

comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2019-003 and should be submitted on or before February 27, 2019.

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

Eduardo A. Aleman,

Deputy Secretary.

[FR Doc. 2019-01172 Filed 2-5-19; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-85023; File No. SR-NYSEAMER-2018-58]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Change To Modify the NYSE American Options Fee Schedule

January 31, 2019.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on December 21, 2018, NYSE American LLC (the “Exchange” or “NYSE American”) 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 self-regulatory organization. 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 the Substance of the Proposed Rule Change

The Exchange proposes to modify the NYSE American Options Fee Schedule (“Fee Schedule”). The Exchange proposes to implement the fee change effective January 1, 2019. The proposed change is available on the Exchange’s website at www.nyse.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 self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The purpose of this filing is to modify the Fee Schedule, effective January 1, 2019, to provide an incentive for Market Makers to provide more competitive prices and deeper liquidity in the NYSE FANG+ Index (“NYSE FANG+”), which trades under the symbol FAANG. The Exchange also proposes to eliminate the FAANG Rebate that it currently offers Floor Brokers as it failed to achieve its intended goal of encouraging Floor Brokers to bring FAANG business to the Trading Floor.

The Exchange introduced fees and rebates for transactions in FAANG in June 2018.⁴ Currently, the Exchange charges \$0.35 per contract, per side for non-Customer and Professional Customer FAANG transactions, whether executed manually or electronically.⁵ However, the Exchange does not charge a fee for any FAANG transactions (i) on behalf of Customers or (ii) by Market Makers with an appointment in NYSE FANG+.⁶ Thus, Market Makers that do not have an appointment in NYSE FANG+ are currently subject to the same fee of \$0.35 per contract, per side for non-Customer and Professional Customer FAANG transactions. The Exchange proposes to remove the requirement that a Market Maker have an appointment in FAANG to be able to transact in FAANG for free. The Exchange believes that removing this limitation would encourage Market Makers to trade in FAANG.

Concurrent with this change, the Exchange proposes to introduce credits for Market Maker organizations—

specifically, NYSE American Options Market Makers, Specialists, e-Specialists or DOMMs—that execute at least 500 total monthly contract sides that open a position on the Exchange (the “MM FAANG Credit” or “Credit”).⁷ Only those FAANG transactions marked as “open” would be eligible to be counted towards the MM FAANG Credit. As proposed, firms that meet the minimum volume threshold would receive a MM FAANG Credit of \$5,000; provided, however, that if more than ten firms qualify for a MM FAANG Credit in a calendar month, the Credit for each qualifying firm would be a pro rata share of \$50,000. The Exchange believes the proposed MM FAANG Credit would further the Exchange’s goal of encouraging trading in this new index product. In particular, the Exchange seeks to spur Market Makers to provide increased liquidity in tighter markets, which would create greater trading opportunities for all market participants.

Finally, the Exchange proposes to eliminate the FAANG Rebate that it currently offers Floor Brokers as it failed to achieve its intended goal of encouraging Floor Brokers to bring FAANG business to the Trading Floor.⁸

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act, in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act, in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes the proposal to remove the restriction that Market Makers must have an appointment in FAANG to avoid transactions fees in this product is reasonable, equitable and not unfairly discriminatory because this proposal would encourage Market Makers to provide liquidity in FAANG, a product that was only introduced in June 2018. In addition, the proposed FAANG transaction fee change would

⁴ See Securities Exchange Act Release No. 83553 (June 28, 2018), 83 FR 34431 (July 5, 2018) (SR-NYSEAMER-2018-34).

⁵ See Fee Schedule, Section I.A., Options Transaction Fees and Credits, Rates for Options Transactions, note 7 (Options on NYSE FANG+ Index (“FAANG”) transactions), available here: https://www.nyse.com/publicdocs/nyse/markets/american-options/NYSE_American_Options_Fee_Schedule.pdf.

⁶ See *id.* The term Market Maker, as used herein, includes NYSE American Options Market Makers, Specialists, e-Specialists and Directed Order Market Makers (or DOMMs).

⁷ See proposed Fee Schedule, Section I.A., Options Transaction Fees and Credits, Rates for Options Transactions, note 7 (Options on NYSE FANG+ Index (“FAANG”) transactions).

