

of the services adds greater transparency to the Exchange's rules and to the fees applicable to such companies.²⁵ Based on the foregoing, the Commission believes that the Exchange has provided a sufficient basis for treating as an Eligible Switch, for purposes of IM-5900-7, an Acquisition Company that switches from NYSE to Nasdaq after announcing a business combination and satisfies the conditions in IM-5101-2(b) and lists on the Nasdaq's Global or Global Select Markets by meeting all listing requirements and that this change does not unfairly discriminate among issuers and is therefore consistent with Section 6(b)(5) of the Act. For similar reasons, and as the value of services offered to an Eligible Switch is not changing, only whether certain Acquisition Companies are treated as an Eligible Switch instead of an Eligible Listing, the Commission believes that the proposal is consistent with Section 6(b)(4) of the Act.

Further, the Exchange asserts that its proposal removes an incentive for an Acquisition Company to wait until the consummation of a business combination to change listing exchanges if it would like to receive the more valuable package of services, which otherwise makes it more difficult to process the listing determinations smoothly.²⁶ As noted above, under the proposal the Acquisition Company will be treated as an Eligible Switch only in connection with the business combination that was announced prior to the transfer of its listing to Nasdaq.²⁷ Therefore, the proposal appears to be narrowly crafted and does not permit the company to be treated as an Eligible Switch indefinitely should the announced business combination be terminated. Based on the above, the Commission believes that the proposal should remove impediments to the operation of a free and open market and protect investors and the public interest, consistent with Section 6(b)(5) of the Act.

The Exchange has also stated that the proposal would provide an incentive for a company to list on Nasdaq given that companies often reconsider their listing market at the time of a public announcement to a business combination in connection with its rebranding and the launch of the operating company. As noted above, the Commission also believes that the Exchange is responding to competitive

pressures in the market for listings in making this proposal. The Exchange states in its proposal that it faces competition in the market for listing services and the Commission understands that the Exchange competes, in part, by offering complimentary services to companies. Specifically, the Exchange is offering a more valuable listing package of complementary services to Acquisition Companies that transfer from NYSE at the time that they announce a business combination, and later satisfy the conditions in IM-5901-2(b) and all the initial listing requirements at the time of the business combination to list on the Nasdaq Global or Global Select Markets,²⁸ to attract new listings. Accordingly, the Commission believes that the proposed rule reflects the current competitive environment for exchange listings among national securities exchanges, and is appropriate and consistent with Section 6(b)(8) of the Act.²⁹

Finally, the Commission finds that it is consistent with Section 6(b)(5) of the Act³⁰ for the Exchange to make various technical and conforming revisions to facilitate clarity of its Rules.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,³¹ that the proposed rule change, as modified by Amendment No. 1 (SR-NASDAQ-2020-060), be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³²

J. Matthew DeLesDernier,

Assistant Secretary.

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BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. PA-56; File No. S7-21-20]

Privacy Act of 1974; System of Records

AGENCY: Securities and Exchange Commission.

ACTION: Rescindment of system of record notice.

²⁸ As Nasdaq states in its filing, "[o]f course an Acquisition Company could only switch its listing to Nasdaq if it satisfies all of Nasdaq's initial listing requirements. In addition, the combined company would again have to satisfy all initial listing requirements at the time of the business combination." Notice, *supra* note 3, 85 FR at 59347.

²⁹ 15 U.S.C. 78f(b)(8).

³⁰ 15 U.S.C. 78f(b)(5).

³¹ 15 U.S.C. 78s(b)(2).

³² 17 CFR 200.30-3(a)(12).

SUMMARY: Pursuant to the Privacy Act of 1974 (5 U.S.C. 552a) and Office of Management and Budget (OMB) Circular No. A-108, the Securities and Exchange Commission (Commission or SEC) proposes to rescind four existing systems of records. The Notice of Rescindment identifies the system of records, explains why the SORN is being rescinded, and provides an account of what will happen to the records previously maintained in the system.

DATES: The rescindments will become effective on February 8, 2021.

ADDRESSES:

Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/submitcomments.htm>); or
- Send an email to rule-comments@sec.gov. Please include File Number S7-21-20 on the subject line.

