

established and maintained by professional services employers as listed in section 4021(b)(13); and (4) Puerto Rico-based plans within the meaning of section 1022(i)(1) of ERISA.

PBGC needs this information collection to determine whether a plan is covered or not covered under title IV. Information provided to PBGC would be confidential to the extent provided in the Freedom of Information Act and the Privacy Act.

On December 4, 2018, PBGC published in the **Federal Register** (at 83 FR 62629) a notice informing the public of its intent to request an approval of this collection of information. PBGC received comments from three commenters about this collection of information. One commenter expressed approval for the creation of the form for its intended purpose. The other two commenters recommended some changes. After consideration of these recommendations, PBGC made some changes to the form and instructions. Among the changes, in response to a suggestion to allow a plan not yet in existence to request a coverage determination, PBGC modified the form and instructions to enable certain plans not yet established to use the form to request an opinion from PBGC. The instructions now explain that, under a pilot program, a plan that is proposed but not yet established may request an opinion from PBGC as to whether the sponsoring employer is a professional service employer under section 4021(b)(13) of ERISA or whether all participants are substantial owners under section 4021(b)(9). The comments and PBGC's rationale for its decisions are discussed in the supporting statement submitted to OMB for this information collection.

PBGC is requesting that OMB approve of the collection for three years. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

PBGC estimates that 425 forms would be submitted each year. PBGC estimates that each form would require approximately 20 hours to complete by a combination of plan office staff (50%) and outside professionals (attorneys and actuaries) (50%). PBGC estimates an annual hour burden of 4,250 hours (based on plan office time). The estimated dollar equivalent of this hour burden, based on an assumed hourly rate of \$75 for administrative, clerical, and supervisory time is \$318,750. PBGC estimates an annual cost burden of \$1,487,500 (based on 4,250 professional

hours assuming an average hourly rate of \$350).

Issued in Washington, DC.

**Hilary Duke,**

*Assistant General Counsel for Regulatory Affairs, Pension Benefit Guaranty Corporation.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-85760; File No. SR-CboeBZX-2019-032]

### Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To List and Trade Under BZX Rule 14.11(d)(2)(K)(i) Shares of the iPath S&P MLP ETN Issued by Barclays Bank PLC

May 2, 2019.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) <sup>1</sup> and Rule 19b-4 thereunder, <sup>2</sup> notice is hereby given that on April 25, 2019, Cboe BZX Exchange, Inc. (“Exchange” or “BZX”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act <sup>3</sup> and Rule 19b-4(f)(6) thereunder. <sup>4</sup> 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 proposed rule change to list and trade under BZX Rule 14.11(d)(2)(K)(i) shares of the iPath S&P MLP ETN (the “Notes”) issued by Barclays Bank PLC (“Barclays” or the “Issuer”), which are currently listed on NYSE Arca, Inc. (“Arca”). The Exchange has designated this proposal as non-controversial and provided the Commission with the notice required by Rule 19b-4(f)(6)(iii) under the Act. <sup>5</sup>

The text of the proposed rule change is also available on the Exchange's website ([http://markets.cboe.com/us/equities/regulation/rule\\_filings/bzx/](http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/)), at

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> 17 CFR 240.19b-4(f)(6)(iii).

the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

###### 1. Purpose

The Exchange proposes to list and trade the Notes <sup>6</sup> on the Exchange. The Exchange is submitting this proposed rule change because the Index <sup>7</sup> does not currently meet all of the “generic” listing requirements of BZX 14.11(d)(2)(K)(i)(a)(2) <sup>8</sup> applicable to the listing of Equity Index-Linked Securities. The Index meets all requirements of Rule 14.11(d)(2)(K)(i) except for Rule 14.11(d)(2)(K)(i)(a)(2)(C) <sup>9</sup> and will

<sup>6</sup> The Exchange notes that the Notes are currently listed on Arca pursuant to that exchange's generic listing standards.

