POSTAL SERVICE

Product Change—Priority Mail and First-Class Package Service Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice:* August 9, 2019.

FOR FURTHER INFORMATION CONTACT: Sean Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 6, 2019, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & First-Class Package Service Contract 112 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2019–184, CP2019–206.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2019–17076 Filed 8–8–19; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice:* August 9, 2019.

FOR FURTHER INFORMATION CONTACT: Sean Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 6, 2019, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Contract 545 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2019–181, CP2019–203.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2019–17073 Filed 8–8–19; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice:* August 9, 2019.

FOR FURTHER INFORMATION CONTACT: Sean Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 6, 2019, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Contract 546 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2019–182, CP2019–204.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2019–17074 Filed 8–8–19; 8:45 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86567; File No. SR–CboeEDGA–2019–012]

Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Designation of Longer Period for Commission Action on a Proposed Rule Change To Introduce a Liquidity Provider Protection on EDGA

August 5, 2019.

On June 7, 2019, Cboe EDGA Exchange, Inc. (the ''Exchange'' or ''EDGA'') 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 proposal to introduce a delay mechanism on EDGA. The proposed rule change was published for comment in the **Federal Register** on June 26, 2019.[3] The Commission has received fourteen comments on the proposed rule change.[4]

Section 19(b)(2) of the Act [5] provides that, within 45 days of the publication of the notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day after publication of the notice for this proposed rule change is August 10, 2019.

The Commission is extending the 45-day time period for Commission action on the proposed rule change. The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change. Accordingly, pursuant to Section 19(b)(2) of the Act,[6] the Commission designates September 24, 2019 as the date by which the Commission shall either approve, disapprove, or institute proceedings to determine whether to

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 86168 (June 20, 2019), 84 FR 30282.

[4] *See* Letters from R.T. Leuchtkafer, dated July 12, 2019; Steve Crutchfield, Head of Market Structure, CTC Trading Group, LLC, dated July 15, 2019; Tyler Gellasch, Executive Director, Healthy Markets, dated July 16, 2019; Larry Tabb, Founder and Research Chairman, TABB Group, dated July 16, 2019; Stephen John Berger, Managing Director, Global Head of Government and Regulatory Policy, Citadel Securities, dated July 16, 2019; Mehmet Kinak, Vice President & Global Head of Systematic Trading & Market Structure, and Jonathan D. Siegel, Vice President & Senior Legal Counsel (Legislative & Regulatory Affairs), T. Rowe Price, dated July 16, 2019; Adam Nunes, Head of Business Development, Hudson River Trading LLC, dated July 16, 2019; Joanna Mallers, Secretary, FIA Principal Traders Group, dated July 16, 2019; Ray Ross, Chief Technology Officer, Clearpool, dated July 16, 2019; Eric Swanson, CEO, XTX Markets LLC (Americas), dated July 16, 2019; John Thornton, Co-Chair, Hal S. Scott, President, and R. Glenn Hubbard, Co-Chair, Committee on Capital Markets Regulation, dated July 16, 2019; Kirsten Wegner, Chief Executive Officer, Modern Markets Initiative, dated July 17, 2019; Theodore R. Lazo, Managing Director and Associate General Counsel, SIFMA, dated July 18, 2019; Eric Swanson, CEO, XTX Markets LLC (Americas), dated July 31, 2019, available at *https://www.sec.gov/comments/sr-cboeedga-2019-012/srcboeedga2019012.htm.*

[5] 15 U.S.C. 78s(b)(2).

[6] 15 U.S.C. 78s(b)(2)(A)(ii)(I).

disapprove, the proposed rule change (File No. SR–CboeEDGA–2019–012).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[7]

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019–17046 Filed 8–8–19; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86576; File No. SR–LCH SA–2019–005]

Self-Regulatory Organizations; LCH SA; Notice of Filing of Proposed Rule Change Relating to Introduction of Clearing of the New Markit iTraxx Subordinated Financials Index CDS and the Related Single Name CDS Constituents and Enhancements to Wrong Way Risk Margin

August 6, 2019.

