

(iii) Text would be added to provide a contact email address for inquiries regarding the status of any notice previously sent to DTC. This address would be *LensNotices@dtcc.com*. DTC believes that providing a contact email in the text of the OA in this section would provide senders of notices with an enhanced ability to communicate with DTC about the status of LENS posting requests sent by them to DTC.

#### Effective Date

The proposed rule change would become effective upon filing with the Commission.

#### 2. Statutory Basis

Section 17A(b)(3)(F)<sup>16</sup> of the Act requires that the rules of the clearing agency be designed, *inter alia*, to promote the prompt and accurate clearance and settlement of securities transactions. DTC believes the proposed rule change is consistent with this provision because by making a clarifying change to the text within the Procedures set forth in the OA to (i) add a note relating to responsibilities of users with respect to accuracy and confidentiality considerations relating to notices sent to DTC for posting to LENS, as described above and (ii) adding text to clarify the delivery requirements of notices to be posted to LENS, the proposed rule change would provide enhanced transparency for users with respect to the Procedures relating to submission and processing of notices that may be submitted by them, as applicable, in accordance with the section of the OA mentioned above. Therefore, by providing users with enhanced transparency with regard to the Procedures relating to the submission of notices to LENS, and therefore facilitating the prompt posting of notices and distribution of information to Participants related to Securities held by the Participants, and that may be the subject of transactions processed through the DTC system, DTC believes that the proposed rule change would promote the prompt and accurate clearance and settlement of securities transactions consistent with the Act.

#### (B) Clearing Agency's Statement on Burden on Competition

DTC does not believe that the proposed rule change would have any impact, or impose any burden, on competition. The proposed rule change consists of clarifying changes that would add text to the OA that clarifies DTC's policies with respect to notices received from third parties for posting to

LENS for view by Participants and would make other clarifying changes and updates to delivery information for notices, as described above. Therefore, the proposed rule change would not create new rights or obligations for users of DTC's services and would not impact, or impose any burden on, competition.

#### (C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments relating to this proposed rule change have not been solicited or received. DTC will notify the Commission of any written comments received by DTC.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>17</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>18</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.

#### 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-DTC-2020-006 on the subject line.

##### Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549. All submissions should refer to File Number SR-DTC-2020-006. 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 DTC and on DTCC's website (<http://dtcc.com/legal/sec-rule-filings.aspx>). 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-DTC-2020-006 and should be submitted on or before April 21, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>19</sup>

**J. Matthew DeLesDernier,**  
*Assistant Secretary.*

[FR Doc. 2020-06611 Filed 3-30-20; 8:45 am]

BILLING CODE 8011-01-P

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-88475; File No. SR-CBOE-2020-018]

#### Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Update the Silexx Fee Schedule

March 25, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 13, 2020, Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange.

<sup>19</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>16</sup> 15 U.S.C. 78q-1(b)(3)(F).

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

<sup>18</sup> 17 CFR 240.19b4(f).

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 a rule change to include language within the Silexx Fees Schedule to introduce a free upgrade for users on Silexx Basic to Silexx Pro from March 13, 2020 through April 30, 2020.

The text of the proposed rule change is also available on the Exchange's website (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at 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 the Statutory Basis for, the Proposed Rule Change*

##### **1. Purpose**

The purpose of this filing is to include language within the Silexx Fees Schedule to introduce a free upgrade for users on Silexx Basic to Silexx Pro from March 13, 2020 through April 30, 2020.

By way of background, the Silexx platform consists of a "front-end" order entry and management trading platform (also referred to as the "Silexx terminal") for listed stocks and options that supports both simple and complex orders,<sup>3</sup> and a "back-end" platform which provides a connection to the infrastructure network. From the Silexx platform (*i.e.*, the collective front-end and back-end platform), a Silexx user has the capability to send option orders to U.S. options exchanges, send stock

orders to U.S. stock exchanges (and other trading centers), input parameters to control the size, timing, and other variables of their trades, and also includes access to real-time options and stock market data, as well as access to certain historical data. The Silexx platform is designed so that a user may enter orders into the platform to send to an executing broker (including Trading Permit Holders ("TPHs")) of its choice with connectivity to the platform, which broker will then send the orders to Cboe Options (if the broker is a TPH) or other U.S. exchanges (and trading centers) in accordance with the user's instructions.<sup>4</sup> The Silexx front-end and back-end platforms are a software application that are installed locally on a user's desktop. Silexx grants users licenses to use the platform, and a firm or individual does not need to be a TPH to license the platform. Use of Silexx is completely optional.

##### **Free Upgrade**

Silexx Basic is an order-entry and management system that provides basic functionality including real-time data, alerts, trade reports, views of exchange books, management of the customer's orders and positions, simple and complex order tickets, and basic risk features. Users are currently charged \$200 per month per Login ID for Silexx Basic. Silexx Pro offers the same functionality as the basic platform plus additional features including an algorithmic order ticket, position analysis, charting, earnings and dividend information, delta hedging tools, volatility skews, and additional risk features. Users are currently charged \$400 per month per Login ID for Silexx Pro.

