submissions should refer to File Number SR–MIAX–2021–03 and should be submitted on or before April 8, 2021.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[19]

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2021–05557 Filed 3–17–21; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–91318; File No. SR–NASDAQ–2021–002]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Modify and Expand the Package of Complimentary Services Provided to Eligible Companies and To Update the Values of Certain Complimentary Services

March 12, 2021.

I. Introduction

On January 8, 2021, The Nasdaq Stock Market LLC (''Nasdaq'' or ''Exchange'') 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] a proposed rule change to modify and expand the package of complimentary services provided to eligible companies and to update the values of certain complimentary services. The proposed rule change was published in the **Federal Register** on January 26, 2021.[3] On February 17, 2021, the Exchange filed Amendment No. 1 to the proposed rule change, which amended and replaced the proposed rule change in its entirety.[4] The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 1, from interested persons and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

II. Description of the Proposal, as Modified by Amendment No. 1

Nasdaq proposes to modify IM–5900–7 regarding the package of complimentary services that it offers to eligible listed companies to: (i) Eliminate the tier that provides a higher level of services to Eligible New Listings [5] that have a market capitalization of $5 billion or more; [6] (ii) extend the complimentary services period for all Eligible New Listings and Eligible Switches [7] that have a market capitalization of less than $750 million from two to three years; (iii) include a Media Monitoring/Social Listening service, Virtual Event service, and certain Environmental, Social and Governance (''ESG'') services in the complimentary service package for Eligible New Listings and Eligible Switches; and (iv) update the values of certain complimentary services and the approximate retail values of the complimentary service package offered to each tier of Eligible New Listings and Eligible Switches.

Currently, Nasdaq offers complimentary services under IM–5900–7 to a company listing on the Nasdaq Global or Global Select Market (i) in connection with an initial public offering in the United States, including American Depository Receipts (other than a company listed under IM–5101–2); (ii) upon emerging from bankruptcy; (iii) in connection with a spin-off or carve-out from another company; (iv) in connection with a direct listing as defined in IM–5315–1 (including the listing of American Depository Receipts); or (v) in conjunction with a business combination that satisfies the conditions in Nasdaq IM–5101–2(b) (''Eligible New Listing'').[8] Under IM–5900–7, Nasdaq also offers complimentary services to a company (i) switching its listing from the New York Stock Exchange (''NYSE'') to the Global or Global Select Markets (other than a company listed under IM–5101–2), or (ii) that has switched its listing from the NYSE and listed on Nasdaq under IM–5101–2 after the company publicly announced that it entered into a binding agreement for a business combination and that subsequently satisfies the conditions in IM–5101–2(b) and lists on the Global or Global Select Market in conjunction with that business combination (''Eligible Switch'').[9]

The complimentary services that Nasdaq offers currently include a whistleblower hotline, investor relations website, disclosure services, audio webcasting, market analytic tools, and market advisory tools, which may include stock surveillance, global targeting, or an annual perception study.[10] For Eligible New Listings and Eligible Switches, Nasdaq offers different tiers of complimentary services packages based upon whether the company has a market capitalization of (i) less than $750 million; (ii) $750 million or more but less than $5 billion; or (iii) $5 billion or more.[11] Nasdaq states that it believes that the complimentary service program offers valuable services to newly listing companies, is designed to help ease the transition of becoming a public company or switching markets, and makes listing on Nasdaq more attractive to these companies.[12] Nasdaq states that it faces competition in the market for listing services and that it believes it is reasonable to offer complimentary services to attract and retain listings as part of this competition.[13]

Pursuant to the proposed rule change, Nasdaq proposes to eliminate the third tier of complimentary services offered to Eligible New Listings, such that all Eligible New Listings with market capitalization of $750 million or more would be offered the same complimentary services package.[14]

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[19] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 90955 (January 19, 2021), 86 FR 7155 (''Notice''). No comments were received on the proposal, other than Nasdaq's amendment to the proposed rule change. *See infra* note 4.

