

Form No.	Annual responses	Time (minutes)	Burden (hours)
G-251A .....	500	60	500

**9. Title and purpose of information collection:** Statement Regarding Contributions and Support of Children; OMB 3220-0195.

Section 2(d)(4) of the Railroad Retirement Act (RRA) (45 U.S.C. 231a), provides, in part, that a child is deemed dependent if the conditions set forth in Section 202(d)(3), (4) and (9) of the Social Security Act are met. Section 202(d)(4) of the Social Security Act, as amended by Public Law 104-121, requires as a condition of dependency, that a child receives one-half of his or her support from the stepparent. This dependency impacts upon the entitlement of a spouse or survivor of an employee whose entitlement is based upon having a stepchild of the employee in care, or on an individual seeking a child's annuity as a stepchild of an employee. Therefore, depending on the employee for at least one-half support is a condition affecting eligibility for increasing an employee or spouse annuity under the social security overall minimum provisions on the basis of the presence of a dependent child, the employee's natural child in

limited situations, adopted children, stepchildren, grandchildren, step-grandchildren and equitably adopted children. The regulations outlining child support and dependency requirements are prescribed in 20 CFR 222.50-57.

In order to correctly determine if an applicant is entitled to a child's annuity based on actual dependency, the RRB uses Form G-139, Statement Regarding Contributions and Support of Children, to obtain financial information needed to make a comparison between the amount of support received from the railroad employee and the amount received from other sources. Completion is required to obtain a benefit. One response is required of each respondent.

**Previous Requests for Comments:** The RRB has already published the initial 60-day notice (85 FR 57260 on September 15, 2020) required by 44 U.S.C. 3506(c)(2). That request elicited no comments.

#### Information Collection Request (ICR)

**Title:** Statement Regarding Contributions and Support of Children.

**OMB Control Number:** 3220-0195.

**Form(s) submitted:** G-139.

**Type of request:** Revision of a currently approved collection of information.

**Affected public:** Individuals or Households.

**Abstract:** Dependency on the employee for at least one-half support is a condition affecting eligibility for increasing an employee or spouse annuity under the social security overall minimum provisions on the basis of the presence of a dependent child, the employee's natural child in limited situations, adopted children, stepchildren, grandchildren and step-grandchildren. The information collected solicits financial information needed to determine entitlement to a child's annuity based on actual dependency.

**Changes proposed:** The RRB proposes a minor editorial change to Form G-139 to change the date under Section 1 "General Instructions".

The burden estimate for the ICR is as follows:

Form No.	Annual responses	Time (minutes)	Burden (hours)
G-139 .....	500	60	500

**Additional Information or Comments:** Copies of the forms and supporting documents can be obtained from Kennisha Tucker at (312) 469-2591 or [Kennisha.Tucker@rrb.gov](mailto:Kennisha.Tucker@rrb.gov). Comments regarding the information collection should be addressed to Brian Foster, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois, 60611-1275 or [Brian.Foster@rrb.gov](mailto:Brian.Foster@rrb.gov).

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

**Brian Foster,**  
Clearance Officer.

[FR Doc. 2020-25893 Filed 11-23-20; 8:45 am]

**BILLING CODE 7905-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-90455; File No. SR-MRX-2020-21]

### Self-Regulatory Organizations; Nasdaq MRX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Pricing Schedule

November 18, 2020.

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 November 6, 2020, Nasdaq MRX, LLC ("MRX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "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 amend its Pricing Schedule at Options 7, Section 1, "General Provisions," to permit certain affiliated market participants to aggregate volume and qualify for certain pricing incentives. Additionally, the Exchange proposes to amend Options 7, Section 3, "Regular Order Fees and Rebates;" Options 7, Section 4, "Complex Order Fees;" Options 7, Section 5, "Other Options Fees and Rebates;" Options 7, Section 7, "Market Data;" and Options 7, Section 8, "Connectivity Fees."

The Exchange originally filed the proposed pricing change on October 26, 2020 (SR-MRX-2020-17). On November 6, 2020, the Exchange withdrew that filing and submitted this filing.

