

whether and how the margin requirements for bitcoin futures contracts may affect a Fund's use of available cash to achieve its investment strategy?

8. What are commenters' views on the possibility that the Funds—along with other exchange-traded products with similar investment objectives—could acquire a substantial portion of the market for some or all of the Bitcoin Financial Instruments? What are commenters' views on whether such a concentration of holdings could affect the Funds' portfolio management, the liquidity of the Funds' respective portfolios, or the pricing of some or all of the Bitcoin Financial Instruments?

9. What are commenters' views on possible factors that might impair the ability of the arbitrage mechanism to keep the trading price of the Shares tied to the NAV of each Fund? What are commenters' views on whether determining the value of the Funds' benchmark, or striking the Funds' NAV, as of 11:00 a.m. E.T. might affect the arbitrage mechanism during the remainder of the trading day? With respect to the markets for Bitcoin Financial Instruments, what are commenters' views on the potential impact on the arbitrage mechanism of the price volatility and the potential for trading halts? What are commenters' views on whether or how these potential impairments of the arbitrage mechanism may affect the Funds' ability to ensure adequate participation by Authorized Participants? What are commenters' views on the potential effects on investors if the arbitrage mechanism is impaired?

10. What are commenters' views on the risks of price manipulation and fraud in the underlying bitcoin trading platforms and how these risks might affect the Bitcoin Financial Instruments? What are commenters' views on how these risks might affect trading in the Shares of the Funds?

11. What are commenters' views on how an investor may evaluate the price of the Shares in light of the risk of potential price manipulation and fraud in the underlying bitcoin trading platforms and in light of the potentially significant spread between the price of Bitcoin Financial Instruments and the spot price of bitcoin?

12. What are commenters' views on whether the two named bitcoin futures exchanges represent a significant market, *i.e.*, a market of significant size?

13. With respect to the Funds that seek leveraged or leveraged-inverse returns, would trading of the Shares, hedging activity, or creation and redemption activity affect the daily

volume, volatility, or liquidity of the underlying Bitcoin Financial Instruments or of the spot bitcoin market any differently than a non-leveraged bitcoin futures exchange-traded product would? If so, why, how, and to what extent? Would any such effect be different during periods of downward market movement or high volatility? If so, why, how, and to what extent?

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-NYSEArca-2018-02 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-NYSEArca-2018-02. 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-NYSEArca-2018-02 and should be submitted by May 18, 2018. Rebuttal comments should be submitted by June 1, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²³

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83089; File No. SR-CBOE-2018-029]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change in Connection With the Migration of SPX Options From the Hybrid 3.0 System to the Hybrid Trading System

April 23, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 12, 2018, Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II, below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend its rules related to listing the SPX class on a group basis and amend other rules in connection with the Exchange's planned migration of standard third-Friday options on the S&P 500 Index ("SPX options") to the Hybrid Trading System from the Hybrid 3.0 System.

(additions are *italicized*; deletions are [bracketed])

* * * * *

Cboe Exchange, Inc. Rules

* * * * *

Rule 6.2. Hybrid Opening (and Sometimes Closing) System ("HOSS")

(a)–(h) (No change).

²³ 17 CFR 200.30-3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

... Interpretations and Policies:

.01 (No change).

.02 Market-Maker Quotes.

(a) *Minimum Size.* The Exchange determines on a class-by-class basis [(a)] the minimum number of contracts for the initial size of a Market-Maker's opening quote, which minimum must be at least one contract. *For SPX, the Exchange may also determine minimum initial quote size on a premium basis and an expiration basis for series with expirations of (1) 7 or fewer days, (2) 8 to 91 days, (3) 92 to 188 days, (4) 189 to 461 days, and (5) 462 or more days.*

(b) *Bid/Ask Differentials.* The Exchange determines on a class-by-class and premium basis the bid/ask differential requirements with which Market-Makers' opening quotes must comply, which minimum and differential requirements may be different for the opening than those applicable intraday. *For SPX, the Exchange may determine bid/ask differential requirements for series with expirations of (1) fewer than 462 days and (2) 462 or more days, and for all other classes, the Exchange may determine bid/ask differential requirements for series with expiration of (1) less than nine months and (2) nine months or more.*

.03–.07 (No change).

* * * * *

Rule 6.53C. Complex Orders on the Hybrid System

(a)–(d) (No change).

... Interpretations and Policies:

.01 (No change).

.02 [Reserved.] *If the Exchange determines to list SPX on a group basis pursuant to Rule 8.14, a marketable complex order consisting of legs in different groups of series in the class does not automatically execute against individual orders residing in the EBook pursuant to Rule 6.53C(c)(ii)(1) or (d)(v)(1) and automatically executes against complex orders (or COA responses) in accordance with Rules 6.53C(c)(ii)(2) or (d)(v)(2) through (4). A marketable complex order consisting of legs in the same group of series in SPX executes against individual orders in the EBook in accordance with Rule 6.53C(c)(ii) and (d)(v). Complex orders consisting of legs in different groups of series that are marketable against each other may only execute at a net price that has priority over the individual orders and quotes resting in the EBook.*

.03–.12 (No change).

* * * * *

Rule 8.3. Appointment of Market-Makers

(a)–(b) (No change).

