

Replacement Chargers \$75 each.
Replacement adapters and protective cases. \$50 each.

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.³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁴ requirements that the rules of an exchange be 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 regulating, clearing, settling, processing information with respect to, and 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. Additionally, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,⁵ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes the proposed rule change is reasonable because the amount of fees assessed reflect the approximate cost to the Exchange to provide those items to TPHs. The Exchange believes it’s equitable and not unfairly discriminatory because TPHs that lose these items or damage these items from non-normal wear or tear should be responsible for the cost of replacement. The Exchange believes the proposed fees will encourage TPHs to take proper care of the above-mentioned PAR related hardware. As noted above, the Exchange will still provide the initial items free of charge and will also not charge TPHs to replace defective items (that were not the result of non-normal wear and tear).

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 intramarket or intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange notes that the proposed rule

change applies to all TPHs that lose or damage the above-mentioned PAR related hardware. The Exchange also notes the proposed rule change is not intended for competitive purposes, but rather because the Exchange no longer wishes to subsidize TPHs for items they lose or break.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁶ and paragraph (f) of Rule 19b-4⁷ 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 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 will institute proceedings 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>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-CBOE-2018-028 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-CBOE-2018-028. 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-2018-028 and should be submitted on or before May 9, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁸

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83040]

Order Granting Application by MIAX PEARL, LLC for Exemption Pursuant to Section 36(a) of the Exchange Act From the Rule Filing Requirements of Section 19(b) of the Exchange Act With Respect to Certain Rules Incorporated by Reference

April 12, 2018.

MIAX PEARL, LLC (“MIAX PEARL” or “Exchange”) has filed with the Securities and Exchange Commission (“Commission”) an application for an exemption under Section 36(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)¹ from the rule filing requirements of Section 19(b) of the

³ 15 U.S.C. 78f(b).

⁴ 15 U.S.C. 78f(b)(5).

⁵ 15 U.S.C. 78f(b)(4).

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f).

⁸ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78mm(a)(1).

Exchange Act² with respect to certain rules of the Miami International Securities Exchange, LLC (“MIAX Options”³) that the Exchange seeks to incorporate by reference. Section 36 of the Exchange Act authorizes the Commission to conditionally or unconditionally exempt any person, security, or transaction, or any class thereof, from any provision of the Exchange Act or rule thereunder, if necessary or appropriate in the public interest and consistent with the protection of investors.

On September 27, 2017, the Commission approved a proposed rule change by MIAX Options to adopt new Chapter XVIII comprising MIAX Options Rules 1801–1812 (“MIAX Options Index Options Rules”), to accommodate the trading of index options by MIAX Options members and establish generic listing standards and maintenance standards to permit MIAX Options to list “broad-based” and “narrow-based” index options pursuant to Rule 19b–4(e) under the Act.⁴ On February 8, 2018, MIAX PEARL filed a proposed rule change with the Commission to incorporate by reference, in new Chapter XVIII of the MIAX PEARL rulebook, the rules contained in MIAX Options Chapter XVIII.⁵

MIAX PEARL has requested, pursuant to Rule 0–12 under the Exchange Act,⁶ that the Commission grant the Exchange an exemption from the rule filing requirements of Section 19(b) of the Exchange Act for changes to MIAX PEARL Chapter XVIII that are effected solely by virtue of a change to Chapter XVIII of the MIAX Options rules. Specifically, MIAX PEARL requests that it be permitted to incorporate by reference changes made to each MIAX Options Index Options Rule that is cross-referenced in the MIAX PEARL Chapter XVIII rules,⁷ without the need

for the Exchange to file separately the same proposed rule changes pursuant to Section 19(b) of the Exchange Act.⁸ By virtue of these incorporations by reference, MIAX PEARL members will comply with the MIAX Options Index Options Rules by complying with the MIAX Options rules referenced in the MIAX PEARL Chapter XVIII rules.⁹ The Exchange states that the MIAX Options rules the Exchange seeks to incorporate by reference are categories of rules that are regulatory in nature. The Exchange has agreed to provide written notice to its members whenever MIAX Options proposes a change to Chapter XVIII of its Rules.¹⁰

The Exchange believes this exemption is appropriate in the public interest and consistent with the protection of investors because it will promote more efficient use of the Exchange’s and the Commission’s resources by avoiding duplicative rule filings based on simultaneous changes to identical rules sought by more than one self-regulatory organization (“SRO”),¹¹ and because it will result in the Exchange’s rules being consistent with the relevant cross-referenced MIAX Options rules.

The Commission has issued exemptions similar to the Exchange’s request.¹² In granting one such

XVIII, as such rules may be in effect from time to time (the ‘Chapter XVIII Rules’), are hereby incorporated by reference into this MIAX PEARL Chapter XVIII, and are thus MIAX PEARL Rules and thereby applicable to MIAX PEARL Members.”

