

is no longer in existence, is not engaged in business as an investment adviser, or is prohibited from registering as an investment adviser under section 203A, the Commission shall by order, cancel the registration of such person.

The registrant has not filed a Form ADV amendment with the Commission as required by rule 204-1 under the Act and appears to be no longer in business as an investment adviser or is otherwise not engaged in business as an investment adviser.¹ Accordingly, the Commission believes that reasonable grounds exist for a finding that this registrant is no longer eligible to be registered with the Commission as an investment adviser and that the registration should be cancelled pursuant to section 203(h) of the Act.

Notice is also given that any interested person may, by May 25, 2020, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the cancellation, accompanied by a statement as to the nature of his or her interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, and he or she may request that he or she be notified if the Commission should order a hearing thereon. Any such communication should be emailed to the Commission's Secretary at *Secretarys-Office@sec.gov*.

At any time after May 25, 2020, the Commission may issue an order cancelling the registration, upon the basis of the information stated above, unless an order for a hearing on the cancellation shall be issued upon request or upon the Commission's own motion. Persons who requested a hearing, or who requested to be advised as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof. Any adviser whose registration is cancelled under delegated authority may appeal that decision directly to the Commission in accordance with rules 430 and 431 of the Commission's rules of practice (17 CFR 201.430 and 431).

ADDRESSES: The Commission: *Secretarys-Office@sec.gov*.

FOR FURTHER INFORMATION CONTACT: Olawalé Oriola, Senior Counsel at 202-551-6541; SEC, Division of Investment Management, Investment Adviser

¹ Rule 204-1 under the Act requires any adviser that is required to complete Form ADV to amend the form at least annually and to submit the amendments electronically through the Investment Adviser Registration Depository.

Regulation Office, 100 F Street NE, Washington, DC 20549-8549.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.²

J. Matthew DeLesDernier,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-88793; File Nos. SR-NYSE-2020-13, SR-NYSENAT-2020-09, SR-NYSEArca-2020-17, SR-NYSEAMER-2020-12; SR-NYSECHX-2020-06]

Self-Regulatory Organizations; New York Stock Exchange LLC; NYSE National, Inc.; NYSE Arca, Inc.; NYSE American LLC; NYSE Chicago, Inc.; Order Granting Approval of Proposed Rule Changes Relating to Repricing of Depth-of-Book Orders in Response to a Locked or Crossed Market

May 1, 2020.

I. Introduction

On February 28, 2020, New York Stock Exchange LLC ("NYSE"), NYSE National, Inc. ("NYSE National"), NYSE Arca, Inc. ("NYSE Arca"), NYSE American LLC ("NYSE American"), and NYSE Chicago Inc. ("NYSE CHX", and collectively, the "Exchanges") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² proposed rule changes regarding their rules on the repricing of orders in certain market situations and related rules relevant to each Exchange. The proposed rule changes were published for comment in the **Federal Register** on March 18, 2020.³ The Commission has received no comments on the proposed rule changes. The Commission is approving the proposed rule changes.

¹ 17 CFR 200.30-5(e)(2).

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4.

³ See Securities Exchange Act Release Nos. 88362 (March 12, 2020), 85 FR 15538 (SR-NYSE-2020-13) ("NYSE Notice"); 88368 (March 12, 2020), 85 FR 15510 (SR-NYSENAT-2020-09); 88369 (March 12, 2020), 85 FR 15515 (SR-NYSEArca-2020-17) ("NYSE Arca Notice"); 88363 (March 12, 2020), 85 FR 15544 (SR-NYSEAMER-2020-12) ("NYSE American Notice"); 88367 (March 12, 2020), 85 FR 15551 (SR-NYSECHX-2020-06) (collectively, the "Notices"). For ease of reference, page citations in this order are from the NYSE Notice, as published in the **Federal Register**.

II. Description of the Proposed Rule Change

Each Exchange's current rules provide that, if an away market ("Away Market") updates its Protected Best Bid and Offer ("PBBO") and crosses not only the BBO of the Exchange, but also displayed orders in the Exchange's Book not represented in the Best Bid or Offer ("BBO"), (i.e., depth-of-book orders), and then the Exchange's BBO cancels or trades, the Exchange will not disseminate its next-best priced depth-of-book order as its new BBO to the securities information processor ("SIP"). Instead, the Exchange will reprice such order before it is disseminated to the SIP.⁴