(c) *Market-Maker Appointments.* Absent an exemption by the Exchange, an appointment of a Market-Maker confers the right to quote electronically and in open outcry in the Market-Maker's appointed classes during Regular Trading Hours as described below. Subject to paragraph (e) below, a Market-Maker may change its appointed classes upon advance notification to the Exchange in a form and manner prescribed by the Exchange.

(i) *Hybrid Classes.* Subject to paragraphs (c)(iv) and (e) below, a Market-Maker can create a Virtual Trading Crowd ("VTC") appointment, which confers the right to quote electronically during Regular Trading Hours in an appropriate number of Hybrid classes (as defined in Rule 1.1(aaa)) selected from "tiers" that have been structured according to trading volume statistics, except for the AA tier. All classes within a specific tier will be assigned an "appointment cost" depending upon its tier location. The following table sets forth the tiers and related appointment costs.

II.

Tier	Hybrid options classes	Appointment cost
AA	Options on the Cboe Volatility Index (VIX)499
	Options on the Standard & Poor's 500 Index (SPX)	**1.0
*	*	*

* Excludes Tier AA.

** If the Exchange determines to list SPX on a group basis pursuant to Rule 8.14, the SPX appointment cost confers the right to trade in all SPX groups.

(ii) (No change).

(iii) *Hybrid 3.0 Class.* In addition to paragraphs (i) and (ii) above, and subject to paragraphs (c)(iv) and (e) below, a Market-Maker can select as the Market-Maker's appointment a Hybrid 3.0 class traded on the Exchange, which confers the right to trade in open outcry in the Hybrid 3.0 class during Regular Trading Hours as described below. Each Hybrid 3.0 class is assigned an "appointment cost", which is set forth below.

Hybrid 3.0 class	Appointment cost
[Options on the Standard & Poor's 500 Index (SPX)] ...	[*1.0]
None	

[* This appointment cost also confers the right to trade any group of series of SPX that the Exchange has authorized for trading on the Hybrid Trading System pursuant to Rule 8.14.]

(iv)–(v) (No change).

(d)–(e) (No change).

* * * * *

Rule 8.7. Obligations of Market-Makers

(a)–(c) (No change).

(d) *Market-Making Obligations in Applicable Hybrid Classes*

The following obligations in this paragraph (d) are only applicable to Market-Makers trading classes on the Cboe Options Hybrid System and only in those Hybrid classes. Unless otherwise provided in this Rule, Market-Makers trading classes on the Hybrid System remain subject to all obligations imposed by Cboe Options Rule 8.7. To the extent another obligation contained elsewhere in Rule 8.7 is inconsistent with an obligation contained in paragraph (d) of Rule 8.7 with respect to a class trading on Hybrid, this paragraph (d) shall govern trading in the Hybrid class.

For Regular Trading Hours, these requirements are applicable on a per class basis, except as set forth in paragraph (ii)(B) below, depending upon the percentage of volume a Market-Maker transacts in an appointed class during Regular Trading Hours electronically versus in open outcry. With respect to making this determination, the Exchange will monitor a Market-Maker's trading activity in each appointed class during Regular Trading Hours every calendar quarter to determine whether it exceeds the threshold established in paragraph (d)(i). If a Market-Maker exceeds the threshold established below, the obligations contained in (d)(ii) will be effective the next calendar quarter.

For a period of ninety (90) days commencing immediately after a class begins

trading on the Hybrid system, the provisions of paragraph (d)(i) shall govern trading in that class.

(i) *Market-Maker Trades 20% or Less Contract Volume in an Appointed Class Electronically:*

If a Market-Maker on the Cboe Options Hybrid System never transacts more than 20% (*i.e.*, trades 20% or less) of the Market-Maker's contract volume electronically in an appointed Hybrid class during Regular Trading Hours during any calendar quarter, the following provisions shall apply to that Market-Maker with respect to that class:

(A) *Quote Widths:* With respect to electronic quoting, *Market-Makers must comply with the bid/ask differential requirements determined by the Exchange on a class-by-class and premium basis* [the Market-Maker will not be required to comply with the bid/ask differential requirements determined by the Exchange in that class. The effectiveness of this subparagraph (i)(A) shall be in effect in each Hybrid for a period of one year commencing with the date the class begins trading on the Hybrid System]. *For SPX, the Exchange may determine bid/ask differential requirements for series with expirations of (1) fewer than 462 days and (2) 462 or more days, and for all other classes, the Exchange may determine bid/ask differential requirements for series with*

expiration of (1) less than nine months and (2) nine months or more.

(B) Continuous Electronic Quoting Obligation: The Market-Maker will not be obligated to quote electronically in any designated percentage of series within that class. If a Market-Maker quotes electronically, its undecrement quote must be for the minimum number of contracts determined by the Exchange on a class[]-by[]-class basis, which minimum shall be at least one contract. *For SPX, the Exchange may also determine minimum initial quote size on a premium basis and an expiration basis for series with expirations of (1) 7 or fewer days, (2) 8 to 91 days, (3) 92 to 188 days, (4) 189 to 461 days, and (5) 462 or more days.*

(C) (No change).