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

<sup>2</sup> 17 CFR 240.19b-4.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/mrx/rules>, 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 proposes to amend Options 7, Section 1, "General Provisions"; Options 7, Section 3, "Regular Order Fees and Rebates;" Options 7, Section 4, "Complex Order Fees;" Options 7, Section 5, "Other Options Fees and Rebates;" Options 7, Section 7, "Market Data;" and Options 7, Section 8, "Connectivity Fees." Each change will be discussed below.

#### Options 7, Section 1

The Exchange proposes to replace the Appointed Member Program with an aggregation program offered today on ISE for an Affiliated Entity. Specifically, the Exchange proposes to permit Affiliated Entities to aggregate certain volume for purposes of receiving discounted fees. Nasdaq ISE, LLC ("ISE") also permits Affiliated Entities to aggregate volume for purposes of qualifying for certain pricing.<sup>3</sup> This replacement program is intended to harmonize MRX's program to ISE's program for purposes of permitting the Exchange to administer both programs in the same fashion. The Exchange notes that a key difference in these two programs is that today a Member on MRX can benefit from both the Appointed Member and the Affiliated Member aggregations for purposes of achieving more favorable pricing. With the proposed Affiliated Entity program, a Member would have to elect either the Affiliated Entity or Affiliated Member program during the same time period.

This difference is discussed in more detail below.

Today, MRX offers an Appointed Member<sup>4</sup> an opportunity to lower fees by aggregating eligible volume from an Appointed Order Flow Provider<sup>5</sup> with a designated Appointed Market Maker<sup>6</sup> to determine tier eligibility within Table 3 of Options 7, Section 3 and determine eligibility for Market Maker Taker Fees within Options 7, Section 3, as described in note 2 of the Pricing Schedule ("Appointed Member Program").

The concept of an Appointed Member was established in 2016<sup>7</sup> and was intended to incentivize firms to direct their order flow to the Exchange to the benefit of all market participants. Today, all eligible volume from an Appointed Order Flow Provider is aggregated with its designated Appointed Market Maker's eligible volume in determining the Appointed Market Maker's applicable tiers, provided the Appointed Market Maker is designated by the Appointed Order Flow Provider in accordance with certain instructions. Today, a Market Maker appoints an Electronic Access Member as its Appointed Order Flow Provider and an Electronic Access Member appoints a Market Maker as its Appointed Market Maker, for the purposes of pricing, by each sending an email. The corresponding emails are viewed as acceptance of the appointment.<sup>8</sup> Today, an Appointed Market Maker is eligible to receive and aggregate volume credit from both their Affiliated Members<sup>9</sup> and their Appointed Order Flow Provider. An Appointed Order Flow Provider does not receive volume credit from its Appointed Market Maker or the Appointed Market Maker's Affiliated Members in determining its applicable tiers.<sup>10</sup>

<sup>4</sup> An "Appointed Member" is either an Appointed Market Maker or Appointed Order Flow Provider. See MRX Options 7, General 1.

<sup>5</sup> An "Appointed Order Flow Provider" is an Electronic Access Member who has been appointed by a Market Maker pursuant to Section 3, Table 3.

<sup>6</sup> An "Appointed Market Maker" is a Market Maker who has been appointed by an Electronic Access Member pursuant to Section 3, Table 3.

<sup>7</sup> See Securities Exchange Act Release No. 77841 (May 20, 2016), 81 FR 31986 (May 16, 2016) (SR-ISEMercury-2016-11). ISE Mercury was the prior name of MRX.

<sup>8</sup> The Exchange recognizes one such designation for each party. A party may make a designation not more than once every 6 months, which designation remains in effect until the Exchange receives an email from either party indicating that the appointment has been terminated.

<sup>9</sup> An "Affiliated Member" is a Member that shares at least 75% common ownership with a particular Member as reflected on the Member's Form BD, Schedule A. See Options 7, Section 1.

<sup>10</sup> See Options 7, Section 3 within Table 3.