⁸ See Securities Exchange Act Release No. 83617 (July 10, 2018), 83 FR 32930, 32930 (July 16, 2018) (SR-NYSEAMER-2018-36) (adopting the FAANG Rebate for Floor Brokers to “encourage[e] Floor Brokers to bring business to the Trading Floor, which would in turn, benefit all market participants through increased liquidity and more opportunities to trade”).

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

apply equally to all Market Maker organizations that transact in FAANG.

The Exchange believes the proposal to introduce a MM FAANG Credit for executing a certain number of options contract sides on FAANG is reasonable, equitable and not unfairly discriminatory for the following reasons. First, the proposed Credit would apply equally to all Market Maker organizations that transact in FAANG. Second, the proposed Credit would encourage Market Maker organizations to increase trading activity in FAANG. The Exchange anticipates that Market Makers seeking to reach the proposed 500 contract threshold will provide additional liquidity and trading opportunities for all market participants. The Exchange believes the proposed MM FAANG Credit is reasonable, equitable and not unfairly discriminatory because it is designed to further the Exchange's goal of encouraging transactions in FAANG, a new index product.

Finally, the Exchange believes the proposal to eliminate the FAANG Rebate that is currently offered to Floor Brokers is reasonable, equitable and not unfairly discriminatory because it would apply equally to all Floor Brokers. Further, the proposal would encourage the fair and efficient use of Exchange resources given that this incentive program failed to meet its stated goal of encouraging Floor Brokers to bring FAANG business to the Trading Floor.

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

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes the proposed MM FAANG Credit for Market Maker organizations would not place an unfair burden on competition as it would apply to all similarly situated Market Makers. The Exchange also believes the proposed Credit is procompetitive as it would further the Exchange's goal of introducing new products to the marketplace and encouraging Market Makers to provide liquidity in these products, which would in turn, benefit all market participants. Market participants that do not wish to trade in FAANG are not obliged to do so.

To the extent that there is an additional competitive burden on market participants that are not eligible for the MM FAANG Credit (*i.e.*, non-Market Maker organizations), the Exchange believes that this is

appropriate because the proposal would incent Market Makers to provide increased liquidity in tighter markets, which would create greater trading opportunities for all market participants. To the extent that this purpose is achieved, all of the Exchange's market participants should benefit from the improved market liquidity. Enhanced market quality and increased transaction volume that results from the anticipated increase in order flow directed to the Exchange will benefit all market participants and improve competition on the Exchange.

The proposed elimination of the FAANG Rebate currently available to Floor Brokers likewise does not impose an unfair burden on competition as it failed to achieve its intended goal of encouraging Floor Brokers to bring FAANG business to the Trading Floor and applies equally to all similarly situated Floor Brokers.

The Exchange does not believe that the proposed change will impair the ability of any market participants or competing order execution venues to maintain their competitive standing in the financial markets. Further, the proposed Rebate would be applied to all similarly situated participants (*i.e.*, Market Maker organizations), and, as such, the proposed change would not impose a disparate burden on competition either among or between classes of market participants.

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

No written comments were solicited or received with respect to the proposed rule change.

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)⁹ of the Act and subparagraph (f)(2) of Rule 19b-4¹⁰ thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such 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 under Section 19(b)(2)(B)¹¹ of the Act to determine whether the proposed rule change 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-NYSEAMER-2018-58 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-NYSEAMER-2018-58. 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 such 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

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(2).

¹¹ 15 U.S.C. 78s(b)(2)(B).

Number SR–NYSEAMER–2018–58, and should be submitted on or before February 21, 2019.

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

Eduardo A. Aleman,

Deputy Secretary.

[FR Doc. 2019–01173 Filed 2–5–19; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–85021; File No. SR–NYSE–2018–58]

Self-Regulatory Organizations; New York Stock Exchange LLC; Order Approving a Proposed Rule Change To Amend Rule 123C To Extend the Cut-Off Times for Order Entry and Cancellation for Participation in the Closing Auction and When the Exchange Will Begin Disseminating Order Imbalance Information for the Closing Auction

January 31, 2019.

I. Introduction

On November 30, 2018, the New York Stock Exchange LLC (“Exchange” or “NYSE”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) ¹ and Rule 19b–4 thereunder, ² a proposed rule change to amend NYSE Rule 123C (The Closing Procedures) to extend the cut-off times for order entry and cancellation for participation in the closing auction and to change the times during which the Exchange will disseminate order imbalance information for the closing auction. The proposed rule change was published for comment in the **Federal Register** on December 18, 2018. ³ The Commission has received no comment letters on the proposal. This order approves the proposed rule change.

