

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-PEARL-2018-16 and should be submitted on or before October 12, 2018. Rebuttal comments should be submitted by October 26, 2018.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(3)(C) of the Act,³⁴ that File Number SR-PEARL-2018-16 be and hereby is, temporarily suspended. In addition, the Commission is instituting proceedings to determine whether the proposed rule change should be approved or disapproved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁵

Brent J. Fields,
Secretary.

[FR Doc. 2018-20545 Filed 9-20-18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-84175; File No. SR-MIAX-2018-19]

Self-Regulatory Organizations; Miami International Securities Exchange LLC; Suspension of and Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Amend the Fee Schedule Regarding Connectivity Fees for Members and Non-Members

September 17, 2018.

I. Introduction

On July 31, 2018, Miami International Securities Exchange LLC (“MIAX” or the “Exchange”) 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 (File Number SR-MIAX-2018-19) to amend the MIAX fee schedule to increase certain connectivity fees. The proposed rule change was immediately effective upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act.³ The proposed

rule change was published for comment in the **Federal Register** on August 13, 2018.⁴ The Commission has received one comment letter on the proposal.⁵ Under Section 19(b)(3)(C) of the Act,⁶ the Commission is hereby: (i) Temporarily suspending the proposed rule change; and (ii) instituting proceedings to determine whether to approve or disapprove the proposed rule change.

II. Description of the Proposed Rule Change

The Exchange proposes to amend its fee schedule to increase its monthly network connectivity fees. Specifically, the Exchange proposes to increase the connectivity fee for connectivity to the Exchange’s primary/secondary facility from \$1,100 to \$1,400 for a 1 Gigabit (“Gb”) connection, from \$5,500 to \$6,100 for a 10Gb connection, and from \$8,500 to \$9,300 for a 10Gb ultra-low latency connection.⁷ In addition, the Exchange proposes to increase the network connectivity fees for connectivity to the Exchange’s disaster recovery facility from \$500 to \$550 for a 1Gb connection and from \$2,500 to \$2,750 for a 10Gb connection.⁸

III. Suspension of the Proposed Rule Change

Pursuant to Section 19(b)(3)(C) of the Act,⁹ at any time within 60 days of the date of filing of a proposed rule change pursuant to Section 19(b)(1) of the Act,¹⁰ the Commission summarily may temporarily suspend the change in the rules of a self-regulatory organization (“SRO”) 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. As discussed below, the Commission believes a temporary suspension of the proposed rule change is necessary and appropriate to allow for additional analysis of the proposed rule change’s consistency with the Act and the rules thereunder.

As noted above, the Commission received one comment letter on the proposal.¹¹ The commenter argues that the Exchange did not provide sufficient

information in its filing to support a finding that the proposal is consistent with the Act.¹² Specifically, the commenter objects to the Exchange’s reliance on the fees of other exchanges to demonstrate that its fee increases are consistent with the Act. In addition, the commenter argues that the Exchange did not offer any details to support its basis for asserting that the proposed fee increases are consistent with the Act.¹³ The Exchange has not responded to the comment letter.

When exchanges file their proposed rule changes with the Commission, including fee filings like the Exchange’s present proposal, they are required to provide a statement supporting the proposal’s basis under the Act and the rules and regulations thereunder applicable to the exchange.¹⁴ The instructions to Form 19b-4, on which exchanges file their proposed rule changes, specify that such statement “should be sufficiently detailed and specific to support a finding that the proposed rule change is consistent with [those] requirements.”¹⁵

Among other things, exchange proposed rule changes are subject to Section 6 of the Act, including Sections 6(b)(4), (5), and (8), which requires the rules of an exchange to (1) provide for the equitable allocation of reasonable fees among members, issuers, and other persons using the exchange’s facilities;¹⁶ (2) perfect the mechanism of a free and open market and a national market system, protect investors and the public interest, and not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers;¹⁷ and (3) not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.¹⁸

In temporarily suspending the Exchange’s fee change, the Commission intends to further consider whether increasing certain connectivity fees to the Exchange is consistent with the statutory requirements applicable to a national securities exchange under the Act. In particular, the Commission will consider whether the proposed rule change satisfies the standards under the Act and the rules thereunder requiring, among other things, that an exchange’s rules provide for the equitable

⁴ See Securities Exchange Act Release No. 83786 (August 7, 2018), 83 FR 40106 (“Notice”).

⁵ See Letter from Tyler Gellasch, Executive Director, The Healthy Markets Association, to Brent J. Fields, Secretary, Commission, dated September 4, 2018 (“Healthy Markets Letter”).

⁶ 15 U.S.C. 78s(b)(3)(C).

⁷ See Notice, *supra* note 4 at 40106.

