beneficiaries or to survivors in a priority
designated by law.

Changes proposed: The RRB proposes
the following changes to Forms AA–21,
AA–21cert, and G–273a:
• Forms AA–21 and AA–21cert—Update the fraud language in the
Certification statement to make it
consistent with other RRB applications;
• Form G–273a—Add clarifying
language above Item 10 to inform a
funeral home when to file for a lump-
sum death benefit.
The RRB proposes no changes to
Form G–131.
The burden estimate for the ICR is as
follows:

<table>
<thead>
<tr>
<th>Form No.</th>
<th>Annual responses</th>
<th>Time (minutes)</th>
<th>Burden (hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA–21cert with assistance</td>
<td>3,500</td>
<td>20</td>
<td>1,167</td>
</tr>
<tr>
<td>AA–21 without assistance</td>
<td>200</td>
<td>40</td>
<td>133</td>
</tr>
<tr>
<td>G–131</td>
<td>100</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>G–273a</td>
<td>4,000</td>
<td>10</td>
<td>667</td>
</tr>
<tr>
<td>Total</td>
<td>7,800</td>
<td></td>
<td>1,975</td>
</tr>
</tbody>
</table>

Additional information or comments:
Copies of the forms and supporting
documents can be obtained from Brian
Foster at (312) 751–4826 or
Brian.Foster@rrb.gov.
Comments regarding the information
collection should be addressed to Brian
Foster, Railroad Retirement Board, 844
North Rush Street, Chicago, Illinois
60611–1275 or Brian.Foster@rrb.gov and
to the OMB Desk Officer for the RRB,
Fax: 202–395–6974, Email address:
OIRA_Submission@omb.eop.gov.

Brian Foster,
Clearance Officer.
[FR Doc. 2019–01942 Filed 2–11–19; 8:45 am]
BILLING CODE 7905–01–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations;
Financial Industry Regulatory
Authority, Inc.; Notice of Filing of a
Proposed Rule Change To Expand
Time for Non-Parties To Respond to
Arbitration Subpoenas and Orders of
Appearance of Witnesses or
Production of Documents

February 6, 2019.

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 January
29, 2019, 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, II,
and III below, which Items have been
prepared by FINRA. The Commission is
publishing this notice to solicit


I. Self-Regulatory Organization’s
Statement of the Terms of Substance of the
Proposed Rule Change

FINRA is proposing to amend FINRA
Rule 12512(d) through (e) and FINRA
Rule 12513(d) through (e) of the Code of
Arbitration Procedure for Customer
Disputes (“Customer Code”) and FINRA
Rule 13512(d) through (e) and FINRA
Rule 13513(d) through (e) of the Code of
Arbitration Procedure for Industry
Disputes (“Industry Code” and together,
“Codes”), to expand time for non-
parties to respond to arbitration
subpoenas and orders of appearance of
witnesses or production of documents,
and to make related changes to enhance
the discovery process for forum users.

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

Introduction

The proposed rule change would
amend FINRA Rules 12512, 12513,
13512 and 13513 that govern procedures
for non-parties to object to subpoenas
and for non-parties to object to arbitrator
orders of appearance of witnesses or
production of documents. The proposed
rule change would help ensure that non-
parties wanting to object to an order or
subpoena have sufficient time to do so.
The proposal will also make related
changes to enhance the discovery
process for forum users.

Background

In arbitration, the parties exchange
documents and information to prepare
for the arbitration through the discovery
process. The Codes currently provide
that parties in FINRA arbitration who
seek discovery from a non-party may
request the panel to issue: (1) An order
of appearance of witnesses or
production of documents if the non-
party is subject to FINRA’s jurisdiction
as an associated person or member firm
or (2) a subpoena if the non-party is not
subject to FINRA’s jurisdiction. 3 If the
panel decides to issue the order or
subpoena, FINRA will transmit the
signed order or subpoena to the moving
party to serve on the non-party. If a non-
party receiving an order or a subpoena
objects to the scope or propriety of the
order or subpoena, the non-party may,
within 10 calendar days of service of the
order or subpoena, file written
objections through the Director of the
Office of Dispute Resolution (Director).

Concerns About Current Subpoena and
Order Rules for Non-Parties

Forum users have raised concerns that
the amount of time that non-parties
have to respond to orders and
subpoenas is insufficient. 4 Since non-

3 See Rules 12512 and 12513. See also Rules
13512 and 13513.
4 See, e.g., Letter from Kevin M. Carroll, Managing
Director and Associate General Counsel, Securities
Industry and Financial Markets Association, to
Jennifer Piosek Mitchell, Vice President and Deputy
Corporate Secretary, FINRA, dated June 2, 2017
(responding to FINRA’s March 2017 Special Notice
parties do not have access to the Dispute Resolution Party Portal (Party Portal), they are currently served using other means (first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile). Recipients of orders and subpoenas reported that the individual at a non-party firm who is responsible for responding to an order or subpoena (e.g., legal staff) may not actually receive a copy of the order or subpoena through internal processes until after the tenth day from service has passed, thereby causing the non-party firm to risk waiving its ability to timely object to the order or subpoena. As a non-party to the arbitration, a firm is not able to anticipate the arrival of an order or subpoena and instruct front line employees (e.g., receptionists or mail room personnel) to route these high priority documents to the appropriate individual responsible for responding to the discovery request. Once the objection to an order or subpoena is waived, the non-party must respond to the order or subpoena or risk incurring sanctions or disciplinary action. Forum users have also raised concerns that the use of first-class mail is not an ideal option in discovery because it is slow. For these reasons, FINRA seeks to offer sufficient time for non-parties to provide the order or subpoena to the appropriate individual who would respond to the discovery request.

