

available to customers when they submit their permanent COA request. After that time, customers would be able to request and pay for Extended Mail Forwarding either up until the end date of the market test, or within 18 months of submitting their initial COA request, whichever comes first. *Id.*

The Postal Service states that Extended Mail Forwarding will be tested in nine postal districts throughout the country that represent a cross-sample of COA requests by volume according to 2019 data. *Id.* at 3. Customers submitting permanent COA requests in these districts during the market test will be eligible to participate in the market test. *Id.*

The Postal Service plans to offer initial pricing for Extended Mail Forwarding of \$19.95 for one 6-month extension, \$29.95 for two 6-month extensions, and \$39.98 for three 6-month extensions. *Id.* at 2. Any customer who signs up initially for one or two extensions for \$19.95 or \$29.95 would be able to request additional extensions up to a total of three 6-month extensions for \$19.95 for each extension. *Id.*

III. Compliance With Legal Requirements

The Postal Service asserts that the proposed market test meets the requirements in 39 U.S.C. 3641 and 39 CFR part 3045. First, the Postal Service explains that Extended Mail Forwarding is “significantly different from all products offered by the Postal Service within the last two years” as required by 39 U.S.C. 3641(b)(1). *Id.* at 4. The Postal Service states that Extended Mail Forwarding is “critically different” from the Premium Forwarding Service competitive product because Extended Mail Forwarding is associated with a permanent COA request enabled by the Postal Automated Redirection System (PARS). Premium Forwarding Service is first delivered to the address on the mailpiece, then repackaged and inducted back into the postal network for delivery to the forwarding address. *Id.*

The Postal Service also asserts that the proposed service is “significantly distinct” from Commercial P.O. Box Redirect Service because that service will be available only to Commercial P.O. Box customers to redirect automated First-Class Mail letters to a P.O. Box with Caller Service using a different postal system. *Id.* at 5. Thus, the Postal Service asserts that Extended Mail Forwarding, while it may be considered similar to Commercial P.O. Box Redirect Service, will service a

significantly different market with different cost characteristics. *Id.*

Second, the Postal Service asserts that Extended Mail Forwarding “will not create an unfair or otherwise inappropriate competitive advantage for the Postal Service or any mailer” as required by 39 U.S.C. 3641(b)(2). *Id.* The Postal Service states that all individuals, families, and businesses who are currently eligible to file a permanent COA request moving from or into one of the test districts may participate. *Id.*

The Postal Service asserts that because only it forwards mail under a permanent COA request, no other business offers a similar product or service. It also asserts that Extended Mail Forwarding will have no impact on small business concerns except to provide them with the option of extending their forwarding requests if they permanently change addresses. *Id.*

Third, the Postal Service states that Extended Mail Forwarding is properly categorized as market dominant as required by 39 U.S.C. 3641(b)(3). *Id.*

IV. Data Collection

To better understand the results of the market test, the Postal Service asserts that it will collect the following data on a quarterly basis: Number of extension requests, number of customers, ratio of individuals, families, and businesses, volume of mailpieces forwarded, and revenues. *Id.* at 6. The Postal Service also states that it will collect data on the attributable costs of Extended Mail Forwarding, including administrative costs. *Id.*

V. Notice of Commission Action

The Commission establishes Docket No. MT2020–2 to consider matters raised by the Notice. The Commission invites comments on whether the Postal Service’s filing is consistent with the requirements of 39 U.S.C. 3641 and 39 CFR part 3045. Comments are due no later than June 30, 2020. The filing can be accessed via the Commission’s website (<http://www.prc.gov>).

The Commission appoints Richard A. Oliver to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

VI. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. MT2020–2 to consider the matters raised by the Notice.

2. Pursuant to 39 U.S.C. 505, Richard A. Oliver is appointed to serve as an officer of the Commission to represent the interests of the general public in

these proceedings (Public Representative).

3. Comments are due no later than June 30, 2020.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Erica A. Barker,
Secretary.

[FR Doc. 2020–12838 Filed 6–12–20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89032; File No. SR–CboeBZX–2020–044]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Allow Members and Clearing Members To Establish or Adjust the Risk Settings Set Forth in Interpretation and Policy .03 of Exchange Rule 11.13 on a Risk Group Identifier Basis

June 9, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on May 28, 2020, Cboe BZX Exchange, Inc. (the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b–4(f)(6) thereunder.⁴ 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 the Substance of the Proposed Rule Change

Cboe BZX Exchange, Inc. (“BZX” or the “Exchange”) is filing with the Securities and Exchange Commission (the “Commission”) a proposed rule change to allow Members and Clearing Members to establish or adjust the risk settings set forth in Interpretation and Policy .03 of Exchange Rule 11.13 on a risk group identifier basis. The text of the proposed rule change is provided in Exhibit 5.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b–4(f)(6).

