

up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange 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](mailto:rule-comments@sec.gov). Please include File Number SR-CBOE-2020-052 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-CBOE-2020-052. 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 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-CBOE-2020-052 and should be submitted on or before July 9, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>24</sup>

**J. Matthew DeLesDernier,**  
Assistant Secretary.

[FR Doc. 2020-13123 Filed 6-17-20; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-89055; File No. SR-FINRA-2020-017]

### Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Extend the Effective Date of the Temporary Amendments Set Forth in SR-FINRA-2020-015

June 12, 2020.

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 June 10, 2020, Financial Industry Regulatory Authority, Inc. ("FINRA") 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 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 Substance of the Proposed Rule Change

FINRA is proposing to extend the effective date of the temporary amendments set forth in SR-FINRA-2020-015<sup>3</sup> from June 15, 2020 to July 31, 2020. In response to the impacts on FINRA's operations caused by the outbreak of the coronavirus disease (COVID-19), FINRA's May 8 Filing temporarily modified some timing, method of service and other procedural requirements in FINRA rules through June 15, 2020.<sup>4</sup>

<sup>24</sup> 17 CFR 200.30-3(a)(12).

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

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

<sup>3</sup> See Securities Exchange Act Release No. 88917 (May 20, 2020), 85 FR 31832 (Notice of Filing and Immediate Effectiveness) (SR-FINRA-2020-015) (filed with the Commission on May 8, 2020 for immediate effectiveness) (the "May 8 Filing").

<sup>4</sup> See *id.*

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

On May 8, 2020, FINRA filed with the Commission a proposed rule change for immediate effectiveness to temporarily amend some timing, method of service and other procedural requirements in FINRA rules during the period in which FINRA's operations are impacted by the outbreak of COVID-19. Those temporary amendments set forth in FINRA's May 8 Filing are in effect through June 15, 2020.<sup>5</sup> The Commission published its notice of filing and immediate effectiveness for the May 8 Filing on May 20, 2020.<sup>6</sup>

FINRA proposed the temporary amendments set forth in its May 8 Filing to address the substantial impacts of the COVID-19 outbreak on FINRA's operations. Among other things, the need for FINRA staff, with limited exceptions, to work remotely and restrict in-person activities—consistent with the recommendations of public health officials—makes it challenging to meet certain procedural requirements and perform certain functions required under FINRA rules. The proposed rule change addressed these concerns by easing logistical and other issues and providing FINRA with needed flexibility for its operations during the COVID-19 outbreak.

The COVID-19 conditions necessitating the temporary amendments in FINRA's May 8 Filing

<sup>5</sup> As noted in FINRA's May 8 Filing, the temporarily amended FINRA rules will revert back to their original state at the conclusion of the temporary relief period, now July 31, 2020, and any extension thereof.

<sup>6</sup> See *supra* note 3.

persist and FINRA continues to face the same logistical and other challenges. For this reason and the reasons stated in the May 8 Filing, FINRA now proposes to extend the effective date of the temporary rule amendments in its May 8 Filing through July 31, 2020.<sup>7</sup> The extension of these temporary amendments will continue to help minimize the impact of the COVID-19 outbreak on FINRA's operations, allowing FINRA to continue critical adjudicatory and review processes in a reasonable and fair manner and meet its critical investor protection goals, while also following best practices with respect to the health and safety of its staff.

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become operative for 30 days after the date of the filing, so FINRA can implement the proposed rule change immediately.

## 2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>8</sup> 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. FINRA believes that the proposed rule change is also consistent with Section 15A(b)(8) of the Act,<sup>9</sup> which requires, among other things, that FINRA rules provide a fair procedure for the disciplining of members and persons associated with members.

The proposed rule change to extend the effective date of the temporary amendments to FINRA rules set forth in the May 8 Filing to July 31, 2020, will continue to provide FINRA, and in some cases another party to a proceeding, temporary modifications to its procedural requirements in order to allow FINRA to maintain fair processes and protect investors while operating in a remote work environment and with corresponding restrictions on its activities. It is in the public interest, and consistent with the Act's purpose, for FINRA to operate pursuant to this temporary relief. The temporary

amendments allow FINRA to specify filing and service methods, extend certain time periods, and modify the format of oral argument for FINRA disciplinary and eligibility proceedings and other review processes in order to cope with the current pandemic conditions. In addition, as set forth in the May 8 Filing, extending this temporary relief will further support FINRA's disciplinary and eligibility proceedings and other review processes that serve a critical role in providing investor protection and maintaining fair and orderly markets.

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

FINRA does not believe that the temporary proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. FINRA believes that the proposed rule change, which extends the effectiveness of the temporary rule amendments in its May 8 Filing to July 31, 2020, would prevent unnecessary impediments to FINRA's operations and FINRA's investor protection goals that would otherwise result if the amendments in its May 8 Filing expire on June 15, 2020. FINRA does not believe that the proposed rule change will have any material negative effect on members and will not impose any new costs.