Proposed Rule Change

FINRA is proposing three amendments to the Codes to enhance the discovery process for forum users, particularly non-parties. First, FINRA is proposing to amend the Codes to extend the response time for non-parties to object to an order or subpoena from 10 calendar days of service to 15 calendar days of receipt of the order or subpoena. Receipt of overnight mail service, overnight delivery service, hand delivery, email or facsimile is accomplished on the date of delivery. FINRA believes that the proposed rule change would address forum users’ concerns because the proposal would help ensure that non-parties wanting to object to an order or subpoena have sufficient time to do so.

Second, FINRA is proposing to amend the Codes to exclude first-class mail as an option to serve documents on the non-party and as an option for the non-party to file the objection to the scope or propriety of the order or subpoena. FINRA believes that by requiring forum users to serve or transmit discovery-related documents through overnight mail service, overnight delivery, hand delivery, email or facsimile, forum users are better able to confirm and facilitate the timing of discovery obligations.

Third, FINRA is proposing to amend the Codes to codify the current practice that the Director sends, at the same time, objections and responses to the panel after the reply date has elapsed, unless otherwise directed by the panel. The Director sends the complete set of motion papers to the panel to ensure that the panel receives the advocacy positions of all parties at the same time. FINRA believes that the proposed rule change will enhance forum users’ understanding of existing case administration procedures and will improve transparency concerning forum operations.

If the Commission approves the proposed rule change, FINRA will announce the effective date of the proposed rule change in a Regulatory Notice to be published no later than 60 days following Commission approval. The effective date will be no later than 30 days following publication of the Regulatory Notice announcing Commission approval.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act, 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. FINRA believes that the proposed rule change would enhance the discovery process for forum users by giving non-parties additional time to respond to subpoenas and orders.

Further, the proposed rule change addresses forum users’ concerns on delays with first-class mail and would enhance their ability to confirm and facilitate the timing of discovery obligations. FINRA further believes that the proposed amendments would also enhance the user experience at the forum by standardizing certain procedures relating to subpoenas and orders and will improve transparency concerning forum operations.

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. A discussion of the economic impacts of the proposed rule change follows.

Economic Impact Assessment

FINRA staff has undertaken an economic impact assessment, as set forth below, to analyze the regulatory need for the proposed rule change, its potential economic impacts, including anticipated costs, benefits, and distributional and competitive effects, relative to the current baseline, and the alternatives FINRA considered in assessing how to best meet its regulatory objectives.

(a) Regulatory Need

Under the Codes, non-parties to an arbitration have a limited amount of time to object to an order or subpoena. Parties and non-parties may also use options to transmit or serve documents that are slow, further hindering the ability of non-parties to timely object. This could cause non-parties to inadvertently waive their ability to timely object. Non-parties for whom the objection process would be valuable could incur costs associated with this outcome.

(b) Economic Baseline

The economic baseline for the proposed amendments are the Codes that address the length of time for non-parties to respond to arbitrators’ orders and subpoenas. The economic baseline also includes the Codes that address the options for parties and non-parties to serve or transmit documents. The proposal is expected to affect non-parties and parties to an arbitration. Although FINRA does collect information describing orders and subpoenas, FINRA does not collect information specifically identifying orders or subpoenas to non-parties. The
frequency in which parties currently request arbitrators to issue orders or subpoenas to non-parties, and whether non-parties respond or object, is therefore not available. Information is also not available to describe the frequency in which non-parties inadvertently waive their ability to timely object to an order or subpoena.

(c) Economic Impact

The proposed amendments would extend the response time for non-parties to object to an order or subpoena. The proposed amendments would also exclude first-class mail as an option to transmit or serve documents. The benefits and costs of the proposed amendments are discussed below.

The proposed amendments may benefit non-parties when responding to orders and subpoenas. The proposed amendments would increase the amount of time for non-parties to formulate sound objections and file these objections with the Director and requesting party. Further, non-parties that are able to timely object as a result of the proposed amendments, and that receive a ruling in their favor, would not incur the costs associated with the release of proprietary or non-public information. The proposed amendments, however, may impose costs on requesting parties. Non-parties that are able to timely object as a result of the proposed amendments, and that receive a ruling in their favor, would not incur the costs associated with the release of proprietary or non-public information.12

The proposed amendments would increase the amount of time for non-parties to object to an order or subpoena, and that receive a ruling in their favor, would not incur the costs associated with the release of proprietary or non-public information.12

The proposed amendments would increase the amount of time for non-parties to object to an order or subpoena, and that receive a ruling in their favor, would not incur the costs associated with the release of proprietary or non-public information.12

The proposed amendments may have countervailing effects on the efficiency of the arbitration forum. The increase in the amount of time for non-parties to respond may lengthen the discovery phase of the arbitration proceedings, and therefore the amount of time until the resolution of the dispute. The exclusion of first-class mail as an option to transmit or serve documents, however, may increase the speed of delivery as well as the ability of parties to determine the sequence and timing of discovery. Whether the forum becomes more or less efficient as a result of the proposed amendments is dependent on the number of additional days non-parties take to file an objection to an order or subpoena, as well as the extent to which parties and non-parties transition to more efficient means of communication.

