

classes that do not qualify for the Penny Program, the Exchange believes that it is appropriate because the proposal should benefit all market participants and investors by maximizing the benefit of a finer quoting increment in those option classes with the most trading interest while minimizing the burden of greater quote traffic in option classes with less trading interest. The Exchange believes that adopting rules, which it anticipates will likewise be adopted by all option exchanges that are participants in the OLPP, would allow for continued competition between Exchange market participants trading similar products as their counterparts on other exchanges, while at the same time allowing the Exchange to continue to compete for order flow with other 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 after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>14</sup> and Rule 19b-4(f)(6)<sup>15</sup> thereunder. The Exchange has proposed to implement the Penny Program on July 1, 2020 and has asked the Commission to waive the 30-day operative delay for this filing.

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because it will allow the Exchange to modify its rules to conform to the OLPP Program and implement the Penny Program on July 1, 2020, consistent with the Commission's approval of the OLPP Amendment. Accordingly, the Commission designates the proposed

rule change as operative on July 1, 2020.<sup>16</sup>

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. 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](mailto:rule-comments@sec.gov). Please include File Number SR-Phlx-2020-32 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-Phlx-2020-32. 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-Phlx-2020-32 and should be submitted on or before July 23, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>17</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

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**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-89165; File No. SR-IEX-2019-15]

**Self-Regulatory Organizations; Investors Exchange LLC; Notice of Designation of Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Add a New Discretionary Limit Order Type Called D-Limit**

June 26, 2020.

On December 16, 2019, the Investors Exchange LLC ("IEX" or the "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act")<sup>1</sup> and Rule 19b-44 thereunder,<sup>2</sup> a proposed rule change to adopt a new order type, the Discretionary Limit order ("D-Limit"). The proposed rule change was published for comment in the **Federal Register** on December 30, 2019.<sup>3</sup> On February 12, 2020, the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed

<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 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.

<sup>16</sup> For purposes only of waiving the operative delay for this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>17</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-44.

<sup>3</sup> See Securities Exchange Act Release No. 87814 (December 20, 2019), 84 FR 71997 (December 30, 2019) ("Notice"). Comments on the proposed rule change can be found at <https://www.sec.gov/comments/sr-ix-2019-15/sriex201915.htm>.

rule change.<sup>4</sup> On March 27, 2020, the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule change.<sup>5</sup>

Section 19(b)(2) of the Act<sup>6</sup> provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the **Federal Register** on December 30, 2019.<sup>7</sup> June 27, 2020 is 180 days from that date, and August 26, 2020 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, the issues raised in the comment letters that have been submitted in connection therewith, and the Exchange's response to comments. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>8</sup> designates August 26, 2020 as the date by which the Commission should either approve or disapprove the proposed rule change (File No. SR-IEEX-2019-15).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>9</sup>

**J. Matthew DeLesDernier,**  
Assistant Secretary.

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## SECURITIES EXCHANGE ACT OF 1934

[Release No. 34-89170]

### Order Under Section 17a and Section 36 of The Securities Exchange Act of 1934 Extending Temporary Exemptions From Specified Provisions of The Exchange Act and Certain Rules Thereunder

June 26, 2020.

On March 20, 2020, the Securities and Exchange Commission ("Commission") issued an order pursuant to its authority under Sections 36 and 17A(c)(1) of the Exchange Act that granted transfer agents (and other persons with regard to Exchange Act section 17(f)(2) and Rule 17f-2 thereunder) the following temporary exemptions: (1) Transfer agents from the requirements of Sections 17A and 17(f)(1) of the Exchange Act, as well as Rules 17Ad-1 through 17Ad-11, 17Ad-13 through 17Ad-20, and 17f-1 thereunder; and (2) transfer agents and other persons subject to such requirements, from the requirements of Section 17(f)(2) of the Exchange Act and Rule 17f-2 thereunder (collectively, the "Exemptions").<sup>1</sup> The Exemptions were granted in light of the challenges that may be presented by COVID-19 and originally were scheduled to expire on May 30, 2020. On May 27, 2020, the Commission issued an order extending the Exemptions until June 30, 2020.<sup>2</sup>

The Commission understands that COVID-19 may continue to present challenges for transfer agents and other persons in timely meeting certain of their obligations under the federal securities laws. For this reason and the reasons stated in the Order originally granting the Exemptions, the Commission finds that extending the Exemptions pursuant to its authority under Sections 36 and 17A(c)(1) of the Exchange Act, is appropriate in the public interest and consistent with the protection of investors.