The text of the proposed rule change is also available on the Exchange's website (http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/), 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to offer Members⁵ and Clearing Members⁶ a more granular option to manage their credit risk in equity securities. Specifically, the Exchange proposes to allow Members and Clearing Members to establish a risk profile(s) on a risk group identifier basis that would apply the risk settings offered in Interpretation and Policy .03 of Exchange Rule 11.13 to a subset of orders.

Recently, the Exchange adopted Interpretation and Policy .03 to Exchange Rule 11.13 which provides Members certain optional risk settings.⁷ As set forth in paragraph (a), the Exchange currently offers the Gross Credit Risk Limit⁸ and Net Credit Risk Limit⁹ that are applicable to a Member's

activities on the Exchange and are available to either the Member or its Clearing Member. Specifically, pursuant to paragraph (c), a Member that does not self-clear may allocate the responsibility of establishing and adjusting the applicable risk settings to its Clearing Member. Further, paragraph (b)(1) provides that the risk limits may only be set at the market participant identifier ("MPID") level. Now, the Exchange is proposing to amend paragraph (b)(1) to provide that the Gross Credit Risk Limit and Net Credit Risk Limit may be set at the MPID level or at a more granular risk profile level. The Exchange believes the proposed functionality will provide an effective tool for Members and Clearing Members to manage their credit risk associated with equities trading.

As provided in the Original Filing, a Member can allocate responsibility for establishing and adjusting the applicable risk settings to its Clearing Member on an MPID basis via the Exchange's web portal. The proposal would allow a Member or its Clearing Member, if allocated such responsibility, to utilize "Purge Ports" to apply Gross Credit Risk Limits and/ or Net Credit Risk Limits to more granular subsets of orders associated with the relevant MPID.¹⁰ The Exchange believes the proposal will allow for proactive and reactive risk management and may be useful to firms operating multiple strategies at a given time, those operating multiple groups under a single MPID with disparate risk profiles, or Sponsoring Members¹¹ managing risk on behalf of a Sponsored Participant.¹² Specifically, Members or Clearing Members may assign a risk group identifier to a specific strategy, group, or Sponsored Participant and then set up a risk profile applicable to that risk group identifier. Without such

purchases are counted as positive values and sales are counted as negative values. For purposes of calculating the Net Credit Risk Limit, only executed orders are included. See Interpretation and Policy .03(a)(2) of Exchange Rule 11.13.

¹⁰ The risk group identifier is a subset level of an MPID. Members can use MPID and risk group identifier risk settings in conjunction.

¹¹ See Exchange Rule 1.5(y).

¹² See Exchange Rule 1.5(x). As noted in the Original Filing, the Exchange does not guarantee that the proposed risk settings described in proposed Interpretation and Policy .03, are sufficiently comprehensive to meet all of a Member's risk management needs. Pursuant to Rule 15c3-5 under the Act, a broker-dealer with market access must perform appropriate due diligence to assure that controls are reasonably designed to be effective, and otherwise consistent with the rule. Use of the Exchange's risk settings included in proposed Interpretation and Policy .03 will not automatically constitute compliance with Exchange or federal rules and responsibility for compliance with all Exchange and SEC rules remains with the Member. See *supra* note 7.

functionality, the Member or its Clearing Member would only be able to manage risk at the MPID level.

A "Purge Port" is a dedicated port that permits a User to simultaneously cancel all or a subset of its orders in one or more symbols across multiple logical ports¹³ by requesting the Exchange to effect such cancellation.¹⁴ Currently, in order to effect a purge request on a specific subset of orders, a Member must identify which orders should be purged by applying a risk group identifier to such orders. As proposed, the risk group identifiers available for purge requests through Purge Ports would also be utilized to define risk profiles which constitute risk limits at the more granular order subset level. Specifically, through the Exchange's proposed functionality, a Member or its Clearing Member would be able to set risk profiles for up to 10 risk group identifiers per Purge Port that specify different Gross Credit Risk Limits and/ or Net Credit Risk Limits to orders bearing the applicable risk group identifier. The Gross Credit Risk Limit and Net Credit Risk Limit would only be applied to the specified subset of orders with the applicable risk group identifier.¹⁵ As such, only open orders or new orders bearing the applicable risk group identifier would be canceled or automatically blocked, respectively, in the event of a risk limit breach as set forth in paragraph (e) of Interpretation and Policy .03.