The Exchange proposes to replace the Appointed Member Program with an aggregation program offered today on ISE for an Affiliated Entity to permit the Exchange to administer both programs in the same fashion. Specifically, the Exchange proposes to adopt the term "Affiliated Entity" within Options 7, Section 1. An "Affiliated Entity" would be a relationship between an Appointed Market Maker and an Appointed OFP for purposes of qualifying for certain pricing specified in the Pricing Schedule. An Appointed Market Maker would be re-defined similar to ISE as a Market Maker who has been appointed by an OFP for purposes of qualifying as an Affiliated Entity. An "Order Flow Provider" or "OFP" is proposed to be defined within Options 7, Section 1 as any Member, other than a Market Maker,<sup>11</sup> that submits orders, as agent or principal, to the Exchange. Finally, an Appointed Order Flow Provider would be re-defined within Options 7, Section 1 as an OFP who has been appointed by a Market Maker for purposes of qualifying as an Affiliated Entity. The Exchange would remove the term "Appointed Member" in connection with eliminating the Appointed Member Program. As noted above, the Affiliated Entity program would be similar to ISE's program.<sup>12</sup>

In order to become an Affiliated Entity, Market Makers and OFPs will be required to send an email to the Exchange to appoint their counterpart, at least 3 business days prior to the last day of the month to qualify for the next month.<sup>13</sup> For example, with this proposal, market participants may submit emails<sup>14</sup> to the Exchange to become Affiliated Entities to qualify for discounted pricing starting November 1, 2020, provided the emails are sent at least 3 business days prior to the first business day of November 2020. The Exchange will acknowledge receipt of the emails and specify the date the Affiliated Entity would qualify for applicable pricing, as specified in the Pricing Schedule. Each Affiliated Entity relationship will commence on the 1st of a month and may not be terminated prior to the end of any month. An Affiliated Entity relationship will terminate after a one (1) year period, unless either party terminates earlier in

<sup>11</sup> Market Makers shall not be considered Appointed OFPs for the purpose of becoming an Affiliated Entity.

<sup>12</sup> A Member on ISE and a Member on MRX may affiliate with different Members on each market.

<sup>13</sup> The Exchange shall issue an Options Trader Alert specifying the email address and details required to apply to become an Affiliated Entity.

<sup>14</sup> Emails shall be submitted to [membership@nasdaq.com](mailto:membership@nasdaq.com).

<sup>3</sup> See ISE Options 7, Section 1.

writing by sending an email<sup>15</sup> to the Exchange at least 3 business days prior to the last day of the month to terminate for the next month. Affiliated Entity relationships must be renewed annually. For example, if the start date of the Affiliated Entity relationship is November 1, 2020, the counterparties may determine to commence a new relationship as of November 1, 2021 by requiring each party to send a new email 3 business days prior to the end of November 2021. Affiliated Members may not qualify as a counterparty comprising an Affiliated Entity. Each Member may qualify for only one (1) Affiliated Entity relationship at any given time. As proposed, an Affiliated Entity shall be eligible to aggregate their volume for purposes of qualifying for certain pricing specified in the Pricing Schedule, as described below.

As stated above, one difference between the Appointed Member Program and the Affiliated Entity Program is that, today, a MRX Member may aggregate volume both as an Affiliated Member and as an Appointed Member for purposes of achieving favorable pricing. With this proposal, a MRX Member may aggregate volume either as an Affiliated Member or as an Affiliated Entity, but may not aggregate under both programs combined during the same time period. Moreover, unlike the Appointed Member Program, with the Affiliated Entity Program, an Affiliated Member may not qualify as a counterparty comprising an Affiliated Entity.

#### Options 7, Section 3

The note 2 Market Maker Taker Fee is the only fee within Options 7, Section 3 which is currently subject to the Appointed Member Program. Qualifying Tier Thresholds for the Market Maker Taker Fee are determined by Table 3 of Options 7, Section 3. The Exchange proposes to similarly permit Affiliated Entities to aggregate their volume to obtain the note 2 Market Maker Taker Fee within Options 7, Section 3. The note 2 Market Maker Taker Fee will remain the only fee within Options 7, Section 3 which would be subject to the Affiliated Entity Program.

The Exchange proposes to amend note 2 within Options 3, Section 7 to remove references to “Appointed Member”. The Exchange is adding references within note 2 to “Affiliated Entity.” As proposed, note 2 to Options 7, Section 3 would provide,

A Taker Fee of \$0.05 per contract applies instead when trading with Priority Customer orders entered by an Affiliated Member or

Affiliated Entity if the Member has a Total Affiliated Member or Affiliated Entity Priority Customer ADV of 5,000 contracts or more. A Taker Fee of \$0.00 per contract applies instead when trading with Priority Customer orders entered by an Affiliated Member or Affiliated Entity if the Member has a Total Affiliated Member or Affiliated Entity Priority Customer ADV of 50,000 contracts or more.