[4] Amendment No. 1 to the proposed rule change revised the proposal to (i) extend the complimentary services period for Eligible Switches (as defined below) that have a market capitalization of less than $750 million from two to three years, thereby eliminating a distinction in the length of the complimentary services period between Eligible New Listings (as defined below) and Eligible Switches with a market capitalization of under $750 million; and (ii) make minor technical changes. Amendment No. 1 to the proposed rule change is available on the Commission's website at *https://www.sec.gov/comments/sr-nasdaq-2021-002/srnasdaq2021002-8382244-229339.pdf* (''Amendment No. 1'').

[5] *See infra* note 8 and accompanying text.

[6] Under the proposal, Eligible New Listings with a market capitalization of $5 billion or more will receive the same complimentary services as Eligible New Listings with a market capitalization of $750 million or more.

[7] *See infra* note 9 and accompanying text.

[8] *See* IM–5900–7(a)(1).

[9] *See* IM–5900–7(a)(2). Nasdaq states that companies switching from a national securities exchange other than the NYSE are not eligible to receive complimentary services under IM–5900–7. *See* Notice, *supra* note 3, at 7155 n.3.

[10] *See* IM–5900–7(b). According to Nasdaq, in addition, all companies listed on Nasdaq receive other standard services from Nasdaq, including Nasdaq Online and the Market Intelligence Desk. *See* Notice, *supra* note 3, at 7155 n.4.

[11] *See* IM–5900–7(c) and (d) for additional detail about the types of complimentary services and length of the complimentary services period offered to each tier of Eligible New Listings and Eligible Switches, respectively. Nasdaq states that it believes that it is appropriate to offer different services based on a company's market capitalization given that larger companies generally will need more and different governance, communication, and intelligence services. *See* Notice, *supra* note 3, at 7157.

[12] *See* Notice, *supra* note 3, at 7155.

[13] *See id.* at 7157. Nasdaq further states that all similarly situated companies are eligible for the same package of services. *See id.*

[14] *See* proposed IM–5900–7(c)(2).

Nasdaq states that this change would simplify the structure of the complimentary services package by removing one level of discrimination among Eligible New Listings.[15] Nasdaq states that it does not propose to change the tier structure for Eligible Switches because a typical Eligible Switch has been an operating entity for a longer period of time than a typical Eligible New Listing.[16] As such, according to Nasdaq, Eligible Switches tend to have larger market capitalization, larger companies generally will need more services, and accordingly, the third tier for the Eligible Switches, which provides more services than the second tier, remains appropriate.[17] Further, Nasdaq proposes to extend the complimentary services period for all tiers of Eligible New Listings and for Eligible Switches that have a market capitalization less than $750 million from two to three years.[18]

Moreover, Nasdaq proposes to offer a Media Monitoring/Social Listening service and a Virtual Event service to Eligible New Listings and Eligible Switches.[19] The Media Monitoring/Social Listening service would track coverage of company mentions, news, and events across online and social media and, according to Nasdaq, has a retail value of approximately $12,000 per year.[20] Through the Virtual Event service, a company would receive access to a virtual event platform for use during one investor or capital market day presentation event, which may occur once in the period during which the company is eligible to receive services from the complimentary services package.[21] The proposal states that the Virtual Event service has a retail value of approximately $20,400.[22]

Nasdaq states that, given the increased attention from shareholders and other stakeholders to ESG disclosure, it proposes to offer Eligible New Listings and Eligible Switches an ESG Core service.[23] The ESG Core service would provide companies with access to a software solution that would simplify the gathering, tracking, approving, managing and disclosing of ESG data, including the most universal and useful ESG metrics to provide insight into the sustainability performance of the company.[24] According to the proposal, ESG Core service has a retail value of approximately $20,000 per year.[25] Nasdaq states that, in addition, one-time development fees of approximately $1,000 to establish the ESG Core product in the first year would be waived.[26]