(ii) Market-Maker Trades More Than 20% Contract Volume in an Appointed Class Electronically:

If a Market-Maker on the Cboe Options Hybrid System transacts more than 20% of the Market-Maker's contract volume electronically in an appointed Hybrid class during Regular Trading Hours during any calendar quarter, commencing the next calendar quarter the Market-Maker will be subject to the following quoting obligations in that class for as long as the Market-Maker maintains an appointment in that class:

(A) Quote Widths: Market-Makers must comply with the bid/ask differential requirements determined by the Exchange on a class[]-by[]-class and premium basis. *For SPX, the Exchange may determine bid/ask differential requirements for series with expirations of (1) fewer than 462 days and (2) 462 or more days, and for all other classes, the Exchange may determine bid/ask differential requirements for series with expiration of (1) less than nine months and (2) nine months or more.*

(B) Continuous Electronic Quoting Obligation: A Market-Maker will be required to maintain continuous electronic quotes (as defined in Rule 1.1 (ccc)) in 60% of the non-adjusted option series of the Market-Maker's appointed classes that have a time to expiration of less than nine months. Compliance with this quoting obligation applies to all of a Market-Maker's appointed classes collectively (for which it must maintain continuous electronic quotes pursuant to this paragraph (ii)(B)). The Exchange will determine compliance by a Market-Maker with this quoting obligation on a monthly basis. However, determining compliance with this quoting obligation on a monthly basis does not relieve a Market-Maker from meeting this obligation on a daily basis, nor does it prohibit the Exchange from taking disciplinary action against a Market-Maker for failing to meet this obligation each trading day. The initial size of a Market-Maker's quote must be for the minimum number of contracts determined by the Exchange on a class[]-by[]-class basis, which minimum shall be at least one contract. *For SPX, the Exchange may also determine minimum initial quote size on a premium basis and an expiration basis for series with expirations of (1) 7 or fewer days, (2) 8 to 91 days, (3) 92 to 188 days, (4) 189 to 461 days, and (5) 462 or more days.* This obligation

does not apply to intra-day add-on series on the day during which such series are added for trading. Market-Maker continuous electronic quoting obligations may be satisfied by Market-Makers either individually or collectively with Market-Makers of the same TPH organization.

(C) (No change).

(iii) The obligations and duties of Market-Makers set forth in paragraphs (d)(i) and (d)(ii) apply to a Market-Maker per trading session (e.g., if a Market-Maker has an appointment in a class during Regular Trading Hours and Extended Trading Hours, the Exchange will determine a Market-Maker's compliance with the continuous electronic quoting requirement during Regular Trading Hours separately from compliance with the electronic quoting requirement during Extended Trading Hours). Except as set forth in paragraph (d)(ii)(B), the obligations and duties of Market-Makers set forth in paragraphs (d)(i) and (d)(ii) apply to a Market-Maker on a per class basis, *except for SPX if the Exchange lists SPX on a group basis pursuant to Rule 8.14 and determines to apply obligations and duties of SPX Market-Makers on a group basis*, and only when the Market-Maker is quoting in a particular class during the applicable trading session on a given trading day. For example, if during a trading session on a given trading day a Market-Maker is quoting in 1 of its 10 appointed classes, the Market-Maker has quote width, continuous electronic quoting and, to the extent the Market-Maker is present in the trading crowd, continuous open outcry quoting obligations in that class, and the continuous electronic quoting obligation in subparagraph (d)(ii)(B) applies to 60% of the non-adjusted option series of that class that have a time to expiration of less than nine months while the Market-Maker is quoting. If during a trading session on a given trading day a Market-Maker is quoting in 3 of its 10 appointed classes, the Market-Maker has quote width and, to the extent the Market-Maker is present in the trading crowd, continuous open outcry quoting obligations in each of the 3 classes, and the continuous electronic quoting obligation in subparagraph (d)(ii)(B) applies to 60% of the non-adjusted option series of those three classes, collectively, that have a time to expiration of less than nine months while the Market-Maker is quoting. The obligations and duties are not applicable to an appointed class if a Market-Maker is not quoting in that appointed class.

(iv) (No change).

. . . Interpretations and Policies:

.01–.13 (No change).

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Rule 8.13. Preferred Market-Maker Program

(a)–(d) (No change).

. . . Interpretations and Policies:

.01–.03 (No change).

.04 *If the Exchange determines to list SPX on a group basis pursuant to Rule 8.14, obligations of an SPX Market-Maker designated as a Preferred Market-Maker, as set forth in Rule 8.13, apply on a class basis, unless the Exchange determines to apply obligations on a group basis.*

Rule 8.14. Hybrid Trading System Platforms & Market-Maker Participants

(a)–(b) (No change).

. . . Interpretations and Policies:

.01 For each Hybrid 3.0 class, the Exchange may determine to authorize a group of series of the class for trading on the Hybrid Trading System and, if that authorization is granted, shall determine the eligible categories of Market-Maker participants for that group of series. The Exchange will also have the authority to determine whether to change the trading platform on which the group of series trades [and to change the eligible categories of Market-Maker participants for the group]. *If the Exchange lists SPX on the Hybrid Trading System, the Exchange may determine to list the class on a group basis, with both groups trading on the Hybrid Trading System. The Exchange will also have the authority to change the eligible categories of Market-Makers participants for each group.* In addition, the following shall apply:

(a)–(b) (No change).

(c) The Hybrid Trading System or Hybrid 3.0 Platform, as applicable, trading parameters will be established by the Exchange on a group basis to the extent the Exchange Rules otherwise provide for such parameters to be established on a class basis.

Rule 8.15. Lead Market-Makers

(a)–(d) (No change).

