fund for expenses directly related to the repurchase.

3. Section 23(c)(3) provides that the Commission may issue an order that would permit a closed-end investment company to repurchase its shares in circumstances in which the repurchase is made in a manner or on a basis that does not unfairly discriminate against any holders of the class or classes of securities to be purchased. Applicants state that the Initial Fund currently charges, and Future Funds may charge, a repurchase fee at a rate of no greater than 2 percent of the aggregate net asset value of a shareholder's shares repurchased by the Fund (an ''Early Repurchase Fee'') if the interval between the date of purchase of the shares and the valuation date with respect to the repurchase of those shares is less than one year. Applicants represent that any Early Repurchase Fee imposed by a Fund will apply equally to all New Class Shares and to all classes of shares of such Fund, consistent with section 18 of the Act and rule 18f–3 thereunder.

4. Applicants request relief under section 6(c), discussed above, and section 23(c)(3) from rule 23c–3 to the extent necessary for the Funds to impose EWCs on shares of the Funds submitted for repurchase that have been held for less than a specified period.

5. Applicants state that the EWCs they intend to impose are functionally similar to CDSLs imposed by open-end investment companies under rule 6c–10 under the Act. Rule 6c–10 permits open-end investment companies to impose CDSLs, subject to certain conditions. Applicants note that rule 6c–10 is grounded in policy considerations supporting the employment of CDSLs where there are adequate safeguards for the investor, and state that the same policy considerations support imposition of EWCs in the interval fund context. In addition, applicants state that EWCs may be necessary for the distributor to recover distribution costs. Applicants represent that any EWC imposed by the Funds will comply with rule 6c–10 under the Act as if the rule were applicable to closed-end funds. Applicants further represent that each Fund will disclose EWCs in accordance with the requirements of Form N–1A concerning CDSLs as if the Fund were an open-end investment company.

Asset-Based Distribution and/or Service Fees

1. Section 17(d) of the Act and rule 17d–1 under the Act prohibit an affiliated person of a registered investment company, or an affiliated person of such person, acting as principal, from participating in or effecting any transaction in connection with any joint enterprise or joint arrangement in which the investment company participates unless the Commission issues an order permitting the transaction. In reviewing applications submitted under section 17(d) and rule 17d–1, the Commission considers whether the participation of the investment company in a joint enterprise or joint arrangement is consistent with the provisions, policies and purposes of the Act, and the extent to which the participation is on a basis different from or less advantageous than that of other participants.

2. Rule 17d–3 under the Act provides an exemption from section 17(d) and rule 17d–1 to permit open-end investment companies to enter into distribution arrangements pursuant to rule 12b–1 under the Act. Applicants request an order under section 17(d) and rule 17d–1 under the Act to the extent necessary to permit the Funds to impose asset-based distribution and/or service fees. Applicants represent that the Funds will comply with rules 12b–1 and 17d–3 as if those rules applied to closed-end investment companies.

3. For the reasons stated above, applicants submit that the exemptions requested are necessary and appropriate in the public interest and are consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants further submit that the relief requested pursuant to section 23(c)(3) will be consistent with the protection of investors and will insure that applicants do not unfairly discriminate against any holders of the class of securities to be purchased. Finally, applicants state that the Funds' imposition of asset-based distribution and/or service fees is consistent with the provisions, policies and purposes of the Act and does not involve participation on a basis different from or less advantageous than that of other participants.

Applicants' Condition

Applicants agree that any order granting the requested relief will be subject to the following condition:

Each Fund relying on the order will comply with the provisions of rules 6c–10, 12b–1, 17d–3, 18f–3, 22d–1, and, where applicable, 11a–3 under the Act, as amended from time to time or replaced, as if those rules applied to closed-end management investment companies, and will comply with the FINRA Sales Charge Rule, as amended from time to time, as if that rule applied to all closed-end management investment companies.

For the Commission, by the Division of Investment Management, under delegated authority.

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2020–23550 Filed 10–23–20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–90227; File No. SR–FINRA–2020–035]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of a Proposed Rule Change To Amend the FINRA Codes of Arbitration Procedure To Increase Arbitrator Chairperson Honoraria and Certain Arbitration Fees

October 20, 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 October 16, 2020, the Financial Industry Regulatory Authority, Inc. (''FINRA'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. 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

FINRA is proposing to amend the Code of Arbitration Procedure for Customer Disputes (''Customer Code'') and the Code of Arbitration Procedure for Industry Disputes (''Industry Code'') (together, ''Codes'') to increase arbitrator chairperson (''Chair'') honoraria. Specifically, the proposed rule change would: (1) Increase the additional hearing-day honorarium Chairs receive for each hearing on the merits from $125 to $250 and (2) create a new $125 Chair honorarium for each prehearing conference in which the Chair participates. Under the proposed rule change, these increases would be funded primarily by minimal increases to the member surcharge and process fees for claims of more than $250,000 or claims for non-monetary or unspecified damages. The proposed rule change would also increase filing fees and hearing session fees for customers, associated persons and members bringing claims of more than $500,000

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

[2] 17 CFR 240.19b–4.

or claims for non-monetary or unspecified damage.