As noted above, Purge Ports enable Users to simultaneously cancel all open orders, or a subset thereof, across multiple logical ports through a single cancel message. Therefore, Purge Ports allow Members to manage risk for some subset of their business, such as by

¹³ A logical port represents a port established by the Exchange within the Exchange's system for trading and billing purposes. Each logical port established is specific to a Member or non-Member and grants that Member or non-Member the ability to accomplish a specific function, such as order entry, order cancellation, or data receipt. In addition, logical ports enable Users to access information such as execution reports, execution report messages, auction notifications, and administrative data through a single feed.

¹⁴ A User initiating such a request may also request that the Exchange block all or a subset of its new inbound orders in one or more symbols across multiple logical ports. The block will remain in effect until the User requests the Exchange remove the block. See Interpretation and Policy .02(b) of Exchange Rule 11.13. Purge Ports are available to Users while risk settings are only available to Members and its Clearing Member.

¹⁵ As proposed, a new optional port level attribute will be available to validate that each new order submitted through that specific logical port contains a risk group identifier. Once this logical port level setting is selected, any orders submitted through that session that are not tagged with a risk group identifier will be rejected in an effort to ensure intended risk thresholds are maintained.

⁵ See Exchange Rule 1.5(n).

⁶ A "Clearing Member" refers to a Member that is also a member of a Qualified Clearing Agency and clears transactions on behalf of another Member. See Exchange Rule 11.15(a).

⁷ See Securities Exchange Act No. 88599 (April 8, 2020) 85 FR 20793 (April 14, 2020) (the "Approval Order"); Securities Exchange Act No. 88263 (February 21, 2020) 85 FR 11421 (February 27, 2020) (the "Original Filing").

⁸ The "Gross Credit Risk Limit" refers to a pre-established maximum daily dollar amount for purchases and sales across all symbols, where both purchases and sales are counted as positive values. For purposes of calculating the Gross Credit Risk Limit, only executed orders are included. See Interpretation and Policy .03(a)(1) of Exchange Rule 11.13.

⁹ The "Net Credit Risk Limit" refers to a pre-established maximum daily dollar amount for purchases and sales across all symbols, where

trading strategy. The proposal would expand the existing Purge Port functionality to allow Members and Clearing Members to use the Exchange's automated risk management functionality in a similar manner. As a result, Members and Clearing Members would be able to set automated gross and net notional risk limits for particular risk group identifiers, while retaining the ability to mass cancel and/or block orders entered with that risk group identifier using current purge functionality, *e.g.*, in response to alerts that the Member is approaching designated limits.

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.¹⁶ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁷ 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.

The Exchange believes that the proposed rule change would promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market because the proposal would enhance Members' and Clearing Members' ability to manage their credit risk associated with equities trading, which would, in turn, improve their risk controls to the benefit of all market participants. Specifically, as discussed above, the proposal would allow a Member or its Clearing Member, if allocated such responsibility, to utilize the existing Purge Port risk group identifier functionality to set risk profiles for up to 10 risk group identifiers per Purge Port. Each risk profile would specify the applicable Gross Credit Risk Limits and/or Net Credit Risk Limits that would be applied to the subset of orders bearing the risk group identifier. Further, the proposal would allow the automatic

mass cancellation of all open orders and block new orders bearing the risk group identifier in the event of a risk limit breach. As such, the Exchange believes that the proposal will allow for proactive and reactive risk management and may be useful to firms operating multiple strategies at a given time, those operating multiple groups under a single MPID with disparate risk profiles, or Sponsoring Members managing risk on behalf of a Sponsored Participant.¹⁸

In addition, the Exchange believes that the proposed rule change is designed to protect investors and the public interest because the proposed functionality is a form of risk mitigation that will aid Members, and Clearing Members for firms who do not self-clear, in minimizing their risk associated with operating or clearing multiple business lines with disparate risk profiles. In turn, the introduction of such risk management functionality could enhance the integrity of trading on the securities markets and help to assure the stability of the financial system.