<sup>7</sup> The index underlying the Notes is the S&P MLP Index (the “Index”). The Index is designed to provide exposure to leading partnerships that trade on major U.S. exchanges and are classified in the GICS Energy Sector and GICS Gas Utilities Industry according to the Global Industry Classification Standard. It includes both master limited partnerships (“MLPs”) and publicly traded limited liability companies which have a similar legal structure to MLPs and share the same tax benefits as MLPs (the “Index Constituents”). The Index is calculated, maintained and published by S&P Dow Jones Indices LLC (the “Index Provider”). The composition of the Index is rebalanced annually after the market close of the third Friday of October.

<sup>8</sup> The Commission approved BZX Rule 14.11(d) in Securities Exchange Act Release No. 65225 (August 30, 2011), 76 FR 55148 (September 6, 2011) (SR-BATS-2011-018).

<sup>9</sup> BZX Rule 14.11(d)(2)(K)(i)(a)(2)(C) provides that no underlying component security (excluding Derivative Securities Products and Linked Securities) will represent more than 25% of the weight of the index, and, to the extent applicable, the five highest weighted component securities in the index (excluding Derivative Securities Products and Linked Securities) do not in the aggregate account for more than 50% of the weight of the index (60% for an index consisting of fewer than 25 component securities). Specifically, the five highest weighted component securities in the Index, as defined below, represent 52% of the weight of the Index.

continue to meet all other requirements of Rule 14.11(d)(2)(K)(i) on an ongoing basis. The Exchange notes that the Notes are currently listed on Arca and the Notes are already trading on the Exchange pursuant to unlisted trading privileges, as provided in Rule 14.11(j).

Specifically, the Exchange submits this rule filing because the Index exceeds the concentration limitation for initial listing on the Exchange included in Rule 14.11(d)(2)(K)(i)(a)(2)(C) by less than 3%. The Notes will meet the continued listing standards applicable to Equity Index-Linked Securities under Rule 14.11(d)(2)(K)(i)(b)(1)(A)<sup>10</sup> on a continuous basis, even though the Index does not currently meet the initial listing requirements under the Initial Listing Rule. Upon rebalance in October 2019, the Index will meet the concentration limitations applicable under both the Initial Listing Rule and the Continued Listing Rule and would be able to list on the Exchange pursuant to the generic listing standards applicable to Equity Index-Linked Securities at that time.<sup>11</sup> However, the five highest dollar weighted components in the Index currently represent 52.82% of the weight of the Index.

As such, the Exchange is submitting this proposal in order to allow the Notes to list and trade on the Exchange pursuant to Rule 14.11(d)(2)(K)(i) in a manner identical to the way that the Notes are currently listed on Arca—pursuant to the generic listing standards applicable to Equity Index-Linked Securities with the obligation to comply with all continued listing obligations under that rule. In the event that the Index does not meet the requirements of Rule 14.11(d)(2)(K)(i)(b)(1)(B) upon rebalance or the Index or Notes fail to meet any other continued listing obligation under Rule 14.11(d), the Exchange will initiate delisting proceedings pursuant to Rule 14.12.

All statements and representations made in this filing regarding (a) the description of the Index, (b) limitations on Index or portfolio holdings or

reference assets, (c) the dissemination and availability of the Index, and reference assets; or (d) the applicability of Exchange rules and surveillance procedures shall constitute continued listing requirements for listing the Notes on the Exchange. The issuer has represented to the Exchange that it will advise the Exchange of any failure by the Notes to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will surveil for compliance with the continued listing requirements.

#### S&P MLP Index

The Index is designed to provide exposure to leading partnerships that trade on major U.S. exchanges and are classified in the GICS Energy Sector and GICS Gas Utilities Industry according to the Global Industry Classification Standard. It includes both MLPs and publicly traded limited liability companies which have a similar legal structure to MLPs and share the same tax benefits as MLPs. The Index is calculated, maintained and published by S&P Dow Jones Indices LLC. The composition of the Index is rebalanced annually after the market close of the third Friday of October.