The text of the proposed rule change is available on FINRA's website at *http://www.finra.org,* at the principal office of FINRA 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, FINRA 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. FINRA 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

(I) Background and Discussion

FINRA makes arbitrator honoraria payments to its arbitrators for the services arbitrators provide to FINRA's dispute resolution forum. Currently, under FINRA Rule 12214(a), arbitrators receive $300 for each hearing session in which the arbitrator participates.[3] In recognition of their increased experience and the extra responsibilities they must perform during an arbitration,[4] Chairs currently receive an additional $125 for serving as Chair during a hearing (''hearing-day honorarium'').[5] The Chair receives the additional honorarium for each hearing day, regardless of the number of hearing sessions held per day. Currently, Chairs do not receive an additional honorarium for prehearing conferences, even though Chairs are required to lead the prehearing conferences and perform additional tasks in connection with the prehearings, such as setting discovery, briefing, and motion deadlines, scheduling subsequent hearing sessions, and drafting prehearing orders.[6]

In addition, several hearing locations lack a sufficient number of local Chairs. Chairs are often the most experienced arbitrators on FINRA's roster and must meet additional requirements to serve as Chair. To qualify as a Chair, an arbitrator must complete Chair training and have served on at least three arbitrations through award in which hearings were held, or be a lawyer who served on at least one arbitration through award in which hearings were held.[7] The low number of Chairs in some hearing locations can result in parties being presented a list with a majority of non-local Chairs. Parties have expressed concern about using non-local arbitrators to complete Chair lists. Parties typically prefer arbitrators from the same general geographic area to hear their cases because they live in the same community as the parties who bring their claims, and are familiar with local law and customs. Appointing arbitrators who live outside of the local hearing location may result in scheduling delays and requires FINRA to pay additional travel expenses.

Chair-eligible arbitrators have indicated that they are not interested in completing the required Chair training and serving on the Chair roster because of the extra work required compared to the modest, additional Chair honorarium currently offered. To provide more of an incentive for eligible arbitrators to become Chairs and to more adequately compensate Chairs for their additional work, FINRA is proposing to increase the current per-day Chair honorarium for hearings on the merits and establish a Chair honorarium for prehearing conferences.[8] These increases would be funded primarily by minimal increases to the member surcharge and process fees for claims of more than $250,000 or claims for non-monetary or unspecified damages.[9] The proposed rule change would also increase filing fees and hearing session fees for customers, associated persons and members bringing claims of more than $500,000 or claims for non-monetary or unspecified damages.[10]

In all, on average the fees for an arbitration case would increase by $252, or 2.65 percent. FINRA believes that the cost of arbitration should be borne by the users of the forum, without imposing a significant barrier to public customers who bring arbitration claims to the forum. Thus, the fees are designed to be borne 85 percent by member firms and 15 percent by claimants.[11]

(II) Proposed Rule Change

A. Proposed Arbitrator Chair Honoraria Increases

The proposed rule change would amend FINRA Rules 12214 and 13214 to increase the arbitrator Chair honoraria. Specifically, the proposed rule change would increase the hearing-day honorarium from $125 to $250 to better compensate the Chair for the additional training and responsibilities required of the position.[12] In addition, the proposed rule change would establish a new honorarium to pay a Chair an additional $125 for each prehearing conference in which he or she participates. Under the proposed rule change, Chairs would receive this additional compensation even if an arbitration case closes without a hearing. Thus, if the Chair participates in a prehearing conference,[13] but the parties settle the case (as often occurs),[14] the Chair would

[3] A ''hearing session'' is any meeting between the parties and arbitrator(s) of four hours or less, including a hearing or a prehearing conference. A typical day has two hearing sessions. *See* FINRA Rules 12100(p) and 13100(p).

[4] For example, during a typical arbitration, the Chair oversees the discovery process, conducts the initial prehearing conference (''IPHC'') and subsequent prehearing conferences as needed, drafts rulings and orders, and manages efficient hearings. For more information on Chair responsibilities and training, *see https://www.finra.org/sites/default/files/FINRA_Chairperson_Training.pdf.*

[5] The term ''hearing'' means the hearing on the merits of an arbitration under FINRA Rules 12600 and 13600. *See* FINRA Rules 12100(o) and 13100(o).

[6] *See* FINRA Rules 12500(c) and 13500(c).

[7] *See* FINRA Rules 12400(c) and 13400(c).

[8] Discovery issues can be particularly time-consuming; among other things, the new prehearing honorarium would recognize the additional work Chairs put in when ruling on discovery issues. *See also supra* note 4.

[9] The FINRA Dispute Resolution Task Force (''Task Force'') suggested raising arbitration fees to fund arbitrator honoraria increases. The Task Force recommended that the proposed fee increases should be consistent with the current arbitration fee structure, which assigns a majority of the costs of the forum to firms through the member surcharge and process fees. The Task Force issued its Final Report and Recommendations, available at *https://www.finra.org/arbitration-mediation/finra-dispute-resolution-task-force.*

[10] In 2014, FINRA increased arbitrator honoraria for the first time in 15 years to help retain a roster of high-quality arbitrators and attract qualified individuals. *See* Securities Exchange Act Release No. 73245 (September 29, 2014), 79 FR 59876 (October 3, 2014) (Order Approving File No. SR–FINRA–2014–026). From the end of 2014 through 2019, FINRA has increased the arbitrator roster by 1,478. At the end of 2014, there were 6,361 arbitrators on the roster, and by the end of 2019, there were 7,839, an increase of 23 percent.

FINRA also recently increased the honorarium to Chairs who rule on motions or subpoenas without a hearing. *See* Securities Exchange Act Release No. 84418 (October 12, 2018), 83 FR 52857 (October 18, 2018) (Order Approving File No. SR–FINRA–2018–026).

[11] The proposed rule change would apply to all members, including members that are funding portals or have elected to be treated as capital acquisition brokers (''CABs''), given that the funding portal and CAB rule sets incorporate the impacted FINRA rules by reference.

[12] From 2014 through 2019, FINRA paid the hearing-day honorarium on an average of 2,569 times per year. In order to fund the proposed hearing-day honorarium increase from $125 to $250, FINRA would need to raise revenue by approximately $368,000 annually. This estimate is an average of the projected revenue required in 2019–2021 to fund the increase to the Chair hearing-day honorarium.

[13] *See* FINRA Rules 12500(a) and 13500(a).

