

amongst market data subscribers regarding the type of User they may be considered by the Exchange. The Commission believes that such waiver is consistent with the protection of investors and the public interest. Therefore, the Commission designates the proposed rule change to be operative upon filing. 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.¹¹

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-ChoeEDGX-2018-002 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 ChoeEDGX-2018-002. 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 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 ChoeEDGX-2018-002 and should be submitted on or before February 13, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82516; File No. SR-GEMX-2018-01]

Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Market Maker Orders

January 17, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on January 5, 2018, Nasdaq GEMX, LLC ("GEMX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

The text of the proposed rule change is set forth below. Proposed new language is *italicized*; deleted text is in [brackets].

¹² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

The Exchange proposes to amend GEMX Rule 805 to permit Market Makers³ to enter additional order types in the options classes to which they are appointed.

* * * * *

Nasdaq GEMX Rulebook

* * * * *

Rule 805. Market Maker Orders

(a) *Options Classes to Which Appointed.* Market makers may enter all order types defined in Rule 715 in the options classes to which they are appointed under Rule 802, except *Stopped Orders, Reserve Orders and Customer Cross Orders.* [not place principal orders to buy or sell options in the options classes to which they are appointed under Rule 802, other than opening only orders, immediate-or-cancel orders, market orders, fill-or-kill orders, sweep orders, and block-size orders executed through the Block Order Mechanism pursuant to Rule 716(c).] Competitive Market Makers shall comply with the provisions of Rule 804(e)(2)(iii) upon the entry of such orders if they were not previously quoting in the series.

(b) *Options Classes Other Than Those to Which Appointed.*

(1) A market maker may enter all order types permitted to be entered by non-customer participants under the Rules to buy or sell options in classes of options listed on the Exchange to which the market maker is not appointed under Rule 802, *except for Reserve Orders*, provided that:

(i) and (ii) No change.

(2) and (3) No change.

* * * * *

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.

³ Market Makers refers to "Competitive Market Makers" and "Primary Market Makers" collectively. See GEMX Rule 100(a)(25).

¹¹ See 15 U.S.C. 78c(f).

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

1. Purpose

The purpose of this rule change is to permit Market Makers to enter principal orders to buy or sell options in the options classes to which they are appointed under Rule 802⁴ for all order types listed in Rule 715 except for Stopped Orders,⁵ Reserve Orders⁶ and Customer Cross Orders.⁷ This filing is intended to permit Market Makers to execute most of the same order types, which today they are permitted to enter on other options markets.⁸ In addition, this filing is intended to amend GEMX Rule 805(b)(1) to indicate that Reserve Orders are not permitted to be entered by GEMX Market Makers in non-

⁴ GEMX Rule 802 concerns the appointment of Market Makers.

⁵ A stopped order is a limit order that meets the requirements of Rule 1901(b)(8). To execute stopped orders, Members must enter them into the Facilitation Mechanism or Solicited Order Mechanism pursuant to Rule 716. *See* GEMX Rule 715(b)(6).

⁶ A Reserve Order is a limit order that contains both a displayed portion and a non-displayed portion. Both the displayed and non-displayed portions of a Reserve Order are available for potential execution against incoming marketable orders. A non-marketable Reserve Order will rest on the order book. The displayed portion of a Reserve Order shall be ranked at the specified limit price and the time of order entry. The displayed portion of a Reserve Order will trade in accordance with Rule 713(c) and (d) for Priority Customer Orders, and Rule 713(e) and Supplementary Material .01, for Professional Orders. When the displayed portion of a Reserve Order is decremented, either in full or in part, it shall be refreshed from the non-displayed portion of the resting Reserve Order. If the displayed portion is refreshed in part, the new displayed portion shall include the previously displayed portion. Upon any refresh, the entire displayed portion shall be ranked at the specified limit price and obtain a new time stamp, *i.e.*, the time that the new displayed portion of the order was refreshed. The new displayed portion will trade in accordance with Rule 713(c) and (d) for Priority Customer Orders, and Rule 713(e) and Supplementary Material .01, for Professional Orders. The initial non-displayed portion of a Reserve Order rests on the order book and is ranked based on the specified limit price and time of order entry. Thereafter, non-displayed portions, if any, always obtain the same time stamp as that of the new displayed portion in subparagraph 4 above. The non-displayed portion of any Reserve Order is available for execution only after all displayed interest has been executed. The non-displayed portion of any Reserve Order will trade in accordance with Rule 713(c) and (d) for Priority Customer Orders, and Rule 713(e) and Supplementary Material .01, for Professional Orders. *See* GEMX Rule 715(g).

⁷ A Customer Cross Order is comprised of a Priority Customer Order to buy and a Priority Customer Order to sell at the same price and for the same quantity. *See* GEMX Rule 715(i).

