug ABC 51 put
- Aug ABC 50 put
- Aug ABC 49 put
- Aug ABC 48 put
- Aug ABC 47 put
- Aug ABC 46 put
- Aug ABC 45 put
- Aug ABC 44 put
- Aug ABC 43 put
- Aug ABC 42 put
- Aug ABC 41 put
- Aug ABC 40 put
- Aug ABC 39 put
- Aug ABC 38 put
- Aug ABC 37 put
- Aug ABC 36 put
- Aug ABC 35 put
- Aug ABC 34 put
- Aug ABC 33 put
- Aug ABC 32 put
- Aug ABC 31 put
- Aug ABC 30 put
- Aug ABC 29 put
- Aug ABC 28 put
- Aug ABC 27 put
- Aug ABC 26 put
- Aug ABC 25 put
- Aug ABC 24 put
- Aug ABC 23 put
- Aug ABC 22 put
- Aug ABC 21 put
- Aug ABC 20 put
- Aug ABC 19 put
- Aug ABC 18 put
- Aug ABC 17 put
- Aug ABC 16 put
- Aug ABC 15 put
- Aug ABC 14 put
- Aug ABC 13 put
- Aug ABC 12 put
- Aug ABC 11 put
- Aug ABC 10 put
- Aug ABC 9 put
- Aug ABC 8 put
- Aug ABC 7 put
- Aug ABC 6 put
- Aug ABC 5 put
- Aug ABC 4 put
- Aug ABC 3 put
- Aug ABC 2 put
- Aug ABC 1 put
- Aug ABC 0 put
- Aug ABC 58 call
- Aug ABC 57 call
- Aug ABC 56 call
- Aug ABC 55 call
- Aug ABC 54 call
- Aug ABC 53 call
- Aug ABC 52 call
- Aug ABC 51 call
- Aug ABC 50 call
- Aug ABC 49 call
- Aug ABC 48 call
- Aug ABC 47 call
- Aug ABC 46 call
- Aug ABC 45 call
- Aug ABC 44 call
- Aug ABC 43 call
- Aug ABC 42 call
- Aug ABC 41 call
- Aug ABC 40 call
- Aug ABC 39 call
- Aug ABC 38 call
- Aug ABC 37 call
- Aug ABC 36 call
- Aug ABC 35 call
- Aug ABC 34 call
- Aug ABC 33 call
- Aug ABC 32 call
- Aug ABC 31 call
- Aug ABC 30 call
- Aug ABC 29 call
- Aug ABC 28 call
- Aug ABC 27 call
- Aug ABC 26 call
- Aug ABC 25 call
- Aug ABC 24 call
- Aug ABC 23 call
- Aug ABC 22 call
- Aug ABC 21 call
- Aug ABC 20 call
- Aug ABC 19 call
- Aug ABC 18 call
- Aug ABC 17 call
- Aug ABC 16 call
- Aug ABC 15 call
- Aug ABC 14 call
- Aug ABC 13 call
- Aug ABC 12 call
- Aug ABC 11 call
- Aug ABC 10 call
- Aug ABC 9 call
- Aug ABC 8 call
- Aug ABC 7 call
- Aug ABC 6 call
- Aug ABC 5 call
- Aug ABC 4 call
- Aug ABC 3 call
- Aug ABC 2 call
- Aug ABC 1 call
- Aug ABC 0 call

Example #1—All Series Satisfy Opening Conditions on First Attempt

After the one-second delay, the 500-millisecond interval starts. During that interval, the System opens in a random order the Jun ABC 50, 49, 48, 47, and 46 puts. The System then opens in a random order the Jun ABC 51, 52, and 53 calls. Then, the System opens in a random order the Jun ABC 45, 44, 43, and 42 puts. Then, the System opens in a random order the Jun ABC 54, 55, and 56 calls. Next, the System opens in a random order the Jun ABC 41, 40, 39, and 38 puts. The System then opens in a random order the Jun ABC 57, 58, and 59 calls. After 500 milliseconds, the System opens in a random order over 10 100-millisecond intervals the remaining Jun puts and calls and all Jul and Aug puts and calls.

Example #2—Assume One Series Does Not Open on First Attempt but Does Open on Second Attempt During the Initial Interval

After the one-second delay, the 500-millisecond interval starts. During that interval, the System opens in a random order the Jun ABC 50, 49, 48, 47, and 46 puts. The System then opens in a random order the Jun ABC 51, 52, and 53 calls. Then, the System opens in a random order the Jun ABC 45, 44, 43, and 42 puts. Then, the System opens in a random order the Jun ABC 54, 55, and 56 calls. Next, the System opens in a random order the Jun ABC 41, 40, 39, and 38 puts. The System then opens in a random order the Jun ABC 57, 58, and 59 calls. After 500 milliseconds, the System opens in a random order over 10 100-millisecond intervals the remaining Jun puts and calls and all Jul and Aug puts and calls.

Example #3—Assume One Series Does Not Satisfy Opening Conditions During the First Interval

After the one-second delay, the 500-millisecond interval starts. During that interval, the System opens in a random order the Jun ABC 50, 49, 48, 47, and 46 puts. The System then opens in a random order the Jun ABC 51, 52, and 53 calls. Then, the System opens in a random order the Jun ABC 45, 44, and 43, and attempts to but cannot open the Jun ABC 42 put. Then, the System opens in a random order the Jun ABC 54, 55, and 56 calls. Next, the System opens in a random order the Jun ABC 41, 40, 39, and 38 puts. The System then opens in a random order the Jun ABC 57 and 58 calls, and attempts to but cannot open the Jun ABC 59 call. During the initial 500 milliseconds, the System continues to attempt to but cannot open the Jun ABC 59 call. After 500 milliseconds, the System opens in a random order over 10 100-millisecond intervals the Jun ABC 59 call, the remaining Jun puts and calls, and all Jul and Aug puts and calls.