[14] *See* FINRA Rules 12701(a) and 13701(a).

still receive some compensation for serving as Chair.[15]

FINRA recognizes that the proposed increase in the Chair honorarium for hearings and the new prehearing honorarium may not meet market rates.[16] FINRA believes, however, these adjustments would better compensate Chairs for their important role in the proceedings requiring a minimal increase to the fees that customers, associated persons and members would be assessed.[17]

B. Proposed Increases to Arbitration Fees

To fund increases in the arbitrator Chair honoraria, FINRA is proposing to increase the member surcharge, member process fees, filing fees, and hearing session fees that the forum assesses the parties during the course of an arbitration case. FINRA believes the proposed fee increases would generate sufficient revenue to offset the proposed increases in the arbitrator Chair honoraria without placing an undue burden on users of the forum, particularly customers and claimants with small claims.

(i) Proposed Member Surcharge Increases

The Codes provide that a surcharge will be assessed against each member that: (1) Files a claim, counterclaim, cross claim, or third party claim under the Codes; (2) is named as a respondent in a claim, counterclaim, cross claim, or third party claim filed and served under the Codes; or (3) employed, at the time the dispute arose, an associated person who is named as a respondent in a claim, counterclaim, cross claim, or third party claim filed and served under the Codes.[18] The member is assessed one surcharge per arbitration case.[19] Member surcharges are intended to allocate the costs of administering the arbitration case to the firms that are involved in those cases. Thus, each member is assessed a member surcharge, based on the aggregate claim amount, when it is brought into the case, whether through a claim, counterclaim, cross claim or third party claim. The member surcharge is the responsibility of the member party and cannot be allocated to any other party (''non-allocable'').[20]

FINRA is proposing to amend FINRA Rules 12901 and 13901 to increase the member surcharge for claims of more than $250,000 and claims for non-monetary or unspecified damages.

Table 1 illustrates the proposed dollar and percentage changes for each tier.

TABLE 1—MEMBER SURCHARGE SCHEDULE

Amount of claim (exclusive of interest and expenses)	Current surcharge	Proposed Fee	Change	Percentage change
$.01 to $5,000	$150	$150	$0	0
$5,000.01–$10,000	325	325	0	0
$10,000.01–$25,000	450	450	0	0
$25,000.01–$50,000	750	750	0	0
$50,000.01–$100,000	1,100	1,100	0	0
$100,000.01–$250,000	1,700	1,700	0	0
$250,000.01–$500,000	1,900	2,025	125	7
$500,000.01–$1,000,000	2,475	2,625	150	6
$1,000,000.01–$5,000,000	3,025	3,200	175	6
$5,000,000.01–$10,000,000	3,600	3,850	250	7
Over $10,000,000	4,025	4,325	300	7
Non-Monetary/Not Specified	1,900	2,000	100	5

The member surcharge would remain non-allocable under the proposed rule change and, therefore, would not result in any additional costs to other parties to the arbitration, including customer claimants.

(ii) Proposed Filing Fee Increases

Under the Codes, if a customer, associated person, member, or other non-member files a claim, counterclaim, cross claim or third party claim, they must pay a filing fee to initiate an arbitration.[21] The filing fee is based on the claim amount or type of damages requested.[22]

FINRA is proposing to amend FINRA Rules 12900 and 13900 to increase the filing fees for customers, associated persons, other non-members, or members bringing claims of more than $500,000 and claims for non-monetary or unspecified damages.

(1) Proposed Filing Fees Paid by Customers, Associated Persons or Other Non-Members

To minimize the impact of the proposed rule change on customers or claimants with small claims, the proposed rule change would amend FINRA Rule 12900(a) to increase the filing fees for claims of more than $500,000 and claims for non-monetary or unspecified damages.[23] Table 2 shows the proposed dollar and percentage changes.

[15] From 2014 through 2019, FINRA conducted an average of 4,954 prehearing conferences per year. In order to pay the proposed additional Chair prehearing honorarium of $125, FINRA would need to raise revenue by approximately $724,000 annually. This estimate is an average of the projected revenue required in 2019–2021 to fund the new Chair honorarium for prehearing conferences.

[16] In other private arbitration forums like the American Arbitration Association (''AAA'') and JAMS, arbitrators set their own rates, which can be significantly higher than the honoraria FINRA provides. For example, a FINRA Chair would receive $600 for a full hearing day (two hearing sessions at $300 each) plus an additional $125 for serving as Chair; whereas, a AAA or JAMS arbitrator could receive $4,000 ($500/hour) for the same amount of time.

[17] Together, the changes to the Chair honoraria would add approximately $1.1 million to FINRA's annual expenses. *See supra* notes 1212 and 15.

[18] *See* FINRA Rules 12901 and 13901.

[19] *See* FINRA Rules 12901(a)(6) and 13901(f).

[20] *See supra* note 19.

[21] *See* FINRA Rules 12900(a)(1) and 13900(a)(1).

[22] *See supra* note 21.

[23] FINRA Rule 13900(a) applies filing fees for claims filed by associated persons. The claim amount tiers and filing fee amounts are the same as those in Rule 12900(a)(1). The proposed rule change would similarly amend Rule 13900(a) to increase the filing fees for claims of more than $500,000 and claims for non-monetary or unspecified damages.

TABLE 2—FILING FEES FOR CUSTOMERS, ASSOCIATED PERSONS OR OTHER NON-MEMBER CLAIMANTS

Amount of claim (exclusive of interest and expenses)	Current claim filing fee	Proposed claim filing fee	Change	Percentage change
$.01 to $1,000	$50	$50	$0	0
$1,000.01–$2,500	75	75	0	0
$2,500.01–$5,000	175	175	0	0
$5,000.01–$10,000	325	325	0	0
$10,000.01–$25,000	425	425	0	0
$25,000.01–$50,000	600	600	0	0
$50,000.01–$100,000	975	975	0	0
$100,000.01–$500,000	1,425	1,425	0	0
$500,000.01–$1,000,000	1,725	1,740	15	1
$1,000,000.01–$5,000,000	2,000	2,025	25	1
Over $5,000,000	2,250	2,300	50	2
Non-Monetary/Not Specified	1,575	1,600	25	2

(2) Proposed Filing Fees Paid by Members

The proposed rule change would also amend FINRA Rules 12900(b) and 13900(b) to increase the filing fees that members pay for claims of more than $500,000 and claims for non-monetary or unspecified damages. The filing fee for claims of more than $500,000 would increase by $100 to $200, and for non-monetary claims, by $100.[24] Table 3 shows the proposed dollar and percentage changes.

