September 16, 2020. If granted, the emergency approval is only valid for 180 days. We are requesting OMB to take action within two calendar days from the close of this **Federal Register** Notice on the request for emergency review.

ADDRESSES: Interested persons are invited to submit written comments on the proposed information collection to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street NW, Washington, DC 20503, Attention: Desk Officer for the Peace Corps or sent via email to *oira_submission@omb.eop.gov* or faxed to (202) 395–3086.

FOR FURTHER INFORMATION CONTACT: Virginia Burke, FOIA Officer, Peace Corps, 1275 First Street NE, Washington, DC 20526, (202) 692–1887, or email at *pcfr@peacecorps.gov.*

SUPPLEMENTARY INFORMATION: This process is conducted in accordance with 5 CFR 1320.13. The Peace Corps plans to follow this emergency request with a submission for a three year approval through OMB's normal PRA clearance process. We are seeking an emergency clearance to allow us to collect information from Returned Peace Corps Volunteers.

Title: Legal Status Update Form for the Virtual Service Pilot Program.

OMB control number: Pending.

Type of Request: New Emergency Review.

Affected public: Returned Peace Corps Volunteers, some who were recently evacuated from their countries of service in response to the coronavirus disease 2019 (COVID 19) pandemic.

Respondents' obligation to reply: Voluntary.

Burden to the public:

a. *Number of respondents:* 150.

b. *Frequency of response:* 1.

c. *Completion time:* 5 Minutes.

d. *Annual burden hours:* 12.5.

e. *Estimated cost to respondents:* $ 0.00.

This notice issued in Washington, DC, on September 15, 2020.

Virginia Burke,

FOIA/Privacy Act Officer/Management.

[FR Doc. 2020–20695 Filed 9–17–20; 8:45 am]

BILLING CODE 6051–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89868; File No. 265–30]

Fixed Income Market Structure Advisory Committee; Meeting

AGENCY: Securities and Exchange Commission.

ACTION: Notice of meeting.

SUMMARY: Notice is being provided that the Securities and Exchange Commission Fixed Income Market Structure Advisory Committee will hold a public meeting on Monday, October 5, 2020, by remote means. The meeting will begin at 9:30 a.m. (ET) and will be open to the public via webcast on the Commission's website at *www.sec.gov.* Persons needing special accommodations to take part because of a disability should notify the contact person listed below. The public is invited to submit written statements to the Committee. The meeting will include a potential recommendation concerning TRACE identification of electronic trades, subcommittee observations and lessons learned in the corporate bond market, the bond fund and ETF market, the technology and e-trading market, and the municipal securities market, as well as member observations of the fixed income markets.

DATES: The public meeting will be held on October 5, 2020. Written statements should be received on or before September 28, 2020.

ADDRESSES: The meeting will be held by remote means and webcast on *www.sec.gov.* Written statements may be submitted by any of the following methods. To help us process and review your statement more efficiently, please use only one method. At this time, electronic statements are preferred.

Electronic Statements

- Use the Commission's internet submission form (*http://www.sec.gov/rules/other.shtml*); or
- Send an email message to *rule-comments@sec.gov.* Please include File Number 265–30 on the subject line; or

Paper Statements

- Send paper statements in triplicate to Vanessa A. Countryman, Federal Advisory Committee Management Officer, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to File No. 265–30. This file number should be included on the subject line if email is used. The Commission will post all statements on the Commission's internet website at *http://www.sec.gov/comments/265-30/265-30.shtml.*

Statements also will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Room 1580, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. For up-to-date information on the availability of the Public Reference Room, please refer to *https://www.sec.gov/fastanswers/answerspublicdocshtm.html* or call (202) 551–5450.

All statements received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

FOR FURTHER INFORMATION CONTACT: David Dimitrious, Senior Special Counsel, at (202) 551–5131, or Arisa Kettig, Special Counsel, at (202) 551–5676, Division of Trading and Markets, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–7010.

SUPPLEMENTARY INFORMATION: In accordance with Section 10(a) of the Federal Advisory Committee Act, 5 U.S.C.–App. 1, and the regulations thereunder, Brett Redfearn,

Designated Federal Officer of the Committee, has ordered publication of this notice.

Dated: September 15, 2020.

Vanessa A. Countryman,

Committee Management Officer.