The Exchange also believes that building on the Purge Port functionality to provide the proposed changes would foster cooperation and coordination with persons engaged in facilitating transactions in securities because it offers enhanced use of existing functionality. This may enable more efficient use of Members' and Clearing Members' resources.

Finally, the Exchange believes that the proposed rule change does not unfairly discriminate among the Exchange's Members and Clearing Members because use of the risk settings is optional and are not a prerequisite for participation on the Exchange, and will be available to all Members and Clearing Members as an enhancement to existing Purge Port functionality. The proposed risk settings are completely voluntary and, as they relate solely to optional risk management functionality, no Member or Clearing Member is required or under any regulatory obligation to utilize them.

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. In fact, the Exchange believes that the proposal may have a positive effect on competition because it would allow the Exchange to offer enhanced risk management functionality. Further, by providing Members and their Clearing Members

more granular means to monitor and control risk, the proposed rule may increase confidence in the proper functioning of the markets and contribute to additional competition among trading venues and broker-dealers. Rather than impede competition, the proposal is designed as an innovative way to facilitate more robust risk management by Members and Clearing Members, which, in turn, could enhance the integrity of trading on the securities markets and help to assure the stability of the financial system. Furthermore, other exchanges are free to propose similar functionality as they see fit.¹⁹

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: (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 Act²⁰ and Rule 19b-4(f)(6) thereunder.²¹

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act²² normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)²³ 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 implement the proposed rule change on the anticipated launch date of May 29, 2020. The Exchange states that waiver of the operative delay would

¹⁹ The NYSE has adopted similar provisions that allow for risk settings at a "sub-ID" level. See Securities Exchange Act No. 88776 (April 29, 2020) 85 FR 26768 (May 5, 2020) (SR-NYSE-2020-17).

²⁰ 15 U.S.C. 78s(b)(3)(A).

²¹ 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.

²² 17 CFR 240.19b-4(f)(6).

²³ 17 CFR 240.19b-4(f)(6)(iii).

¹⁶ 15 U.S.C. 78f(b).

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ *Supra* note 12.

allow Members and Clearing Members to immediately utilize the proposed functionality to manage their risk. 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.²⁴

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 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-CboeBZX-2020-044 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-CboeBZX-2020-044. 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

²⁴ 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).

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 such 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-CboeBZX-2020-044, and should be submitted on or before July 6, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁵

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2020-12790 Filed 6-12-20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-89035; File No. SR-MIAX-2020-12]

Self-Regulatory Organizations; Miami International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Fee Schedule

June 9, 2020.

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 May 29, 2020, Miami International Securities Exchange LLC ("MIAX Options" or "Exchange") filed with the Securities and Exchange Commission ("Commission") a proposed rule change as described in Items I, II, and III 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.

²⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

The Exchange is filing a proposal to amend the MIAX Options Fee Schedule (the "Fee Schedule").

The text of the proposed rule change is available on the Exchange's website at <http://www.miaxoptions.com/rule-filings>, at MIAX's principal office, 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 proposes to amend the Fee Schedule to extend the cap waiver of 1,000 contracts per leg for complex PRIME ("cPRIME")³ Agency Order rebates for all tiers under the Priority Customer Rebate Program ("PCRP")⁴ until July 31, 2020.

³ "cPRIME" is the process by which a Member may electronically submit a "cPRIME Order" (as defined in Rule 518(b)(7)) it represents as agent (a "cPRIME Agency Order") against principal or solicited interest for execution (a "cPRIME Auction"), subject to the restrictions set forth in Exchange Rule 515A, Interpretation and Policy .12. See Exchange Rule 515A.

⁴ Under the PCRP, MIAX credits each Member the per contract amount resulting from each Priority Customer order transmitted by that Member which is executed electronically on the Exchange in all multiply-listed option classes (excluding, in simple or complex as applicable, QCC and cQCC Orders, mini-options, Priority Customer-to-Priority Customer Orders, C2C and c2C Orders, PRIME and cPRIME AOC Responses, PRIME and cPRIME Contra-side Orders, PRIME and cPRIME Orders for which both the Agency and Contra-side Order are Priority Customers, and executions related to contracts that are routed to one or more exchanges in connection with the Options Order Protection and Locked/Crossed Market Plan referenced in Exchange Rule 1400), provided the Member meets certain percentage thresholds in a month as described in the PCRP table. See Fee Schedule, Section 1)a)iii. "Priority Customer" means a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during