TABLE 3—FILING FEES FOR MEMBER CLAIMANT

Amount of claim (exclusive of interest and expenses)	Current claim filing fee	Proposed claim filing fee	Change	Percentage change
$.01 to $1,000	$225	$225	$0	0
$1,000.01–$2,500	350	350	0	0
$2,500.01–$5,000	525	525	0	0
$5,000.01–$10,000	750	750	0	0
$10,000.01–$25,000	1,050	1,050	0	0
$25,000.01–$50,000	1,450	1,450	0	0
$50,000.01–$100,000	1,750	1,750	0	0
$100,000.01–$500,000	2,125	2,125	0	0
$500,000.01–$1,000,000	2,550	2,650	100	4
$1,000,000.01–$5,000,000	3,400	3,550	150	4
Over $5,000,000	4,000	4,200	200	5
Non-Monetary/Not Specified	1,700	1,800	100	6

(iii) Proposed Process Fee Increases

The Codes provide that each member that is a party to an arbitration or employed an associated person who is a party to an arbitration in which the claim amount is more than $25,000 must pay a process fee based on the amount of the claim.[25] FINRA assesses the member the applicable process fee when the parties are sent the arbitrator lists or notification of the hearing. Like the member surcharge, the process fee is non-allocable to other parties to the arbitration.[26]

The proposed rule change would amend FINRA Rules 12903 and 13903 to increase the member process fees for claim amounts larger than $250,000 and for claims for non-monetary or unspecified damages. Table 4 illustrates the proposed dollar and percentage changes.

TABLE 4—MEMBER PROCESS FEE SCHEDULE

Amount of claim (exclusive of interest and expenses)	Current process fee	Proposed fee	Change	Percentage change
$.01–$25,000	$0	$0	$0	0
$25,000.01–$50,000	1,750	0	0	0
$50,000.01–$100,000	2,250	0	0	0
$100,000.01–$250,000	3,250	0	0	0
$250,000.01–$500,000	3,750	3,875	125	3
$500,000.01–$1,000,000	5,075	5,225	150	3
$1,000,000.01–$5,000,000	6,175	6,375	200	3
$5,000,000.01–$10,000,000	6,800	7,050	250	4
Over $10,000,000	7,000	7,300	300	4
Non-Monetary/Not Specified	3,750	3,850	100	3

[24] The partial refund amounts for settlements or withdrawals more than 10 days before the hearing on the merits would remain the same. *See* FINRA Rules 12900(c)(1) and 13900(c)(1).

[25] *See* FINRA Rules 12903 and 13903. If a claim amount is less than $25,000, the member would not be assessed any process fees.

[26] *See* FINRA Rules 12903(d) and 13903(d). *See also* FINRA Rules 12701(b) and 13701(b).

The member process fees would remain non-allocable under the proposed rule change and, therefore, would not result in any additional costs to other parties to the arbitration, including customer claimants.

(iv) Proposed Hearing Session Fee Increases

FINRA assesses hearing session fees against the parties for each hearing and pre-hearing session conducted by a panel.[27] In the award, the panel determines the amount of the hearing session fees that each party is required to pay.[28] The arbitrators may apportion the fees in any manner, including assessing the entire amount against one party.[29]

As the panel can allocate hearing session fees to customer claimants, the proposed rule change would amend FINRA Rules 12902 and 13902 to increase the fees for claims of more than $500,000 and for claims for non-monetary or unspecified damages, and would be small, ranging from $25 to $75. There are different hearing session fees for hearings with one arbitrator versus hearings with three arbitrators. Under the proposed rule change, the fees would not change for hearings with one arbitrator, so that the forum remains accessible and affordable to customer claimants with small claims. Table 5 illustrates the proposed dollar and percentage changes.

TABLE 5—HEARING SESSION FEES FOR SESSION WITH THREE ARBITRATORS

Amount of claim (exclusive of interest and expenses)	Current fee for session w/three arbitrators	Proposed fee for session w/three arbitrators	Change	Percentage change
Up to $2,500	NA	NA	NA	NA
$2,500.01–$5,000	NA	NA	NA	NA
$5,000.01–$10,000	NA	NA	NA	NA
$10,000.01–$25,000	NA	NA	NA	NA
$25,000.01–$50,000	$600	$600	$0	0
$50,000.01–$100,000	750	750	0	0
$100,000.01–$500,000	1,125	1,125	0	0
$500,000.01–$1,000,000	1,300	1,325	25	2
$1,000,000.01–$5,000,000	1,400	1,435	35	3
Over $5,000,000	1,500	1,575	75	5
Non-Monetary/Not Specified	1,125	1,150	25	2

The effects of the proposed hearing session fee increases may be minimized under the Codes. For example, if the parties settle the arbitration before any hearings are held, the parties will not be assessed hearing fees.[30] During settlement negotiations, parties have the opportunity to determine how to share any hearing session fees, if hearings are held.[31] For cases that result in an award, the panel has discretion to assess hearing session fees as part of the award,[32] which allows them to consider numerous factors to determine each party's appropriate share and assign the costs accordingly. The proposed rule change would not change a party's ability to settle or arbitrators' discretion to assess the hearing session fees.

C. Examples of How the Proposed Honoraria and Fee Increases Would Be Applied

The following two examples help illustrate how the proposed fee increases would affect a typical arbitration. FINRA notes that the fees associated with an arbitration claim depend on multiple factors including: The claim amount, the number of arbitrators, the number of hearing sessions conducted, how the arbitrators decide to assess the fees among the parties, and whether the case is settled or withdrawn.