[FR Doc. 2020–20620 Filed 9–17–20; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89867; File No. SR–FINRA–2020–028]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Standardized Membership Application Forms—Form NMA and Form CMA—To Conform to Amendments to the Membership Application Program Rules as Described in SR–FINRA–2019–030

September 15, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] notice is hereby given that on September 11, 2020, the Financial Industry Regulatory Authority, Inc. (''FINRA'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by FINRA. FINRA has designated the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

proposed rule change as constituting a ''non-controversial'' rule change under paragraph (f)(6) of Rule 19b–4 under the Act,[3] which renders the proposal effective upon receipt of this filing by the Commission. 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

FINRA is proposing to (1) amend the standardized membership application forms—Form NMA (New Membership Application Form) and Form CMA (Continuing Membership Application Form)—required under Rule 1013 (New Member Application and Interview) and Rule 1017 (Application for Approval of Change in Ownership, Control, or Business Operations), respectively, to conform to amendments to the Membership Application Program (''MAP'') rules[4] as described in File No. SR–FINRA–2019–030;[5] and (2) make non-substantive and technical changes to Form NMA and Form CMA.[6] The proposed rule change does not make any changes to the text of FINRA rules.

The text of the proposed rule change is available on FINRA's website at *http://www.finra.org,* at the principal office of FINRA 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, FINRA 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. FINRA 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

Background

The MAP rules require an applicant for new or continuing membership to file an application that includes a Form NMA or Form CMA, as applicable.[7] Form NMA and Form CMA streamline the new and continuing membership application review process by setting forth the documents and information an applicant must gather to produce a complete application package for FINRA's review.[8]

In general, Form NMA and Form CMA are organized into sections that align with the standards for admission set forth in Rule 1014(a) (Standards for Admission). Each section begins with a description of the applicable standard in Rule 1014(a), followed by a series of questions related to that standard that are intended to help the applicant provide the responses needed to demonstrate that it can meet each of the standards described under Rule 1014(a), and to facilitate FINRA's review of the application.[9] An applicant is able to provide its documents and information by attaching files in various formats (*e.g.,* .docx, .pdf, .xlsx) or by entering free form text in text boxes, and making selections through screen components such as drop-down menus and radio buttons, among others. While both forms are organized by standard, the underlying questions, and the documents and information that an applicant may need to provide vary based on whether the application is for new or continuing membership.[10]

A. Standard 3 in Form NMA and Form CMA

Rule 1014(a)(3) (''Standard 3'') is one of the standards for admission FINRA must consider in determining whether to approve an NMA or CMA. Standard 3 requires FINRA to determine whether an applicant for new or continuing membership and its associated persons ''are capable of complying with'' the federal securities laws, the rules and regulations thereunder, and FINRA rules. Standard 3 sets forth several factors, including past and current disciplinary actions and customer claims, that FINRA must consider in making that determination. The existence of specified factors ''[raises] a question of capacity to comply with the federal securities laws and the rules of [FINRA],'' which results in a rebuttable presumption to deny the application. Form NMA and Form CMA describe the specified factors in Standard 3, as well as the specified factors that trigger a rebuttable presumption to deny an application.

In addition, both forms require the applicant to provide a ''yes'' or ''no'' answer as to whether the applicant or any of its associated persons are subject to any of the specified factors described in Standard 3,[11] and directs the applicant to provide information (*e.g.,* subject party, nature of the activity, any findings, any fine, or other dispositions) for each factor involving the applicant or its associated persons, unless details of a particular factor have been reported to the Central Registration Depository (CRD®).[12]

The forms require the applicant to explain in detail how, even with the existence of any of the specified factors that trigger the presumption to deny the application, it is nonetheless capable of complying with industry rules, regulation, laws, and observing high standards of commercial honor and just and equitable principles of trade.[13] In addition, to the extent that any of the triggering events under Standard 3 exist, the forms require the applicant to reference any controls or systems put in place and refer to any specific pages or

[3] 17 CFR 240.19b–4(f)(6).

[4] The MAP rules consist of Rules 1011 through 1019, which reside under the FINRA Rule 1000 Series (Member Application and Associated Person Registration).

[5] *See* Securities Exchange Act Release No. 88482 (March 26, 2020), 85 FR 18299 (April 1, 2020) (Order Approving File No. SR–FINRA–2019–030). FINRA is separately developing comprehensive changes to the MAP rules in connection with the retrospective review of this rule set, which will also require conforming amendments to the standardized forms. *See Regulatory Notice* 18–23 (July 2018) (''*Notice* 18–23'') (requesting comment on a proposal regarding the MAP rules).

[6] Such proposed changes would include updating the rule references throughout the forms. For example, FINRA is proposing to replace references to ''NASD'' with ''FINRA.''

[7] *See* Rule 1013(a)(1)(A) and Rule 1017(b)(2).