⁸ NYSE Arca, Inc. ("NYSE Arca") and NYSE American LLC ("NYSE American") do not limit the types of orders that can be entered by market makers. *See* NYSE Arca Rule 6.37C-O and NYSE American Rule 925.2NY.

appointed options classes. Today, GEMX Market Makers may not enter Reserve Orders in either appointed or non-appointed options classes. Today, while the System prohibits GEMX Market Makers from entering Reserve Orders, GEMX Rule 805(b)(1) does not indicate the restriction.

Appointed Options Classes

Today, as noted in GEMX Rule 805(a), a Market Maker may not place principal orders to buy or sell options in the options classes to which they are appointed under Rule 802, other than opening only orders,⁹ immediate-or-cancel orders,¹⁰ market orders, fill-or-kill orders,¹¹ sweep orders,¹² and block-size orders¹³ executed through the Block Order Mechanism¹⁴ pursuant to Rule 716(c). At this time, the Exchange proposes to expand the order types which Market Makers are permitted to enter on GEMX.¹⁵ The Exchange is amending GEMX Rule 805(a) to make clear which order types a Market Maker in an appointed options class may submit. Additionally, ISO Orders, All-Or-None Orders, Stop Orders, Qualified Contingent Cross Orders, Attributable Orders, Do-Not-Route Orders, Opening Sweep Orders, Cancel and Replace Orders,¹⁶ and Add Liquidity Orders are

⁹ An Opening Only order is a limit order that can be entered for the opening rotation only. Any portion of the order that is not executed during the opening rotation is cancelled. *See* GEMX Rules 717(o).

¹⁰ An immediate-or-cancel order is a limit order that is to be executed in whole or in part upon receipt. Any portion not so executed is to be treated as cancelled. An immediate-or-cancel order entered by a Market Maker through the Specialized Quote Feed protocol will not be subject to the Limit Order Price Protection and Size Limitation Protection as defined in GEMX Rule 714(b)(2) and (3). *See* GEMX Rule 715(b)(2).

¹¹ A fill-or-kill order is a limit order that is to be executed in its entirety as soon as it is received and, if not so executed, treated as cancelled. *See* GEMX Rule 715(b)(2).

¹² A Sweep Order is a limit order that is to be executed in whole or in part on the Exchange and the portion not so executed shall be routed pursuant to Supplementary Material .05 to Rule 1901 to Eligible Exchange(s) for immediate execution as soon as the order is received by the Eligible Exchange(s). Any portion not immediately executed by the Eligible Exchange(s) shall be canceled. If a Sweep Order is not marketable when it is submitted to the Exchange, it shall be canceled. *See* GEMX Rule 715(s).

¹³ Block-size orders are orders for fifty (50) contracts or more. *See* GEMX Rule 716(a).

¹⁴ The Block Order Mechanism is a process by which a Member can obtain liquidity for the execution of block-size orders. *See* GEMX Rule 716(c).

¹⁵ This expansion would include Good-Till-Date Orders, GTC Orders, Limit Orders, and Stop Limit Orders as new acceptable order types.

¹⁶ Cancel and Replace Orders shall mean a single message for the immediate cancellation of a previously received order and the replacement of that order with a new order. If the previously

accepted on GEMX today from Market Makers as principal orders as modifiers of the allowable non-resting order types, although they are not specifically detailed in the rule. This rule change will further detail and align the rule text with the system functionality by making clear that Market Makers may enter all order types defined in Rule 715 in the options classes to which they are appointed under Rule 802, except Stopped Orders, Reserve Orders and Customer Cross Orders.

Today, GEMX Market Makers, who are appointed and non-appointed in a particular options class, may submit orders without limitation, unless otherwise restricted by the order type as discussed herein. The Exchange proposes to permit Market Makers to enter all order types, which are listed in GEMX Rule 715, except for Stopped Orders, Reserve Orders and Customer Cross Orders. The Exchange notes that today Market Makers are not eligible to execute either Customer Cross Orders, which are Customer orders, or Stopped Orders, which are intended for the account of a customer.¹⁷ With respect to Reserve Orders, the Exchange proposes to continue to restrict Market Makers from entering Reserve Orders in their appointed options class. The Exchange believes that Market Maker liquidity should be displayed liquidity. For these reasons, and to remain competitive with other markets, the Exchange proposes to permit Market Makers to enter all orders they are eligible to submit in their appointed class with the exception of Reserve Orders and also restrict Reserve Orders in the non-appointed classes.

placed order is already filled partially or in its entirety, the replacement order is automatically canceled or reduced by the number of contracts that were executed. The replacement order will retain the priority of the cancelled order, if the order posts to the Order Book, provided the price is not amended, size is not increased, or in the case of Reserve Orders, size is not changed. If the replacement portion of a Cancel and Replace order does not satisfy the system's price or other reasonability checks (*e.g.*, GEMX Rule 710; GEMX Rule 711(c); GEMX Rule 714(b)(2); and GEMX Rule 722(b)(1) and Supplementary Material .07 (b), (c) and (d) to Rule 722) the existing order shall be cancelled and not replaced. *See* Supplementary Material .02 to GEMX Rule 715.