(i) Claims Alleging Damages of $100,000.01 to $500,000

For a claim between $100,000.01 and $500,000, the customer would pay a filing fee of $1,425 to initiate the claim.[33] For this claim amount tier, there would be no increase to the filing fee. The member surcharge assessed against the firm would increase by $125, from $1,900 to $2,025. The member process fees would also increase by $125, from $3,750 to $3,875. In total, the fees members would pay for cases in this claim amount tier would be $5,900, an increase of approximately four percent. The hearing session fees for this claim amount would remain unchanged at $1,125 per hearing session.

(ii) Claims Alleging Damages Over $1,000,000.01 to $5,000,000

For a claim between $1,000,000.01 and $5,000,000, the customer would pay $2,025, an increase of $25 from $2,000, to initiate the claim.[34] The member surcharge to the firm would increase by $175, from $3,025 to $3,200. The member process fees would increase by $200, from $6,175 to $6,375. Together, the fees members would pay for cases in this claim amount tier would be $9,575, an increase of approximately four percent. The proposed hearing session fees for this claim amount tier would increase by $35, from $1,400 to $1,435.

D. Technical Changes

The proposed rule change would amend FINRA Rules 12901 and 13901 to make the formatting more consistent in the fee schedules. In addition, the proposed rule change would amend FINRA Rule 12900(c)(3) to change the cross-reference in the rule from Rule 12202(c) to Rule 12202.

If the Commission approves the proposed rule change, FINRA will announce the effective date of the

[27] *See* FINRA Rules 12902(a) and 13902(a). *See also supra* note 3.

[28] The term ''panel'' means the arbitration panel, whether it consists of one or more arbitrators. *See* FINRA Rules 12100(u) and 13100(s).

[29] *See* FINRA Rules 12902(a)(1) and 13902(a)(1).

[30] The panel will assess a hearing session fee against the parties for an IPHC, if one is held, in the award. *See* FINRA Rules 12902(b)(1) and 13902(b)(1). *See also* FINRA Rules 12500(c) and 13500(c).

[31] *See* FINRA Rules 12701(b) and 13701(b).

[32] *See* FINRA Rules 12902(a)(1) and 13902(a)(1).

[33] Between 2014–2019, FINRA closed on average 830 cases out of 2,428 customer cases with damages in this range.

[34] Between 2014–2019, FINRA closed on average 283 cases out of 2,428 customer cases with damages in this range.

proposed rule change in a *Regulatory Notice* to be published no later than 60 days following Commission approval. The effective date will be no later than 120 days following publication of the *Regulatory Notice* announcing Commission approval.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,[35] which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, and Section 15A(b)(5) of the Act,[36] which requires, among other things, that FINRA rules provide for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system that FINRA operates or controls.

FINRA believes the proposed increase to the hearing-day Chair honorarium and the addition of a Chair honorarium for prehearing conferences will provide more of an incentive for eligible arbitrators to become Chairs and more adequately compensate Chairs for their additional work. These changes, in turn, will help FINRA attract both new and experienced arbitrators to become Chairs, increasing the number of arbitrators on the Chair roster as well as the quality and depth of the roster, which is necessary for protecting investors and the public interest.

In addition, the proposed fee increases to the member surcharge, member process fees, filing fees, and hearing session fees will enable FINRA to cover the proposed changes to arbitrator Chair honoraria while helping to ensure that FINRA's arbitration forum remains accessible and affordable to parties, particularly customers and claimants with small claims.

FINRA believes the proposed rule change appropriately allocates the proposed fee increases among users of the forum by spreading the increases among high claim amounts and continuing to ensure that the costs of the forum are borne 85 percent by members and 15 percent by customers. In particular, the proposed Chair honoraria changes will be funded primarily by the minimal increases to the surcharge and process fees assessed to member firms for claims of more than $250,000. In addition, the filing and hearing session fee increases, which impact customer claimants, will apply only to claims of more than $500,000, and will be small. For example, the filing fee increases will range from $15 to $50. The hearing session fee increases will range from $25 to $75. Thus, FINRA believes the proposed rule change provides for the equitable allocation of reasonable fees for users of the arbitration forum, and protects investors and the public interest by keeping the forum accessible and affordable for customers.

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

FINRA has undertaken an economic impact assessment, as set forth below, to analyze the regulatory need for the proposed change, its potential economic impacts, including anticipated costs, benefits, and competitive effects, relative to the current baseline, and the alternatives FINRA considered in assessing how best to meet FINRA's regulatory objectives.

Regulatory Need

The proposed amendments are intended to address the issue of a lack of local public Chairs on the roster. As stated earlier, several FINRA hearing locations lack a sufficient number of local public Chairs. Hearing sites without a sufficient number of local Chairs draw from non-local arbitrators. Arbitration parties have reported that they prefer local arbitrators to preside over their cases. Appointing Chairs who live outside of the local hearing location may also result in scheduling delays of hearings and prehearing conferences. Further, non-local arbitrators who serve on a case incur additional expenses related to air, rail, and local ground transportation and hotels, which are then reimbursed by FINRA.

Economic Baseline

The economic baseline for the proposed amendments is the current rules under the Codes that address the Chair honoraria and forum fees that parties to an arbitration incur. The economic baseline also includes the roster of local public Chairs in each hearing location.