[8] *See* Securities Exchange Act Release No. 66555 (March 9, 2012), 77 FR 15445 (March 15, 2012) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2012–017) and Securities Exchange Act Release No. 67082 (May 31, 2012), 77 FR 33539 (June 6, 2012) (Notice of Filing of Amendment No. 1 and Order Granting Approval of File No. SR–FINRA–2012–018 as Modified by Amendment No. 1).

[9] The portions of the forms that are marked with a red asterisk require the applicant to provide a response.

[10] For example, in Form NMA's Standard 1 section, titled ''Overview of the Applicant,'' there are questions that focus on verifying the business activities the applicant identifies on Form BD (Uniform Application For Broker-Dealer Registration). On the other hand, the questions grouped in Form CMA's Standard 1 section, titled ''Overview of the Applicants,'' focus on understanding the circumstances surrounding the contemplated change or event set forth under Rule 1017(a) (Events Requiring an Application).

[11] *See* Form NMA, Standard 3, Question 1 (within the category titled ''Explain how this Standard is met.'') and Form CMA, Standard 3, Question 1 (within the category titled ''Explain how this Standard is met.'').

[12] *See* Form NMA, Standard 3, Question 1 (within the category titled ''Explain how this Standard is met.'') and Form CMA, Standard 3, Question 1 (within the category titled ''Explain how this Standard is met.'').

[13] *See* Form NMA, Standard 3 (within the category titled ''Explain how this Standard is met.'') and Form CMA, Standard 3, Question 2 (within the category titled ''Explain how this Standard is met.'').

sections in the applicant's written supervisory procedures that address heightened supervisory requirements.[14] Finally, the forms give the applicant the option of providing any other documentation that would be pertinent to FINRA's review of Standard 3.[15]

B. Recent Amendments to the MAP Rules

FINRA has amended the MAP rules to create further incentives for the timely payment of arbitration awards by preventing an individual from switching firms, or a firm from using asset transfers or similar transactions, to avoid payment of arbitration awards.[16] The amendments address situations where: (1) A FINRA member firm hires individuals with pending arbitration claims, where there are concerns about the payment of those claims should they go to award or result in a settlement, and the supervision of those individuals; and (2) a member firm with substantial arbitration claims seeks to avoid payment of the claims should they go to award or result in a settlement by shifting its assets, which are typically customer accounts, or its managers and owners, to another firm and closing down. The amendments become effective on September 14, 2020.[17]

As a result of the amendments to the MAP rules, FINRA is proposing to amend Form NMA and Form CMA to: (1) Align the description of Standard 3 used in the forms with the amended language in Rule 1014(a)(3); (2) align the description of the rebuttable presumption to deny an application with amended Rules 1014(b)(1) and 1017(i)(1), which set forth the Standard 3 factors that trigger the presumption to deny an NMA and CMA, respectively; (3) incorporate into Form NMA relevant arbitration-related questions that currently appear in Form CMA but not in Form NMA, to create consistency between the forms; (4) incorporate into Form NMA arbitration-related documentation options that currently appear in Form CMA but not in Form NMA to create consistency between the forms, and amend these options, as applicable, to conform to new IM–1014–1; and (5) make other non-substantive and technical changes throughout both standardized forms.

Proposed Amendments to Form NMA and Form CMA

i. Align Description of Standard 3 in Form NMA and Form CMA with Amended Rule 1014(a)(3)

Once an application is deemed filed, FINRA evaluates an applicant's financial, operational, supervisory and compliance systems to ensure that the applicant meets Standard 3, among other standards. As noted above, in determining whether an applicant for new or continuing membership and its associated persons are able to meet Standard 3, FINRA must consider a variety of factors, such as past and current disciplinary actions, in making that determination.

FINRA is proposing to amend Form NMA and Form CMA such that the language to describe Standard 3 reflects the language in Rule 1014(a)(3), as amended. Specifically, the proposed amendments would reflect that the specified factors now appear in eight subparagraphs, rather than six.[18]

ii. Align Description of the Rebuttable Presumption To Deny an Application in Form NMA and Form CMA With Amended Rules 1014(b)(1) and 1017(i)(1), Respectively

An applicant for new or continuing membership will trigger a presumption to deny the application if the applicant or its associated persons are subject to certain of the factors specified in Standard 3.[19] As amended, Rule 1014(b)(1) creates a presumption to deny an NMA where the new member applicant or its associated persons are the subject of a pending arbitration claim.[20]

Currently, both forms include a description of the presumption to deny an application, referencing the language in Rule 1014(b)(1) prior to its amendment.[21] FINRA is proposing to amend both forms to conform to amended Rule 1014(b)(1). For Form NMA, FINRA is proposing to amend the form to reflect the new presumption of denial for an NMA where the new member applicant or its associated persons are the subject of a pending arbitration claim, consistent with amended Rule 1014(b)(1).[22] For Form CMA, FINRA is proposing to amend the form to align with the amended rule cross-references in Rule 1017(i)(1).[23]

[14] *See* Form NMA, Standard 3 (within the category titled ''Explain how this Standard is met.'') and Form CMA, Standard 3, Question 2 (within the category titled ''Explain how this Standard is met.'').