Nasdaq also proposes to offer Eligible New Listings and Eligible Switches that have a market capitalization of $750 million or more an ESG Education and Sector Benchmarking service, whereby companies will receive access to ESG education, insight, and sector benchmarks to help them understand the ESG landscape.[27] According to Nasdaq, the service would provide insight into capital invested in ESG strategies, an overview of ESG frameworks, insight into ESG rating providers, and other ESG information, and the sector benchmarks would provide transparency into aggregated ESG disclosure practices for the company's specified sector.[28] The proposal states that the ESG Education and Sector Benchmarking service has a retail value of approximately $30,000 per year.[29]

Nasdaq states that Eligible New Listings and Eligible Switches that have a market capitalization less than $750 million would be eligible to receive the ESG Core service, while Eligible New Listings and Eligible Switches that have a market capitalization of $750 million or more would be eligible to receive the ESG Core service and the ESG Education and Sector Benchmarking service.[30] According to Nasdaq, it believes that offering different ESG services based on a company's market capitalization is not unfairly discriminatory because larger companies generally will need more and different ESG services, and the distinction based on market capitalization is clear and transparent.[31]

Nasdaq states that it believes that offering the Media Monitoring/Social Listening service, the Virtual Event service, and the ESG services to public companies would help them fulfill their responsibilities as public companies and provide information important for communicating with their investors.[32] Nasdaq states that no company is required to use these services as a condition of listing.[33]

Nasdaq states that proposed IM–5900–7 would describe the complimentary service package applicable to eligible companies listing on or after the effective date of this proposed rule change.[34] Nasdaq also states that to improve transparency and ease the application of the rules, it proposes to adopt IM–5900–7A to describe the current complimentary service package applicable to eligible companies that list before the effective date of the proposed rule change.[35] Nasdaq represents that proposed IM–5900–7 is intended to be substantively identical to proposed IM–5900–7A, except as modified by this proposal.[36]

Nasdaq states, with respect to the proposal to extend the complimentary services period for Eligible New Listings and for Eligible Switches that have a market capitalization of less than $750 million, that it believes that it is appropriate to offer complimentary services for a longer period to those Eligible New Listings and Eligible Switches that list after approval of this proposal than would be provided to those companies already listed on Nasdaq, because the purpose of the proposal is to attract future listings and this competitive purpose would not be served by providing the complimentary services for an extended period to companies that are already listed.[37] Nasdaq also states that it expects that

[15] *See* Notice, *supra* note 3, at 7157.

[16] *See* Amendment No. 1, *supra* note 4, at 13 n.30.

[17] *See id.*

[18] *See id.* at 8; proposed IM–5900–7(c)(1) and (2) and (d)(1). Eligible Switches that have a market capitalization of $750 million or more or $5 billion or more would continue to receive complimentary services for four years. *See* proposed IM–5900–7(d)(2) and (3).

[19] *See* proposed IM–5900–7(b).

[20] *See* proposed IM–5900–7(b).

[21] *See* Notice, *supra* note 3, at 7156; proposed IM–5900–7(b).

[22] *See* proposed IM–5900–7(b).

[23] *See* Notice, *supra* note 3, at 7156.

[24] *See* proposed IM–5900–7(b)(ii).

[25] *See id.*

[26] *See* Notice, *supra* note 3, at 7156. Nasdaq states that, currently, the complimentary service package waives one-time development fees of approximately $5,000 to establish the complimentary services in the first year for Eligible New Listings and Eligible Switches. *See id.* at 7156 n.11; IM–5900–7(c) and (d). According to Nasdaq, with the additional waiver of one-time development fees of $1,000 in connection with the ESG Core service, the new complimentary service package would provide that one-time development fees of approximately $6,000 will be waived. *See* Notice, *supra* note 3, at 7156 n.11; proposed IM–5900–7(c) and (d).

[27] *See* proposed IM–5900–7(b)(i).

[28] *See* Notice, *supra* note 3, at 7156.

[29] *See* proposed IM–5900–7(b)(i).

[30] *See* Notice, *supra* note 3, at 7156.

[31] *See id.* at 7157.