II. Description of the Proposed Rule Change

As described in more detail in the Notice, the Exchange proposes to amend NYSE Rule 123C (The Closing Procedures) to: (1) Extend the cut-off time for submitting and cancelling orders to participate in the closing auction, from 3:45 p.m. to 3:50 p.m.; ⁴

(2) change the time for determining the “last sale price” for purposes of calculating the Mandatory MOC/LOC Imbalance Publication, from 3:45 p.m. to 3:50 p.m.; ⁵ (3) change the time for Mandatory MOC/LOC Imbalance Publication, and publication of Order Imbalance Information, from 3:45 p.m. to 3:50 p.m.; ⁶ and (4) extend the time during which Exchange systems would disseminate closing imbalances to NYSE floor brokers, from 2:00 p.m. to 3:45 p.m., to 2:00 p.m. to 3:50 p.m. ⁷ As stated in the Notice, the Exchange also proposes to make non-substantive changes to NYSE Rule 123C. The proposal would not change how the Exchange conducts the closing auction.

III. Discussion and Commission Findings

After careful review of the proposed rule change, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange. ⁸ In particular, the Commission finds that the proposed rule change is consistent Section 6(b)(5) of the Act, ⁹ which requires that the rules of a national security exchange are 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.

The Exchange asserts that the extension of the time frame for Exchange members to enter and cancel orders for the closing auction should allow Exchange members more control to conduct end-of-day trading, and that the additional time for publication of Informational Imbalance Publication until 3:50 p.m. and the publication of the Mandatory MOC/LOC Imbalance Publication, when required by NYSE rule, should help investors to better understand imbalance and manage their orders. The Commission notes that the proposal is consistent with the rules of

other national securities exchanges with respect to order cut-off times, ¹⁰ and that the Commission recently approved a proposed rule change by the Nasdaq Stock Market LLC to move the cut-off times for the entry of Market on Close and Limit on Close orders from 3:50 p.m. to 3:55 p.m. ¹¹ The Commission also believes that it is appropriate, when changing order cut-off times, to make corresponding changes relating to the dissemination of order imbalance information.

IV. Conclusion

It is Therefore Ordered that, pursuant to Section 19(b)(2) of the Act, ¹² the proposed rule change (SR–NYSE–2018–58) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority. ¹³

Eduardo A. Aleman,

Deputy Secretary.

[FR Doc. 2019–01175 Filed 2–5–19; 8:45 am]

BILLING CODE 8011–01–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA 2017–0043]

Privacy Act of 1974; Matching Program

AGENCY: Social Security Administration (SSA).

ACTION: Notice of a new matching program.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces a new matching program with the Office of Personnel Management (OPM).

The agreement between SSA and OPM sets forth the terms, conditions, and safeguards under which OPM will disclose civil service benefit and payment data to SSA. SSA is legally required to offset specific benefits by a percentage of civil service benefits received (Spousal and Survivors benefits, Supplemental Security Income (SSI) benefits, and Retirement and Disability Insurance Benefits are offset by a percentage of the recipients own Federal Government pension benefits). SSA administers the Old Age, Survivors, Disability Insurance (OASDI), SSI, and Special Veterans' Benefits (SVB) programs. SSA will use the match

¹² 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 84804 (Dec. 12, 2018), 83 FR 64910 (Dec. 18, 2018) (“Notice”).

⁴ See proposed NYSE Rule 123C(2) and (3).

⁵ See proposed NYSE Rule 123C(4)(a)(i).

⁶ See proposed NYSE Rule 123C(5) and (6)(a).

⁷ See proposed NYSE Rule 123C(6)(b).

⁸ In approving the proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁹ 15 U.S.C. 78f(b)(5).

¹⁰ See The Nasdaq Stock Market LLC Rule 4754; Cboe BZX Exchange, Inc. Rule 11.23; and NYSE Arca, Inc. Rule 7.35–E(d)(2).

¹¹ See Securities Exchange Act Release No. 84454 (Oct. 19, 2018), 83 FR 53923 (Oct. 25, 2018) (SR–Nasdaq–2018–68).

¹² 15 U.S.C. 78s(b)(2).

¹³ 17 CFR 200.30–3(a)(12).