For example, consider a scenario where NYSE's Best Bid ("BB") is \$10.05, and on the NYSE Book there is an order to buy 100 shares ranked as a Priority 2—Display Order at \$10.04 ("Order A"). Currently, Order A is displayed in the NYSE's proprietary depth-of-book market data at that \$10.04 price, but is not disseminated to the SIP. If an Away Market subsequently publishes a Protected Best Offer ("PBO") of \$10.03, NYSE's BB of \$10.05 will not reprice (i.e., it will "stand its ground"). However, if that \$10.05 BB trades, cancels, or routes, NYSE will not disseminate Order A to the SIP as the new BB at \$10.04. Instead, Order A will be assigned a display price of \$10.02 and a NYSE working price of \$10.03, which is equal to the Away Market PBO, and will be disseminated to the SIP as the NYSE BB at \$10.02. Order A subsequently will be repriced to \$10.04 once the Away Market PBO no longer locks or crosses the NYSE BB. Each time Order A is repriced, including back to its original price, it is assigned a new working time. In addition, NYSE currently applies this repricing functionality to other order types (specifically, D Orders and Primary Pegged Orders), and following an auction.⁵

The Exchanges propose to eliminate their existing rules requiring the repricing functionality described above, and to add new rule text that provides that, if an Away Market locks or crosses the BBO, the Exchange would not change the display price of any Limit

⁴ See NYSE Notice, 85 FR at 15538-39.

⁵ See *id.* The rules of the other Exchanges do not provide for D Orders, but, except for NYSE American, they do provide for Primary Pegged Orders and apply the same repricing functionality to those orders. Similarly, the other Exchanges that provide for auctions on their markets (NYSE American and NYSE Arca) apply the same repricing functionality following an auction; NYSE CHX and NYSE National do not have auctions on their markets.

Order ranked Priority 2—Display Orders (which would include previously displayed depth-of-book orders) and that any such orders would be eligible to be disseminated as the Exchange's BBO.⁶ As a result, in the example set forth above, Order A instead would not be repriced before being displayed and disseminated to the SIP following the prior Exchange BB being executed or cancelled.⁷ Accordingly, Order A would be disseminated to the SIP as the Exchange's new BB at \$10.04, even if that price would cross the Away Market Protected Bid of \$10.03.⁸ The Exchanges also propose other changes to their rules related to this proposal, as further described below.

Odd-Lot Orders

The Exchanges propose to extend the same processing of orders, discussed above, to odd-lot orders. Currently, the working and display prices of odd-lot orders are bound by the PBBO, which means that resting odd-lot orders can be repriced if the PBBO changes or becomes locked or crossed. Under the proposals, odd-lot sized orders would be priced in the same manner as orders of a round-lot size or higher.⁹

Reserve Orders

The Exchanges also propose several related changes for the processing of Reserve Orders. First, in a scenario when the PBBO is crossed and the display quantity of a resting, non-routable Reserve Order is decremented to an odd-lot size, the Exchanges propose that the display price and working price of the remaining odd-lot quantity of the Reserve Order would not change.¹⁰ The Exchanges state that this proposed change is consistent with the above-described changes establishing how resting, displayed orders, including

⁶ See NYSE Notice, 85 FR at 15540.

⁷ Because such resting orders no longer would be repriced if locked or crossed by an Away Market, such orders would not need to be assigned new working times and would therefore retain priority at their original price. *See id.*

⁸ The Exchanges also propose that Primary Pegged Orders and D Orders (where applicable, as noted in *supra* note 5) not be subject to the repricing functionality, but propose instead that such orders be eligible to trade at their current working price; however, they would wait for a PBBO that is not locked or crossed before the display and working price of those orders are adjusted. *See* NYSE Notice, 85 FR at 15540–41.

⁹ See NYSE Notice, 85 FR at 15542.

¹⁰ The Exchanges propose this change only for non-routable Reserve Orders, stating that it is not necessary for routable Reserve Orders because when such orders replenish, the replenish quantity is evaluated for routing to Away Markets (*i.e.*, it would be routed) and thus would not be displayed at a price that crosses an Away Market. *See id.*

odd-lot sized orders, will be disseminated to the SIP.

However, the Exchanges propose that the reserve interest that replenishes the display quantity (which interest was not previously displayed) would be assigned a display price one MPV below (above) the PBO (PBB) and a working price equal to the PBO (PBB). Because this is the first time such interest would be displayed, the Exchanges propose to adjust the display and working price so that the replenished quantity would not lock or cross the Away Market, which is the same manner in which an arriving Non-Routable Limit Order is priced.¹¹ Similarly, the Exchanges propose that the working price of the reserve interest of resting Reserve Orders that are not displayed be adjusted in the same manner that the working price of Non-Displayed Limit Orders are adjusted.¹²

Trading After UTP Regulatory Halts or Auctions

Finally, the Exchanges propose changes to their order processing rules following UTP Regulatory Halts or auctions, if the PBBO becomes locked or crossed, as described in further detail below.

