

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86111; File No. SR–NYSEAMER–2018–39]

### Self-Regulatory Organizations; NYSE American LLC; Notice of Withdrawal of Proposed Rule Change, as Modified by Amendment No. 2, To Allow Flexible Exchange Equity Options To Be Cash Settled Where the Underlying Security Is a Specified Exchange-Traded Fund

June 14, 2019.

On September 20, 2018, NYSE American LLC (“NYSE American” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”), 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> a proposed rule change to modify the rules related to Flexible Exchange (“FLEX”) Options to allow cash settlement for certain FLEX Equity Options. The proposal, as modified by Amendment No. 2, would allow FLEX Equity Options to be cash settled where the underlying security is one of 25 specified Exchange-Traded Funds (“ETF”).

The proposed rule change was published for comment in the *Federal Register* on October 11, 2018.<sup>3</sup> On November 19, 2018, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> The Commission received one comment in response to the Original Notice.<sup>6</sup>

On December 19, 2018, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act<sup>7</sup> to determine whether to approve or disapprove the proposed rule change.<sup>8</sup>

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> See Securities Exchange Act Release No. 84364 (October 4, 2018), 83 FR 51535 (October 11, 2018) (“Original Notice”).

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 84616 (November 19, 2018), 83 FR 60519 (November 26, 2018). The Commission designated January 9, 2019, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

<sup>6</sup> See Letter to Brent J. Fields, Secretary, Commission, from Samara Cohen, Head of ETF Global Markets, BlackRock, dated November 27, 2018 (“BlackRock Letter”).

<sup>7</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>8</sup> See Securities Exchange Act Release No. 84870 (December 19, 2018), 83 FR 66779 (December 27, 2018) (“Order Instituting Proceedings”). The Commission designated April 9, 2019, as the date by which the Commission shall approve or disapprove the proposed rule change.

On March 11, 2019, the Exchange filed Amendment No. 1 to the proposed rule change. On March 25, 2019, the Exchange withdrew Amendment No. 1 and filed Amendment No. 2 to the proposed rule change, which superseded and replaced the proposed rule change in its entirety.<sup>9</sup> On April 5, 2019, the Commission designated a longer period for Commission action on the proceedings to determine whether to approve or disapprove the proposed rule change.<sup>10</sup> The Commission published Amendment No. 2 for comment in the *Federal Register* on April 17, 2019.<sup>11</sup> The Commission received no comments in response to this solicitation for comments. On May 31, 2019, the Exchange withdrew the proposed rule change (SR–NYSEAMER–2018–39).

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

**Vanessa A. Countryman,**  
*Acting Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86113; File No. SR–DTC–2019–001]

### Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Operational Arrangements Relating to Transfer Agent and Trustee Notices

June 14, 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 June 13, 2019, The Depository Trust Company (“DTC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A)

<sup>9</sup> See Notice, *infra* note 11, at n.10, which describes the changes proposed in Amendment No. 2 from the original proposal.

<sup>10</sup> See Securities Exchange Act Release No. 85531 (April 5, 2019), 84 FR 14703 (April 11, 2019). The Commission extended the date by which the Commission shall approve or disapprove the proposed rule change to June 8, 2019.

<sup>11</sup> See Securities Exchange Act Release No. 85628 (April 11, 2019), 84 FR 16102 (April 17, 2019) (“Notice”).

<sup>12</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.

of the Act<sup>3</sup> and Rule 19b–4(f)(4) thereunder.<sup>4</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change of DTC<sup>5</sup> consists of modifications to the DTC Operational Arrangements (Necessary for Securities to Become and Remain Eligible for DTC Services) (“OA”)<sup>6</sup> in order to amend DTC’s Procedures<sup>7</sup> regarding (i) the available methods for a transfer agent<sup>8</sup> or trustee<sup>9</sup> to notify DTC of a change relating to ceasing to perform or assumption of transfer agent services on behalf of an Issuer of Securities (“Issuer”) or when the transfer agent or trustee is changing its name or address, (ii) the deadline by which a transfer agent must provide such a notice, (iii) the required timeframe for DTC to make such notices from transfer agents available to Participants, and (iv) other clarifying and technical changes, as described below.

### II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency 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 clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

<sup>4</sup> 17 CFR 240.19b–4(f)(4).

<sup>5</sup> Capitalized terms not defined herein are defined in the Rules, By-Laws and Organization Certificate of DTC (the “Rules”), available at [http://www.dtcc.com/~media/Files/Downloads/legal/rules/dtc\\_rules.pdf](http://www.dtcc.com/~media/Files/Downloads/legal/rules/dtc_rules.pdf).

<sup>6</sup> Available at <http://www.dtcc.com/~media/Files/Downloads/legal/issue-eligibility/eligibility/operational-arrangements.pdf>.

<sup>7</sup> Pursuant to the Rules, the term “Procedures” means the Procedures, service guides, and regulations of DTC adopted pursuant to Rule 27, as amended from time to time. See Rule 1, Section 1, *supra* note 5.

<sup>8</sup> Transfer agents record changes of ownership, maintain the issuer’s security holder records, cancel and issue certificates, and distribute dividends. Because transfer agents stand between issuing companies and security holders, efficient transfer agent operations are critical to the successful completion of secondary trades. See <https://www.sec.gov/divisions/marketreg/mrtransfer.shtml>. (describing transfer agents and related information).

<sup>9</sup> A trustee is hired by an issuer of debt securities and is responsible for registration, transfer and payment of the securities.