

STATUS: This Sunshine Act notice is being issued because a majority of the Commission may attend the meeting.

MATTERS TO BE CONSIDERED: The agenda for the meeting includes welcome remarks and a discussion regarding the impact of the COVID-19 Novel Coronavirus on investors and its implications (which may include a recommendation of the Committee).

CONTACT PERSON FOR MORE INFORMATION: For further information and to ascertain what, if any, matters have been added, deleted or postponed; please contact Vanessa A. Countryman from the Office of the Secretary at (202) 551-5400.

Dated: March 30, 2020.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2020-06946 Filed 3-30-20; 4:15 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-88484; File No. SR-ISE-2020-13]

Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Options 3, Section 8, Opening

March 26, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 24, 2020, Nasdaq ISE, LLC (“ISE” 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.

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

The Exchange proposes to amend ISE Rules at Options 3, Section 8, titled “Opening.”

The text of the proposed rule change is available on the Exchange’s website at <http://ise.cchwallstreet.com/>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The Exchange proposes to amend ISE Rules at Options 3, Section 8, titled “Opening.” The Exchange proposes to rename this rule “Options Opening Process.” Specifically, the Exchange is proposing to amend the definition of “market for the underlying security.”

Today Options 3, Section 8(a)(2) describes “market for the underlying security” as “. . . either the primary listing market or the primary volume market (defined as the market with the most liquidity in that underlying security for the previous two calendar months), as determined by the Exchange by underlying and announced to the membership on the Exchange’s website.”

The Exchange proposes to amend this definition by replacing the term “primary volume market” with “an alternative market designated by the primary market.” The Exchange anticipates that an alternative market would be necessary if the primary listing market were impaired.³ In the event that a primary market is impaired and utilizes its designated alternative market, the Exchange would utilize that market as the underlying.⁴ The Exchange further proposes an additional contingency. In the event that the primary market is unable to open, and an alternative market is not designated (and/or the designated alternative market does not open), the Exchange

³ The Exchange notes that the primary listing market and the primary volume market as defined in ISE’s Rules could be the same market and therefore an alternative market is not available under the current Rule.

⁴ For example, in the event that the New York Stock Exchange LLC was unable to open because of an issue with its market and it designated NYSE Arca, Inc. (“NYSE Arca”) as its alternative market, then PHLX [sic] would utilize NYSE Arca as the market for the underlying.

may utilize a non-primary market to open all underlying securities from the primary market. The Exchange will select the non-primary market with the most liquidity in the aggregate for all underlying securities that trade on the primary market for the previous two calendar months, excluding the primary and alternate markets. The Exchange notes that in order to open an option series it would require an equity market’s underlying quote. If another equity market displays opening prices for the underlying security, the Exchange proposes to utilize those quotes. This proposed change to the current System would allow the Exchange to open in situations where the primary market is experiencing an issue and also where an alternative market designated by the primary market may not be designated by the primary market or is unable to open. The Exchange believes that this proposal would effectively provide the Exchange with additional opportunities to open the market and provide its members with a venue in which to transact options trading. The Exchange notes that utilizing a non-primary market with the most liquidity in the aggregate for all underlying securities for the previous two calendar months will ensure that the Exchange opens with quotes which are representative of the volume on that primary market. The Exchange believes that this proposal will enable it to open in the event that there are issues with the primary market or the alternate market assigned by the primary.

The Exchange also proposes to make a corresponding amendment to Options 3, Section 8(c)(2) to replace the reference to “primary market” with the defined term “market for the underlying security.”

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁶ in particular, in that it is designed to promote just and equitable principles of trade and to protect investors and the public interest by providing for alternative processes to determine the market for the underlying. The Exchange’s proposal to amend the definition of “market for the underlying security” within Options 3, Section 8(a)(2) is consistent with the Act.

First, the Exchange’s proposal would remove the concept of a primary volume market and replace that concept with an

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

alternative market designated by the primary market. The Exchange notes that it is most likely the case that the primary market is the primary volume market, so this term offers no contingency in most cases. The primary market has the ability to designate an alternate primary market when the primary market is experiencing difficulties. In those situations, the Exchange proposes to utilize the alternate primary market to open its market. For example, in the event that the New York Stock Exchange LLC was unable to open because of an issue with its market and it designated NYSE Arca as its alternative market, then ISE would utilize NYSE Arca as the market for the underlying security.

Second, the Exchange proposes another alternative in the event that the primary market does not open and an alternate primary market is not designated and/or is also unable to open. In this situation, the Exchange proposes to utilize a non-primary market to open its market. The Exchange will select the non-primary market with the most liquidity in the aggregate for all underlying securities from the primary market for the previous two calendar months, excluding the primary and alternate markets. For example, in the event that the New York Stock Exchange LLC was unable to open because of an issue with its market and it designated NYSE Arca as its alternative market, and the alternate primary was unable to open or NYSE was unable to designate an alternate market because of system difficulties, then ISE would determine which non-primary market had the most liquidity in the aggregate for all underlying securities for the previous two calendar months, excluding the primary and alternate markets. The Exchange would utilize that market to open all underlying securities from the primary market. The Exchange notes that in order to open an option series it would require an equity market's underlying quote. The Exchange notes that utilizing a non-primary market with the most liquidity in the aggregate for all underlying securities for the previous two calendar months will ensure that the Exchange opens based on the next best alternative to the primary market given the circumstances. This contingency will provide the Exchange with the ability to open in situations where the primary market is experiencing an issue and also where an alternative primary market may also be impacted.