To qualify for membership in the Index, a stock must satisfy the following criteria: (i) Be a publicly traded partnership with either a master limited partnership or a limited liability company structure; (ii) be listed on the NYSE (including NYSE Arca), the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Select Market or the NASDAQ Capital Market; and (iii) belong to the GICS Energy Sector (GICS Code 10) or Gas Utilities Industry (GICS Code 551020).

At each annual rebalancing, a company in the qualifying universe is added to the Index if it meets the following requirements: (i) Float-adjusted market capitalization of at least US \$300 million as of the rebalancing reference date; and (ii) average daily value traded above US \$2 million for the three months prior to the rebalancing reference date. No additions are made to the Index between rebalancing.

The Index methodology employs a modified market capitalization-weighting scheme, using the divisor methodology used in most S&P Dow Jones equity indices. At each annual rebalancing, no stock can have a weight of more than 15% in the Index and all stocks with a weight greater than 4.5%, based on float-adjusted market capitalization, are not allowed, as a group, to exceed 45% of the Index.

#### Availability of Information

The website for the Notes, [www.ipathetn.com](http://www.ipathetn.com), is publicly available and includes a form of the prospectus for the Notes that may be downloaded. Daily trading volume information for the Notes will also be available in the financial section of newspapers, through subscription services such as Bloomberg, Thomson Reuters, and International Data Corporation, which can be accessed by authorized participants and other investors, as well as through other electronic services, including major public websites. The website and information will be publicly available at no charge. The value, components, and percentage weightings of the Index will be calculated and disseminated at least once daily and will be available from major market data vendors. Rules governing the Index are available on the Index Provider's website, <http://us.spindices.com/>. Quotation and last sale information for the Notes will be available via the Consolidated Tape Association ("CTA") high speed line. The Index value, calculated and disseminated at least every 15-seconds, as well as the components of the Index and their percentage weighting, will be available from major market data vendors.

#### Trading Halts

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Notes. The Exchange will halt trading in the Notes under the conditions specified in BZX Rule 11.18. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Notes inadvisable. These may include: (1) The extent to which trading is not occurring in the securities composing the Index; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

#### Trading Rules

The Exchange deems the Notes to be equity securities, thus rendering trading in the Notes subject to the Exchange's existing rules governing the trading of equity securities. The Exchange will allow trading in the Notes from 8:00 a.m. until 5:00 p.m. Eastern time and has the appropriate rules to facilitate transactions in the Notes during all trading sessions. As provided in BZX Rule 11.11(a), the minimum price variation for quoting and entry of orders in securities traded on the Exchange is

<sup>10</sup> Rule 14.11(d)(2)(K)(i)(b)(1)(A) (the "Continued Listing Rule") is substantively identical to the initial listing requirements under Rule 14.11(d)(2)(K)(i)(a)(2)(C) (the "Initial Listing Rule") except that the Continued Listing Rule provides that the concentration requirements need only be satisfied at the time an index is rebalanced.

<sup>11</sup> As further described below, the Index methodology provides that at each annual rebalancing, no stock can have a weight of more than 15% in the Index and all stocks with a weight greater than 4.5%, based on float-adjusted market capitalization, are not allowed, as a group, to exceed 45% of the Index. As such, the Index methodology will definitively prevent the Index from exceeding the concentration limitations in the Continued Listing Rule upon rebalance.

\$0.01, with the exception of securities that are priced less than \$1.00, for which the minimum price variation for order entry is \$0.0001.

#### Information Circular

Prior to the commencement of listing on the Exchange, the Exchange will inform its members in an Information Circular of the special characteristics and risks associated with trading the Notes. Such Information Circular will include information related to: (a) The special risks of trading the Notes; (b) the Exchange Rules that will apply to the Notes, including Rule 3.7, which imposes suitability obligations on Exchange members with respect to recommending transactions in the Shares to customers; (c) information about the dissemination of the value of the Index; and (d) the risks involved in trading the Shares during the Pre-Opening<sup>12</sup> and After Hours Trading Sessions<sup>13</sup> when the value of the Index will not be calculated or publicly disseminated.