As is the case today for an Affiliated Member, an Appointed Market Maker would be able to obtain the benefit of the reduced Market Maker Taker Fee if, in the aggregate, the Affiliated Entity meets the Average Daily Volume (“ADV”) requirements.

Similarly, with respect to Table 3 within Options 7, Section 3, references to “Appointed Member” would be removed and “Affiliated Entity” would be added. Also any details concerning the Appointed Member Program within the notes below Table 3 within Options 7, Section 3 would be removed. Specifically, the bullet points within Table 3 of Options 7, Section 3 that relate to the Appointed Member are being removed because the detail does not relate to the Affiliated Entity program. Finally, other bullets are being removed because they are redundant and not applicable. The Table 3, Options 7, Section 3 tiers, as proposed, would be as follows:

QUALIFYING TIER THRESHOLDS

Tiers	Total affiliated member or affiliated entity ADV
Tier 1 ....	executes 0.00%–0.7499% of Customer Total Consolidated Volume
Tier 2 ....	executes 0.75% or more of Customer Total Consolidated Volume

Finally, the Exchange proposes to capitalize the term “Taker Fee” within note 2 of Options 7, Section 3 and update a cross reference within Options 7, Section 3 within note 1 of Table 1 to Options 7, Section 5.E., as the Exchange is relocating the referenced text within this proposal as noted below.

As noted above, with this proposed change, a MRX Member may aggregate either as an Affiliated Member or an Affiliated Entity during the same time period, but may not aggregate under both programs during the same time period for purposes of achieving the lower Market Maker Taker Fee in note 2.

With this proposal, the Exchange proposes to continue to incentivize certain Members, who are not Affiliated Members, to enter into an Affiliated Entity relationship for the purpose of

aggregating volume executed on the Exchange to qualify to reduce their Market Maker Taker Fees. By aggregating volume, the Affiliated Entity, that submits certain requisite volume, offers the Appointed Market Maker an opportunity to lower Taker Fees and encourages Market Makers to submit additional liquidity on MRX.

#### Options 7, Section 4

Today, a Complex Order Market Maker fee of \$0.00 per contract applies, instead of the \$0.15 per contract Complex Order fee, when the Market Maker trades against Priority Customer orders that originate from an Affiliated Member or an Appointed Member. MRX proposes to replace the one reference to “Appointed Member” within note 2 of Options 7, Section 4 with “Affiliated Entity.”

With the proposed change, as is the case under the current pricing, a MRX Member may aggregate either as an Affiliated Member or an Affiliated Entity during the same time period, but may not aggregate under both programs during the same time period for purposes of not paying a Complex Order Market Maker fee. With this proposal, the Exchange proposes to continue to incentivize certain Members, who are not Affiliated Members, to enter into an Affiliated Entity relationship for the purpose of aggregating volume executed on the Exchange to qualify to reduce their Complex Order Market Maker fee from \$0.15 to \$0.00 per contract. By aggregating volume, the Affiliated Entity, who submits certain requisite volume, offers the Appointed Market Maker an opportunity to not pay Complex Order Market Maker fees and encourages Market Makers to submit additional liquidity on MRX.

Finally, the Exchange proposes to update a cross reference to Options 7, Section 5.E. within Options 7, Section 4, as the Exchange is relocating that related text within this proposal as noted below.

#### Options 7, Section 5

The Exchange proposes to amend Options 7, Section 5.C., Options Regulatory Fee, to remove the date of the last ORF change because it is a past date that is no longer relevant.

The Exchange proposes to relocate Options 7, Section 5.E., PIM Pricing for Regular and Complex Orders, to new Options 7, Section 3.A. in order that PIM pricing appear with other transactional pricing.