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 August 2, 2019, Banque Centrale de Compensation, which conducts business under the name LCH SA (''LCH SA''), filed with the Securities and Exchange Commission (''Commission'') the proposed rule change described in Items I, II and III below, which Items have been prepared primarily by LCH SA. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

Banque Centrale de Compensation, which conducts business under the name LCH SA (''LCH SA''), is proposing to amend its (i) Reference Guide: CDSClear Margin Framework and (ii) CDSClear Default Fund Methodology (together the ''CDSClear Risk Methodology'') and (iii) CDS Clearing Supplement (''Supplement'') and (iv) CDS Clearing Procedures (''Procedures'') to incorporate new terms and to make conforming, clarifying and changes [sic] to allow clearing of the new Markit iTraxx Subordinated Financials Index CDS and the related single name CDS constituents.

LCH SA is also amending its CDSClear Margin Framework to incorporate changes to the Wrong Way Risk margin in order to address some recommendations in respect of the risk model validation.

The text of the proposed rule change has been annexed as Exhibit 5.[3]

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, LCH SA 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. LCH SA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of these statements.

A. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

LCH SA is proposing to introduce clearing of the Markit iTraxx Subordinated Financials Index CDS and the related single name CDS constituents (''SubFins'') which is the natural next step following the recent changes in financial entities' issuance patterns that are being rolled out in the wider industry.

In August 2016, IHSMarkit initiated the Markit iTraxx Europe rule review which prescribes how bank entities are included in the Markit iTraxx Europe Indices. At the time, the iTraxx Europe Index Advisory Committee identified that three differing regulatory approaches to TLAC/MREL regulations (Total Loss Absorbing Capacity/Minimum Requirements and Eligible Liabilities) eligible debt were driving new bank debt issuance patterns:

- Structural Subordination
  - Operating Company versus Holding Company (referred to as OpCoHoldCo)
- Contractual Subordination
  - Senior Non-Preferred Tier 3 Bonds, adopted by Danish, French and Spanish banks, (Seniority tier is SNRLAC: Senior Loss Absorbing Capacity)
- Statutory Subordination
  - All senior unsecured debt made eligible, adopted by German banks

Structural subordination was introduced in September 2017 and Contractual subordination in March 2018.

As a result of these different approaches, LCH SA now manages different levels of debt seniorities in its product scope and risk framework.

The proposed change will naturally extend the product scope eligible for clearing by completing the set of seniority with subordinated debt for financial entities.

For the purpose of introducing clearing of SubFins, LCH SA proposes to modify its CDS Clearing Supplement and Procedures to include the relevant language to allow the clearing of the SubFins.

LCH SA is also taking this opportunity to introduce a few changes to the Wrong Way Risk (''WWR'') margin in order to address some of the open model validation recommendations meant to improve the stability of the WWR margin and to include positions on the iTraxx Main index in the scope of products subject to the WWR margin.

Finally, a clarification to the Default Fund Additional Margin (''DFAM''), independent from the SubFins initiative, is also added to the CDSClear Default Fund Methodology to reflect an adjustment requested by LCH SA's Risk Department for any clearing service in order to cap the DFAM to the Stress Test Loss Over Additional Margin (''STLOAM'').

(1) CDSClear Risk Methodology

The introduction of CDS with subordinated debt as an underlier is akin to introducing Senior Non Preferred debt, therefore the same margins need to be adapted, namely spread margin, wrong way risk, liquidity charge and jump-to-default risk margins (Short Charge and Self-Referencing Margin).

The Senior Non Preferred CDS differ from Subordinated financial CDS with respect to the availability of the historical market data and the recovery rate which for Subordinated debt is conventionally 20% (versus 40% for Senior debt).

The spread margin will use the historical data available for SubFins, and consider Subordinated and Senior debt as different financial instruments with regards to portfolio margining.[4]

Similarly, the WWR margin is extended to cover SubFins in addition to Senior CDS, as if they were different names from an offset perspective, and with shocks defined specifically for SubFins calibrated from the historical data available.

The Liquidity Charge will consider Markit iTraxx Subordinated Financials index to be a new hedging instrument,

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[7] 17 CFR 200.30–3(a)(31).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] All capitalized terms not defined herein have the same definition as the Rule Book, Supplement or Procedures, as applicable.

[4] See Article 27 of Commission Delegated Regulation (EU) No 153/2013).