. . . Interpretations and Policies:

.01–.04 (No change).

.05 *If the Exchange determines to list SPX on a group basis pursuant to Rule 8.14, obligations of an SPX Market-Maker designated as a Lead Market-Maker, as set forth in Rule 8.15, apply on a class basis, unless the Exchange determines to apply obligations on a group basis.*

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Rule 8.85. DPM Obligations

(a)–(e) (No change).

. . . Interpretations and Policies:

.01–.02 (No change).

.03 *If the Exchange determines to list SPX on a group basis pursuant to Rule 8.14, obligations of a Designated Primary Market-Maker with an SPX appointment, as set forth in Rule 8.85, apply on a class basis, except if the Exchange determines to apply obligations on a group basis.*

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The text of the proposed rule change is also available on the Exchange's website (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these

statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its rules related to listing the SPX class on a group basis and amend other rules in connection with the Exchange's planned migration of SPX options to the Hybrid Trading System from the Hybrid 3.0 System. Rule 8.14, Interpretation and Policy .01 currently permits the Exchange to authorize a group of series of a Hybrid 3.0⁵ class for trading on the Hybrid Trading System. If the Exchange authorizes this, it determines the eligible categories of Market-Maker participants for the group (Designated Primary Market-Makers ("DPMs"), Lead Market-Makers ("LMMs"), or Market-Makers). The Exchange assigns a DPM or LMM to the group (or no DPM or LMM if the conditions in Rule 8.14(b) are satisfied with respect to the group). Market-Maker appointments apply on a class basis, except DPM and LMM appointments apply only to the group of series to which the respective DPM or LMM is assigned. The Exchange establishes Hybrid Trading System trading parameters (e.g. minimum trading increment, allocation algorithm) on a group basis to the extent the Rules otherwise provide for such parameters to be established on a class basis.

The proposed rule change amends Rule 8.14, Interpretation and Policy .01 to permit the Exchange to list the SPX class on a group basis, even if SPX trades on the Hybrid Trading System.⁶ The remaining provisions of Interpretation and Policy .01 would

apply. Thus, if the Exchange lists SPX as a Hybrid class in two groups, both groups may trade on the Hybrid Trading System (as the Exchange plans to do). In addition, the Exchange may determine the eligible categories of Market-Maker participants for each group. Similarly, the Exchange could assign a DPM or LMM to each group, which appointments would apply to the group of series to which the respective DPM or LMM is assigned (Market-Maker appointments would continue to apply to the entire SPX class, as further discussed below).⁷

As it does today, when determining whether to list the SPX class on a group basis, the Exchange intends to generally select series with common expirations or classifications (e.g., end-of-week series or end-of-month series, short-term option series, long-term option series, or series that expire on a particular expiration date) and trade them under individual listing symbols. For example, the Exchange currently lists the SPX class in two groups: (1) One group consists of series with standard third-Friday expirations that are a.m.-settled, which group trades on the Hybrid 3.0 Platform ("SPX options"); and (2) the second group consists of series with all other expirations, including weekly, monthly, and p.m.-settled ("SPXW options"), which group trades on the Hybrid Trading System. In the second quarter of 2018, the Exchange plans to begin listing SPX options on the Hybrid Trading System (and no longer on the Hybrid 3.0 platform). SPXW options would continue to trade on the Hybrid Trading System. Pursuant to the proposed rule change, the Exchange may determine to continue to list SPX options and SPXW options as groups on the Hybrid Trading System.

The Exchange would establish trading parameters (e.g., applicable matching algorithm under Rule 6.45, opening rotation parameters under Rule 6.2, automatic execution parameters under Rule 6.13, simple auction liaison parameters under Rule 6.13A, hybrid agency liaison parameters under Rule 6.14A, complex order parameters under Rule 6.53C, and automated improvement mechanism parameters under Rule 6.74A) on a group basis, as it does today for SPX options and SPXW options.⁸ For example, currently, the

Exchange applies customer priority allocation to SPX options while the Exchange applies price-time allocation to SPXW options. Pursuant to the proposed rule change, the Exchange could continue to apply a different allocation algorithm to each group even if both groups are trading on the same platform.

The Exchange believes for SPX, groups of series may exhibit different trading characteristics, including appeal to different categories of market participants. For example, SPXW options are commonly traded by retail customers while SPX options are commonly traded by institutional investors. The Exchange generally establishes market models for classes based on these characteristics that most fit the product, which the Exchange believes benefits investors. This is true for SPX and SPXW options, which is why the Exchange believes it is appropriate to continue to list the SPX class in groups once all SPX series are trading on Hybrid.

The Exchange proposes to amend Rule 6.53C, Interpretation and Policy .02 to state if the Exchange determines to list the SPX class on a group basis pursuant to Rule 8.14, if a marketable complex order consists of legs in different groups of series in the class, it will not automatically execute against individual orders residing in the EBook pursuant to Rule 6.53C(c)(ii)(1) or (d)(v)(1). A marketable complex order consisting of legs in the same group of series in the class executes against individual orders in the EBook in accordance with Rule 6.53C(c)(ii) and (d)(v). This is consistent with current functionality today applicable to SPX and SPXW pursuant to Rule 6.53C, Interpretation and Policy .10, which only applies to Hybrid 3.0 classes. The proposed rule change extends this functionality to SPX as a Hybrid class.