#### Options 7, Section 8

The Exchange proposes to relocate Options 7, Section 8.E., Exchange

<sup>15</sup> *Id.*

Testing Facilities, to the end of Options 7, Section 7, Market Data. The Exchange proposes to delete Options 7, Section 8, Connectivity Fees, as the remainder of the sections are reserved.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>16</sup> in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,<sup>17</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange's proposed changes to its Pricing Schedule are reasonable in several respects. As a threshold matter, the Exchange is subject to significant competitive forces in the market for options securities transaction services that constrain its pricing determinations in that market. The fact that this market is competitive has long been recognized by the courts. In *NetCoalition v. Securities and Exchange Commission*, the D.C. Circuit stated as follows: "[n]o one disputes that competition for order flow is 'fierce.' . . . As the SEC explained, '[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution'; [and] 'no exchange can afford to take its market share percentages for granted' because 'no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers' . . . ." <sup>18</sup>

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system "has been remarkably successful in promoting market competition in its

broader forms that are most important to investors and listed companies."<sup>19</sup>

Numerous indicia demonstrate the competitive nature of this market. For example, clear substitutes to the Exchange exist in the market for options security transaction services. The Exchange is only one of sixteen options exchanges to which market participants may direct their order flow. Within this environment, market participants can freely and often do shift their order flow among the Exchange and competing venues in response to changes in their respective pricing schedules. As such, the proposal represents a reasonable attempt by the Exchange to increase its liquidity and market share relative to its competitors.

## Options 7, Section 1

The Exchange's proposal to replace the Appointed Member Program with an Affiliated Entity program, similar to ISE, is reasonable because the Exchange proposes to continue to incentivize certain Members, who are not Affiliated Members, to enter into an Affiliated Entity relationship for the purpose of aggregating volume executed on the Exchange to qualify for certain lower Market Maker fees. By aggregating volume for purposes of Table 3 of Options 7, Section 3, the Appointed Market Maker, who submits certain requisite volume along with an Appointed OFP, will continue to benefit from lower Market Maker fees. This proposal will harmonize MRX's program with ISE's program. The Exchange notes that a Member that registers for an Affiliated Entity will not be able to aggregate as an Affiliated Member.<sup>20</sup> While a MRX Member may not utilize both the Affiliated Member and the Affiliated Entity program to aggregate volume for purposes of achieving lower Market Maker fees, the Exchange believes that continuing to permit aggregation individually under each program, Affiliated Member and the Affiliated Entity program, will encourage Market Makers to continue to submit additional liquidity on MRX if they chose to enter into this relationship.

The Exchange's proposal to replace the Appointed Member Program with an Affiliated Entity program, similar to ISE, is equitable and not unfairly discriminatory as all market participants may enter into an Affiliated Entity relationship, provided they have not

elected to aggregate as an Affiliated Member. The Exchange believes that market participants that, today, utilize the Appointed Member Program would be able to utilize the Affiliated Entity program to continue to aggregate volume for purposes of obtaining lower fees. As proposed, Affiliated Members, who are eligible to aggregate volume today, are not eligible to also enter into an Affiliated Entity relationship. The Exchange's proposal to exclude Affiliated Members from qualifying as an Affiliated Entity is equitable and not unfairly discriminatory because, today, Affiliated Members may aggregate volume for purposes of lowering fees on MRX. Also, as proposed no MRX Member may utilize both the Affiliated Member and the Affiliated Entity program to aggregate volume for purposes of achieving lower Market Maker Fees.

The Exchange's proposal to exclude Affiliated Members from qualifying as an Affiliated Entity is reasonable, equitable and not unfairly discriminatory because, today, Affiliated Members may aggregate volume for purposes of lowering fees on MRX. Also, the Exchange will apply all qualifications in a uniform manner when approving Affiliated Entities. While a MRX Member may not utilize both the Affiliated Member and the Affiliated Entity program to aggregate volume for purposes of achieving lower Market Maker fees, the Exchange believes that continuing to permit aggregation individually under each program, Affiliated Member and the Affiliated Entity program, will encourage Market Makers to continue to submit additional liquidity on MRX if they chose to enter into this relationship.

## Options 7, Section 3

The Exchange's proposal to amend note 2 within Options 7, Section 3 to remove references to "Appointed Member" and add references within note 2 to "Affiliated Entity" is reasonable. As is the case today for an Affiliated Member, an Appointed Market Maker would be able to obtain the benefit of the reduced Market Maker Taker Fee<sup>21</sup> if in the aggregate the

<sup>21</sup> As proposed, a Market Maker Taker Fee of \$0.05 per contract applies instead when trading with Priority Customer orders entered by an Affiliated Member or Affiliated Entity if the Member has a Total Affiliated Member or Affiliated Entity Priority Customer ADV of 5,000 contracts or more. A Market Maker Taker Fee of \$0.00 per contract applies instead when trading with Priority Customer orders entered by an Affiliated Member or Affiliated Entity if the Member has a Total

Continued

<sup>16</sup> 15 U.S.C. 78 f(b).