Specifically, when transitioning to continuous trading following a UTP Regulatory Halt, the Exchanges' proposals provide that before publishing a quote, previously-entered orders would be routed (if routable) or cancelled (if non-routable) if such orders would be marketable against protected quotations on Away Markets.¹³

When transitioning to continuous trading following an auction on NYSE—and, on NYSE American and NYSE Arca, following specifically an auction not preceded by continuous trading¹⁴—before publishing a quote, these Exchanges would also route (if routable), or cancel (if not routable), any orders that are marketable against a PBBO on an Away Market (except for Primary Pegged Orders on NYSE and NYSE Arca, D Orders on NYSE, and,

¹¹ See, e.g., NYSE Rule 7.31(e)(1) (describing how an arriving Non-Routable Limit Order is priced).

¹² See, e.g., NYSE Rule 7.31(d)(2)(A) (describing how the working price of a Non-Displayed Limit Orders is adjusted). If the limit price of a Non-Displayed Limit Order to buy (sell) is at or below (above) the PBO (PBB), it will have a working price equal to the limit price. If the limit price of a Non-Displayed Limit Order to buy (sell) is above (below) the PBO (PBB), it will have a working price equal to the PBO (PBB).

¹³ See NYSE Notice, 85 FR at 15541.

¹⁴ Such auctions include a Trading Halt Auction, a Closing Auction if not preceded by continuous trading, and an IPO Auction on NYSE American. With respect to auctions preceded by continuous trading on NYSE American and NYSE Arca, see next paragraph.

during a Short Sale Price Test, sell short orders on all three exchanges). Then, the Exchanges would (i) trade any orders that are marketable against any other orders on their book; (ii) replenish the display quantity of any Reserve Orders, (iii) assign Primary Pegged and D Orders (for those Exchanges, where applicable) a display and working price as noted above, provided that if the PBBO is locked or crossed or if there is no PBBO to peg to, they would be cancelled; and (iv) price any sell short orders (for the Exchanges, where applicable) to a Permitted Price.¹⁵

On NYSE American and NYSE Arca, to specify how orders would be processed before publishing a quote when transitioning from a prior trading session or following the Core Open or Closing Auction, which are transitions preceded by continuous trading and where the exchange has a published quote immediately preceding the transition, these Exchanges propose that those displayed orders are eligible be disseminated to the SIP at their then-current price.¹⁶ These Exchanges state that this proposed change is consistent with the other proposed changes, described above, about how orders will be disseminated to the SIP even if crossed by an Away Market.¹⁷

Because of the technology changes associated with these proposed rule changes, the Exchanges propose to announce the implementation date of the proposed rule changes by Trader Update and to implement these changes in Spring 2020.

III. Discussion and Commission Findings

After careful consideration of the proposed rule changes, the Commission finds that the Exchanges' proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to national securities exchanges. In particular, the Commission finds that

¹⁵ See, e.g., NYSE Rule 7.16(f)(5) (describing the Permitted Price for sell short orders).

¹⁶ To effect this change, NYSE American proposes to amend Rule 7.35E(h)(3)(A)(i)—its provision governing transitioning from a prior trading session or following the Early Open Auction, Core Open Auction, or Closing Auction—by specifying that it applies only to such auctions if preceded by continuous trading, and deleting its last clause, which provides that, if the new published quote is worse than the previously-published quote and would lock or cross the PBBO, the display price of Limit Orders will be adjusted in accordance with the rule describing the repricing functionality that is proposed to be deleted. NYSE Arca proposes to make the equivalent amendment to its Rule 7.35–E(h)(3)(A)(i). NYSE American and NYSE Arca also propose a non-substantive change to their respective definitions of “previously-live orders”.

¹⁷ See NYSE Arca Notice, *supra* note 3, 85 FR at 15518.

the Exchanges' proposed rule changes are consistent with Section 6(b)(5) of the Act,¹⁸ which requires that the rules of an exchange be designed, among other things, 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, and not be designed to permit unfair discrimination between customers, issuers, brokers or dealers.

The Exchanges state that their proposed rule changes will make their rules consistent with the rules and functionalities of other exchanges.¹⁹ Accordingly, the proposals remove impediments to and perfect the mechanism of a free and open market and are not designed to permit unfair discrimination to the extent that they promote consistency among the rules of the equity exchanges regarding how orders are priced, processed, and disseminated to the SIP. Based on the foregoing, the Commission therefore finds that the proposed rule changes are consistent with the Act.²⁰

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,²¹ that the proposed rule changes (SR-NYSE-2020-13, SR-NYSENAT-2020-09, SR-NYSEArca-2020-17, SR-NYSEAMER-2020-12; and SR-NYSECHX-2020-06) be, and hereby are approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²²

J. Matthew DeLesDernier,
Assistant Secretary.

[FR Doc. 2020-09711 Filed 5-6-20; 8:45 am]

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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket Number USTR-2020-0019]

Generalized System of Preferences (GSP): Notice Regarding the 2020 GSP Annual Product Review

AGENCY: Office of the United States Trade Representative.