As discussed above, if the Exchange lists SPX as a Hybrid class on a group basis, it may apply different trading parameters (including different allocation algorithms) to each group. Due to system limitations that based on the Exchange's experience are prohibitively expensive to modify, complex orders consisting of different groups of series will not automatically execute against individual orders residing in the EBook, even if they trade on the same platform. Pursuant to Rule 6.53C, complex orders may only consist of legs from the same class. While SPX and SPXW series are part of the same class, and thus permissible for electronic handling under the Rules, the System treats SPX and SPXW series as different classes and is unable to

⁵ "Hybrid Trading System" refers to (a) the Exchange's trading platform that allows Market-Makers to submit electronic quotes in their appointed classes and (b) any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub. "Hybrid 3.0 Platform" is an electronic trading platform on the Hybrid Trading System that allows one or more quoters to submit electronic quotes which represent the aggregate Market-Maker quoting interest in a series for the trading crowd. Classes authorized by the Exchange for trading on the Hybrid Trading System are referred to as Hybrid classes. Classes authorized by the Exchange for trading on the Hybrid 3.0 Platform are referred to as Hybrid 3.0 classes. See Rule 1.1(aaa). Currently, SPX is the only Hybrid 3.0 class and the only class the Exchange lists on a group basis.

⁶ The proposed rule change makes a conforming change in Interpretation and Policy .01(c).

⁷ The Exchange does not currently (and does not intend to following conversion of SPX options to Hybrid) appoint Preferred Market-Makers ("PMMs") or DPMs to SPX or SPXW options pursuant to Rules 8.13 or 8.95, respectively. The Exchange currently appoints LMMs to SPX options; however, it does not intend to do so following conversion of SPX options to Hybrid.

⁸ See Rule 8.14(c).

process complex orders with components in different classes. Many classes trade on their own trade server. Despite being the same class, SPX options and SPXW options trade on separate trade servers due to the number of series in each group and due to the fact that they trade as different classes (as discussed above). Currently trading is not possible “across” trade servers. If the System receives a complex order with one SPX leg and one SPXW leg, it would need to trade the SPX leg against the appropriate leg in the first trade server. After that leg execution, it would then need to trade the SPXW leg against the appropriate leg in the second trade server. Given the time these executions would take, it would not result in the near simultaneous execution of legs that is sought by the entry of complex orders. Additionally, after the first leg execution, because the complex order has not fully executed, the System would not be able to execute any other orders within the series of the first leg, which may prevent execution opportunities of those other orders.

Currently, this only applies to SPX/SPXW orders, and the proposed rule change would treat these orders as they are today. SPX/SPXW orders may execute against other SPX/SPXW orders in the COB upon entry or against orders and COA responses following a COA in accordance with the allocation and priority rules set forth in Rule 6.53C(c)(ii)(2) and (d)(v)(2) through (4), respectively.⁹ The proposed rule change states marketable SPX/SPXW orders will be eligible to automatically execute against other SPX/SPXW orders resting in the COB provided the execution is at a net price that has priority over the individual orders and quotes residing in the EBook (which is consistent with the manner in which the Exchange currently handles [sic] these complex orders as handled, as provided in Rule 6.53C, Interpretation and Policy .10(b)). An SPX/SPXW order that is marketable against individual orders resting in the EBook but not marketable against any complex orders resting in the COB or

COA responses will enter the COB or instead be routed to a PAR workstation during Regular Trading Hours and rejected back to the Trading Permit Holder during Extended Trading Hours if not eligible for COB entry due to the terms of the order (for example, if the order is for an origin code the Exchange does not permit to rest in the COB), which is how those orders are treated today.¹⁰

In connection with the planned migration of SPX options to Hybrid, the Exchange proposes to amend Rule 8.3 regarding appointment costs. The proposed rule change moves the SPX class from the Hybrid 3.0 appointment cost table to the Hybrid appointment cost table. The Exchange would maintain the 1.0 appointment cost for SPX (which includes SPXW). The proposed rule change notes if the Exchange determines to list SPX as a Hybrid class on a group basis pursuant to Rule 8.14, the appointment cost for the class confers the right to trade in all SPX groups. This is consistent with how appointment costs currently work, as currently, the SPX appointment cost of 1.0 applies to any group of series of SPX authorized to trade on the Hybrid Trading System.¹¹ The proposed rule change merely applies this same concept to SPX if listed on the Hybrid Trading System on a group basis pursuant to the proposed rule change.

The proposed rule change amends Rule 8.7(d)(iii) to provide if the Exchange lists SPX on a group basis pursuant to Rule 8.14, it may determine to apply obligations and duties of Market-Makers with an appointment to SPX on a group basis rather than a class basis. Currently, Market-Maker obligations for Hybrid classes apply on a class basis (e.g., the Exchange determines a Market-Maker's compliance with the continuous electronic quoting obligations set forth in Rule 8.7(d) for a class based all series in that class).¹² If the Exchange

determined to list SPX as a Hybrid class on a group basis, the Exchange may determine it lists a significantly larger number of SPX series in which it may be burdensome for Market-Makers to quote. For example, currently, the Exchange lists over 3,000 SPX series and almost 8,000 SPXW series (compared to, for example, over 400 VIX series and almost 200 VIX weekly series). With SPX options listed on Hybrid 3.0, Market-Makers may not submit quotes in those series. Therefore, Market-Makers with SPX appointments that are subject to electronic quoting obligations under Rule 8.7(d) must satisfy those obligations based on the number of SPXW series. However, when the SPX class moves to Hybrid, Market-Makers will be able to submit electronic quotes in SPX options as well as SPXW options. Applying obligations on a class basis would significantly increase the number of series in which Market-Makers would have to submit electronic quotes due to the large number of series. Permitting the Exchange to determine compliance with these obligations on a group basis would permit Market-Maker obligations to apply to SPX in a similar manner as they do today based on a more reasonable number of series.