[32] *See* Amendment No. 1, *supra* note 4, at 10.

[33] *See* Notice, *supra* note 3, at 7156–57. If a company chooses to discontinue the services, there would be no effect on the company's continued listing on the Exchange. *See id.*

[34] *See id.* at 7156. Nasdaq proposes to revise the title of IM–5900–7 to specify that the rule would apply to eligible companies listing on or after the effective date of the proposed rule change. *See* proposed IM–5900–7.

[35] *See* Notice, *supra* note 3, at 7156. The Commission notes that, although proposed IM–5900–7A is substantively identical to current IM–5900–7, Nasdaq proposes to update the values of certain complimentary services and the total retail values of the complimentary service package offered to each tier of Eligible New Listings and Eligible Switches in IM–5900–7A. *See infra* note 39 and accompanying text.

[36] *See* Notice, *supra* note 3, at 7156.

[37] *See* Amendment No. 1, *supra* note 4, at 13–14.

companies that consider listing on Nasdaq after the proposal is approved will take the enhanced offering into account when choosing their listing market and budgeting for their needs that are met by the complimentary services, whereas existing listed companies will have made their market choice and undertaken their financial planning on the basis of the current services offering and therefore will not be harmed by the proposed change.[38]

Finally, Nasdaq proposes to update the stated values of the services described in proposed IM–5900–7, IM–5900–8, and IM–5900–7A to reflect their current values.[39] Nasdaq represents that no other company would be required to pay higher fees as a result of the proposed amendments and that providing this service will have no impact on the resources available for its regulatory programs.[40]

III. Discussion and Commission's Findings

The Commission has carefully reviewed the proposed rule change, as modified by Amendment No. 1, and finds that it is consistent with the requirements of Section 6 of the Act.[41] Specifically, the Commission believes the proposed rule change, as modified by Amendment No. 1, is consistent with the provisions of Sections 6(b)(4) and (5) of the Act,[42] in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among Exchange members, issuers, and other persons using the Exchange's facilities, and, in general to protect investors and the public interest and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. Moreover, the Commission believes that the proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(8) of the Act[43] in that it does not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

The Commission believes that it is consistent with the Act for Nasdaq to eliminate the third tier of complimentary services offered to Eligible New Listings. Under the proposal, all Eligible New Listings with a market capitalization of $750 million or more would be offered the same complimentary services package for three years. Therefore, this change would have the effect of treating any company with a market capitalization at or above $750 million the same in terms of the complimentary services provided upon listing, whereas under the current rule Eligible New Listings with a market capitalization of $5 billion or more received more complimentary services than other Eligible New Listings. The Commission notes that the stated total retail value of the complimentary services packages offered to Eligible New Listings with a market capitalization of $5 billion or more would increase under the proposal when such companies are included in the revised market capitalization tier of $750 million or more, notwithstanding the elimination of the third tier.[44] Eligible Switches under the proposal will still maintain their existing three tier structure, which includes the highest tier applicable to Eligible Switches with market capitalizations of $5 billion or more. Nasdaq states that Eligible Switches tend to have a larger market capitalization than Eligible New Listings and these larger companies generally will need more services, and therefore it believes that retaining the third tier for Eligible Switches remains appropriate.[45]

The Commission believes that it is consistent with the Act for Nasdaq to extend the complimentary services period offered to all Eligible New Listings and for Eligible Switches that have a market capitalization of less than $750 million from the current two years to three years. Under the proposal, the complimentary services period offered to Eligible Switches that have a market capitalization of $750 million or more but less than $5 billion, or that have a market capitalization of $5 billion or more, will remain at four years. Therefore, under the proposal, Eligible New Listings and Eligible Switches that have a market capitalization of less than $750 million would continue to have a complimentary services period of the same length. In addition, the proposal would reduce the discrepancy between the length of the complimentary services period offered to these companies and the length of the complimentary services period offered to Eligible Switches with a market capitalization of $750 million or more.

