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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-89398; File No. SR-CBOE-2020-050]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, to Amend Rules 5.37 and 5.73

July 27, 2020.

On June 3, 2020, Cboe Exchange, Inc. (“Exchange”) 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 Rules 5.37 and 5.73 to permit orders for the accounts of market makers with an appointment in SPX to be solicited for the initiating order submitted for execution against an agency order in SPX options into a simple Automated Improvement Mechanism (“AIM”) auction or a simple FLEX AIM auction. The proposed rule change was published for comment in the Federal Register on June 18, 2020.³ On July 2, 2020, the Exchange submitted Amendment No. 1 to the proposed rule change, which replaced and superseded the proposed rule change in its entirety.⁴ On July 22,

¹ 15 U.S.C.78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 89062 (June 12, 2020), 85 FR 36907. Comments on the proposed rule change can be found at: <https://www.sec.gov/comments/sr-cboe-2020-050/srcboe2020050.htm>.

⁴ In Amendment No. 1, the Exchange: (1) limited the scope of its original proposal, which would have permitted orders for the accounts of market makers with an appointment in any class to be solicited for the initiating order in an AIM or FLEX AIM auction in that class, to only allow market makers with an appointment in SPX to be solicited for the initiating order in an AIM or FLEX AIM auction in SPX; and (2) provided additional data, justification, and support for its modified proposal. The full text of Amendment No. 1 is available on the Commission’s website at: <https://www.sec.gov/comments/sr-cboe-2020-050/srcboe2020050-7382058-218888.pdf>.

2020, the Exchange submitted Amendment No. 2 to the proposed rule change.⁵

Section 19(b)(2) of the Act⁶ provides that within 45 days of the publication of 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 2, 2020. The Commission is extending this 45-day time period.

The Commission finds it 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, as modified by Amendment Nos. 1 and 2, and the comments received. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁷ designates September 16, 2020 as the date by which the Commission shall either approve or disapprove, or institute proceedings to

⁵ In Amendment No. 2, the Exchange: (1) provided additional data, justification, and support for its proposal; and (2) made technical corrections and clarifications to the description of the proposal. The full text of Amendment No. 2 is available on the Commission's website at: <https://www.sec.gov/comments/sr-cboe-2020-050/srcboe2020050-7464399-221161.pdf>.

⁶ 15 U.S.C. 78s(b)(2).

⁷ Id.

determine whether to disapprove, the proposed rule change, as modified by Amendment Nos. 1 and 2 (File No. SR-CBOE-2020-050).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁸

J. Matthew DeLesDernier,
Assistant Secretary.

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⁸ 17 CFR 200.30-3(a)(31).