¹⁸ 15 U.S.C. 78f(b)(5).

¹⁹ See NYSE Notice, 85 FR at 15543. See also IEX Rules 11.190(h)(3)(A)(i) and (h)(3)(B)(i), and LTSE Rules 11.190(g)(3)(A)(i) and (g)(3)(B)(i).

²⁰ In approving these proposed rule changes, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²¹ 15 U.S.C. 78s(b)(2).

²² 17 CFR 200.30-3(a)(12).

ACTION: Notice and request for comments.

SUMMARY: The Office of the United States Trade Representative (USTR) has accepted petitions submitted in connection with the 2020 GSP Annual Product Review for further review. Due to COVID-19, the GSP Subcommittee of the Trade Policy Staff Committee will foster public participation via written submissions rather than an in-person hearing. This notice includes the schedule for submission of comments and responses to questions from the GSP Subcommittee, on all petitions that USTR accepted for the 2020 GSP Annual Product Review.

DATES:

May 27, 2020 at 11:59 p.m. EDT: Deadline for submission of written comments on petitions accepted for the 2020 GSP Annual Product Review.

June 16, 2020 at 11:59 p.m. EDT: Deadline for the GSP Subcommittee to pose questions on written comments.

June 30, 2020 at 11:59 p.m. EDT: Deadline for submission of commenters' responses to questions from the GSP Subcommittee.

July 10, 2020 at 11:59 p.m. EDT: Deadline for replies from other interested parties to the written comments and responses to questions.

July 22, 2020 at 11:59 p.m. EDT: Deadline for the GSP Subcommittee to pose additional questions on written comments.

August 5, 2020 at 11:59 p.m. EDT: Deadline for submission of responses to any additional questions from the GSP Subcommittee.

ADDRESSES: USTR strongly prefers electronic submissions made through the Federal eRulemaking portal: <http://www.regulations.gov> (Regulations.gov). Follow the instructions for submitting comments below. The docket number is USTR-2020-0019. For alternatives to online submissions, please contact Claudia Chlebek in advance of the relevant deadline at gsp@ustr.eop.gov or 202-395-2974.

FOR FURTHER INFORMATION CONTACT: Claudia Chlebek at gsp@ustr.eop.gov or 202-395-2974.

SUPPLEMENTARY INFORMATION:

A. Background

The GSP program provides for the duty-free importation of designated articles when imported from designated beneficiary developing countries. The GSP program is authorized by Title V of the Trade Act of 1974 (19 U.S.C. 2461-2467), as amended, and is implemented in accordance with Executive Order 11888 of November 24, 1975, as

modified by subsequent Executive Orders and Presidential Proclamations.

B. Petitions Requesting Modifications of GSP Product Eligibility

On March 2, 2020 (85 FR 12381), USTR announced the 2020 GSP Annual Review to consider petitions to modify the list of products that are eligible for duty-free treatment under the GSP program and petitions to waive competitive need limitations (CNLs) on imports of certain products from specific beneficiary countries. The GSP Subcommittee considered the product and CNL waiver petitions submitted in response to this announcement.

USTR has decided to accept for review several petitions seeking to add or remove products from GSP eligibility for all GSP beneficiary countries. USTR posted a list of petitions and products accepted for review on the USTR website at: https://ustr.gov/sites/default/files/IssueAreas/gsp/2020_GSP_Annual_Review-Petitions_Accepted_for_Review.pdf under the title "2020 GSP Annual Review—Petitions Accepted for Review. You also can find this list at Regulations.gov in Docket Number USTR-2020-0019. Acceptance of a petition only indicates that the subject of the petition warranted further consideration and that a review of the requested action will take place. The U.S. International Trade Commission also will review the selected petitions and provide a report to USTR on the probable economic effects of adding or removing products from GSP eligibility during the 2020 GSP Annual Review. The President will proclaim any modifications to the list of articles eligible for duty-free treatment under the GSP resulting from the 2020 GSP Annual Product Review by November 1, 2020.

C. Public Participation

Due to COVID-19, the GSP Subcommittee will foster public participation via written submissions rather than an in-person hearing on all petitions USTR accepted for the 2020 GSP Annual Product Review. USTR invites public comments on these petitions according to the schedule set out in the Dates section above. The GSP Subcommittee will review comments and replies to comments, if any, and may ask clarifying questions to commenters. The GSP Subcommittee will post the questions it asks on the public docket, other than questions that include properly designated business confidential information (BCI). USTR will send questions that include properly designated BCI to the relevant commenters by email, and will not post