

creating equivalent standards among the affiliated exchanges owned by Nasdaq, Inc. (“HoldCo”).<sup>11</sup> As such, the Exchange believes that its proposal will bring greater consistency to its rules, which is beneficial to both investors and the public interest.

#### *B. Self-Regulatory Organization’s Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change does not address competitive issues but relates to the administration and functioning of the Exchange by allowing the Exchange greater flexibility in attracting and retaining well qualified officers to the role of CRO that are not designated as an Executive Vice President or Senior Vice President.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>12</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>13</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>14</sup> normally does not become operative prior to 30 days after the date of the filing. However, Rule 19b-4(f)(6)(iii)<sup>15</sup> permits the

<sup>11</sup> The Nasdaq Stock Market LLC (“NSM”), Nasdaq BX, Inc. (“BX”), Nasdaq ISE, LLC (“ISE”), and Nasdaq GEMX, LLC (“GEMX”) will file similar proposals to conform their By-Laws with Phlx’s By-Laws. ISE, GEMX, MRX, NSM, BX, and Phlx will hereinafter be referred to collectively as “Affiliated Exchanges.”

<sup>12</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>13</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>14</sup> 17 CFR 240.19b-4(f)(6).

<sup>15</sup> 17 CFR 240.19b-4(f)(6)(iii).

Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposed rule change may become operative immediately upon filing. The Exchange notes that waiver of the operative delay will allow it to amend its By-Laws by September 26, 2018. The Exchange states that the boards of the Affiliated Exchanges will collectively meet on that date to address, among other matters, certain annual corporate “housekeeping items,” which the Exchange states has historically included Exchange officer appointments. As such, the Commission believes that waiver of the operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposed rule change as operative upon filing.<sup>16</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission’s internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-MRX-2018-29 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-MRX-2018-29. This file number should be included on the

<sup>16</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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 the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MRX-2018-29 and should be submitted on or before October 16, 2018.

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

**Eduardo A. Aleman,**  
*Assistant Secretary.*

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**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

### **Sunshine Act Meetings**

**TIME AND DATE:** 2:00 p.m. on Thursday, September 27, 2018.

**PLACE:** Closed Commission Hearing Room 10800.

**STATUS:** This meeting will be closed to the public.

#### **MATTERS TO BE CONSIDERED:**

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters also may be present.

The General Counsel of the Commission, or his designee, has

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

certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (6), (7), (8), 9(B) and (10) and 17 CFR 200.402(a)(3), (a)(5), (a)(6), (a)(7), (a)(8), (a)(9)(ii) and (a)(10), permit consideration of the scheduled matters at the closed meeting.

Commissioner Peirce, as duty officer, voted to consider the items listed for the closed meeting in closed session.

The subject matters of the closed meeting will be:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings;

Resolution of litigation claims; and

Other matters relating to enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

**CONTACT PERSON FOR MORE INFORMATION:**

For further information and to ascertain what, if any, matters have been added, deleted or postponed; please contact Brent J. Fields from the Office of the Secretary at (202) 551-5400.

Dated: September 20, 2018.

**Brent J. Fields,**

Secretary.

[FR Doc. 2018-20899 Filed 9-21-18; 11:15 am]

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**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-84227; File No. SR-BX-2018-045]

**Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Equity Rule 6950 Series Concerning the Order Audit Trail System To Make Conforming and Technical Changes**

September 20, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on September 12, 2018, Nasdaq BX, Inc. (“BX” or “Exchange”) 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 Exchange filed the proposal as a “non-controversial” rule change pursuant to Section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder.<sup>4</sup> 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**

The Exchange proposes to the [sic] Rule 6950 Series concerning the Order Audit Trail System to make conforming and technical changes.

The text of the proposed rule change is available on the Exchange’s website at <http://nasdaqbx.cchwallstreet.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 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 Exchange is proposing to amend the Equity Rule 6950 Series<sup>5</sup> concerning the Order Audit Trail System to: (1) Renumber the whole Equity Rule 6950 Series to conform it to the numbering convention used by the Nasdaq Stock Market LLC (“Nasdaq”) and FINRA; (2) amend Equity Rule 7410A to expand two exemptions and to make technical changes to text under the Rule; (3) delete inapplicable text from Equity Rules 7430A, 7440A and 7450A and make other conforming changes to these Rules; (4) reorganize rule text under Equity Rule 7450A; (5) delete current Equity Rules 6957 and 6958.

The Exchange’s Equity Rule 6950 Series imposes an obligation on Exchange members to record in electronic form and report to FINRA on a daily basis certain information with

respect to orders originated, received, transmitted, modified, canceled, or executed by members in Nasdaq- and Exchange-listed stocks. FINRA’s Order Audit Trail System (“OATS”) captures this order information and integrates it with quote and transaction information to create a time-sequenced record of orders, quotes, and transactions. This information is used by FINRA staff to conduct surveillance and investigations of members for potential violation of Exchange rules and federal securities laws.

The Exchange adopted the Equity Rule 6950 Series to copy Nasdaq and FINRA OATS rules, where appropriate. As a general principle, the Exchange endeavors to keep its rules worded and structured as closely as possible to the FINRA rules on which they are based, including FINRA’s OATS rules under its Rule 7000 Series. In instances where the FINRA rules are inapplicable to the Exchange, such as FINRA Rule 7410(o)(2), which concerns an exception to the definition of a Reporting Member relating to members operating on equities floors, the Exchange has not copied those FINRA rules. Generally, the Exchange also seeks to keep the Equity Rule 6950 Series consistent with Nasdaq’s Rule 7400A Series, which should also be materially identical to the related rules of the Exchange. The proposed changes will harmonize Exchange rules with analogous Nasdaq and FINRA rules, which have been amended since the Exchange first adopted its rules.

First Change

The Exchange is proposing to renumber the Equity Rule 6950 Series to a new Equity Rule 7000A Series, which is identical to how Nasdaq presents its OATS rules. This will allow the Exchange’s OATS rules to follow the numbering convention used by Nasdaq and FINRA. Like Nasdaq, the Exchange is proposing to add an “A” to each of the rules so that they do not conflict with the existing Equity Rule 7000 Series within the Exchange’s rule book yet also follow FINRA’s numbering convention. FINRA’s OATS rules are under the FINRA Rule 7400 Series and individual rule numbers align with those of Nasdaq’s OATS rules and those proposed by the Exchange. As part of this change, the Exchange is also updating references to rules in the Equity Rule 6950 Series to the renumbered rules in the Equity Rule 7000A Series. Relatedly, the Exchange is correcting citations in Equity Rules 7430A, 7440A, and 7450A that currently reference NASD rule [sic] that have been renumbered as FINRA rules.

<sup>5</sup> The term “Equity Rules” means the numbered rules set forth in the Exchange Manual denominated as the 0100, 1000, 2000, 3000, 4000, 5000, 6000, 7000, 8000, 9000, 10000, and 11000 Series Rules. See Equity Rule 0120(p). The Exchange is proposing to make it clear in the proposed rules that references to rules of the Exchange are “Equity Rules.”

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

<sup>2</sup> 17 CFR 240.19b-4.

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

<sup>4</sup> 17 CFR 240.19b-4(f)(6).