#### Surveillance

The Exchange believes that its surveillance procedures are adequate to properly monitor the trading of the Notes on the Exchange during all trading sessions and to deter and detect violations of Exchange rules and the applicable federal securities laws. Trading of the Notes through the Exchange will be subject to the Exchange's surveillance procedures for derivative products, including Linked Securities. The issuer has represented to the Exchange that it will advise the Exchange of any failure by the Notes to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Exchange Act, the Exchange will surveil for compliance with the continued listing requirements. If the Notes are not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures for the Notes under Exchange Rule 14.12. The Exchange or the Financial Industry Regulatory Authority ("FINRA"), on behalf of the Exchange, or both, will communicate as needed regarding trading in the Notes and the Index Constituents with other markets or other entities that are members of the Intermarket Surveillance Group ("ISG") or with which the Exchange has in place a comprehensive surveillance sharing agreement, and may obtain trading

information regarding trading in the Notes from such markets or entities.<sup>14</sup> The Exchange prohibits the distribution of material non-public information by its employees. The Index Provider is not a registered broker-dealer and is not affiliated with a broker-dealer. In the event that the Index Provider becomes a broker-dealer or becomes affiliated with a broker-dealer, the Index Provider will implement and maintain a fire wall with respect to its relevant personnel regarding access to information concerning the composition and/or changes to the Index. In addition, the Index Provider has implemented and will maintain procedures around the relevant personnel that are designed to prevent the use and dissemination of material, non-public information regarding the Index.

#### 2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act<sup>15</sup> in general and Section 6(b)(5) of the Act<sup>16</sup> in particular in that 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. Specifically, the Exchange believes that the proposal is consistent with the Act because of the near-miss nature of the Index exceeding the concentration limitation in the Initial Listing Rule by less than 3% and the Notes will meet the continued listing standards applicable to Equity Index-Linked Securities under Rule 14.11(d)(2)(K)(i)(b)(1)(A) on a continuous basis. The Exchange points out that the Notes will meet the continued listing standards at all times that they are listed on the Exchange and the period of non-compliance will be a relatively short time—the Index will meet the initial listing standards upon rebalance in October 2019. As such, the Exchange believes that this proposal is consistent with the Act and raises no substantive issues for the Commission to consider.

Further, the Exchange believes that its surveillance procedures are adequate to properly monitor the trading of the Notes on the Exchange during all

trading sessions and to deter and detect violations of Exchange rules and the applicable federal securities laws. Trading of the Notes through the Exchange will be subject to the Exchange's surveillance procedures for derivative products, including Linked Securities. The issuer has represented to the Exchange that it will advise the Exchange of any failure by the Notes to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Exchange Act, the Exchange will surveil for compliance with the continued listing requirements. If the Notes are not in compliance with the continued listing requirements, the Exchange will commence delisting procedures for the Notes under Exchange Rule 14.12. FINRA conducts certain cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under the regulatory services agreement.

The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Notes and the Index Constituents with other markets or other entities that are members of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement, and may obtain trading information regarding trading in the Notes from such markets or entities. The Exchange prohibits the distribution of material non-public information by its employees. The Index Provider is not a registered broker-dealer and is not affiliated with a broker-dealer. In the event that the Index Provider becomes a broker-dealer or becomes affiliated with a broker-dealer, the Index Provider will implement and maintain a fire wall with respect to its relevant personnel regarding access to information concerning the composition and/or changes to the Index. In addition, the Index Provider has implemented and will maintain procedures around the relevant personnel that are designed to prevent the use and dissemination of material, non-public information regarding the Index. The Index value, calculated and disseminated at least every 15-seconds, as well as the components of the Index and their percentage weighting, will be available from major market data vendors.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest. In addition, a large amount of information is publicly available regarding the Notes, thereby promoting market transparency. Information regarding market price and

<sup>12</sup> The Pre-Opening Session is from 8:00 a.m. to 9:30 a.m. Eastern Time.

