

multiple price points and price improvement. This may encourage the provision of more liquidity, which may result in more trading opportunities and tighter spreads, and contribute to price discovery. This may improve overall market quality and enhance competition on the Exchange, to the benefit of all investors.

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

Because the foregoing proposed rule change does not:

- A. Significantly affect the protection of investors or the public interest;
- B. impose any significant burden on competition; and
- C. 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 Act³³ and Rule 19b-4(f)(6)³⁴ thereunder.³⁵

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-CboeEDGX-2019-034 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-CboeEDGX-2019-034. 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-CboeEDGX-2019-034 and should be submitted on or before July 8, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁶

Eduardo A. Aleman,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-86087; File No. SR-NASDAQ-2019-050]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Delay Implementation of the MIDP Routing Option

June 11, 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 June 3, 2019, The Nasdaq Stock Market LLC ("Nasdaq" or "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 delay implementation of the MIDP routing option until the third quarter of 2019.

The text of the proposed rule change is available on the Exchange's website at <http://nasdaq.cchwallstreet.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 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 is proposing to delay implementation of the MIDP routing option until the third quarter of 2019.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³³ 15 U.S.C. 78s(b)(3)(A).

³⁴ 17 CFR 240.19b-4(f)(6).

³⁵ 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.

³⁶ 17 CFR 200.30-3(a)(12).

MIDP is a new order routing option under Nasdaq Rule 4758(a)(1)(A), which will allow members to seek midpoint liquidity on Nasdaq and other markets on the Nasdaq system routing table. On May 20, 2019, the Commission approved MIDP, noting that the Exchange planned to implement the new routing option in the second quarter of 2019 and would provide at least 30 days notice.³ The Exchange is proposing to delay implementation of MIDP until the third quarter of 2019. Currently, the Exchange is reducing the number of changes to the System in preparation for an upcoming “quadruple witching” day⁴ and the Russell Rebalance, two significant market events occurring in June 2019. Accordingly, the Exchange believes that it would be in the best interest of the markets if MIDP was implemented after these events, in the third quarter 2019. As originally proposed by the Exchange, it will provide at least 30 days notice to market participants of the implementation date.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁶ in particular, in that it is designed to promote just and equitable principles of trade, 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, by allowing the Exchange to implement the approved changes after two significant market events. The Exchange believes that the short delay will allow the Exchange to limit the number of changes implemented to its systems prior to these events, reducing any risk to the operation of the system by implementation of changes thereto, in turn, protecting investors.

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 not necessary or appropriate in furtherance of the purposes of the Act. The brief delay described herein is proposed solely in the interest of protecting the

markets and investors, and is not being proposed for any competitive reasons. Accordingly, the delay does not implicate competition whatsoever.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act⁹ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)¹⁰ 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 Exchange may delay implementation of MIDP and provide public notice thereof at the earliest possible time. The Exchange states that waiver would thereby avoid any market participant confusion that may be caused by the Exchange not implementing the proposal in the second quarter of 2019. For this reason, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposal as operative upon filing.¹¹

At any time within 60 days of the filing of the proposed rule change, the

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 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.

⁹ 17 CFR 240.19b-4(f)(6).

¹⁰ 17 CFR 240.19b-4(f)(6)(iii).

¹¹ For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule 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-NASDAQ-2019-050 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-NASDAQ-2019-050. 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

³ See Securities Exchange Act Release No. 85892 (May 20, 2019), 84 FR 24191 (May 24, 2019) (SR-NASDAQ-2019-004).