The Commission also believes that it is consistent with the Act for Nasdaq to offer Media Monitoring/Social Listening, Virtual Event, and ESG services to Eligible New Listings and Eligible Switches. Nasdaq states that it believes that offering the Media Monitoring/Social Listening service and Virtual Event service to public companies promotes just and equitable principles of trade and protects investors and the public interest by helping Eligible New Listings and Eligible Switches fulfill their responsibilities as public companies through enhanced stakeholder engagement.[46] Further, Nasdaq states that offering the ESG Core service and the ESG Education and Sector Benchmarking service similarly promotes just and equitable principles of trade and protects investors and the public interest by allowing Nasdaq-listed companies to enhance ESG disclosure relevant to shareholders investment decisions.[47] In addition, Nasdaq states that no company is required to use these complimentary services.[48] Further, Nasdaq states that offering different ESG services based on a company's market capitalization is not unfairly discriminatory because larger companies generally will need more and different ESG services, and that the distinction based on market capitalization is clear and transparent.[49]

The Commission believes that Nasdaq is responding to competitive pressures in the market for listings in making this proposal. Nasdaq states in its proposal that it faces competition in the market

[38] *See* Notice, *supra* note 3, at 7157.

[39] *See id.* at 7157. Specifically, Nasdaq proposes to update the stated retail values of services described in proposed IM–5900–7 and IM–5900–7A as follows: Investor Relations website service from $17,000 to $17,600 per year; Audio Webcasting service from $7,000 to $7,800 per year; and Global Targeting service from $44,000 to $48,000 per year. *See* proposed IM–5900–7, IM–5900–7A, and IM–5900–8. Nasdaq also proposes to make corresponding revisions to the stated total retail value of services per year that is provided to each tier of Eligible New Listings and Eligible Switches. *See* proposed IM 5900–7 and IM–5900–7A.

[40] *See* Notice, *supra* note 3, at 7157. Nasdaq also represents that the proposed rule change will help ensure that individual listed companies are not given specially negotiated packages of products or services to list, or remain listed. *See id.* at 7158.

[41] 15 U.S.C. 78f. In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[42] 15 U.S.C. 78f(b)(4) and (5).

[43] 15 U.S.C. 78f(b)(8).

[44] According to Nasdaq, the total retail value of the complimentary services package that would be made available to Eligible New Listings with a market capitalization of $5 billion or more that list before the effective date of the proposed rule change is up to approximately $186,400 per year, and the complimentary services would be offered for two years. *See* proposed IM–5900–7A(c)(3). Also according to Nasdaq, the total retail value of the complimentary services package that would be made available to Eligible New Listings with a market capitalization of $750 million or more that list on or after the effective date of the proposed rule change is up to approximately $200,400 per year, with respect to complimentary services that would be offered for three years, and the company would receive one Virtual Event during that period with a retail value of approximately $20,400. *See* proposed IM–5900–7(c)(2).

[45] *See supra* notes 16–17 and accompanying text.

[46] *See* Notice, *supra* note 3, at 7157.

[47] *See id.*

[48] *See id.*

[49] *See supra* note 31 and accompanying text.

for listing services and that it competes, in part, by offering complimentary services to companies.[50] Specifically, Nasdaq is increasing the types of complimentary services offered and, in certain instances, expanding the complimentary services period for Eligible New Listings and Eligible Switches that list on or after the effective date of the proposed rule change. Nasdaq states that it believes that it is appropriate to offer complimentary services for a longer period for Eligible New Listings and certain Eligible Switches that list after this date because the competitive purpose of the proposal, to attract future listings, would not be served by extending the period of complimentary services for companies that are already listed.[51] Nasdaq also states that existing listed companies would not be harmed by the proposal because they have already made their market choice and planned their budget on the basis of the current services offering.[52] The Commission believes that it is reasonable and consistent with Sections 6(b)(4) and 6(b)(5) of the Act [53] for the Exchange to expand the types of complimentary services and the length of the complimentary services period offered to Eligible New Listings and Eligible Switches that list on or after the effective date of the proposed rule change. In addition, 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.[54]