The Exchange proposes to amend Rules 6.2, Interpretation and Policy .02(b)¹³ and 8.7(d)(i)(A) and (ii)(A) to permit the Exchange to establish bid-ask differentials for Market-Makers (for opening and intraday quotes, respectively) on a premium basis and for SPX, for series with expirations of (1) fewer than 462 days and (2) 462 or more days, and for all other classes, for series with expiration of (1) less than nine months and (2) nine months or more, in addition to a class-by-class basis (as currently permitted by the Rules). Similarly, the Exchange proposes to amend Rules 6.2, Interpretation and Policy .02(a) and 8.7(d)(i)(B) and (ii)(B) to permit the Exchange to establish minimum quote size requirements (for opening and intraday quotes, respectively) for SPX on a premium basis and expiration basis for series with expirations of (1) 7 or fewer days, (2) 8 to 91 days, (3) 92 to 188 days, (4) 189 to 461 days, and (5) 462 or more days, in addition to a class-by-class basis (as currently permitted by the Rules).¹⁴ While different classes may

¹⁰ See Rules 6.12(a)(1) (which states orders initially routed for electronic processing that are not eligible for automatic execution or book entry will route to PAR, an order management terminal, or back to the Trading Permit Holder); 6.53C(d)(vi) (which states a COA-eligible order that cannot be filled in whole or in a permissible ratio will route to the COB or back to PAR, as applicable); and 6.1A(b) (which states if in accordance with the Rules, an order would route to PAR, the order entry firm's booth, or otherwise for manual handling, the System will return the order to the Trading Permit Holder during Extended Trading Hours).

¹¹ See Rule 8.3(c)(iii).

¹² The proposed rule change makes corresponding changes to proposed Rules 8.13, Interpretation and Policy .04; 8.15, Interpretation and Policy .05; and 8.85, Interpretation and Policy .03 regarding obligations of Preferred Market-Makers, Lead Market-Makers, and Designated Primary Market-Makers, respectively.

¹³ As set forth in Rule 6.2, Interpretation and Policy .02(b), the Exchange may set different minimum size and differential requirements for the opening than those applicable intraday.

¹⁴ For classes other than SPX, the Exchange will continue to be permitted to establish minimum size requirements on a class-by-class basis only (and not by premium or expiration). The current minimum

⁹ Rule 6.53C(c)(ii)(2) states the allocation of a complex order within the COB will be pursuant to the rules of trading priority otherwise applicable to incoming electronic orders in the individual component legs or another electronic matching algorithm from Rule 6.45, as determined by the Exchange on a class-by-class basis. Therefore, pursuant to that provision and the proposed rule change, the Exchange will determine for SPX/SPXW complex orders which electronic matching algorithm will apply to those orders when executing against other orders in the COB. Rules 6.53(d)(v)(2) through (4) specify the matching algorithm applicable to complex orders that execute following a COA, and those provisions will apply to SPX/SPXW complex orders pursuant to the proposed rule change.

exhibit different trading characteristics, which make different minimum quote sizes and differentials on a class-by-class basis appropriate as permitted by the current Rule, the same may be true of series with different premiums and expirations within a class to ensure the quote size is not burdensome on Market-Makers. For example, series with higher premiums or farther expirations generally have wider spreads and lower trading volumes, and positions in those series carry additional risk. These characteristics make wider bid-ask differential and smaller minimum quote size (with respect to SPX) requirements more appropriate and less burdensome on Market-Makers.¹⁵ The proposed expiration groupings for minimum quote size and bid-ask differential requirements in SPX are based on the Exchange's review of various information, including SPX transaction data, sizes of LMM quotes in SPX, and feedback received from Market-Makers and Exchange advisory groups.

Additionally, the proposed rule change amends Rule 8.7(d)(i)(A). That provision currently states Market-Makers that do not transact more than 20% of their contract volume electronically in an appointed Hybrid class during any calendar quarter will not be required to comply with bid/ask differential requirements with respect to electronic quoting for the first year a class begins trading on the Hybrid System. After the first year of Hybrid trading, a Market-Maker would need to then comply with bid/ask differential requirements when quoting electronically. The Exchange proposes to delete that requirement and instead require Market-Makers to comply with bid/ask differential requirements when quoting electronically as soon as a class begins trading on the Hybrid System. The Exchange no longer believes the one-year delay in imposing these requirements is necessary. Requiring all electronic quotes to comply with bid/ask differential requirements will increase liquidity and tighter markets in these classes as soon as they begin trading. Market-Makers ultimately have to comply with these requirements; the