⁸ See *id.*

⁹ 15 U.S.C. 78s(b)(3)(C).

¹⁰ 15 U.S.C. 78s(b)(1).

¹¹ See Healthy Markets Letter, *supra* note 5.

¹² See *id.* at 5.

¹³ See *id.* at 6-7, 12.

¹⁴ See 17 CFR 240.19b-4 (Item 3 entitled “Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change”).

¹⁵ *Id.*

¹⁶ 15 U.S.C. 78f(b)(4).

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ 15 U.S.C. 78f(b)(8).

³⁴ 15 U.S.C. 78s(b)(3)(C).

³⁵ 17 CFR 200.30-3(a)(57) and (58).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

allocation of reasonable fees among members, issuers, and other persons using its facilities; not permit unfair discrimination between customers, issuers, brokers or dealers; and do not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.¹⁹

Therefore, the Commission finds that it is appropriate in the public interest, for the protection of investors, and otherwise in furtherance of the purposes of the Act, to temporarily suspend the proposed rule changes.²⁰

IV. Proceedings To Determine Whether To Approve or Disapprove the Proposed Rule Change

The Commission is instituting proceedings pursuant to Sections 19(b)(3)(C)²¹ and 19(b)(2)(B) of the Act²² to determine whether the proposed rule change should be approved or disapproved. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, the Commission seeks and encourages interested persons to provide additional comment on the proposed rule change to inform the Commission's analysis of whether to disapprove the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,²³ the Commission is providing notice of the grounds for possible disapproval under consideration:

- Section 6(b)(4) of the Act, which requires that the rules of a national securities exchange “provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities,”²⁴

- Section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be “designed to perfect the operation of a free and open market and a national market system” and “protect investors and the public interest,” and not be “designed to permit unfair discrimination between customers, issuers, brokers, or dealers,”²⁵ and

¹⁹ See 15 U.S.C. 78f(b)(4), (5), and (8), respectively.

²⁰ For purposes of temporarily suspending the proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²¹ 15 U.S.C. 78s(b)(3)(C). Once the Commission temporarily suspends a proposed rule change, Section 19(b)(3)(C) of the Act requires that the Commission institute proceedings under Section 19(b)(2)(B) to determine whether a proposed rule change should be approved or disapproved.

²² 15 U.S.C. 78s(b)(2)(B).

²³ 15 U.S.C. 78s(b)(2)(B).

²⁴ 15 U.S.C. 78f(b)(4).

²⁵ 15 U.S.C. 78f(b)(5).

- Section 6(b)(8) of the Act, which requires that the rules of a national securities exchange “not impose any burden on competition not necessary or appropriate in furtherance of the purposes of [the Act].”²⁶

As noted above, the proposal increases connectivity fees for physical connections to the Exchange. The Exchange states that this fee increase would allow the Exchange to offset costs associated with providing and maintaining this technology.²⁷ The commenter, among other concerns, asserts that the Exchange has not offered sufficient detail to support that the proposed fees are consistent with the Act and, in particular, whether the proposed fees are reasonable.²⁸

Under the Commission's Rules of Practice, the “burden to demonstrate that a proposed rule change is consistent with the [Act] and the rules and regulations issued thereunder . . . is on the [SRO] that proposed the rule change.”²⁹ The description of a proposed rule change, its purpose and operation, its effect, and a legal analysis of its consistency with applicable requirements must all be sufficiently detailed and specific to support an affirmative Commission finding,³⁰ and any failure of an SRO to provide this information may result in the Commission not having a sufficient basis to make an affirmative finding that a proposed rule change is consistent with the Act and the applicable rules and regulations.³¹

The Commission is instituting proceedings to allow for additional consideration and comment on the issues raised herein, including as to whether the proposed fees are consistent with the Act, and specifically, with its requirements that exchange fees be reasonable and equitably allocated; be designed to perfect the mechanism of a free and open market and the national market system, protect investors and the public interest, and not be unfairly discriminatory; or not impose an unnecessary or inappropriate burden on competition.³²

V. Commission's Solicitation of Comments

The Commission requests written views, data, and arguments with respect to the concerns identified above as well

²⁶ 15 U.S.C. 78f(b)(8).

²⁷ See Notice, *supra* note 4, at 40107.

²⁸ See Healthy Markets Letter, *supra* note 5, at 6.

²⁹ Rule 700(b)(3), Commission Rules of Practice, 17 CFR 201.700(b)(3).

³⁰ See *id.*

³¹ See *id.*

³² See 15 U.S.C. 78f(b)(4), (5), and (8).

as any other relevant concerns. Such comments should be submitted by October 12, 2018. Rebuttal comments should be submitted by October 26, 2018. Although there do not appear to be any issues relevant to approval or disapproval which would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4, any request for an opportunity to make an oral presentation.³³

The Commission asks that commenters address the sufficiency and merit of the Exchange's statements in support of the proposal, in addition to any other comments they may wish to submit about the proposed rule change.