Accordingly, *it is ordered*, pursuant to Sections 17A and 36 of the Exchange Act, that the time period for the Exemptions specified in the Order is hereby extended to the date to be specified in a public notice from Commission staff specifying the date on which the Exemptions will terminate. Such date shall be at least two weeks from the date of the Commission staff public notice. Transfer agents and other

persons seeking to avail themselves of this relief must satisfy the conditions below.

### Conditions

(a) A registrant or other person relying on the Order must provide written notification to the Commission within two weeks of relying on the Order of the following:<sup>3</sup>

(1) The registrant or other person is relying on the Order;

(2) A description of the specific Exempted Provisions, as defined in the Order, the registrant or other person is unable to comply with and a statement of the reasons why, in good faith, the registrant or other person is unable to comply with such Exempted Provisions; and

(3) If a transfer agent knows or believes that it has been unable to maintain the books and records it is required to maintain pursuant to Section 17A and the rules thereunder, a complete and accurate description of the type of books and records that were not maintained, the names of the issuers for whom such books and records were not maintained, the extent of the failure to maintain such books and records, and the steps taken to ameliorate any such failure to maintain such books and records.

(b) As noted in the Order, the Exempted Provisions do not include, and neither the Order, the First Extension order, nor this extension of the Order provides relief from, Rule 17Ad-12 under the Exchange Act. Transfer agents affected by COVID-19 that have custody or possession of any security holder or issuer funds or securities shall continue to comply with the requirements of Rule 17Ad-12 under the Exchange Act. If a transfer agent's operations, facilities, or systems are significantly affected as a result of COVID-19 such that the transfer agent believes its compliance with Rule 17Ad-12 could be negatively affected, to the extent possible, all security holder or issuer funds that remain in the custody of the transfer agent should be maintained in a separate bank account held for the exclusive benefit of security holders until such funds are properly processed, transferred, or remitted.

The notification required under (a) above shall be emailed to: [tradingandmarkets@sec.gov](mailto:tradingandmarkets@sec.gov).

The Commission encourages registered transfer agents and the issuers for whom they act to inform affected security holders whom they should contact concerning their accounts, their access to funds or securities, and other

<sup>4</sup> See Securities Exchange Act Release No. 88186 (February 12, 2020), 85 FR 9513 (February 19, 2020).

<sup>5</sup> See Securities Exchange Act Release No. 88501 (March 27, 2020), 85 FR 18612 (April 2, 2020). Comments in response to the proceedings can be found at <https://www.sec.gov/comments/sr-iex-2019-15/sriex201915.htm>.

<sup>6</sup> 15 U.S.C. 78s(b)(2).

<sup>7</sup> See Notice, *supra* note 3.

<sup>8</sup> 15 U.S.C. 78s(b)(2).

<sup>9</sup> 17 CFR 200.30-3(a)(57).

<sup>1</sup> See Securities Exchange Act Release No. 34-88488 (March 20, 2020), 85 FR 17122 (March 26, 2020) ("Order").

<sup>2</sup> See Securities Exchange Act Release No. 34-88960 (May 27, 2020), 85 FR 33234 (June 1, 2020) ("First Extension Order").

<sup>3</sup> A registrant or other person who is relying on the Order or the First Extension Order and has already provided a written notification to the Commission may rely on this extension without submitting another written notification solely with respect to the Exempted Provisions described in such prior written notification.