[15] *See* Form NMA, Standard 3, Question 3 (within the category titled ''Provide supporting documents.'') and Form CMA, Standard 3, Question 3 (within the category titled ''Provide supporting documents.'').

[16] *See supra* note 5.

[17] *See Regulatory Notice* 20–15 (May 2020).

[18] *See generally* subparagraphs (A) through (H) under Rule 1014(a)(3), as amended. The amendments reorganized the factors in Rule 1014(a)(3), but did not change the factors substantively.

[19] *See* Rule 1014(b)(1) and Rule 1017(i), which pertain to NMAs and CMAs, respectively.

[20] This presumption of denial for a pending arbitration claim does not apply to an existing member firm filing a CMA.

[21] *See* Form NMA and Form CMA, Standard 3 (within their respective categories titled ''Explain how this Standard is met''): ''Pursuant to NASD Rule 1014(b)(1), where the history of the Applicant or its Associated Persons includes any of the events set forth in Rule 1014(a)(3)(A) and (C) through (E), there is a presumption that the Application should be denied. The Applicant may overcome the presumption of denial by demonstrating that it can meet each of the standards for admission in NASD Rule 1014(a), notwithstanding the existence of any of the events set forth in NASD Rule 1014(a)(3)(A) and (C) through (E). To the extent that any of the referenced events exist for the Applicant or its Associated Persons, provide a detailed explanation, in light of the existence of such events, as to how the Applicant is nonetheless capable of complying with industry rules, regulations, laws, and observing high standards of commercial honor and just and equitable principles of trade. Please reference any controls or systems put in place and refer to any specific pages or sections in the Applicant's written supervisory procedures that address heightened supervisory requirements.*''

[22] The proposed change to Form NMA's Standard 3 section would read: ''Pursuant to FINRA Rule 1014(b)(1), where the history of the Applicant or its Associated Persons includes any of the events set forth in Rule 1014(a)(3)(A), (C), (D), (F), (G), and (E) for new member applications, there is a presumption that the Application should be denied. The Applicant may overcome the presumption of denial by demonstrating that it can meet each of the standards for admission in FINRA Rule 1014(a), notwithstanding the existence of any of the events set forth in FINRA Rule 1014(a)(3)(A), (C), (D), (F), (G), and (E) for new member applications. To the extent that any of the referenced events exist for the Applicant or its Associated Persons, provide a detailed explanation, in light of the existence of such events, as to how the Applicant is nonetheless capable of complying with industry rules, regulations, laws, and observing high standards of commercial honor and just and equitable principles of trade. Please reference any controls or systems put in place and refer to any specific pages or sections in the Applicant's written supervisory procedures that address heightened supervisory requirements.*''

[23] The proposed change to Form CMA's Standard 3 section would read: ''Pursuant to FINRA Rule 1014(b)(1), where the history of the Applicant or its Associated Persons includes any of the events set forth in Rule 1014(a)(3)(A), (C), (D), (F), and (G), there is a presumption that the Application should be denied. The Applicant may overcome the presumption of denial by demonstrating that it can meet each of the standards for admission in FINRA Rule 1014(a), notwithstanding the existence of any of the events set forth in FINRA Rule 1014(a)(3)(A), (C), (D), (F), and (G). To the extent that any of the referenced events exist for the Applicant or its Associated Persons, provide a detailed explanation, in light of the existence of such events, as to how the Applicant is nonetheless capable of complying with industry rules, regulations, laws, and observing high standards of commercial honor and just and equitable principles of trade. Please reference any controls or systems put in place and refer to any specific pages or sections in the Applicant's written supervisory procedures that address heightened supervisory requirements.*''

iii. Incorporate Provisions From Form CMA to Form NMA to Require an Applicant for New Membership To Explain How Standard 3 is Met

Form CMA's Standard 3 section contains requirements that FINRA believes are relevant to new membership applications, but are not currently included in Form NMA.[24] Accordingly, FINRA is proposing amendments that would incorporate these requirements into Form NMA.