The Exchange proposes to introduce a free-upgrade period for users that are currently on Silexx Basic. This upgrade would allow users of Silexx Basic to use the functionality of Silexx Pro from March 13, 2020 through April 30, 2020) at the current Silexx Basic rate of \$200 per month per Login ID. After this period ends, beginning May 1, 2020, those users who upgraded will be charged at the Silexx Pro rate of \$400 per month until they choose to downgrade. The Exchange notes that the upgrade to Silexx Pro is optional.

<sup>4</sup> Silexx does not allow users to send orders directly to the Exchange or other market centers; however, an additional version of the Silexx platform, Silexx FLEX, supports the trading of FLEX Options and allows authorized Users with direct access to the Exchange. See Securities Exchange Act Release No. 87028 (September 19, 2019) 84 FR 50529 (September 25, 2019) (SR-CBOE-2019-061).

##### **2. Statutory Basis**

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>5</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>6</sup> requirements that the rules of an exchange be 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 regulating, clearing, settling, processing information with respect to, and 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. Additionally, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>7</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

In particular, the Exchange believes the proposed is reasonable, equitable, and not unfairly discriminatory because the free upgrade will apply to all current users of Silexx Basic who wish to upgrade. Additionally, the free upgrade period will be limited through April 30, 2020. Finally, the Exchange notes that use of the platform, including the upgrade, is discretionary and not compulsory, and users may downgrade or cancel their Login IDs with Silexx at any time.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

Cboe Options 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 proposed rule change will not impose any burden on intramarket competition because the proposed rule changes apply to all users of Silexx. The Exchange notes that each version of Silexx is available to all market participants, and users have discretion to determine which version of the platform they register for based on functionality.

The Exchange does not believe that the proposed rule changes will impose

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

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> 15 U.S.C. 78f(b)(4).

<sup>3</sup> The platform also permits users to submit orders for commodity futures, commodity options and other non-security products to be sent to designated contract markets, futures commission merchants, introducing brokers or other applicable destinations of the users' choice.

any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed change applies only to Cboe Options. To the extent that the proposed changes make Cboe Options a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

### 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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>8</sup> and paragraph (f) of Rule 19b-4<sup>9</sup> thereunder. 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-CBOE-2020-018 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-CBOE-2020-018. 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-CBOE-2020-018 and should be submitted on or before April 21, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>10</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

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**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-88478]

### Order Granting Application by The Financial Information Forum and Security Traders Association for a Temporary Exemption Pursuant to Rule 606(c) of Regulation NMS Under the Exchange Act in Response to the Effects of COVID-19

March 25, 2020.

#### I. Introduction

The Financial Information Forum ("FIF") and Security Traders Association ("STA") have filed with the Securities and Exchange Commission ("Commission") an application for an

exemption from certain requirements<sup>1</sup> of Rule 606 of Regulation NMS under the Exchange Act in light of unforeseen and uncertain demands on information technology and other resources required to respond to COVID-19.<sup>2</sup>

This order grants the following temporary exemptive relief from certain requirements of Rule 606, which is set forth in greater detail below: (1) Broker-dealers are exempt from the requirement to provide the public report covering the first quarter of 2020 required by Rule 606(a) until May 29, 2020; (2) broker-dealers that engage in outsourced routing activity are exempt from the requirement to collect the monthly customer-specific data required by Rule 606(b)(3) for such activity until June 1, 2020, and are exempt until July 29, 2020, from the requirement to provide a customer-specific report of June 2020 outsourced routing data within seven business days for customer requests for such customer-specific reports that are made on or before July 17, 2020.<sup>3</sup>

#### II. Background

On November 2, 2018, the Commission adopted amendments to Rule 606 of Regulation NMS under the Exchange Act.<sup>4</sup> Under Rule 606(a), broker-dealers must provide quarterly, aggregated public disclosure of their routing and handling of orders submitted on a held basis in NMS stock. In addition, under Rule 606(b) a broker-dealer must, upon request of its customer, provide customer-specific disclosures related to the routing and execution of the customer's NMS stock orders submitted on a not held basis for the prior six months, subject to two de minimis exceptions.

The Commission previously revised the compliance dates for Rule 606 to provide broker-dealers with additional time to implement the systems and other changes necessary to comply with Rule 606. On April 30, 2019, the Commission extended the compliance date for the amendments to Rule 606 to begin following September 30, 2019.<sup>5</sup>

<sup>1</sup> See letter from James Toes, President & CEO, STA, Chris Halverson, Chairman of the Board, STA, and Christopher Bok, Director, FIF, to Brett Redfeam, Director, Division of Trading and Markets ("Division"), Commission, dated March 24, 2020 ("FIF/STA Letter").

<sup>2</sup> 17 CFR 242.606.

<sup>3</sup> Customer-specific reports of June 2020 outsourced routing data are due within seven business days of customer requests made after July 17, 2020.

<sup>4</sup> See Exchange Act Release No. 84528 (November 2, 2018), 83 FR 58338 (November 19, 2018) ("Adopting Release").

<sup>5</sup> See Exchange Act Release No. 85714 (April 24, 2019), 84 FR 18136 (April 30, 2019) ("April 2019 Extension"). The original compliance date set forth

Continued

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>9</sup> 17 CFR 240.19b-4(f).

<sup>10</sup> 17 CFR 200.30-3(a)(12).