As noted in the Commission's previous order approving IM–5900–7, Section 6(b)(5) of the Act does not require that all issuers be treated the same; rather, the Act requires that the rules of an exchange not unfairly discriminate between issuers.[55] In addition, the Commission believes that describing in the Exchange's rules the products and services available to listed companies and their associated values, as well as the length of time companies are entitled to receive such services, will ensure that individual listed companies are not given specially negotiated packages of products or services to list, or remain listed, that would raise unfair discrimination issues under the Act.[56] The Commission has previously found that the package of complimentary services offered to Eligible New Listings and Eligible Switches is equitably allocated among issuers consistent with Section 6(b)(4) of the Act and that describing the values of the services adds greater transparency to the Exchange's rules and to the fees applicable to such companies.[57] Based on the foregoing, the Commission believes that Nasdaq has provided a sufficient basis for (i) eliminating the third tier based on market capitalization for complimentary services offered to Eligible New Listings; (ii) extending the complimentary services time period for Eligible New Listings and for Eligible Switches with a market capitalization of less than $750 million from two to three years; (iii) adding the Media Monitoring/Social Listing service, Virtual Event service, and certain ESG services to the complimentary services package offered to Eligible New Listings and Eligible Switches; and (iv) implementing these changes for companies listing on or after the effective date of the proposed rule change. The Commission believes that the proposal does not unfairly discriminate among issuers and is therefore consistent with Section 6(b)(5) of the Act. For similar reasons, the Commission believes that the packages of complimentary services to be offered pursuant to Nasdaq's proposal are equitably allocated among issuers consistent with Section 6(b)(4) of the Act.

The Commission also believes that it is reasonable, and in fact required by Section 19(b) of the Act, that Nasdaq amend its rules to update the products and services it offers to Eligible New Listings, Eligible Switches, and other Acquisition Companies listed under IM–5101–2, including the time periods for which such products and services are offered and the commercial value of such products and services. This provides greater transparency to the Exchange's rules and the fees, and the value of free products and services, applicable to listed companies.

Finally, the Commission finds that it is consistent with Section 6(b)(5) of the Act [58] for Nasdaq to make various technical and conforming revisions to facilitate clarity of its rules.

IV. Solicitation of Comments on Amendment No. 1 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 1 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–NASDAQ–2021–002 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–NASDAQ–2021–002. 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

[50] *See supra* note 13 and accompanying text.

[51] *See supra* note 37 and accompanying text.

[52] *See supra* note 38 and accompanying text.

[53] 15 U.S.C. 78f(b)(4) and (5).

[54] 15 U.S.C. 78f(b)(8).

[55] 15 U.S.C. 78f(b)(5); *see also* Securities Exchange Act Release No. 65963 (December 15, 2011), 76 FR 79262, 79266 (December 21, 2011) (approving NASDAQ–2011–122) (''2011 Approval Order'') (''The Commission believes that NASDAQ has provided a sufficient basis for its different treatment of Eligible Switches and that this portion of NASDAQ's proposal meets the requirements of the Act in that it reflects competition between exchanges, with NASDAQ offering discounts for transfers of listings from a competing exchange.'').

[56] *See* Securities Exchange Act Release No. 79366 (November 21, 2016), 81 FR 85663, 85665 (November 28, 2016) (approving NASDAQ–2016–106) (''2016 Approval Order'') (citing Securities Exchange Act Release No. 65127 (August 12, 2011), 76 FR 51449, 51452 (August 18, 2011) (approving NYSE–2011–20)). The Commission notes that Nasdaq represents that no other company will be required to pay higher fees as a result of the proposal, that the proposal will have no impact on the resources available for its regulatory programs, and that the proposal will help to ensure that individual listed companies are not given specially negotiated packages of products or services to list, or remain listed. *See supra* note 40 and accompanying text.

[57] *See* 2016 Approval Order, *supra* note 56, at 85665; 2011 Approval Order, *supra* note 55, at 79266.