Currently, Chairs receive an additional $125 per day for each hearing on the merits (no additional compensation if cases are closed by settlement or other means prior to the first hearing on the merits). Chairs do not receive an additional honorarium when attending prehearing conferences. Anecdotal evidence suggests that the current Chair honorarium is not commensurate with the additional work required of Chairs in the arbitration process.[37]

FINRA collects information detailing the number of open cases and public Chairs per hearing location. As of April 30, 2020, across the 69 domestic hearing locations, there were 4,788 open cases.[38] Additionally, the arbitrator roster included 1,118 local public Chairs, and 1,531 non-local public Chairs who served in these locations.[39] The average number of local public Chairs and open cases was 16 and 69, respectively; thus, non-local Chairs were used in some cases.[40]

Hearing locations with fewer than 20 local public Chairs pose a particular concern for the forum. FINRA's arbitrator appointment process uses the Neutral List Selection System (''NLSS''), a computer algorithm, to randomly generate lists of arbitrators from FINRA's arbitrator roster. NLSS generates a random list of 10 arbitrators from the public Chair roster. Each party in the case receives the list, and each separately-represented party may strike up to four names.[41] The system generates the random list from the local Chair roster first. If the hearing location does not have at least 20 local Chairs, the system will pull in non-local Chairs. The use of non-local Chairs to complete the list increases the probability that the final list of 10 Chairs will include one or more non-local Chairs.

In the sample, 51 out of 69 hearing locations had fewer than 20 local public Chairs. Among the 43 most active hearing locations (those with 20 or more open cases), 25 locations had fewer than 20 local public Chairs. The majority of these locations are midsize cities, for example, Birmingham (Alabama) with seven local public Chairs and 31 open cases, and Columbia (South Carolina) with three local public Chairs and 72 open cases.[42] On average, these 25 hearing locations had 10 local public

[35] 15 U.S.C. 78*o*–3(b)(6).

[36] 15 U.S.C. 78*o*–3(b)(5).

[37] The anecdotal evidence is mainly based on feedback that FINRA has received from Chair-eligible arbitrators who revealed a lack of interest in completing the required Chair training.

[38] Among the 4,788 open cases, 1,373 of them are in San Juan, Puerto Rico due to the downgrade of Puerto Rican bonds to ''junk status.''

[39] Arbitrators, including Chairs, can serve in multiple hearing locations.

[40] The median number of local public Chairs and open cases was 9 and 26, respectively.

[41] For example, each separately represented party may strike an arbitrator as a potential Chair because of a conflict of interest. In some cases, a conflict would preclude an arbitrator from even appearing on a list. For example, if an arbitrator has a current brokerage account with a party involved in the case, that arbitrator would not appear on the list involving the same party.

[42] These 25 hearing locations also include San Juan, Puerto Rico, which had 1,373 open cases and three local public Chairs. *See supra* note 38.

Chairs and 32 open cases.[43] This indicates that if FINRA is able to fill the gap by recruiting, on average, 10 additional local Chairs in these cities, it can greatly decrease the probability that the final list of 10 public Chairs presented to arbitration parties will include one or more non-local Chairs.

FINRA also collects information on the use of non-local public Chairs based on closed arbitration cases. During 2019, 3,556 arbitration cases were closed in which public Chairs were appointed to the arbitration panels. Of these 3,556 cases, 2,162 (60 percent) of them were customer cases. Forty percent of these arbitration cases and 48 percent of the customer cases had non-local public Chairs appointed on the arbitration panels.

In the 25 active hearing locations with fewer than 20 local public Chairs, 1,296 arbitration cases were closed during 2019 in which public Chairs were appointed to the arbitration panels. Of these 1,296 cases, 980 (76 percent) of them were customer cases. Seventy-nine percent of these arbitration cases and 83 percent of the customer cases had non-local public Chairs appointed on the arbitration panels.

Economic Impact

The proposed amendments are expected to affect the parties to an arbitration such as customers, member firms, and associated persons. The proposed rule change is also expected to affect FINRA arbitrators and its dispute resolution forum. The proposed amendments would increase the honoraria that a Chair receives, increasing the incentives of arbitrators to become Chairs or serve as Chairs. The proposed rule change would likely increase the pool of arbitrators available to serve as Chairs, thereby increasing the probability that more local public Chairs would be proposed for selection. FINRA believes that the proposed rule change could help retain experienced arbitrators who currently serve as Chairs and increase the total number of arbitrators on the Chair roster.

In order to estimate potential increases in Chair honoraria following the proposed rule change, FINRA analyzes 3,993 arbitration cases in total that were closed during 2019.[44] FINRA estimates that under the proposed rule change, there would have been an aggregate increase of $345,500 to $691,000 in hearing-day honoraria, and an addition of $649,375 in Chair honoraria for prehearing conferences. Together, the aggregate Chair honoraria for these cases would have increased by $994,875 to $1,340,375.

The primary benefits of the proposed rule change would be the reduction in travel costs for non-local Chairs as well as the increased satisfaction of the parties in the case from having a local Chair due to the local Chair's knowledge of local laws and customs. In addition, arbitration parties may benefit from fewer scheduling delays of hearings and prehearing conferences following the proposed amendments.

The increase in the number of arbitrators willing to serve in the role of a Chair depends on the sensitivity of arbitrator incentives to honoraria changes. The impact on the Chair roster may be higher for the hearing sites of small and midsize cities than for the hearing sites of large cities for two reasons. First, the increase in the incentive of arbitrators may be more pronounced in small and midsize cities because the cost of living is relatively lower in these locations. Second, adding even a few arbitrators to the Chair roster for small and midsize cities would likely have a greater impact than for larger cities because Chair rosters in these cities tend to be smaller.

The proposed amendments may not fill the gap of local public Chair rosters in the immediate term or in all locations, as some hearing locations may lack a sufficient number of Chair-eligible public arbitrators. In order to be eligible for the Chair roster, FINRA requires an arbitrator to have a minimum amount of arbitration experience.[45] Thus, the immediate increase in the local public Chair roster following the proposed rule change would be capped at the number of experienced local public arbitrators.[46] Twenty-four hearing locations, for instance, had fewer than 20 local public arbitrators through April 30, 2020 in the sample. This suggests that the proposed rule change may be less likely to fill the gap of public Chair rosters at these locations even if all these public arbitrators, regardless of their experience, could become Chairs. The local Chair roster could increase over time, however, as the local public arbitrators gain more experience.[47] Taken together, FINRA acknowledges that there is limited direct evidence to establish that the proposed rule change will have an immediate effect on mitigating the issue of a lack of local public Chairs in the most acute locations.