Specifically, Form CMA directs the applicant to indicate whether it or any associated persons have been found to have repeat violations of the same federal securities laws or regulations, the rules thereunder, or FINRA rules and if so, to identify the nature of the repetitive occurrences, the corrective action the applicant has taken to prevent future violations, and the specific persons with responsibility for supervision in the areas noted with repeat violations or associated persons who have been found to have repeat violations.[25]

In addition, Form CMA directs the applicant to provide details regarding any pending arbitration claims or closed or settled arbitration matters by providing a summary of each claim, including the amounts claimed for pending matters, the current status, and the amount of settled matters.[26] Form CMA directs the applicant to provide a statement detailing the treatment of unpaid and pending arbitration claims on the applicant's financial statements, and if pending arbitration claims are classified as contingent liabilities, the applicant should explain its method for calculating their amounts on its financial statements, and if such claims are not disclosed on the financial statements, an explanation for the nondisclosure.[27] The applicant must also promptly update the information provided in the application regarding pending arbitration claims that are awarded, settled, or become unpaid before FINRA renders its decision on the CMA.[28]

FINRA is proposing to incorporate these requirements into Form NMA, without substantive modification, but would include some clarifying language that would also be reflected in Form CMA.[29] These requirements should also apply to an applicant for new membership as they are relevant to whether such applicant is ''capable of complying with'' applicable federal securities laws and FINRA rules and do not impose new requirements beyond the scope of Standard 3, as amended. In addition, incorporating these requirements into Form NMA would be helpful in providing an applicant for new membership the opportunity to address, at the outset of the review process, any repetitive occurrences of violative conduct and arbitration-related matters. Further, the proposed alignments to Form NMA would improve consistency between the two forms.

iv. Incorporate Documentation Options From Form CMA Into Form NMA and Amend These Options To Align With New IM–1014–1

Currently, Form NMA and Form CMA provide, within the category titled, ''Provide supporting documents[,]'' that an applicant may provide additional documents to evidence its ability to meet Standard 3. This category of the forms is not marked with a red asterisk, indicating that the applicant is not required to provide documents.[30] There are more documentation options in Form CMA than in Form NMA due to the underlying distinction between an application for new membership and continuing membership. FINRA is proposing to expand Form NMA's ''Provide supporting documents[,]'' category to include documentation options that mirror those described in Form CMA, where appropriate, and to modify the documentation options in both forms to align with new IM–1014–1. With respect to an applicant for new membership, establishing documentation options in Form NMA that parallel the options in Form CMA would not impose additional obligations upon such applicant; rather, incorporating these options into Form NMA would provide an applicant for new membership with a clear indication of the documentation that such applicant may choose to prepare to demonstrate that it can meet Standard 3, as amended. Further, the proposed incorporation of the documentation options, including the corresponding changes to align with IM–1014–1, would bring consistency between the forms.

a. Form CMA and Form NMA, Question 1, Providing Supporting Documents

Form NMA's Question 1 within the category titled ''Provide supporting documents'' permits an applicant for new membership to provide copies of any state, federal, or other orders, decrees or formal actions.[31] Form CMA's Question 1, within the same category, however, permits an applicant for continuing membership to provide documentation of any of the events described in Rule 1014(a)(3), unless the event has been reported to the CRD system.[32] FINRA is proposing to replace the language in Form NMA's Question 1 with the language in Form CMA's Question 1. The proposed change would make this supporting documents question in both forms consistent and would help ensure that the documents provided are more directly relevant to explaining the events, as applicable, under Rule 1014(a)(3).[33]

b. Form CMA and Form NMA, Question 2, Providing Supporting Documents and New IM–1014–1

Within the ''Providing Supporting Documents'' category, Form NMA's Question 2 permits an applicant to provide relevant and supporting documents, citing as examples statements of claim or settlement agreements.[34] Form CMA currently sets forth more detailed documentation options than Form NMA that an applicant may provide in support of Standard 3, but these options are framed in the context of an application that involves a transfer of assets without a corresponding transfer of associated liabilities, and where there are pending

[24] *See generally* Form CMA, Standard 3, Questions 1 and 2 (within the category titled ''Provide supporting documents'').

[25] *See* Form CMA, Standard 3, Question 3 (within the category titled ''Explain how this Standard is met'').

[26] *See* Form CMA, Standard 3, Question 4.a. (within the category titled ''Explain how this Standard is met'').

[27] *See* Form CMA, Standard 3, Question 4.b. (within the category titled ''Explain how this Standard is met'').

[28] *See supra* note 27.