<sup>17</sup> 15 U.S.C. 78f(b)(4) and (5).

<sup>18</sup> *NetCoalition v. SEC*, 615 F.3d 525, 539 (DC Cir. 2010) (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782–83 (December 9, 2008) (SR–NYSEArca–2006–21)).

<sup>19</sup> Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) ("Regulation NMS Adopting Release").

<sup>20</sup> As proposed, Affiliated Members may not qualify as a counterparty comprising an Affiliated Entity.

Affiliated Entity meets the Average Daily Volume (“ADV”) requirements. The Exchange believes the opportunity to aggregate volume for purposes of lowering the Market Maker Taker Fee will encourage Market Makers to continue to submit additional liquidity on MRX if they chose to enter into this relationship. While a MRX Member may not utilize both the Affiliated Member and the Affiliated Entity program to aggregate volume for purposes of achieving lower Market Maker fees, the Exchange believes that continuing to permit aggregation individually under each program, Affiliated Member and the Affiliated Entity program, will encourage Market Makers to continue to submit additional liquidity on MRX if they chose to enter into this relationship.

The Exchange’s proposal to amend note 2 within Options 7, Section 3 to remove references to “Appointed Member” and add references within note 2 to “Affiliated Entity” is equitable and not unfairly discriminatory as all market participants may enter into an Affiliated Entity relationship, provided they have not elected to aggregate as an Affiliated Member. The Exchange believes that market participants that, today, utilize the Appointed Member Program would be able to utilize the Affiliated Entity program to continue to aggregate volume for purposes of obtaining lower Market Maker fees. As proposed, Affiliated Members, who are eligible to aggregate volume today, are not eligible to also enter into an Affiliated Entity relationship. Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts Market Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. Permitting Members to aggregate volume for purposes of qualifying the Appointed Market Maker for reduced Market Maker Taker Fees would continue to encourage the counterparties that comprise the Affiliated Entities to incentivize each other to attract and seek to execute more Priority Customer volume on MRX.

#### Options 7, Section 4

Amending Options 7, Section 4, regarding Complex Orders, within note 2 to remove a reference to “Appointed Member” and replace it with a reference to “Affiliated Entity” is reasonable. As is the case today for an Appointed

Member, an Affiliated Entity would aggregate its volume to permit an Appointed Market Maker to pay no Complex Order Market Maker fee<sup>22</sup> when the Market Maker trades against Priority Customer orders that originate from an Affiliated Member or an Affiliated Entity. With the proposed change, as is the case under the current pricing, a MRX Member may aggregate either as an Affiliated Member or an Affiliated Entity during the same time period, but may not aggregate under both programs during the same time period for purposes of not paying a Complex Order Market Maker fee.

Amending Options 7, Section 4, regarding Complex Orders, within note 2 to remove a reference to “Appointed Member” and replace it with a reference to “Affiliated Entity” is equitable and not unfairly discriminatory as all market participants may enter into an Affiliated Entity relationship, provided they have not elected to aggregate as an Affiliated Member. The Exchange believes that market participants that, today, utilize the Appointed Member Program would be able to utilize the Affiliated Entity program to continue to aggregate volume for purposes of obtaining lower fees. As proposed, Affiliated Members, who are eligible to aggregate volume today, are not eligible to also enter into an Affiliated Entity relationship. Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts Market Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. Permitting Members to aggregate volume from an Affiliated Entity would continue to encourage the counterparties that comprise the Affiliated Entities to incentivize each other to attract and seek to execute more Priority Customer volume on MRX.

#### Options 7, Section 5

The Exchange’s proposal to amend Options 7, Section 5.C., Options Regulatory Fee, to remove the date of the last ORF change is reasonable, equitable and not unfairly discriminatory as the date is a past date that is not relevant and this non-substantive change does not impact pricing.

The Exchange’s proposal to relocate Options 7, Section 5.E., PIM Pricing for

Regular and Complex Orders, to new Options 7, Section 3.A. is reasonable, equitable and not unfairly discriminatory as this non-substantive change does not impact pricing.