⁸ See Exemptive Request, *supra* note 3, at 2.

⁹ *Id.*

¹⁰ The Exchange states that it will provide such notice on its website in the same section it uses to post its own proposed rule change filings pursuant to Rule 19b–4(I). See 17 CFR 240.19b–4(I). In addition, the Exchange states that its website will also include a link to the MIAX Options website where the proposed rule change filings are located. See Exemptive Request, *supra* note 3, at 2.

¹¹ *Id.*

¹² See, e.g., Securities Exchange Act Release Nos. 76998 (January 29, 2016), 81 FR 6066, 6083–84 (February 4, 2016) (order granting application for registration as a national securities exchange of ISE Mercury, LLC (now known as Nasdaq MRX, LLC) and exemptive request relating to rules of the International Securities Exchange, LLC (now known as Nasdaq ISE, LLC) (“ISE”) incorporated by reference, including index options rules); 70050 (July 26, 2013), 78 FR 46622, 46642 (August 1, 2013) (order granting application for registration as a national securities exchange of Topaz Exchange, LLC (now known as Nasdaq GEMX, LLC) and exemptive request relating to rules of ISE incorporated by reference, including index options rules); 61152 (December 10, 2009), 74 FR 66699, 66709–10 (December 16, 2009) (order granting application for registration as a national securities exchange of C2 Options Exchange, Incorporated (“C2”) and exemptive request relating to rules of the Chicago Board Options Exchange, Incorporated (“CBOE”) incorporated by reference, including index options rules). See also, e.g., Securities Exchange Act Release No. 61534 (February 18, 2010), 75 FR 8760 (February 25, 2010) (order granting BATS Exchange, Inc.’s exemptive request

exemption in 2010, the Commission repeated a prior, 2004 Commission statement that it would consider similar future exemption requests from other SROs, provided that:

- An SRO wishing to incorporate rules of another SRO by reference has submitted a written request for an order exempting it from the requirement in Section 19(b) of the Exchange Act to file proposed rule changes relating to the rules incorporated by reference, has identified the applicable originating SRO(s), together with the rules it wants to incorporate by reference, and otherwise has complied with the procedural requirements set forth in the Commission’s release governing procedures for requesting exemptive orders pursuant to Rule 0–12 under the Exchange Act;¹³

- The incorporating SRO has requested incorporation of categories of rules (rather than individual rules within a category) that are not trading rules (e.g., the SRO has requested incorporation of rules such as margin, suitability, or arbitration); and

- The incorporating SRO has reasonable procedures in place to provide written notice to its members each time a change is proposed to the incorporated rules of another SRO.¹⁴

The Commission believes that the Exchange has satisfied each of these conditions. The Commission also believes that granting the Exchange an exemption from the rule filing requirements under Section 19(b) of the Exchange Act will promote efficient use of Commission and Exchange resources by avoiding duplicative rule filings based on simultaneous changes to identical rule text sought by more than one SRO.¹⁵ The Commission therefore finds it appropriate in the public interest and consistent with the protection of investors to exempt the Exchange from the rule filing requirements under Section 19(b) of the Exchange Act with respect to the above-described rules it has incorporated by reference. This exemption is

relating to rules incorporated by reference by the BATS Exchange Options Market rules) (“BATS Options Market Order”).

¹³ See 17 CFR 240.0–12 and Securities Exchange Act Release No. 39624 (February 5, 1998), 63 FR 8101 (February 18, 1998) (“Commission Procedures for Filing Applications for Orders for Exemptive Relief Pursuant to Section 36 of the Exchange Act; Final Rule”).

¹⁴ See BATS Options Market Order, *supra* note 12 (citing Securities Exchange Act Release No. 49260 (February 17, 2004), 69 FR 8500 (February 24, 2004) (order granting exemptive request relating to rules incorporated by reference by several SROs) (“2004 Order”).

¹⁵ See BATS Options Market Order, *supra* note 12, 75 FR at 8761; see also 2004 Order, *supra* note 14, 69 FR at 8502.

² 15 U.S.C. 78s(b).

³ The Commission notes that MIAX PEARL referred to the Miami International Securities Exchange, LLC as “MIAX Options” in its application for an exemption under Section 36(a)(1) of the Exchange Act. See Letter from Dimitriy Kotov, Counsel, MIAX PEARL, to Brent J. Fields, Secretary, Commission, dated March 14, 2018 (“Exemptive Request”). References herein to the rules of MIAX Options are to the rules of the Miami International Securities Exchange, LLC.

⁴ See 17 CFR 240.19b–4(e). See also Securities Exchange Act Release No. 81739 (February 2, 2017), 82 FR 46111 (October 3, 2017). The proposed rule change also made related changes to other rules in the MIAX Options rulebook. See *id.*

⁵ See Securities Exchange Act Release No. 82756 (February 21, 2018), 83 FR 8538 (February 27, 2018). MIAX PEARL’s proposed rule change was approved by the Commission on April 12, 2018. See Securities Exchange Act Release No. 83039.