The direct costs of the proposed rule change would arise from the increase in forum fees that parties to an arbitration would incur. Among the 3,993 cases closed in 2019, 1,773 cases (44 percent of all cases) with claims of equal to or less than $250,000 would not be subject to any increases in forum fees following the proposed rule change. The remaining 2,220 cases (56 percent of all cases) would be subject to increases in forum fees: 1,662 cases (42 percent of all cases) with non-monetary/non-specified claims or claims of greater than $500,000 would be subject to higher filing fees, member surcharges and process fees, and hearing session fees; 558 cases (14 percent of all cases) with claims of larger than $250,000 but smaller than or equal to $500,000 would be subject to higher member surcharges and process fees.

Subject to the proposed rule change, the total forum fees associated with the 3,993 cases closed in 2019 would have increased by $1,006,365 (a 2.65 percent increase relative to the existing fee level).[48] While 44 percent of the 3,993 cases closed in 2019 would not have been subject to any fee increases under the proposed rule change, the remaining 2,220 cases would have been subject to an average increase of $453 in forum fees. When considering all cases that were closed in 2019, total forum fees would have increased around $252 on average. Note that this analysis is based on the assumption that changes in forum fees would not affect the decisions of arbitration parties on whether to file a case, how much to claim in damages, and whether to settle a case after the case is filed. FINRA

[43] The median number of local public Chairs and open cases across these 25 hearing locations was 10 and 89, respectively.

[44] There were 2,125 customer cases among the 3,993 arbitration cases (or 55 percent).

[45] FINRA requires that an arbitrator: (1) Have a law degree and be a member of a bar of at least one jurisdiction and have served as an arbitrator through award on at least one arbitration administered by a self-regulatory organization (''SRO'') in which hearings were held; or (2) have served as an arbitrator through award on at least three arbitrations administered by a SRO in which hearings were held.

[46] According to FINRA's estimate, there are 48 Chair-eligible public arbitrators who could potentially become Chairs in the 25 active hearing locations that had fewer than 20 public Chairs in the sample. Thus, on average, approximately two additional Chair-eligible public arbitrators could potentially become Chairs immediately following the proposed increases in Chair honoraria. Similarly, the median number of Chair-eligible public arbitrators who can potentially become Chairs is two across these 25 hearing locations.

[47] Such an increase in the Chair roster could be significant in the next few years as the number of public arbitrators has grown significantly in the past two years.

[48] Specifically, the percentage increase in forum fees is broken down as follows: 1.28 percent in filing fees (from $6,129,675 to $6,208,395), 4.72 percent in member surcharges (from $7,652,050 to $8,012,875), 2.49 percent in member process fees (from $14,677,250 to $15,042,000), and 2.13 percent in hearing session fees (from $9,495,500 to $9,697,570).

acknowledges the possibility that the proposed rule change may affect strategic decisions for certain arbitration parties at the margin or under certain circumstances. However, FINRA believes that the proposed rule change would not significantly impact such decisions for a majority of the arbitration parties due to the proposed increases in forum fees.

Currently, the arbitration fee structure distributes much of the costs of the forum to member firms that are party to an arbitration proceeding and to parties associated with large claims or non-monetary/unspecified claims. The proposed rule change would retain this approach. FINRA believes its current and proposed fee structures are designed to keep its arbitration program accessible and affordable to parties, especially customers and claimants with small claims.

Under the proposed rule change, all members involved in an arbitration would be subject to the same new fee schedule. FINRA recognizes that increases in forum fees due to the proposed rule change could have a bigger impact on small firms where claims are larger or non-monetary/unspecified as they may be more resource-constrained compared with large members.

FINRA recognizes that under the proposed rule change, there is likely to be a transfer of wealth from those that pay the higher fees to those that benefit from the proposed rule change if those parties are different. The proposed fee schedule would allocate the majority of the costs in customer cases to those with larger claim amounts or those with non-monetary/unspecified claims, although customers in cases with small claims could still benefit from an expanded public Chair roster. Further, most of the benefits would likely accrue to customers in cases situated in those locations that are currently lacking a sufficient number of local public Chairs by gaining new local public Chairs as a result of the proposed rule change. However, customers in cases situated in locations not lacking a sufficient number of local public Chairs would also likely incur fee increases.

Similar to customer cases, a majority of the benefits would likely accrue to parties to industry disputes that require a public Chair and are situated in locations lacking such Chairs. Thus, parties to industry disputes that require a non-public Chair would likely not benefit from additional local public Chairs due to the proposed changes, even though non-public Chairs would be compensated at the same, higher rate and these parties would incur the same fee increases as parties to customer cases or parties to industry disputes that require a public Chair.[49] FINRA notes, however, that a majority of industry disputes filed in the forum require a public Chair, for example, those involving a broker as a party. Industry parties to these disputes, therefore, could benefit from greater choice of local public Chairs if their hearing locations lack such Chairs.

FINRA does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, FINRA does not expect that the proposed rule change would impact FINRA's competitive position relative to other arbitration forums.[50]

Alternatives Considered

An alternative to the proposed amendments is a higher or lower amount of increase in Chair honoraria. A higher amount would further incentivize arbitrators to serve as Chair, and FINRA would incur fewer expenses reimbursing non-local arbitrators for their travel. A higher amount, however, would also increase the fees on the parties to the arbitration, potentially making the forum less accessible.

Parties would incur fewer expenses for a lower amount of increase in Chair honoraria. A lower amount, however, may not be able to provide sufficient incentives for arbitrators to become a Chair, and FINRA would incur a higher level of expense to reimburse non-local arbitrators. FINRA believes the proposed level of increase in honoraria balances the expected increase in the number of local Chairs with the higher fees that would be paid by the parties to an arbitration.