Interested persons are invited to submit written data, views, and arguments concerning the proposed rule change, 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-MIAX-2018-19 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-MIAX-2018-19. 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. 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

³³ 15 U.S.C. 78s(b)(2). Section 19(b)(2) of the Act grants the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by an SRO. See Securities Acts Amendments of 1975, Report of the Senate Committee on Banking, Housing and Urban Affairs to Accompany S. 249, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

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-2018-19 and should be submitted on or before October 12, 2018. Rebuttal comments should be submitted by October 26, 2018.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(3)(C) of the Act,³⁴ that File Number SR-MIAX-2018-19 be and hereby is, temporarily suspended. In addition, the Commission is instituting proceedings to determine whether the proposed rule change should be approved or disapproved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁵

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2018-20547 Filed 9-20-18; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #15696 and #15697; NORTH CAROLINA Disaster Number NC-00099]

Presidential Declaration of a Major Disaster for the State of North Carolina

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a Notice of the Presidential declaration of a major disaster for the State of North Carolina (FEMA-4393-DR), dated 09/14/2018.

Incident: Hurricane Florence.

Incident Period: 09/07/2018 and continuing.

DATES: Issued on 09/14/2018.

Physical Loan Application Deadline Date: 11/13/2018.

Economic Injury (EIDL) Loan Application Deadline Date: 06/14/2019.

ADDRESSES: Submit completed loan applications to: U.S. Small Business

Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205-6734.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the President's major disaster declaration on 09/14/2018, applications for disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties (Physical Damage and Economic Injury Loans): Beaufort, Brunswick, Carteret, Craven, New Hanover, Onslow, Pamlico, Pender.

Contiguous Counties (Economic Injury Loans Only):

North Carolina: Bladen, Columbus, Duplin, Hyde, Jones, Lenoir, Martin, Pitt, Sampson, Washington.

South Carolina: Horry.

The Interest Rates are:

	Percent
<i>For Physical Damage:</i>	
Homeowners with Credit Available Elsewhere	4.000
Homeowners without Credit Available Elsewhere	2.000
Businesses with Credit Available Elsewhere	7.350
Businesses without Credit Available Elsewhere	3.675
Non-Profit Organizations with Credit Available Elsewhere ...	2.500
Non-Profit Organizations without Credit Available Elsewhere	2.500
<i>For Economic Injury:</i>	
Businesses & Small Agricultural Cooperatives without Credit Available Elsewhere	3.675
Non-Profit Organizations without Credit Available Elsewhere	2.500

The number assigned to this disaster for physical damage is 156968 and for economic injury is 156970.

(Catalog of Federal Domestic Assistance Number 59008)

James Rivera,
Associate Administrator for Disaster Assistance.

[FR Doc. 2018-20593 Filed 9-20-18; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #15696 and #15697; North Carolina Disaster Number NC-00099]

Presidential Declaration Amendment of a Major Disaster for the State of North Carolina

AGENCY: U.S. Small Business Administration.

ACTION: Amendment 1.

SUMMARY: This is an amendment of the Presidential declaration of a major disaster for the State of North Carolina (FEMA-4393-DR), dated 09/14/2018. Incident: Hurricane Florence.

Incident Period: 09/07/2018 and continuing.

DATES: Issued on 09/17/2018.

Physical Loan Application Deadline Date: 11/13/2018.

Economic Injury (EIDL) Loan Application Deadline Date: 06/14/2019.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205-6734.

SUPPLEMENTARY INFORMATION: The notice of the President's major disaster declaration for the State of North Carolina, dated 09/14/2018, is hereby amended to include the following areas as adversely affected by the disaster:

Primary Counties (Physical Damage and Economic Injury Loans): Bladen, Columbus, Cumberland, Duplin, Harnett, Jones, Lenoir, Robeson, Sampson, Wayne.

Contiguous Counties (Economic Injury Loans Only):

North Carolina: Chatham, Greene, Hoke, Johnston, Lee, Moore, Scotland, Wake, Wilson.

South Carolina: Dillon, Marlboro.

All other information in the original declaration remains unchanged.

(Catalog of Federal Domestic Assistance Number 59008)

James Rivera,
Associate Administrator for Disaster Assistance.

[FR Doc. 2018-20598 Filed 9-20-18; 8:45 am]

BILLING CODE 8025-01-P

³⁴ 15 U.S.C. 78s(b)(3)(C).

³⁵ 17 CFR 200.30-3(a)(57) and (58).