#### Options 7, Section 8

The Exchange’s proposal to relocate Options 7, Section 8.E., Exchange Testing Facilities, to the end of Options 7, Section 7, Market Data, is reasonable, equitable and not unfairly discriminatory as this non-substantive change does not impact pricing. The deletion of Options 7, Section 8, Connectivity Fees, is reasonable, equitable and not unfairly discriminatory as this non-substantive change does not impact pricing.

#### *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.

#### Inter-Market Competition

The proposal does not impose an undue burden on inter-market competition. The Exchange believes its proposal remains competitive with other options markets and will offer market participants another choice of where to transact options. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

#### Intra-Market Competition

The proposed amendments do not impose an undue burden on intra-market competition.

#### Options 7, Section 1

The Exchange’s proposal to replace the Appointed Member Program with an Affiliated Entity program, similar to ISE, does not impose an undue burden on competition as all market participants

<sup>22</sup> With this proposed change a Complex Order Market Maker fee of \$0.00 per contract applies instead of the above-referenced \$0.15 per contract Complex Order fee, when the Market Maker trades against Priority Customer orders that originate from an Affiliated Member or an Affiliated Entity.

may enter into an Affiliated Entity relationship, provided they have not elected to aggregate as an Affiliated Member. The Exchange believes that market participants that, today, utilize the Appointed Member Program would be able to utilize the Affiliated Entity program to continue to aggregate volume for purposes of obtaining lower fees. As proposed, Affiliated Members, who are eligible to aggregate volume today, are not eligible to also enter into an Affiliated Entity relationship. The Exchange's proposal to exclude Affiliated Members from qualifying as an Affiliated Entity is equitable and not unfairly discriminatory because, today, Affiliated Members may aggregate volume for purposes of lowering fees on MRX. Also, as proposed no MRX Member may utilize both the Affiliated Member and the Affiliated Entity program to aggregate volume for purposes of achieving lower Market Maker Taker Fees.

The Exchange's proposal to exclude Affiliated Members from qualifying as an Affiliated Entity does not impose an undue burden on competition because, today, Affiliated Members may aggregate volume for purposes of lowering fees on MRX. Also, the Exchange will apply all qualifications in a uniform manner when approving Affiliated Entities. While a MRX Member may not utilize both the Affiliated Member and the Affiliated Entity program to aggregate volume for purposes of achieving lower Market Maker fees, the Exchange believes that continuing to permit aggregation individually under each program, Affiliated Member and the Affiliated Entity program, will encourage Market Makers to continue to submit additional liquidity on MRX if they chose to enter into this relationship.

#### Options 7, Section 3

The Exchange's proposal to amend note 2 within Options 7, Section 3 to remove references to "Appointed Member" and add references within note 2 to "Affiliated Entity" does not impose an undue burden on competition as all market participants may enter into an Affiliated Entity relationship, provided they have not elected to aggregate as an Affiliated Member. The Exchange believes that market participants that, today, utilize the Appointed Member Program would be able to utilize the Affiliated Entity program to continue to aggregate volume for purposes of obtaining lower Market Maker fees. As proposed, Affiliated Members, who are eligible to aggregate volume today, are not eligible to also enter into an Affiliated Entity

relationship. Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts Market Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. Permitting Members to aggregate volume for purposes of qualifying the Appointed Market Maker for reduced Market Maker Taker Fees would continue to encourage the counterparties that comprise the Affiliated Entities to incentivize each other to attract and seek to execute more Priority Customer volume on MRX.

#### Options 7, Section 4

Amending Options 7, Section 4, regarding Complex Orders, within note 2 to remove a reference to "Appointed Member" and replace it with a reference to "Affiliated Entity" does not impose an undue burden on competition as all market participants may enter into an Affiliated Entity relationship, provided they have not elected to aggregate as an Affiliated Member. The Exchange believes that market participants that, today, utilize the Appointed Member Program would be able to utilize the Affiliated Entity program to continue to aggregate volume for purposes of obtaining lower fees. As proposed, Affiliated Members, who are eligible to aggregate volume today, are not eligible to also enter into an Affiliated Entity relationship. Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts Market Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. Permitting Members to aggregate volume from an Affiliated Entity would continue to encourage the counterparties that comprise the Affiliated Entities to incentivize each other to attract and seek to execute more Priority Customer volume on MRX.