⁶ 17 CFR 240.0–12.

⁷ MIAX PEARL Chapter XVIII states “[t]he rules contained in MIAX Options Exchange Chapter

conditioned upon the Exchange promptly providing written notice to its members whenever MIAX Options changes a rule that the Exchange has incorporated by reference.

Accordingly, It is ordered, pursuant to Section 36 of the Exchange Act,¹⁶ that the Exchange is exempt from the rule filing requirements of Section 19(b) of the Exchange Act solely with respect to changes to the rules identified in its request that incorporate by reference certain MIAX Options rules that are the result of changes to such MIAX Options' rules, provided that the Exchange promptly provides written notice to its members whenever MIAX Options proposes to change a rule that the Exchange has incorporated by reference.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83038; File No. SR-MSRB-2018-02]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to the MSRB's Facility for the Real-Time Transaction Reporting System

April 12, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act" or "Exchange Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 2, 2018 the Municipal Securities Rulemaking Board (the "MSRB" or "Board") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. 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 MSRB filed with the Commission a proposed rule change to the MSRB's facility for the Real-Time Transaction

Reporting System ("RTRS") to reflect the re-engineered RTRS and modernize and consolidate the RTRS information facility ("RTRS IF") ("proposed rule change"). The MSRB has filed the proposed rule change under Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6)⁴ thereunder, as a noncontroversial rule change that renders the proposal effective upon filing. The proposed rule change would be made operative on May 29, 2018.

The text of the proposed rule change is available on the MSRB's website at www.msrb.org/Rules-and-Interpretations/SEC-Filings/2018-Filings.aspx, at the MSRB's principal office, 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 MSRB 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 MSRB 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

MSRB Rule G-14, on transaction reporting, requires brokers, dealers and municipal securities dealers ("dealers") to report executed transactions in municipal securities to RTRS within 15 minutes of the time of trade, with limited exceptions. RTRS disseminates information about transactions occurring in the municipal securities market to RTRS subscription services, including to the MSRB's Electronic Municipal Market Access System (EMMA[®]). The RTRS IF sets forth the material aspects of the operation of RTRS by describing the basic functionality of, and the high-level parameters by which the MSRB operates, RTRS. The proposed rule change consists of amendments to the RTRS IF.⁵

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

⁵ The RTRS facility is currently available on the MSRB's website at <http://www.msrb.org/Rules-and-Interpretations/MSRB-Rules/Facilities/RTRS-Facility.aspx>.

Background

The MSRB is enhancing certain RTRS components, including improving business continuity and connectivity services to RTRS and migrating subscription products to encrypted solutions.⁶ The purpose of the proposed rule change is to revise the RTRS IF to reflect this re-engineering of RTRS and to modernize and consolidate the RTRS IF.

Since the re-engineering would result in revisions to the RTRS IF, the MSRB took the opportunity to perform a comprehensive review of the RTRS IF to evaluate whether it sufficiently and clearly describes the basic functionality and operation of RTRS. The MSRB believes that dealers, submitters⁷ and subscribers⁸ benefit from this information being provided in a concise and organized manner.

Proposed Amendments to the RTRS Information Facility

(i) Subscriber Connectivity Changes

The RTRS IF sets forth RTRS subscribers' options for connecting to the RTRS Real-Time Transaction Data Subscription Service ("Real-Time Service"). Currently, subscribers have the option to connect to the Real-Time Service either over the internet or by leased line. As part of the re-engineering, the MSRB will require that subscribers to the Real-Time Service utilize the internet to connect to RTRS. As a result, subscribers will no longer be able to use leased lines for the Real-Time Service.

With respect to messaging with RTRS, subscribers currently must use either the MQ Series messaging software or a Transmission Control Protocol ("TCP") Socket connection. As part of the re-engineering, the MSRB will offer subscribers a new web service as an option for messaging with RTRS and retire the MQ Series messaging software. Moreover, the MSRB will require that any TCP socket connections utilized for messaging with RTRS are secure.

The MSRB is implementing these subscriber connectivity changes to improve business continuity by allowing for more efficient failovers to

⁶ The MSRB has reported the enhancements to RTRS components to the SEC consistent with Regulation Systems Compliance and Integrity. See Exchange Act Release No. 73639 (November 19, 2014), 79 FR 72251 (December 5, 2014).

⁷ As defined in Rule G-14, a submitter means a dealer, or service bureau acting on behalf of a dealer, that has been authorized to interface with RTRS for the purposes of entering transaction data into the system.

⁸ Subscriber refers to an individual or entity that receives RTRS data through an MSRB subscription service.

¹⁶ 15 U.S.C. 78mm.

¹⁷ 17 CFR 200.30-3(a)(76).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.