The proposed amendments may also have additional economic impacts. For example, the exclusion of first-class mail may impose additional costs on parties and non-parties that transition to a different, more-expensive option to transmit or serve documents. The proposed amendments would also codify the current practice whereby FINRA holds all documents from objections and responses to orders or subpoenas before sending them at one time after the reply date has elapsed (unless otherwise directed by the panel). FINRA does not believe, however, that any economic impact from the clarification of procedures would be material.

(d) Alternatives Considered

The alternatives considered to the proposed amendments include not extending the response time for non-parties to object to an order or subpoena, or extending the response time but for a different number of days. Other alternatives considered include not excluding first-class mail as an option for transmitting or serving documents, or excluding different options. FINRA considered the benefits to non-parties from extending the response time to object to an order or subpoena with the potential increase in the amount of time for discovery. FINRA also considered the benefits from excluding options to transmit or serve documents with the costs of reducing the number of options. FINRA believes that the proposed amendments increase the ability of non-parties to timely object to an order or subpoena, as well as the efficiency of the discovery process, while minimizing the potential costs to parties and non-parties.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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–2019–004 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–2019–004. 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 such
SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; BOX Exchange LLC; Notice of Withdrawal of Proposed Rule Change To Adopt Rules Governing the Trading of Complex Qualified Contingent Cross Orders and Complex Customer Cross Orders

February 6, 2019.

On May 22, 2018, BOX Exchange LLC (the “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Act of 1934 \(^1\) and Rule 19b–4 thereunder, \(^2\) a proposed rule change to adopt rules governing the trading of Complex Qualified Contingent Cross Orders and Complex Customer Cross Orders. The proposed rule change was published for comment in the Federal Register on June 8, 2018. \(^3\) On July 16, 2018, pursuant to Section 19(b)(2) of the Act, \(^4\) the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change. \(^5\) On September 5, 2018, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act \(^6\) to determine whether to approve or disapprove the proposed rule change. \(^7\) The Commission received one comment letter from the Exchange responding to the Order Instituting Proceedings. \(^8\) On November 27, 2018, pursuant to Section 19(b)(2) of the Act, \(^9\) the Commission designated a longer period within which to issue an order approving or disapproving the proposed rule change. \(^10\) On February 1, 2019, the Exchange withdrew the proposed rule change (SR–BOX–2018–14).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority. \(^11\)

Eduardo A. Aleman,
Deputy Secretary.

[FR Doc. 2019–01944 Filed 2–11–19; 8:45 am]
BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.31–E Relating to the Minimum Trade Size Modifier

February 6, 2019.

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 January 28, 2019, NYSE Arca, Inc. (the “Exchange” or “NYSE Arca”) 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend Rule 7.31–E relating to the Minimum Trade Size Modifier. The proposed rule change is available on the Exchange’s website at www.nyx.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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend Rule 7.31–E relating to the Minimum Trade Size (“MTS”) Modifier. Specifically, the Exchange proposes to make the MTS Modifier available for Non-Displayed Limit Orders. \(^4\) The Exchange also proposes to provide additional optionality for ETP Holders using the MTS Modifier with Limit IOC Orders, Non-Displayed Limit Orders, Mid-Point Liquidity (“MPL”) Orders, and Tracking Orders. As proposed, ETP Holders could choose how such orders would trade on arrival to trade either with (i) orders that in the aggregate meet the MTS (current functionality), or (ii) individual orders that each meet the MTS (proposed functionality).

The MTS Modifier is currently available for Limit IOC Orders, \(^5\) MPL Orders, \(^6\) and Tracking Orders. \(^7\) As such, the Commission is undertaking an analysis of the purpose of, and statutory basis for, the proposed rule change.

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\(^4\) See Rule 7.31–E(d)(2). In sum, A Non-Displayed Limit Order is a Limit Order that is not displayed and does not route. Id.
\(^5\) See Rule 7.31–E(b)(2)(A). In sum, a Limit Order designated IOC is to be traded in whole or in part on the NYSE Arca Market once as soon as such order is received, and the quantity not so traded is cancelled. Id.
\(^6\) See Rule 7.31–E(d)(3). In sum, an MPL Order is a “Limit Order that is not displayed and does not route, with a working price at the midpoint of the PBBO.” Id.
\(^7\) See Rule 7.31–E(d)(4). In sum, a Tracking Order is an order to buy sell with a limit price that is Continued