#### Options 7, Section 5

The Exchange's proposal to amend Options 7, Section 5.C., Options Regulatory Fee, to remove the date of the last ORF change does not impose an undue burden on competition as this non-substantive change does not impact pricing.

The Exchange's proposal to relocate Options 7, Section 5.E., PIM Pricing for Regular and Complex Orders, to new Options 7, Section 3.A. does not impose an undue burden on competition as this

non-substantive change does not impact pricing.

#### Options 7, Section 8

The Exchange's proposal to relocate Options 7, Section 8.E., Exchange Testing Facilities, to the end of Options 7, Section 7, Market Data, does not impose an undue burden on competition as this non-substantive change does not impact pricing. The deletion of Options 7, Section 8, Connectivity Fees, does not impose an undue burden on competition as this non-substantive change does not impact pricing.

#### 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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act,<sup>23</sup> and Rule 19b-4(f)(2)<sup>24</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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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 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-MRX-2020-21 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.

<sup>23</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>24</sup> 17 CFR 240.19b-4(f)(2).

All submissions should refer to File Number *SR-MRX-2020-21*. 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-MRX-2020-21* and should be submitted on or before December 15, 2020.

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

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

[FR Doc. 2020-25898 Filed 11-23-20; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-213, OMB Control No. 3235-0220]

### Proposed Collection; Comment Request; Extension: Rule 30b2-1

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (the "Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit the existing collection of information to the Office of

Management and Budget ("OMB") for extension and approval.

Rule 30b2-1 (17 CFR 270.30b2-1) under the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*) (the "Investment Company Act") requires a registered management investment company ("fund") to (1) file a report with the Commission on Form N-CSR (17 CFR 249.331 and 274.128) not later than 10 days after the transmission of any report required to be transmitted to shareholders under rule 30e-1 under the Investment Company Act, and (2) file with the Commission a copy of every periodic or interim report or similar communication containing financial statements that is transmitted by or on behalf of such fund to any class of such fund's security holders and that is not required to be filed with the Commission under (1) above, not later than 10 days after the transmission to security holders. The purpose of the collection of information required by rule 30b2-1 is to meet the disclosure requirements of the Investment Company Act and certification requirements of the Sarbanes-Oxley Act of 2002 (Pub. L. 107-204, 116 Stat. 745 (2002)), and to provide investors with information necessary to evaluate an interest in the fund.

The Commission estimates that there are 2,207 funds, with a total of 11,977 portfolios, that are governed by the rule. For purposes of this analysis, the burden associated with the requirements of rule 30b2-1 has been included in the collection of information requirements of rule 30e-1 (17 CFR 270.30e-1) and Form N-CSR, rather than the rule. The Commission has, however, requested a one hour burden for administrative purposes.

The collection of information under rule 30b2-1 is mandatory. The information provided under rule 30b2-1 is not kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information

technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, C/O Cynthia Roscoe, 100 F Street NE, Washington, DC 20549; or send an email to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

Dated: November 18, 2020.

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

[FR Doc. 2020-25897 Filed 11-23-20; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-185, OMB Control No. 3235-0238]

### Proposed Collection; Comment Request

*Extension:*

Form N-6F

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) the Securities and Exchange Commission (the "Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

The title for the collection of information is "Form N-6F (17 CFR 274.15), Notice of Intent to Elect to be Subject to Sections 55 through 65 of the Investment Company Act of 1940." The purpose of Form N-6F is to notify the Commission of a company's intent to file a notification of election to become subject to Sections 55 through 65 of the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*) ("1940 Act"). Certain companies may have to make a filing with the Commission before they are ready to elect to be regulated as a business development company.<sup>1</sup> A company that is excluded from the definition of "investment company" by Section 3(c)(1) because it has fewer than one hundred shareholders and is not making a public offering of its securities may lose such an exclusion solely because it proposes to make a public offering of securities as a business development company. Such company,

<sup>1</sup> A company might not be prepared to elect to be subject to Sections 55 through 65 of the 1940 Act because its capital structure or management compensation plan is not yet in compliance with the requirements of those sections.

<sup>25</sup> 17 CFR 200.30-3(a)(12).