While the System will continue to open series in a random order, during an initial longer interval, the System will open specific groups of series within a random order. The order in which the System opens series for trading is generally immaterial; however, on expiration days for volatility index derivatives, ATM and OTM series with expirations of approximately one month are used to calculate the exercise settlement value of expiring volatility index derivatives as part of the modified opening procedure. The Exchange believes opening these series first will enhance liquidity in those series on expiration days for volatility index derivatives.

Specifically, Market-Makers are the primary liquidity providers in the Exchange’s market. The Exchange provides Market-Makers with a tool, the Quote Risk Monitor (“QRM”) they use to control risk of multiple, automatic executions. A QRM event in a class will cause a Market-Maker’s quotes in all series in the class to be cancelled (certain events may cause a Market-Maker’s quotes in all classes to be cancelled). As a result, a Market-Maker’s opening transactions in series not used to calculate an exercise settlement value may cause a QRM event, cancelling the Market-Maker’s quotes in all other series in the class, including series used to calculate an exercise settlement value. This reduces liquidity in these series. Similarly, the Exchange has observed larger Market-Maker quote sizes in further OTM puts and calls compared to sizes in less OTM puts and calls, which have higher weightings in the formula used to determine the exercise settlement value of expiring volatility index derivatives in accordance with the applicable volatility index prices.

* See Rule 8.18.
methodology. If the further OTM puts and calls open prior to the less OTM puts and calls, similar reduced liquidity in those ATM and less OTM puts and calls from ATM events may occur. The Exchange believes the proposed rule change will increase liquidity in all series used to calculate exercise settlement values, which is desirable to ensure these series open at competitive prices on expiration days for volatility index derivatives. While liquidity is important to open all series on the Exchange, given the potential impact on the exercise settlement value determined for expiring volatility index derivatives, the Exchange believes it is appropriate to ensure a fair and orderly opening of the series used to calculate the exercise settlement value.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act. Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and orderly markets, and a high degree of efficiency in the execution of trades. In particular, the proposed rule change merely modifies the order in which the System opens series for trading. The System will continue to open series in a random order; however, initially, it will open series within specific groups in a random order. The Exchange believes the System can open series pursuant to the proposed maximum interval times, as current interval times are under these maximums, and because they are consistent with the proposed maximum of 30 seconds for the entire opening process. These interval times ensure a fast opening of all series, which will benefit investors.

While the order in which the System opens series is generally immaterial (and thus why the Exchange has opened them in a random order), the Exchange believes opening ATM and OTM series with expirations of approximately one month will permit series used to calculate exercise settlement values for expiring volatility index derivatives to open as soon as possible. As discussed above, the Exchange believes this may enhance liquidity in these series on expiration days for volatility index derivatives, which benefits market participants. Additionally, reducing the potential time during which all series in all classes will open benefits all market participants, because market participants will be able to begin trading in all series sooner.

B. Self-Regulatory Organization’s Statement on Burden on Competition

Cboe Options 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. The proposed rule change only modifies the order in which the System will open series for trading. The System will open groups of ATM and OTM series with expirations of approximately one month first, but will continue to open series within those groups in a random order, and then open all in-the-money series in a random order (as is case today with respect to those series). Additionally, pursuant to the proposed rule change, the opening process must be within a shorter time period. The proposed maximum interval times are consistent with current and proposed interval times, and are consistent with the proposed maximum of 30 seconds for the entire opening process (which is shorter than the current maximum). The proposed rule change applies to all classes in the same manner, and only applies to the order in which the System will open series for trading on the Exchange. As discussed above, the Exchange believes this may enhance liquidity in these series on expiration days for volatility index derivatives, which benefits market participants. Additionally, reducing the potential time during which all series in all classes will open benefits all market participants, because market participants will be able to begin trading in all series sooner.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act and subparagraph (f)(6) of Rule 19b-4 thereunder. 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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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. Please include File Number SR–CBOE–2018–046 on the subject line.

Paper Comments

• Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.


15 17 CFR 240.19b–4(f)(6). In addition, Rule 19b– 4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its 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 satisfied this requirement.
SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; The Depository Trust Company; Fixed Income Clearing Corporation; National Securities Clearing Corporation; Notice of Designation of Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove Proposed Rule Changes To Amend the Loss Allocation Rules and Make Other Changes


Section 19(b)(2) of the Act provides that proceedings to determine whether to approve or disapprove a proposed rule change must be concluded within 180 days of the date of publication of notice of filing of the proposed rule change. The time for conclusion of the proceedings may be extended for up to 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The 180th day for the Proposed Rule Changes is July 7, 2018.

The Commission is extending the period for Commission action on the Proposed Rule Changes. The Commission finds that it is appropriate to designate a longer period within which to take action on the Proposed Rule Changes so that the Commission has sufficient time to consider the issues raised by the Proposed Rule Changes and to take action on the Proposed Rule Changes. The proposal shall not take effect until all regulatory actions required with respect to the proposal are completed.

Accordingly, pursuant to Section 19(b)(2)(B)(iii) of the Act and for the reasons stated above, the Commission designates September 5, 2018, as the date by which the Commission should either approve or disapprove proposed rule changes SR–DTC–2017–022, SR–FICC–2017–022, and SR–NSCC–2017–018.

All submissions should refer to File Number SR–CBOE–2018–046. 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. 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 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 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 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–CBOE–2018–046 and should be submitted on or before July 20, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority. 16

Eduardo A. Aleman, Assistant Secretary.

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BILLING CODE 8011–01–P


12 See super note 2.