

discussions with Commission staff have revealed complexities about the operations of Legacy NMS Stock ATSs including, among other things, matching functionalities, means of order entry, order interaction and execution procedures, conditional order processes, segmentation of orders, and counterparty selection protocols. The Commission staff needs additional time to review novel and complex issues such as these, which Commission staff has discussed with Ustocktrade. Extending the initial Form ATS–N Commission review period for an additional 120 calendar days will provide Commission staff an opportunity to continue its review of the initial Form ATS–N disclosures and discussions with Ustocktrade.

In the conversations between Ustocktrade and Commission staff about the initial Form ATS–N disclosures and the ATS operations, Commission staff and Ustocktrade have discussed a potential amendment to update Ustocktrade's disclosures regarding the complexities of its operations. Extending the review period will enable the NMS Stock ATS to amend its disclosures, if appropriate, and allow Commission staff to conduct a thorough review of amendments to the initial disclosures provided on the initial Form ATS–N.

For the reasons given above, the Commission is extending the review period of the initial Form ATS–N submitted by Ustocktrade. Accordingly, pursuant to Rule 304(a)(1)(iv)(B), October 6, 2019 is the date by which the Commission may declare the initial Form ATS–N submitted by Ustocktrade ineffective.

By the Commission.

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

[FR Doc. 2019–11827 Filed 6–5–19; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86005; File No. 013–00117]

### Initial Form ATS–N Filing; Notice of Extension of Commission Review Period

June 3, 2019.

On February 11, 2019, MS POOL ATS–4 filed an initial Form ATS–N (“Form ATS–N”) with the Securities and Exchange Commission (“Commission”). Pursuant to Rule 304 under the Securities and Exchange Act of 1934 (“Act”), the Commission may, after notice and an opportunity for

hearing, declare an initial Form ATS–N ineffective no later than 120 days from the date of filing with the Commission, or, if applicable, the extended review period. June 11, 2019 is 120 calendar days from the date of filing. Pursuant to Rule 304(a)(1)(iv)(B), the Commission may extend the initial Form ATS–N review period for up to an additional 120 calendar days if the initial Form ATS–N is unusually lengthy or raises novel or complex issues that require additional time for review.

MS POOL ATS–4 was operating pursuant to an initial operation report on Form ATS on file with the Commission as of January 7, 2019.<sup>1</sup> MS POOL ATS–4 filed an initial Form ATS–N on February 11, 2019. During the initial 120 calendar day review period, the Commission staff has been reviewing the disclosures on MS POOL ATS–4's initial Form ATS–N. In addition, the staff has been engaged in ongoing discussions with MS POOL ATS–4 about its disclosures and manner of operations, as well as the requirements of Form ATS–N, to facilitate complete and comprehensible disclosures that reflect the complexities of those operations.

Form ATS–N requires NMS Stock ATSs to file with the Commission, and disclose to the public for the first time, certain information, including descriptions by the NMS Stock ATSs of their fees, the trading activities by their broker-dealer operators and their affiliates in the NMS Stock ATSs, their use of market data, their written standards for granting access to trading on the NMS Stock ATSs, and their written safeguards and procedures for protecting their subscribers' confidential trading information required by revised Rule 301(b)(10) of Regulation ATS. The initial Form ATS–N disclosures and discussions with Commission staff have revealed complexities about the operations of Legacy NMS Stock ATSs including, among other things, matching functionalities, means of order entry, order interaction and execution procedures, conditional order processes, segmentation of orders, and counterparty selection protocols. The Commission staff needs additional time to review novel and complex issues such as these, which Commission staff has discussed with MS POOL ATS–4. Extending the initial Form ATS–N Commission review period for an additional 120 calendar days will provide Commission staff an

<sup>1</sup> An NMS Stock ATS (as defined in Rule 300(k) of Regulation ATS) that was operating pursuant to an initial operation report on Form ATS on file with the Commission as of January 7, 2019 is a “Legacy NMS Stock ATS.” <sup>17</sup> CFR 242.301(b)(2)(viii).

opportunity to continue its review of the initial Form ATS–N disclosures and discussions with MS POOL ATS–4.

In the conversations between MS POOL ATS–4 and Commission staff about the initial Form ATS–N disclosures and the ATS operations, Commission staff and MS POOL ATS–4 have discussed a potential amendment to update MS POOL ATS–4's disclosures regarding the complexities of its operations. Extending the review period will enable the NMS Stock ATS to amend its disclosures, if appropriate, and allow Commission staff to conduct a thorough review of amendments to the initial disclosures provided on the initial Form ATS–N.