[29] In the Standard 3 section of Form NMA and Form CMA, Question 4.b. (within the category ''Explain how this Standard is met'') would read: ''A statement detailing the treatment of unpaid and pending arbitration claims on the Applicant's financial statements. If pending arbitrations are classified as contingent liabilities, the Applicant should explain its method for calculating amounts on its financial statements. If pending arbitrations are not disclosed on the financial statements, explain why they are not disclosed. Additionally, the Applicant must promptly update information provided in the Application regarding pending arbitration claims that are awarded, settled or become unpaid before the Department renders its decision on the Application. The updates should include new arbitrations filed, settlements made and awards granted against the Applicant.*''

[30] *See supra* note 9 and accompanying text.

[31] *See* Form NMA, Standard 3, Question 1 (within the category titled ''Provide supporting documents'').

[32] *See* Form CMA, Standard 3, Question 1 (within the category titled ''Provide supporting documents'').

[33] The question would read the same as in Form CMA's Question 1, subject to one technical amendment to change the reference from ''NASD'' to ''FINRA.''

[34] *See* Form NMA, Standard 3, Question 2 (within the category titled ''Provide supporting documents'').

arbitration claims or closed or settled arbitration matters. They include: (1) Evidence that the applicant has satisfied the arbitration award in full (*e.g.,* copies of front and back of cancelled checks), and in cases of unpaid awards, the applicant is required to pay the awards before closing the transaction,[35] and for matters that have been settled, a copy of the settlement documentation and evidence that the settlement payments have been made in full; [36] (2) an opinion from counsel and any documentation from the applicant's financial operations principal, accountant or auditor that support the applicant's treatment of unpaid and pending arbitration or civil litigation claims; [37] and (3) a written ''Arbitration Plan,'' a ''Relationship Statement,'' and a ''Statement of Future Plans.'' [38]

New IM–1014–1 expressly provides that an applicant may demonstrate its ability to satisfy an unpaid arbitration award, other adjudicated customer award, unpaid arbitration settlement or a pending arbitration claim, through an escrow agreement, insurance coverage, a clearing deposit, a guarantee, a reserve fund, or the retention of proceeds from an asset transfer, or such other forms of documentation that FINRA may determine to be acceptable. In addition, an applicant may provide a written opinion of an independent, reputable U.S. licensed counsel knowledgeable in the area as to the value of the arbitration claims (which might be zero). IM–1014–1 also provides that to overcome the presumption to deny the application due to unpaid arbitration awards, other adjudicated customer awards, unpaid arbitration settlements, or pending arbitration claims, as applicable, the applicant must guarantee that any funds used to evidence the applicant's ability to satisfy any awards, settlements, or claims will be used for that purpose. Any demonstration by an applicant of its ability to satisfy these outstanding obligations would be subject to a reasonableness assessment by FINRA.

FINRA is proposing to add to Form NMA the more detailed documentation options set forth in Form CMA, but modify the options in both forms, as appropriate, to align them with new IM–1014–1. Specifically, FINRA is proposing to remove the reference to a specific type of business change in Form CMA (*i.e.,* asset transfer); instead, Form CMA would direct the applicant to provide additional information where the applicant or its associated person is subject to unpaid arbitration awards, other adjudicated customer awards, unpaid arbitration settlements, or pending arbitration claims. In addition to incorporating Form CMA's documentation options relating to evidence that the applicant has satisfied an arbitration award or settlement, without substantive change, FINRA is proposing to incorporate this documentation option into Form NMA.[39]

Further, FINRA is proposing to modify the documentation option in Form CMA to specify that an applicant may provide a written opinion of counsel from an independent, reputable U.S. licensed counsel knowledgeable in the value of the arbitration claims and any other documentation developed by the applicant's financial operations principal, accountants, or auditors that support the applicant's treatment of unpaid and pending arbitration or civil litigation claims. FINRA is proposing to incorporate this documentation option into Form NMA.[40]

Finally, FINRA is proposing to modify the Arbitration Plan requirements in Form CMA to provide that the Arbitration Plan should include the provision the applicant will make and guarantee for payment of awards, settlements or claims. In addition, the Arbitration Plan would include more examples of how an applicant may demonstrate its ability to satisfy awards, including through an escrow agreement, insurance coverage, clearing deposit or guarantee. In addition to incorporating Form CMA's documentation options relating to the Relationship Statement and Statement of Future Plans, without substantive change, FINRA is also proposing to incorporate the Arbitration Plan requirements, as modified, into Form NMA.[41]

The proposed changes to Form NMA and Form CMA would conform the forms to the amendments to the MAP rules. Incorporating the provisions and documentation options, as modified, from Form CMA to Form NMA would not impose additional requirements on an applicant for new membership beyond the scope of the amended MAP rules; instead, the proposed changes would help the applicant prepare to address, as applicable, the areas pertaining to meeting Standard 3, as amended. Moreover, the proposed changes to these standardized forms would make the forms more consistent as to the documents and information FINRA would need to determine whether a new or continuing membership applicant would be able to meet Standard 3, as amended.