⁴ A “quadruple witching” day occurs when stock options, index options, index futures, and single stock futures all expire on the same day. This will occur next on June 21, 2019.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NASDAQ-2019-050 and should be submitted on or before July 8, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Eduardo A. Aleman,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-86084; File No. SR-NYSE-2019-33]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.31 Relating to the Yielding Modifier

June 11, 2019.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that on June 4, 2019, New York Stock Exchange LLC (“NYSE” or “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 self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend Rule 7.31 relating to the Yielding Modifier. The proposed rule change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text

of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to amend Rule 7.31(i)(5) relating to the Yielding Modifier. The Exchange recently amended its Pillar platform trading rules to provide for the Yielding Modifier.⁴ Separately, before that proposed rule change was approved, the Exchange filed to amend Rule 7.31 to make the Minimum Trade Size (“MTS”) Modifier available for additional non-displayed orders.⁵ The Exchange has announced that the changes described in both the Yielding Filing and the MTS Filing will be implemented on the same day, currently scheduled for June 17, 2019.⁶

Because the Yielding Filing was filed before the MTS Filing, then-proposed Rule 7.31(i)(5) did not reflect the change described in the MTS Filing to extend the availability of the MTS Modifier to additional non-displayed order types. The Exchange now proposes to update a reference to the MTS Modifier in Rule 7.31(i)(5)(B)(i) to reflect the changes described in the MTS Filing.

Specifically, Rule 7.31(i)(5)(B)(i) describes the circumstances when an Aggressing Yielding Order with a limit price equal to the limit price of a same-side resting order could trigger such resting order to become an Aggressing Order. Two exceptions are if the contra-side resting order is either an MPL-ALO Order or an MPL Order with an MTS Modifier.⁷ As described in the Yielding

⁴ See Securities Exchange Act Release No. 85158 (February 15, 2019), 84 FR 5794 (February 22, 2019) (SR-NYSE-2018-52) (Approval Order) (“Yielding Filing”).

⁵ See Securities Exchange Act Release No. 85071 (February 7, 2019), 84 FR 3843 (February 13, 2019) (SR-NYSE-2019-01) (Notice of filing and immediate effectiveness) (“MTS Filing”). Prior to this proposed rule change, the MTS Modifier was available only for Limit IOC Orders and MPL Orders.

⁶ See Trader Update dated April 16, 2019, available here: https://www.nyse.com/publicdocs/nyse/markets/nyse/Revised_Pillar_Migration_Timeline.pdf.

⁷ Rule 7.31(i)(5)(B) and subparagraph (i) provide that “An Aggressing Yielding Order to buy (sell) with a limit price equal to the limit price of a resting order to buy (sell) will either: (i) Trigger such resting order to become an Aggressing Order, unless the order to sell (buy) buy is an MPL ALO or MPL Order with an MTS Modifier, in which case neither the Yielding Order nor the same-side resting order will trade” (emphasis added).

Filing, a contra-side resting MPL Order with an MTS Modifier may not be eligible to trade at the price of the Yielding Order, which is why neither the Aggressing Yielding Order nor the resting order on the same side as the Yielding Order will trade.⁸ Because the MTS Modifier will be available to additional non-displayed order types and because any order with an MTS Modifier would be subject to the same conditions as described in the Yielding Filing for MPL Orders with an MTS Modifier, the Exchange proposes to amend Rule 7.31(i)(5)(B)(i) to replace the term “MPL Order with an MTS Modifier” with the term “order with an MTS Modifier.”

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),⁹ in general, and furthers the objectives of Section 6(b)(5),¹⁰ in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change to amend Rule 7.31(i)(5)(B)(i) would remove impediments to and perfect the mechanism of a free and open market and a national market system because it would update the rule relating to the Yielding Modifier to reflect changes made to the MTS Modifier as described in the MTS Filing. The rationale for referencing MPL Orders with an MTS Modifier in Rule 7.31(i)(5)(B)(i), as described in the Yielding Filing, is equally applicable to any order with an MTS Modifier: Because of the MTS, such order may not be eligible to trade at the price of the Yielding Order. Accordingly, to ensure that all orders with an MTS Modifier would be treated similarly under these circumstances, the Exchange proposes to amend Rule 7.31(i)(5)(B)(i) to replace the term “MTS [sic] Order with an MTS Modifier” with the term “order with an MTS Modifier.”

⁸ See Securities Exchange Act Release No. 84806 (December 12, 2018), 83 FR 64913, 64919 (December 18, 2018) (SR-NYSE-2018-52) (Notice of Filing of Yielding Filing).

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

¹² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.