For the reasons given above, the Commission is extending the review period of the initial Form ATS–N submitted by MS POOL ATS–4. Accordingly, pursuant to Rule 304(a)(1)(iv)(B), October 9, 2019 is the date by which the Commission may declare the initial Form ATS–N submitted by MS POOL ATS–4 ineffective.

By the Commission.

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

[FR Doc. 2019–11871 Filed 6–5–19; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–85990; File No. SR–NYSE–2019–32]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change To Amend Rule 123D

May 31, 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 May 24, 2019, New York Stock Exchange LLC (“NYSE” or the “Exchange”) 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 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 123D to permit the Exchange to

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

<sup>2</sup> 17 CFR 240.19b–4.

declare a regulatory halt in a security that traded in the over-the-counter market prior to the initial pricing on the Exchange. The proposed rule change is available on the Exchange's website at [www.nyse.com](http://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 Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The Exchange proposes to amend Rule 123D to permit the Exchange to declare a regulatory halt in a security that traded in the over-the-counter market prior to the initial pricing on the Exchange.

#### Proposed Rule Change

Current Rule 123D(d) permits the Exchange to declare a regulatory halt in a security that is the subject of an initial pricing on the Exchange of a security that has not been listed on a national securities exchange or traded in the over-the-counter market pursuant to FINRA Form 211 (the "OTC market") immediately prior to the initial pricing. Accordingly, the Exchange has authority to declare a regulatory halt for any initial listing that is not a transfer from either another national securities exchange or the OTC market. Regulatory halts under the rule terminate when the DMM opens the security.

The Exchange proposes to delete the clause "or traded in the over-the-counter market pursuant to FINRA Form 211" before "immediately prior to the initial pricing." The proposed amendment would thus enable the Exchange to declare a regulatory halt for a security that is having its initial listing on the Exchange that was traded in the OTC market immediately prior to its initial pricing on the Exchange.

The Exchange believes that it would be consistent with the protection of

investors and the public interest for the Exchange, as a primary listing exchange, to have to authority to declare a regulatory halt for security that was previously traded in the OTC market prior to its initial pricing on the Exchange. An OTC market security that will be listed on a primary listing exchange will be removed from the OTC trading list on the day prior to its initial pricing on the Exchange. However, on the day of its initial listing, such security can trade on an unlisted trading permit ("UTP") basis before the first transaction on the primary listing exchange. The Exchange believes that permitting the Exchange to declare a regulatory halt in such securities before trading on the Exchange begins would avoid potential price disparities or anomalies that may occur during any UTP trading before the first transaction on the primary listing exchange. More specifically, the Exchange believes that quoting and trading in the pre-market of an OTC transfer can be erratic and investors may be harmed if their securities trade during this period. The Exchange believes that the proposed limited authority to declare a regulatory halt in the hours prior to the OTC transfer pricing on the Exchange would mitigate any potential price disparities and contribute to a fair and orderly market once the security opens on the Exchange. The Exchange believes that such authority would be consistent with the protection of investors and the public interest.

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>3</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>4</sup> in particular, because it is designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and protect investors and the public interest.

The Exchange believes that the proposed amendment to Rule 123D to provide authority to declare a regulatory halt in a security that is an OTC transfer would remove impediments to and perfect the mechanism of a free and open market and a national market system by providing the Exchange with authority to halt trading across all markets for a security that has traded in the OTC market and not previously listed on the Exchange, but for which a

regulatory halt would promote fair and orderly markets. The Exchange believes that permitting the Exchange to declare a regulatory halt in such securities before trading on the Exchange begins would avoid potential price disparities or anomalies that may occur during any UTP trading before the first transaction on the primary listing exchange. More specifically, the Exchange believes that quoting and trading in the pre-market of an OTC transfer can be erratic and investors may be harmed if their securities trade during this period. The Exchange therefore believes that having the authority to declare a regulatory halt for a security that is the subject of an OTC transfer is consistent with the protection of investors and the public interest and would promote fair and orderly markets by helping to protect against volatility in pricing before the initial transaction on the primary listing exchange.

### 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 Exchange believes that the benefit to investors to halt trading in a security that transfers from an OTC market to a primary listing exchange outweighs any burden on competition that may result from a regulatory halt in such security before the initial listing on the primary listing exchange. The proposed rule change is consistent with existing authority for the Exchange to declare a regulatory halt in trading of a security before the initial pricing on the Exchange and would extend that authority to a transfer from the OTC market.