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

Written comments were neither solicited nor received.

[49] FINRA believes that current hearing locations already have a sufficient number of non-public Chairs. As of July 8, 2020, the number of non-public Chairs on FINRA's roster was 741, whereas only nine open industry disputes in total required a non-public Chair. These nine open cases were situated in four different hearing locations. For example, New York City had four open industry disputes that required a non-public Chair and 119 local non-public Chairs; Los Angeles had three open industry disputes that required a non-public Chair and 53 local non-public Chairs.

[50] As FINRA arbitrator compensation tends to be significantly lower than the rate in other forums, the proposed increases in Chair honoraria are not expected to significantly affect other forums in attracting and retaining qualified Chairs. *See supra* note 16.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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–FINRA–2020–035 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–FINRA–2020–035. 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 a.m. and 3 p.m. Copies of such filing

also will be available for inspection and copying at the principal office of FINRA. 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–FINRA–2020–035 and should be submitted on or before November 16, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[51]

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2020–23633 Filed 10–23–20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–90230; File No. SR–CboeBYX–2020–030]

Self-Regulatory Organizations; Cboe BYX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Extend the Current Pilot Program Related to BYX Rule 11.17, Clearly Erroneous Executions, to the Close of Business on April 20, 2021

October 20, 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 October 16, 2020, Cboe BYX Exchange, Inc. (''Exchange'' or ''BYX'') 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

Cboe BYX Exchange, Inc. (''BYX'' or the ''Exchange'') is filing with the Securities and Exchange Commission (the ''Commission'') a proposed rule change to extend the current pilot program related to BYX Rule 11.17, Clearly Erroneous Executions, to the close of business on April 20, 2021. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (*http://markets.cboe.com/us/equities/regulation/rule_filings/byx/*), at the Exchange's Office of the Secretary, 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 purpose of this filing is to extend the effectiveness of the Exchange's current rule applicable to Clearly Erroneous Executions to the close of business on April 20, 2021. Portions of Rule 11.17, explained in further detail below, are currently operating as a pilot program set to expire on October 20, 2020.[3]

On September 10, 2010, the Commission approved, on a pilot basis, changes to BYX Rule 11.17 that, among other things: (i) Provided for uniform treatment of clearly erroneous execution reviews in multi-stock events involving twenty or more securities; and (ii) reduced the ability of the Exchange to deviate from the objective standards set forth in the rule.[4] In 2013, the Exchange adopted a provision designed to address the operation of the Plan.[5] Finally, in 2014, the Exchange adopted two additional provisions providing that: (i) A series of transactions in a particular security on one or more trading days may be viewed as one event if all such transactions were effected based on the same fundamentally incorrect or grossly misinterpreted issuance information resulting in a severe valuation error for all such transactions; and (ii) in the event of any disruption or malfunction in the operation of the electronic communications and trading facilities of an Exchange, another SRO, or responsible single plan processor in connection with the transmittal or receipt of a trading halt, an Officer, acting on his or her own motion, shall nullify any transaction that occurs after a trading halt has been declared by the primary listing market for a security and before such trading halt has officially ended according to the primary listing market.[6]

On December 26, 2018, the Commission published the proposed Eighteenth Amendment[7] to the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the ''Limit Up-Limit Down Plan'' or the ''Plan'')[8] to allow the Plan to operate on a permanent, rather than pilot, basis. On April 8, 2019, the Exchange amended BYX Rule 11.17 to untie the pilot program's effectiveness from that of the Plan and to extend the pilot's effectiveness to the close of business on October 18, 2019 in order allow the Exchange and other national securities exchanges additional time to consider further amendments, if any, to the clearly erroneous execution rules in light of the proposed Eighteenth Amendment to the Plan.[9] On April 17, 2019, the Commission published an approval of the Eighteenth Amendment to allow the Plan to operate on a permanent, rather than pilot, basis.[10] On October 21, 2019, the Exchange amended BYX Rule 11.17 to extend the pilot's effectiveness to the close of business on April 20, 2020.[11] Finally, on March 18, 2020, the Exchange amended BYX Rule 11.17 to extend the pilot's effectiveness to the close of business on October 20, 2020.[12]

The Exchange now proposes to amend BYX Rule 11.17 to extend the pilot's effectiveness to the close of business on

[51] 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. 88496 (March 27, 2020), 85 FR 18600 (April 2, 2020) (SR–CboeBYX–2020–010).

[4] *See* Securities Exchange Act Release No. 63097 (Oct. 13, 2010), 75 FR 64767 (Oct. 20, 2010) (SR–BYX–2010–002).

[5] *See* Securities Exchange Act Release No. 68798 (Jan. 31, 2013), 78 FR 8628 (Feb. 6, 2013) (SR–BYX–2013–005).

[6] *See* Securities Exchange Act Release No. 71796 (March 25, 2014), 79 FR 18099 (March 31, 2014) (SR–BYX–2014–003).

[7] *See* Securities Exchange Act Release No. 84843 (December 18, 2018), 83 FR 66464 (December 26, 2018) (File No. 4–631) (''Eighteenth Amendment'').

[8] *See* Securities Exchange Act Release No. 67091 (May 31, 2012), 77 FR 33498 (June 6, 2012) (the ''Limit Up-Limit Down Release'').

[9] *See* Securities Exchange Act Release No. 85542 (Apr. 8, 2019), 84 FR 15009 (Apr. 12, 2019) (SR–CboeBYX–2019–003).

[10] *See* Securities Exchange Act Release No. 85623 (Apr. 11, 2019), 84 FR 16086 (Apr. 17, 2019) (File No. 4–631).

[11] *See* Securities Exchange Act Release No. 87364 (Oct. 21, 2019), 84 FR 57528 (Oct. 25, 2019) (SR–CboeBYX–2019–018).

[12] *See* supra note 5.