¹⁷ GEMX Rule 1901(b)(8) states, "The transaction that constituted the Trade-Through was the execution of an order for which, at the time of receipt of the order, a Member had guaranteed an execution at no worse than a specified price (a "stopped order"), where: (i) The stopped order was for the account of a Customer; (ii) the Customer agreed to the specified price on an order-by-order basis; and (iii) the price of the Trade-Through was, for a stopped buy order, lower than the national Best Bid in the options series at the time of execution, or, for a stopped sell order, higher than the national Best Offer in the options series at the time of execution"

Non-Appointed Options Classes

Today, for the reasons noted above, the Exchange does not permit Market Makers to enter Reserve Orders in non-appointed options classes. However, the current rule text does not provide this limitation. The Exchange proposes to amend the current rule text at GEMX Rule 805(b)(1) to codify this limitation.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,¹⁸ in general, and furthers the objectives of Section 6(b)(5) of the Act,¹⁹ in particular, in that it is designed to promote just and equitable principles of trade, 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, by providing Market Makers access to trade order types which are currently permissible to be traded in on other options exchanges today.²⁰ The Exchange believes that permitting Market Makers to enter all eligible order types, except Reserve Orders, in both appointed and non-appointed options classes offers no advantage to Market Makers under the Exchange's market structure, including, but not limited to, under the priority and trade allocation rules in GEMX Rule 713 and various risk protection mechanism rules applicable to Market Makers in GEMX Rule 804.²¹ Today, other non-Market Maker participants may submit these order types on GEMX.

The Exchange notes that previously, Nasdaq ISE, LLC prohibited non-customer trading by Electronic Access Members ("EAMs") for principal or agent transactions.²² At that time, ISE represented that, in an electronic market, non-customer market orders have the potential to create market volatility by trading at different price levels until their order is fully executed. ISE further noted that, without this restriction, non-customers would be able to use large-size orders to quickly take out ISE's entire order book without giving other market participants an

opportunity to react.²³ Today, EAMs on ISE may submit non-customer limit orders regardless of the size of the order where previously EAMs were prohibited from submitting orders for non-customers that caused ISE's best bid and offer to be for less than 10 contracts.²⁴

The Exchange notes that these restrictions never existed on GEMX. GEMX believes that these restrictions should not exist today because there is no reason to restrict Market Makers in entering order types, except for the restriction related to Reserve Orders, in options classes in which they are appointed. Unlike other order types, the Reserve Order is a limit order that contains both a displayed portion and a non-displayed portion.²⁵ Both the displayed and non-displayed portions of a Reserve Order are available for potential execution against incoming marketable orders. When the displayed portion of a Reserve Order is decremented, either in full or in part, it shall be refreshed from the non-displayed portion of the resting Reserve Order. The Exchange believes that because a Reserve Order contains a non-displayed portion, Market Makers should not be permitted to enter this order. Market Makers are required to make markets that, absent changed market conditions, will be honored for the number of contracts entered into the Exchange's System in all series of options classes to which the market maker is appointed.²⁶ The Exchange believes that these markets should be transparent. Today, GEMX Market Makers are not permitted to enter Reserve Orders in either appointed or non-appointed options classes. The Exchange proposes to specifically note this limitation in both Rule 805(a) and (b) as an exception. The Exchange notes that this limitation is specifically not noted in Rule 805(b) today despite the fact that the limitation exists in the System today.

The Exchange is also amending GEMX Rule 805(a) to detail the types of non-resting order types and their modifiers with respect to ISO Orders, All-Or-None Orders, Stop Orders, Qualified Contingent Cross Orders,

Attributable Orders, Do-Not-Route Orders, Opening Sweep Orders, Cancel and Replace Orders, and Add Liquidity Orders. This rule change will detail and align the rule text with the system functionality and make clear which order types a Market Maker may submit in appointed options classes.