<sup>13</sup> The After Hours Trading Session is from 4:00 p.m. to 8:00 p.m. Eastern Time.

<sup>14</sup> The Exchange notes that all Index Constituents are required to be listed on a U.S. national securities exchange.

<sup>15</sup> 15 U.S.C. 78f.

<sup>16</sup> 15 U.S.C. 78f(b)(5).

trading volume of the Notes will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services, and quotation and last sale information will be available via the CTA high-speed line. The website for the Notes will include the prospectus and additional relevant data. With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Notes. Trading also may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Notes inadvisable. If the Index value is not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the Index value occurs. If the interruption to the dissemination of the Index value persists past the trading day in which it occurred, the Exchange will halt trading. Trading in the Notes will be halted if the circuit breaker parameters in BZX Rule 11.18 have been reached or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Notes inadvisable. In addition, investors will have ready access to information regarding Index, quotation, and last sale information for the Notes.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate the transfer of the listing of an exchange-traded product that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Notes and may obtain information via ISG from other exchanges that are members of ISG or with which the Exchange has entered into a comprehensive surveillance sharing agreement.

#### *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 purpose of the Act. The Exchange notes that the proposed rule change, rather, will facilitate the transfer from Arca and listing of an additional exchange-traded product on the Exchange, which will enhance competition among listing venues, to the benefit of issuers, investors, and the marketplace more broadly.

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

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

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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>17</sup> and Rule 19b-4(f)(6) thereunder.<sup>18</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>19</sup> normally does not become operative for 30 days after the date of the filing. However, Rule 19b-4(f)(6)(iii)<sup>20</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange represents that the Notes are currently listed on Arca and are trading on the Exchange pursuant to unlisted trading privileges, and the Exchange asserts that waiver of the operative delay would permit the Notes to list and continue to trade on the Exchange without undue delay. The Exchange further represents (1) that, while the Notes do not currently satisfy the relevant concentration limit in the Exchange's Initial Listing Rule, the underlying Index currently exceeds that limit by less than three percentage points;<sup>21</sup> (2) that, upon rebalancing in October 2019, the Index will meet the relevant concentration limit in the Initial Listing Rule;<sup>22</sup> and (3) that the Notes would currently meet the Exchange's applicable continued listing standards and would, upon listing, do so on a continuous basis. The Commission

<sup>17</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>18</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>19</sup> 17 CFR 240.19b-4(f)(6).

<sup>20</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>21</sup> See *supra* note 10 and accompanying text.

<sup>22</sup> See *supra* note 11 and accompanying text.

believes that, under these circumstances, waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. For these reasons, the Commission hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.<sup>23</sup>

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](mailto:rule-comments@sec.gov). Please include File Number SR-CboeBZX-2019-032 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-CboeBZX-2019-032. 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

<sup>23</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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–CboeBZX–2019–032 and should be submitted on or before May 29, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>24</sup>

**Eduardo A. Aleman,**  
*Deputy Secretary.*

[FR Doc. 2019–09373 Filed 5–7–19; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–85764; File No. SR–FINRA–2019–015]

### Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Update the FINRA Manual To Reflect FINRA's New Subsidiary, FINRA CAT, LLC

May 2, 2019.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on April 24, 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. FINRA has designated the proposed rule change as concerned solely with the administration of the self-regulatory organization under Section 19(b)(3)(A)(iii) of the Act<sup>3</sup> and Rule 19b–4(f)(3) thereunder,<sup>4</sup> 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 update the FINRA Manual to reflect FINRA's new subsidiary, FINRA CAT, LLC. Specifically, the proposed rule change would codify the delegation of specific responsibilities and functions to FINRA CAT, LLC under the Plan of Allocation and Delegation of Functions by FINRA (“Delegation Plan”); make conforming amendments to the Delegation Plan to reflect FINRA CAT, LLC; amend the By-Laws of FINRA Regulation, Inc. (“FINRA Regulation By-Laws”) to make relevant conforming amendments; and make conforming amendments to 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