[58] 15 U.S.C. 78f(b)(5).

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–NASDAQ–2021–002 and should be submitted on or before April 8, 2021.

V. Accelerated Approval of the Proposed Rule Change, as Modified by Amendment No. 1

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 1, prior to the thirtieth day after the date of publication of notice of the filing of Amendment No. 1 in the **Federal Register**. The Commission notes that the original proposal was published for comment in the **Federal Register**,[59] and the Commission did not receive any comments other than Nasdaq's amendment to the proposed rule change. The Commission also notes that while in the current rule, the complimentary services period for Eligible New Listings and for Eligible Switches with a market capitalization of less than $750 million is two years, the original proposal would have extended this period to three years for Eligible New Listings only. By amending the proposal to extend the complimentary services period for Eligible Switches with a market capitalization of less than $750 million from two to three years, Amendment No. 1 eliminates what would have been a new difference between the length of the complimentary services period offered to Eligible Switches with a market capitalization of less than $750 million and the length of the complimentary services period offered to Eligible New Listings. This change, and the other minor clarifying changes in Amendment No. 1, assist the Commission in evaluating the Exchange's proposal and in determining that it is consistent with the Act. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[60] to approve the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[61] that the proposed rule change (SR–NASDAQ–2021–002), as modified by Amendment No. 1, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[62]

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2021–05562 Filed 3–17–21; 8:45 am]

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[59] *See* Notice, *supra* note 3.

[60] 15 U.S.C. 78s(b)(2).

[61] *Id.*

[62] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–91309; File No. SR–NYSEArca–2020–54]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change, as Modified by Amendment No. 1, To Amend NYSE Arca Rule 5.3–E To Exempt Registered Investment Companies That List Certain Categories of the Securities Defined as Derivative and Special Purpose Securities Under NYSE Arca Rules From Having To Obtain Shareholder Approval Prior to the Issuance of Securities in Connection With Certain Acquisitions of the Stock or Assets of an Affiliated Company

March 12, 2021.

On August 28, 2020, NYSE Arca, Inc. (''Exchange'') 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] a proposed rule change to amend NYSE Arca Rule 5.3–E (Corporate Governance and Disclosure Policies) to exempt certain categories of derivative and special purpose securities from the requirement to obtain shareholder approval prior to the issuance of securities in connection with certain acquisitions of the stock or assets of another company. The proposed rule change was published in the **Federal Register** on September 17, 2020.[3] On October 30, 2020, pursuant to Section 19(b)(2) of the Act,[4] the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[5] On December 1, 2020, the Exchange filed Amendment No. 1 to the proposed rule change, which superseded the proposed rule change as originally filed.[6] On December 15, 2020, the Commission published notice of Amendment No. 1 and instituted proceedings under Section 19(b)(2)(B) of the Act[7] to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 1.[8] The Commission has received no comments on the proposed rule change.

Section 19(b)(2) of the Act[9] provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the **Federal Register** on September 17, 2020.[10] The 180th day after publication of the Notice is March 16, 2021. The Commission is extending the time period for approving or disapproving the proposal for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, as modified by Amendment No. 1. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[11] designates May 15, 2021, as the date by which the Commission shall either approve or disapprove or the proposed rule change (File Number SR–NYSEArca–2020–54), as modified by Amendment No. 1.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 89834 (September 11, 2020), 85 FR 58090.

[4] 15 U.S.C. 78s(b)(2).

[5] *See* Securities Exchange Act Release No. 90297, 85 FR 70701 (November 5, 2020).

[6] Amendment No. 1 is available on the Commission's website at *https://www.sec.gov/rules/sro/nysearca.htm.*

[7] 15 U.S.C. 78s(b)(2)(B).

[8] *See* Securities Exchange Act Release No. 90675, 85 FR 83121 (Dec. 21, 2020).

[9] 15 U.S.C. 78s(b)(2).

[10] *See supra* note 3.

[11] 15 U.S.C. 78s(b)(2).