GEMX Market Makers continue to be obligated to add liquidity on GEMX. The Exchange also notes that GEMX Rule 805(b)(2) and (3) restricts the number of contracts that a Market Maker may enter in an options class to which the Market Maker is not appointed.²⁷ The Exchange notes that it also requires Market Makers to abide by certain quoting requirements, in the options classes in which they are appointed pursuant to GEMX Rule 802, in order to maintain the status of a Market Maker.²⁸ The Exchange believes that permitting a Market Maker to enter additional order types, except Reserve Orders, in their appointed options class will permit Market Makers additional latitude to conduct business on GEMX and effectively compete with other market makers on other options exchanges. Quotes and orders entered by a Market Maker may not interact against quotes and orders entered on the opposite side of the market by the same Market Maker.²⁹

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Today, NYSE Arca and NYSE American place no limitation on the types of orders that can be entered by market makers in their appointed class.³⁰ Accordingly, the Exchange believes that this proposal does not impose an undue burden on inter-market competition because each options exchange generally determines permissible order types for market makers in its trading environment based

²⁷ The total number of contracts executed during a quarter by a Competitive Market Maker in options classes to which it is not appointed may not exceed twenty-five percent (25%) of the total number of contracts traded by such Competitive Market Maker in classes to which it is appointed and with respect to which it was quoting pursuant to Rule 804(e)(2). See GEMX Rule 805(b)(2).

The total number of contracts executed during a quarter by a Primary Market Maker in options classes to which it is not appointed may not exceed ten percent (10%) of the total number of contracts traded per each Primary Market Maker Membership. See GEMX Rule 805(b)(3).

²⁸ See GEMX Rule 804(e) and Supplementary Material .01 to Rule 804. Orders do not count toward meeting continuous quoting obligations.

²⁹ See GEMX Rule 804(b).

³⁰ See note 8 above.

¹⁸ 15 U.S.C. 78f(b).

¹⁹ 15 U.S.C. 78f(b)(5).

²⁰ See note 8 above.

²¹ Today, Market Makers are not eligible to execute either Customer Cross Orders, which are Customer orders, or Stopped Orders, which are intended for the account of a customer.

²² See Securities Exchange Act Release No. 42455 (February 24, 2000), 65 FR 11388 (March 2, 2000) (File No. 10-127) (In the Matter of the Application of The International Securities Exchange LLC for Registration as a National Securities Exchange; Findings and Opinion of the Commission).

²³ *Id.* When the restriction was adopted, there were various limitations imposed on non-customer trading. For example, displayed quotes were firm only for public customer orders. Since that time, electronic options trading has evolved. With the adoption of trade-through protection under the intermarket linkage, every order must be executed at the best quoted price. Further, ISE has also removed restrictions on non-customer trading.

²⁴ See Securities Exchange Act Release No. 49602 (April 22, 2004), 69 FR 23841 (April 30, 2004) (SR-ISE-2003-26).

²⁵ See GEMX Rule 715(g).

²⁶ See GEMX Rule 803(b)(2).

on the exchange's individual business policy, objectives, and trading system. The Exchange's proposal reflects its policy and objectives, and does not impose an undue burden on intra-market competition because it treats all market makers uniformly with respect to permissible order types. Further, this rule change will align the system functionality with the rule text to reflect the types of orders a Market Maker in both appointed and non-appointed options class may submit. The current rule text is not accurate. This rule filing is intended to detail and align the rule text with the system functionality in the current text of Rule 805(a) and (b). This proposal will make clear which order types a Market Maker may submit in both appointed and non-appointed options classes.

Further, Market Makers, unlike other market participants, are required to abide by certain quoting requirements, in the options classes in which they are appointed pursuant to GEMX Rule 802, in order to maintain the status of a Market Maker.³¹ The Exchange also notes that GEMX Rule 805(b)(2) and (3) restricts the number of orders that a Market Maker may enter in an options class to which the Market Maker is not appointed.³² The Exchange believes that permitting a Market Maker to enter additional order types, except Reserve Orders, in their appointed options class will permit Market Makers additional latitude to conduct business on GEMX and effectively compete with other market makers on other options exchanges.

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

No written comments were either solicited or received.

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

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 Act³³ and

subparagraph (f)(6) of Rule 19b-4 thereunder.³⁴

A proposed rule change filed under Rule 19b-4(f)(6)³⁵ normally does not become operative prior to 30 days after the date of the filing. However, Rule 19b-4(f)(6)(iii)³⁶ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange states that the proposed rule change will permit Market Makers additional latitude to conduct business on GEMX and effectively compete with other market makers on other options exchanges. The Exchange further states that the proposed rule will detail and align the rule text with the system functionality. The Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change as operative upon filing.³⁷

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-GEMX-2018-01 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-GEMX-2018-01. 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-GEMX-2018-01 and should be submitted on or before February 13, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁸

Eduardo A. Aleman,
Assistant Secretary.

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BILLING CODE 8011-01-P

³¹ See note 28 above.

³² See note 27 above.

³³ 15 U.S.C. 78s(b)(3)(A)(iii).

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

³⁵ 17 CFR 240.19b-4(f)(6).

³⁶ 17 CFR 240.19b-4(f)(6)(iii).

³⁷ 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).

³⁸ 17 CFR 200.30-3(a)(12).