The Exchange believes that this proposal would protect investors and the general public by providing

additional venues for ISE to utilize as part of its Opening Process and thereby allow investors to transact on its market. The Exchange desires to open its market despite any issues that may arise with the underlying market. The Exchange is proposing alternate methods to open its market to account for situations which may arise if the primary market is unable to open, and if the proposed alternate designated market is unable to open. The Exchange notes that once the market opens with an underlying price, the options market may continue to trade for the remainder of the trading day. The Exchange believes it benefits investors and the general public to have the options market available to enter new positions, or close open positions.

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. Amending the definition of "market for the underlying security" within Options 3, Section 8(a)(2) does not burden competition. The Exchange's proposal offers alternative paths to open the Exchange in the event that the primary market or even a designated alternate primary market experiences an issue. The Exchange's proposal is intended to create additional certainty that in the event of an issue with the primary market, the Exchange would have other equity markets to look to with respect to underlying prices on which to open the Exchange. This proposal also does not impact the ability of other options markets to open.

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) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act⁹ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)¹⁰ 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 Exchange may amend its rules to permit the Exchange to utilize additional venues to open its market if the primary market and any designated alternate market for the underlying security are experiencing an issue and unable to open, thereby allowing investors to transact on its market in such a situation. The Exchange believes that having its options market available to enter new positions or close open positions would benefit investors and the general public. For these reasons, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposal as operative upon filing.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 necessary or appropriate in the public interest, for the protection of investors, or 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.

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 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 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.

⁹ 17 CFR 240.19b-4(f)(6).

¹⁰ 17 CFR 240.19b-4(f)(6)(iii).

¹¹ For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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-ISE-2020-13 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-ISE-2020-13. 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-ISE-2020-13 and should be submitted on or before April 22, 2020.

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

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2020-06739 Filed 3-31-20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-88491]

Order Under Section 15b of The Securities Exchange Act of 1934 Granting an Exemption for Municipal Advisors From Specified Provisions of The Securities Exchange Act and Rule 15ba1-5(a)(1) Thereunder

March 26, 2020.

The Commission has been monitoring the effects of the current outbreak of coronavirus disease 19 ("COVID-19"). In light of the current situation, we are issuing this Order providing a temporary conditional exemption from certain requirements of the Exchange Act for municipal advisors. In particular, the Commission recognizes that municipal advisors may face challenges in timely satisfying the provisions of Section 15B of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 15Ba1-5(a)(1) thereunder concerning the filing of a municipal advisor's annual update to Form MA as a result of COVID-19.

Section 15B(a)(4) of the Exchange Act provides that the Commission, by rule or order, upon its own motion or upon application, may conditionally or unconditionally exempt any broker, dealer, municipal securities dealer, or municipal advisor, or class of brokers, dealers, municipal securities dealers, or municipal advisors from any provision of Section 15B or the rules or regulations thereunder, if the Commission finds that such exemption is consistent with the public interest, the protection of investors, and the purposes of Section 15B.

I. Time Period for the Relief

The relief specified in this Order is limited to filing obligations for which the original due date for an annual update to Form MA is on or after the date of this Order but on or prior to June 30, 2020. The Commission intends to continue to monitor the current situation. The time period for the relief may, if necessary, be extended with any additional conditions that are deemed appropriate, and the Commission may issue other relief consistent with Section 15B(a)(4).

II. Form MA Annual Update Filing Requirement for Registered Municipal Advisors

The disruptions resulting from COVID-19 mentioned above could hamper the efforts of municipal advisors to timely meet filing deadlines for annual updates to Form MA. In light of the current and potential effects of

COVID-19, the Commission finds that the exemption set forth below is consistent with the public interest, the protection of investors and the purposes of Section 15B of the Exchange Act.

Accordingly, it is *ordered*, pursuant to Section 15B(a)(4) of the Exchange Act:

For time period specified in Section I, a registered municipal advisor is exempt from the requirements under Exchange Act Rule 15Ba1-(a)(5) to file an annual update to Form MA within 90 days of the end of its fiscal year, where the conditions below are satisfied.

Conditions

(a) The municipal advisor is unable to meet the filing deadline for its annual update to Form MA due to circumstances related to current or potential effects of COVID-19.

(b) The municipal advisor relying on this Order promptly notifies the Commission staff via email at munis@sec.gov stating:

- i. That it is relying on this Order; and
- ii. A brief description of the reasons why it could not file its annual update to Form MA on a timely basis.

(c) The municipal advisor relying on this Order must promptly disclose on its public website (or if it does not have a public website, promptly disclose to its clients) the information required in condition (b) above.

(d) The municipal advisor files the annual update to Form MA required by Rule 15Ba1-5(a)(1) under the Exchange Act, as soon as practicable but not later than 45 days after the original due date for filing.

By the Commission.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2020-06742 Filed 3-31-20; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-88482; File No. SR-FINRA-2019-030]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Order Approving a Proposed Rule Change, as Modified by Amendment No. 1, To Amend the Membership Application Program ("MAP") Rules To Address the Issue of Pending Arbitration Claims

March 26, 2020.

I. Introduction

On December 13, 2019, Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and

¹² 17 CFR 200.30-3(a)(12).