FINRA and the national securities exchanges (collectively, the “Participants”)<sup>5</sup> filed with the Commission, pursuant to Section 11A of

<sup>5</sup> Specifically, the Participants are BOX Exchange LLC, Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe C2 Exchange, Inc., Cboe Exchange, Inc., FINRA, Investors Exchange LLC, Miami International Securities Exchange, LLC, MIAX Emerald, LLC, MIAX PEARL, LLC, Nasdaq BX, Inc., Nasdaq GEMX, LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, Nasdaq PHLX LLC, The Nasdaq Stock Market LLC, New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc. and NYSE National, Inc.

the Exchange Act<sup>6</sup> and Rule 608 of Regulation NMS thereunder,<sup>7</sup> the National Market System Plan Governing the Consolidated Audit Trail (the “CAT NMS Plan” or “Plan”).<sup>8</sup> The Participants filed the Plan to comply with Rule 613 of Regulation NMS under the Exchange Act.<sup>9</sup> The Plan was published for comment in the **Federal Register** on May 17, 2016,<sup>10</sup> and approved by the Commission, as modified, on November 15, 2016.<sup>11</sup>

The Participants jointly own and operate CAT NMS, LLC, a company formed by the Participants to arrange for and oversee the creation, implementation, and maintenance of the consolidated audit trail (“CAT”) as required under Rule 613, and the CAT is a facility of each Participant.<sup>12</sup> The CAT is intended to capture in a single consolidated data source customer and order event information for orders in NMS Securities and OTC Equity Securities, across all markets, from the time of order inception through routing, cancellation, modification, or execution.<sup>13</sup>

The Plan requires the Participants to select a Plan Processor to perform the CAT processing functions required by SEC Rule 613 and as set forth in the Plan.<sup>14</sup> On February 1, 2019, CAT NMS, LLC confirmed that it would be transitioning the CAT project to a new Plan Processor, and on February 27, 2019, announced that it had selected FINRA as the Plan Processor.<sup>15</sup> In its capacity as Plan Processor, FINRA is responsible for the development and

<sup>6</sup> 15 U.S.C. 78k–1.

<sup>7</sup> 17 CFR 242.608.

<sup>8</sup> See Letter from the Participants to Brent J. Fields, Secretary, Commission, dated September 30, 2014; and Letter from Participants to Brent J. Fields, Secretary, Commission, dated February 27, 2015. On December 23, 2015, the Participants submitted an amendment to the CAT NMS Plan. See Letter from Participants to Brent J. Fields, Secretary, Commission, dated December 23, 2015.

Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth herein or in the CAT NMS Plan.

<sup>9</sup> 17 CFR 242.613.

<sup>10</sup> See Securities Exchange Act Release No. 77724 (April 27, 2016), 81 FR 30614 (May 17, 2016).

<sup>11</sup> See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696 (November 23, 2016) (“Approval Order”).

<sup>12</sup> See Securities Exchange Act Release No. 67457 (July 18, 2012), 77 FR 45722, 45775 (August 1, 2012) (“Rule 613 Adopting Release”).

<sup>13</sup> See e.g., *id.*, at 45722.

<sup>14</sup> However, while the Participants select a Plan Processor to perform these functions, each Participant also remains responsible for compliance with the terms of the Plan. See SEC Rule 608(c) and SEC Rule 613(h).

<sup>15</sup> See announcements dated February 1, 2019 and February 27, 2019 on the News Page at [www.catnmsplan.com/news-page/index.html](http://www.catnmsplan.com/news-page/index.html).

<sup>24</sup> 17 CFR 200.30–3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>4</sup> 17 CFR 240.19b–4(f)(3).