### 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.

## 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 up to 90 days (i) as the Commission may designate 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:

<sup>3</sup> 15 U.S.C. 78f(b).

<sup>4</sup> 15 U.S.C. 78f(b)(5).

- (A) By order approve or disapprove the 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2019-32 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-NYSE-2019-32. 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-NYSE-2019-32, and

should be submitted on or before June 27, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>5</sup>

**Eduardo A. Aleman,**

*Deputy Secretary.*

[FR Doc. 2019-11799 Filed 6-5-19; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-86006; File No. 013-00139]

### Initial Form ATS-N Filing; Notice of Extension of Commission Review Period

June 3, 2019.

On February 13, 2019, MS RPOOL ATS-6 filed an initial Form ATS-N ("Form ATS-N") with the Securities and Exchange Commission ("Commission"). Pursuant to Rule 304 under the Securities and Exchange Act of 1934 ("Act"), the Commission may, after notice and an opportunity for hearing, declare an initial Form ATS-N ineffective no later than 120 days from the date of filing with the Commission, or, if applicable, the extended review period. June 13, 2019 is 120 calendar days from the date of filing. Pursuant to Rule 304(a)(1)(iv)(B), the Commission may extend the initial Form ATS-N review period for up to an additional 120 calendar days if the initial Form ATS-N is unusually lengthy or raises novel or complex issues that require additional time for review.

MS RPOOL ATS-6 was operating pursuant to an initial operation report on Form ATS on file with the Commission as of January 7, 2019.<sup>1</sup> MS RPOOL ATS-6 filed an initial Form ATS-N on February 13, 2019. During the initial 120 calendar day review period, the Commission staff has been reviewing the disclosures on MS RPOOL ATS-6's initial Form ATS-N. In addition, the staff has been engaged in ongoing discussions with MS RPOOL ATS-6 about its disclosures and manner of operations, as well as the requirements of Form ATS-N, to facilitate complete and comprehensible disclosures that reflect the complexities of those operations.

Form ATS-N requires NMS Stock ATSs to file with the Commission, and

disclose to the public for the first time, certain information, including descriptions by the NMS Stock ATSs of their fees, the trading activities by their broker-dealer operators and their affiliates in the NMS Stock ATSs, their use of market data, their written standards for granting access to trading on the NMS Stock ATSs, and their written safeguards and procedures for protecting their subscribers' confidential trading information required by revised Rule 301(b)(10) of Regulation ATS. The initial Form ATS-N disclosures and discussions with Commission staff have revealed complexities about the operations of Legacy NMS Stock ATSs including, among other things, matching functionalities, means of order entry, order interaction and execution procedures, conditional order processes, segmentation of orders, and counterparty selection protocols. The Commission staff needs additional time to review novel and complex issues such as these, which Commission staff has discussed with MS RPOOL ATS-6. Extending the initial Form ATS-N Commission review period for an additional 120 calendar days will provide Commission staff an opportunity to continue its review of the initial Form ATS-N disclosures and discussions with MS RPOOL ATS-6.

In the conversations between MS RPOOL ATS-6 and Commission staff about the initial Form ATS-N disclosures and the ATS operations, Commission staff and MS RPOOL ATS-6 have discussed a potential amendment to update MS RPOOL ATS-6's disclosures regarding the complexities of its operations. Extending the review period will enable the NMS Stock ATS to amend its disclosures, if appropriate, and allow Commission staff to conduct a thorough review of amendments to the initial disclosures provided on the initial Form ATS-N.

For the reasons given above, the Commission is extending the review period of the initial Form ATS-N submitted by MS RPOOL ATS-6. Accordingly, pursuant to Rule 304(a)(1)(iv)(B), October 11, 2019 is the date by which the Commission may declare the initial Form ATS-N submitted by MS RPOOL ATS-6 ineffective.

By the Commission.

**Eduardo A. Aleman,**

*Deputy Secretary.*

[FR Doc. 2019-11872 Filed 6-5-19; 8:45 am]

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<sup>5</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> An NMS Stock ATS (as defined in Rule 300(k) of Regulation ATS) that was operating pursuant to an initial operation report on Form ATS on file with the Commission as of January 7, 2019 is a "Legacy NMS Stock ATS." 17 CFR 242.301(b)(2)(viii).