v. Amend Form NMA and Form CMA To Make Other Non-Substantive and Technical Changes to Forms

In 2019, as part of the process of completing a consolidated FINRA rulebook, FINRA transferred the remaining legacy NASD rules, without substantive change, as FINRA rules in the consolidated FINRA rulebook and the remaining Incorporated NYSE Rules and Incorporated NYSE Rule Interpretations, without substantive change, in the consolidated FINRA rulebook as a separate Temporary Dual FINRA–NYSE Member Rules Series.[42] The rule references in Form NMA and Form CMA still refer to NASD rules. FINRA is proposing to amend the forms

[35] *See* Form CMA, Standard 3, Question 2.a. (within the category titled ''Provide supporting documents'').

[36] *See* Form CMA, Standard 3, Question 2.b. (within the category titled ''Provide supporting documents.'').

[37] *See* Form CMA, Standard 3, Question 2.c. (within the category titled ''Provide supporting documents'').

[38] Currently, Form CMA indicates that an Arbitration Plan should include the expected date for concluding the arbitration, the method by which the Applicant expects to resolve the arbitrations (*e.g.,* mediation, settlement, hearing), and the provision that the Applicant will make for payment of awards (*e.g.,* reserve fund, retention of proceeds of asset transfer, no provision for payment). A Relationship Statement should describe the relationship of the firms involved in the transaction; specifically, whether the firms are affiliated or have common (direct or indirect) ownership greater than five percent, and the plans of key personnel or owners to associate with the acquiring firm. A Statement of Future Plans should describe the intended use of the proceeds of the transaction and future plans in the business of the owners and key personnel. *See* Form CMA, Standard 3, Question 2.d.i., ii., and iii. (within the category titled ''Provide supporting documents.'').

[39] In the Standard 3 section of Form NMA and Form CMA, the proposed question stem in Question 2 (within the category ''Provide supporting documents.'') would read: ''To the extent that the Applicant or its Associated Person is subject to unpaid arbitration awards, other adjudicated customer awards, unpaid arbitration settlements, pending arbitration claims, provide the following:''.

[40] In the Standard 3 section of Form NMA and Form CMA, Question 2.c. (within the category ''Provide supporting documents.'') would read: ''Written opinion(s) of an independent, reputable U.S. licensed counsel knowledgeable in the value of the claim(s) and any other documentation developed by the Applicant's FinOp Principal, accountants, or auditors that support the Applicant's treatment of unpaid and pending arbitration or civil litigation claims.''

[41] In the Standard 3 section of Form NMA and Form CMA, Question 2.d.i. (within the category ''Provide supporting documents.'') would read: ''The Arbitration Plan should include (i) the expected date for concluding the arbitration, (ii) the method by which the Applicant expects to resolve the arbitrations (*e.g.,* mediation, settlement hearing), and (iii) the provision that the Applicant will make and guarantee for payment of awards, settlements or claims (*e.g.,* escrow agreement, insurance coverage, clearing deposit, guarantee, reserve fund, retention of proceeds of asset transfer, no provision for payment.'' *See also supra* note 38.

[42] *See* Securities Exchange Act Release No. 85589 (April 10, 2019), 84 FR 15646 (April 16, 2019) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2019–009).

to reflect the correct FINRA rule cross-references, and make other technical changes as appropriate.[43]

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become operative for 30 days after the date of the filing, so that FINRA can implement the proposed rule change on September 14, 2020, consistent with the effective date for the amendments to the MAP rules.[44]

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,[45] which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

The proposed changes to Form NMA and Form CMA will conform the forms to the amendments to the MAP rules, as described in File No. SR–FINRA–2019–030, that are intended to create further incentives for the timely payment of customer arbitration awards by preventing an individual from switching firms, or a firm from using asset transfers or similar transactions, to avoid payment of customer arbitration awards. The proposed changes to Form NMA and Form CMA will help ensure that applicants for new and continuing membership provide the information and documentation to produce a complete application package for FINRA's review. In addition, the proposed changes to Form NMA and Form CMA will provide more consistency, where applicable, between the forms.

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

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. FINRA's recent amendments to the MAP rules necessitate conforming changes to the Standard 3 section of Form NMA and Form CMA to reflect the documents and information that may be necessary for applicants to demonstrate their ability to meet Standard 3, as amended. The proposed conforming changes to the forms effectuate the recent amendments to the MAP rules as described in File No. SR–FINRA–2019–030. FINRA believes that the proposed conforming changes to the forms would not result in new material economic effects. FINRA considered and discussed the potential economic impact of the recent amendments in File No. SR–FINRA–2019–030, including the burden imposed on some applicants to address in the application arbitration-related questions and documentation options.