Paper Comments

Send paper comments in triplicate to Vanessa A. Countryman, Secretary, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090. All submissions should refer to S7-21-20. This file number should be included on the subject line if email is used. To help 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/other.shtml>). Comments are also 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 a.m. and 3 p.m. All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

FOR FURTHER INFORMATION CONTACT:

Ronnette McDaniel, Privacy and Information Assurance Branch Chief, 202-551-7200 or privacyhelp@sec.gov.

SUPPLEMENTARY INFORMATION: Four systems were identified for rescindment from the SEC's Privacy Act systems of records inventory. The SORNs were identified for rescindment because they are duplicative, and covered by another SEC system of records. OMB requires that each agency provide assurance that systems of records do not duplicate any existing agency or government-wide systems of records. A description of

²⁵ See 2016 Order, *supra* note 24, 81 FR at 85665; 2011 Approval Order, *supra* note 21, 76 FR at 79266.

²⁶ See *supra* note 10 and accompanying text.

²⁷ See *supra* note 11 and accompanying text.

each rescindment justification, the applicable SORNs, and an account of what happened to the records is as follows:

1. *SEC-19*: Division of Corporation Finance and Support Office Working Files. The records in SEC-19 are duplicative of and share the same purpose as the records in SEC-68: SEC's Division of Corporation Finance Records, 83 FR 6892 (February 15, 2018).

2. *SEC-29*: Agency Correspondence Tracking System (ACTS). The records in SEC-29 are duplicative of and share the same purpose as the records in SEC-65: Investor Response Information System (IRIS), 76 FR 30213 (May 24, 2011).

3. *SEC-58*: System for Enforcement Case Tracking and Routing (SECTR). The records in SEC-58 are duplicative and share the same purpose as the records in SEC-70: SEC's Division of Trading and Market Records, 83 FR 6892 (February 15, 2018).

4. *SEC-61*: Municipal Advisor Records. The records in SEC 61 are duplicative and share the same purpose as the records in SEC-62: Correspondence Files Pertaining to Municipal Advisors; Municipal Advisor Logs.

History:

System No.	Federal Register Number and publication date
SEC-19	Division of Corporation Finance and Support Office Working Files 40 FR 39253 (August 27, 1975).
SEC-29	Agency Correspondence Tracking System (ACTS) 40 FR 39253 (August 27, 1975) and 62 FR 47887 (September 11, 1997).
SEC-58	System for Enforcement Case Tracking and Routing (SECTR) 74 FR 36281 (July 22, 2009).
SEC-61	Municipal Advisor Records 75 FR 51854 (August 23, 2010).

By the Commission.

Dated: December 21, 2020.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2020-28600 Filed 12-23-20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-90719; File No. SR-NASDAQ-2020-087]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange's Transaction Credits and Charges at Equity 7, Sections 114 and 118

December 18, 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 December 7, 2020, The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the 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 the Exchange's transaction credits [sic] at Equity 7, Sections 114 and 118, as described further below.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/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

Presently, the Exchange provides its members with various credits for executing orders in securities priced at or above \$1 that add liquidity to the Exchange and charges them various fees for executing orders, also in securities priced at or above \$1 that remove liquidity from the Exchange, as set forth in Equity 7, Section 118(a) of the Exchange's Rules. Members may qualify for tiers of discounted fees and premium credits based, in part, upon the volume of their activities in securities priced at or above \$1 on the Exchange as a percentage of total "Consolidated Volume."

Pursuant to Equity 7, Section 118(a), the term "Consolidated Volume" means the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month in equity securities, excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of a member's trading activity the date of the annual reconstitution of the Russell Investments Indexes is excluded from both total Consolidated Volume and the member's trading activity.

Similarly, in Equity 7, Section 114, the Exchange offers several special pricing programs that are based, in part, upon members' activities in securities priced at or more than \$1 relative to total Consolidated Volume. These programs provide credits to Qualified Market Makers, to members that establish the National Best Bid or Offer, and to members that grow their activity on the Exchange to a specified extent.

Generally, the ratio of consolidated volumes in securities priced at or above \$1 ("dollar plus volume") relative to securities priced below a dollar ("sub-dollar volume") has been stable from month to month, such that "Consolidated Volume" has been a reasonable baseline for determining tiered and special pricing for members that execute dollar plus volume on the Exchange.

In December 2020, however, sub-dollar volume has increased dramatically and unusually relative to dollar plus volume due to activity concentrated in a handful of non-institutional firms, trading mostly one particular sub-dollar stock. Additionally, this volume spike may have been exacerbated by changes to other exchanges' pricing schemes,

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.