proposed rule change merely change [sic] when they must start to comply with them. For example, under the current rule, Market-Makers not subject to continuous electronic quote obligations would not be required to comply with bid/ask differential requirements with respect to any electronic quotes they submit until one year after SPX begins trading on the Hybrid System. Under the proposed rule change, these Market-Makers will need to comply with bid/ask differential requirements when submitted electronic quotes as soon as SPX begins trading on the Hybrid System.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹⁶ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁷ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁸ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes the proposed rule change to permit the Exchange to list the SPX class on Hybrid on a group basis will benefit investors and promote just and equitable principles of trade, as it provides the Exchange with flexibility to establish a more appropriate market model for a group of SPX series that may exhibit different trading characteristics than other series in the class, even when both groups trade on the same platform. Currently, the Exchange may list a class on a group basis if the groups of a class trade on different trading platforms, and as noted above, the Exchange currently only does so for SPX, the only Hybrid 3.0 class. The proposed rule change

merely permits the Exchange to similarly list the SPX class on a group basis on the same trading platform when SPX options migrate to the Hybrid Trading System. This will permit the Exchange to migrate SPX options to the Hybrid Trading System without interruption to how SPX and SPXW options currently trade.

Similarly, the proposed rule change to provide that SPX/SPXW complex orders will not execute against individual orders in the Ebook will permit these orders to be handled in the same manner on the Hybrid Trading System as they are today on the Hybrid 3.0 System. These orders will continue to be eligible for electronic processing, including electronic execution, in the same manner as complex orders consisting of SPX series only or SPXW series only, except they will not automatically against [sic] individual orders in the Ebook for the legs, which will result in those SPX/SPXW orders being treated in the same manner as they are today. This will provide these orders with the same electronic execution opportunities they have today, which will continue to not be eligible for automatic execution against the individual leg markets due to system limitations described above and would instead rest in the COB (if eligible) or route to PAR, an order management terminal, or the Trading Permit Holder during Regular Trading Hours, or be rejected back to the Trading Permit Holder during Extended Trading Hours.

The Exchange believes the proposed rule change to permit the Exchange to establish minimum quote size for SPX, and bid-ask differential requirements for all classes, on a premium basis and for specific expirations, in addition to class basis, will ensure Market-Maker obligations maintain an appropriate balance of obligations and benefits. As discussed above, the Exchange currently establishes bid-ask differential requirements on a class and premium basis and for series with expirations of less than nine months and nine months or more. The proposed rule change merely codifies this practice in the Rules for classes other than SPX, so this will result in no change to Market-Makers. The Exchange believes it is appropriate to establish minimum quote sizes in SPX on an expiration and premium basis to reflect the different trading characteristics of those series within the SPX class. For example, series with higher premiums or farther expirations generally have wider spreads and lower trading volumes, and positions in those series carry additional risk. These characteristics make wider bid-ask differential and smaller

quote size is one contract in all classes. See Regulatory Circular RG16-073 (April 7, 2016).

¹⁵ The Exchange currently may set certain parameters on a class and premium basis. See, e.g., Rules 6.2(d)(ii)(E) (opening quote condition), 6.12(a)(3) (acceptable tick distance for limit order price parameter). Currently, the Exchange sets bid-ask differentials on a premium basis and for expirations of less than nine months and nine months or more; the proposed rule change codifies this practice for classes other than SPX in the Rules. See Regulatory Circular RG16-073 (April 7, 2016) (wider requirements in series with expirations of nine months or more and lower premiums).

¹⁶ 15 U.S.C. 78f(b).

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ *Id.*

minimum quote size (with respect to SPX) requirements more appropriate and less burdensome on Market-Makers. The proposed expiration groupings for minimum quote size and bid-ask differential requirements in SPX are based on the Exchange's review of various information, including SPX transaction data, sizes of LMM quotes in SPX, and feedback received from Market-Makers and Exchange advisory groups. The Exchange believes this proposed rule change will promote just and equitable principles of trade by ensuring bid/ask differential requirements and minimum size requirements for SPX are effective and not overly burdensome on Market-Makers, which will ensure continued liquidity on the Exchange, including in SPX options once they convert to Hybrid, which ultimately benefits investors.

The proposed rule change to move the appointment cost for the SPX class from the Hybrid 3.0 table to the Hybrid table in Rule 8.3(c)(i) reflects the Exchange's planned migration of SPX options from the Hybrid 3.0 platform to the Hybrid Trading System. The Exchange proposes no change to the appointment cost, and thus Market-Makers with SPX appointments will not need to purchase any additional trading permits to quote SPX options once the migrate trading platforms.

The Exchange believes the proposed rule change to permit the Exchange to apply Market-Maker (including PMMs and DPMs, as applicable)¹⁹ obligations on a group basis rather than class basis for SPX will promote just and equitable principles of trade, as it will ensure a continued balance of an SPX Market-Maker's obligations with benefits given the significantly large number of SPX series. Requiring a Market-Maker to satisfy quoting obligations in multiple groups of SPX that, in the aggregate, represent a significantly large number of series, may be burdensome for Market-Makers to quote, which may disincentive Market-Makers from selecting appointments in such a class and thus reduce liquidity. The proposed rule change incentivizes Market-Makers to retain SPX appointments. Additionally, permitting the Exchange to determine compliance with these obligations on a group basis would permit Market-Maker obligations to apply to SPX options when it migrates to the Hybrid Trading System in a similar manner as they do today. For example, SPX Market-Makers that

currently quote in SPXW options may elect to continue to only quote in those options without having to quote in SPX options.