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

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, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act[46] and Rule 19b–4(f)(6) thereunder.[47]

A proposed rule change filed under Rule 19b–4(f)(6) normally does not become operative for 30 days after the date of filing. However, pursuant to Rule 19b–4(f)(6)(iii), the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. FINRA has asked the Commission to waive the 30-day operative delay so that the proposed rule change becomes operative immediately upon filing to help applicants for new and continuing membership to provide the information and documentation required by the updated MAP Rules.[48] As noted above, FINRA stated that the changes to the Forms CMA and NMA are not new obligations but rather reflect rules already approved by the Commission, including those changes designed to harmonize the two forms. FINRA seeks waiver of the delay so that FINRA can implement the proposed rule change on September 14, 2020, consistent with the effective date for the amendments to the MAP rules.[49] The Commission agrees that the proposed rule changes would not impose new obligations on broker-dealers and associated persons but rather are designed to help FINRA implement rules that the Commission previously approved.[50] The Commission believes that waiving the 30-day operative delay would help eliminate confusion by providing updated forms to reflect current requirements to firms and associated persons to use starting on the effective date of the previously approved MAP rules. In addition, waiving the delay would help FINRA to begin collecting the information designed to be captured by the new MAP rules starting on their effective date. For these reasons, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.[51]

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. 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–FINRA–2020–028 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–FINRA–2020–028. This file number should be included on the

[43] For example, Form NMA still refers to a $350 processing fee though the NMA processing fee was increased to $500 in 2012. *See Regulatory Notice* 12–32 (June 2012). FINRA is not proposing to change this $500 fee at this time.

[44] *See Regulatory Notice* 20–15 (May 2020).

[45] 15 U.S.C. 78*o*–3(b)(6).

[46] 15 U.S.C. 78s(b)(3)(A).

[47] 17 CFR 240.19b–4(f)(6).

[48] *See supra* note 5.

[49] *Id.*

[50] *Id.*

[51] For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule change's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal office of FINRA. 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–FINRA–2020–028 and should be submitted on or before October 9, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[52]

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2020–20615 Filed 9–17–20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89865; File No. SR–NYSECHX–2020–27]

Self-Regulatory Organizations; NYSE Chicago, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.37 To Update the Exchange's Source of Data Feeds From MIAX PEARL, LLC

September 14, 2020.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act'')[2] and Rule 19b–4 thereunder,[3] notice is hereby given that on September 3, 2020, the NYSE Chicago, Inc. (''NYSE Chicago'' or the ''Exchange'') 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 amend Rule 7.37 to update the Exchange's source of data feeds from MIAX PEARL, LLC (''MIAX PEARL'') for purposes of order handling, order execution, order routing, and regulatory compliance. The proposed rule change is available on the Exchange's website at *www.nyse.com,* at the principal office of the Exchange, 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 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 Exchange proposes to update and amend the use of data feeds table in Rule 7.37, which sets forth on a market-by-market basis the specific securities information processor (''SIP'') and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks related to each of those functions. Specifically, the Exchange proposes to amend the table in Rule 7.37(d) to specify that, with respect to MIAX PEARL, the Exchange will receive the SIP feed as its primary source of data for order handling, order execution, order routing, and regulatory compliance. The Exchange will not have a secondary source for data from MIAX PEARL.

The Exchange proposes that this proposed rule change would be operative on the day that MIAX PEARL launches operations as an equities exchange, which is currently expected on September 25, 2020.[4]

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,[5] in general, and furthers the objectives of Section 6(b)(5),[6] in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating 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. The Exchange believes its proposal to amend the table in Rule 7.37(d) to update the data feed source for MIAX PEARL will ensure that Rule 7.37 correctly identifies and publicly states on a market-by-market basis all of the specific SIP and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks for each of those functions. The proposed rule change also removes impediments to and perfects the mechanism of a free and open market and protects investors and the public interest by providing additional specificity, clarity, and transparency in the Exchange's rules.

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. The proposed change is not designed to address any competitive issue, but rather would provide the public and market participants with up-to-date information about the data feeds the Exchange will use for the handling, execution, and routing of orders, as well as for regulatory compliance.

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.

[52] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] *See https://www.miaxoptions.com/sites/default/files/press_release-files/MIAX_Press_Release_08182020.pdf.*

[5] 15 U.S.C. 78f(b).

[6] 15 U.S.C. 78f(b)(5).