The proposed rule change to require Market-Makers to comply with bid/ask differential requirements with respect to electronic quotes upon a class beginning to trade on the Hybrid System will increase liquidity and tighter markets in these classes as soon as they begin trading. The proposed rule change maintains a balance of obligations and benefits, as Market-Makers ultimately have to comply with these requirements; the proposed rule change merely change when they must start to comply with them.

B. Self-Regulatory Organization's Statement on Burden on Competition

Cboe Options does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change has no impact on intramarket competition, as it will apply to all market participants that trade in SPX when listed on a group basis on the Hybrid Trading System. When SPX options move to trade on the Hybrid Trading System, the SPX class will continue to trade in two groups as it does today (SPX options and SPXW options), and SPX/SPXW complex orders will continue to be handled in the same manner as they are today. The proposed rule change has no impact on intermarket competition, as the proposed rule change relates to a product exclusively listed on the Exchange, and permits that product to continue trading in a similar manner as it does today.

The proposed rule change to permit the Exchange to determine a Market-Maker's compliance with obligations on a group basis rather than a class basis, as well as to establish minimum quote sizes on an expiration and premium basis, in addition to class basis, for the SPX class ensures a continued balance of a Market-Maker's obligations with benefits. The proposed change will apply in the same manner to Market-Makers that select SPX appointments. As set forth in Rule 8.3(c), Market-Makers select which classes in which they have appointments, and thus become subject to these obligations when they choose such appointments in their discretion. Permitting the Exchange to determine compliance with these obligations on a group basis would permit Market-Maker obligations to apply to SPX options when they migrates [sic] to the Hybrid Trading System, and apply to SPXW options in

a similar manner as they do today. Additionally, the proposed rule change ensures the Exchange may apply these obligations to reasonable number of series and not be overly burdensome on Market-Makers.

The proposed rule change to permit the Exchange to establish minimum quote size (for SPX) and bid-ask differential requirements on an expiration and premium basis will ensure the Exchange can effectively set these requirements without being overly burdensome on Market-Makers given the differing trade characteristics applicable to series with different expirations and premiums. These proposed changes overall will continue to incentive Market-Makers to have appointments in SPX, which increases liquidity and ultimately benefits investors. As noted above, the rules permit the Exchange to establish other trading parameters on a premium and class basis, and the proposed rule change codifies a current Exchange practice to set bid-ask differential requirements on a class and premium basis and for expirations of less than nine months and nine months or more for all classes other than SPX. The proposed expiration groupings for minimum quote size and bid-ask differential requirements in SPX are based on the Exchange's review of various information, including SPX transaction data, sizes of LMM quotes in SPX, and feedback received from Market-Makers and Exchange advisory groups. The proposed rule change has no impact on intermarket competition, as the proposed rule change relates to obligations applicable to Cboe Options Market-Makers.

The proposed rule change regarding SPX appointment cost will have no impact on competition, as the appointment cost will stay the same, and thus Market-Makers will not need to obtain any additional trading permits to quote in SPX options following their migration to the Hybrid Trading System.

The proposed rule change related to bid/ask differentials will not impose any burden on intramarket competition, because it will apply in the same manner to all Market-Makers subject to that requirement. It will not impose any burden on intermarket competition, because it relates to quoting requirements imposed by Cboe Options. Additionally, requiring Market-Makers to comply with bid/ask differential requirements with respect to electronic quotes as soon as a class begins trading will increase liquidity and tighter markets in these classes when the class starts trading. Market-Makers ultimately have to comply with these

¹⁹ The Exchange notes there are not currently any PMMs or DPMs for SPX or SPXW, and there will be none at the time of conversion of SPX to Hybrid.

requirements; the proposed rule change merely change [sic] when they must start to comply with them.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act²⁰ and subparagraph (f)(6) of Rule 19b-4 thereunder.²¹

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of the filing. However, Rule 19b-4(f)(6)(iii)²² permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. In its filing, Cboe Options requested that the Commission waive the 30-day operative delay. The Exchange represented that it would like to migrate SPX options from the Hybrid 3.0 System to the Hybrid Trading System on April 30, 2018. The Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest because the proposal is designed to modify the Hybrid Trading System rules to accommodate SPX options in a manner substantively similar to how they currently are listed and traded on Hybrid 3.0. In so doing, the proposal permits the Exchange to migrate the one product currently trading on Hybrid 3.0 onto the system it uses for all other options, and to do so in a way that minimizes disruption for traders that currently trade SPX on Hybrid 3.0 without raising novel issues. Accordingly, the Commission waives the 30-day operative delay and

designates the proposed rule change operative upon filing.²³

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. Please include File Number SR-CBOE-2018-029 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-CBOE-2018-029. 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-CBOE-2018-029, and should be submitted on or before May 18, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁴

Eduardo A. Aleman,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83093; File No. SR-CBOE-2018-031]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Concerning the VIX Large Trade Discount Program

April 23, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 16, 2018, Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") filed with the Securities and Exchange Commission (the "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 VIX Large Trade Discount program. The text of the proposed rule change is also available on the Exchange's website (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

²⁴ 17 CFR 200.30-3(a)(12) and (59).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

²⁰ 15 U.S.C. 78s(b)(3)(A)(iii).

²¹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

²² 17 CFR 240.19b-4(f)(6)(iii).

²³ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).