### *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.

## 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) of the Act<sup>10</sup> and Rule 19b-4(f)(6)<sup>11</sup> thereunder.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not

become operative for 30 days after the date of filing. However, pursuant to Rule 19b-4(f)(6)(iii), the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. As FINRA requested in connection with its May 8 Filing, FINRA has also asked the Commission to waive the 30-day operative delay so that this proposed rule change may become operative immediately upon filing. As in its May 8 Filing, FINRA has reiterated that the requested relief in this proposed rule change will help minimize the impact of the COVID-19 outbreak on FINRA's operations, allowing FINRA to continue critical adjudicatory and review processes in a reasonable and fair manner and meet its critical investor protection goals, while also following best practices with respect to the health and safety of its employees.<sup>12</sup> We also note that this proposal, like FINRA's May 8 Filing, provides only temporary relief from, as FINRA states, the timing, method of service and other procedural requirements, described more fully in FINRA's May 8 Filing, during the period in which FINRA's operations are impacted by COVID-19. As proposed, these changes would be in place through July 31, 2020.<sup>13</sup> FINRA also noted in both proposed rule change filings that the amended rules will revert back to their original, pre-May 8 Filing state at the conclusion of the temporary relief period and, if applicable, any extension thereof.<sup>14</sup> For these reasons, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.<sup>15</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 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

<sup>12</sup> See May 8 Filing, 85 FR at 31833.

<sup>13</sup> As noted above, *see supra* note 5, FINRA states that if it requires temporary relief from the rule requirements identified in this proposal beyond July 31, 2020, it may submit a separate rule filing to extend the effectiveness of the temporary relief under these rules.

<sup>14</sup> See May 8 Filing, 85 FR at 31833.

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

<sup>7</sup> FINRA is monitoring the impact of COVID-19 on its operations. If the temporary relief from the rule requirements identified in FINRA's May 8 Filing is necessary beyond July 31, 2020, FINRA will submit a separate rule filing to extend the effectiveness of the temporary relief under those rules.

<sup>8</sup> 15 U.S.C. 78o-3(b)(6).

<sup>9</sup> 15 U.S.C. 78o-3(b)(8).

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</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. FINRA has satisfied this requirement.

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-FINRA-2020-017 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-2020-017. 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, on business days between the hours of 10:00 a.m. and 3:00 p.m., located at 100 F Street NE, Washington, DC 20549. 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-2020-017 and should be submitted on or before July 9, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2020-13113 Filed 6-17-20; 8:45 am]

**BILLING CODE 8011-01-P**

## **SURFACE TRANSPORTATION BOARD**

**[Docket No. FD 36409]**

### **Jon Delli Priscoli and First Colony Development and Rail Holdings Co.—Acquisition of Control Exemption—Massachusetts Coastal Railroad LLC**

Jon Delli Priscoli (Delli Priscoli) and First Colony Development and Rail Holdings Co. (Holdings) (collectively, the parties) have filed a verified notice of exemption under 49 CFR 1180.2(d)(2) to acquire control of Massachusetts Coastal Railroad LLC (Mass Coastal), a Class III rail carrier operating in Massachusetts.

The verified notice states that Delli Priscoli owns all of the outstanding stock of Grafton and Upton Railroad Co. (G&U), a Class III rail carrier, and all of the outstanding stock of Holdings, a newly formed noncarrier holding company. Mass Coastal is a wholly owned subsidiary of San Luis & Rio Grande Railroad, Inc. (SLRG), which is a the debtor in a Chapter 11 bankruptcy proceeding in the U.S. Bankruptcy Court for the District of Colorado (the Bankruptcy Court).<sup>1</sup> The Bankruptcy Court and William A. Brandt, as Chapter 11 trustee for the bankruptcy estate of SLRG (the Trustee), have established procedures for bidding on SLRG's LLC membership interests in Mass Coastal, and Holdings states that it intends to submit a bid.<sup>2</sup> According to the verified notice, if Holdings submits the winning bid and the sale is approved by the Bankruptcy Court, Holdings would be entitled to acquire all of the outstanding membership interests of Mass Coastal. The parties state that, upon acquisition of Mass Coastal, Delli Priscoli, through

Holdings, would control Mass Coastal indirectly and G&U directly.

The verified notice states that the schedule for the proposed acquisition contemplates consummating the transaction shortly after the anticipated approval of the sale by the Bankruptcy Court on a schedule that would not allow sufficient time for the parties to file a verified notice after the winning bid is selected. Notwithstanding that the Board's exemption authority is permissive, under the circumstances, the Board will not establish the effective date of this exemption at this time, but rather will require Holdings to inform the Board as to the result of the bidding process, at which point an effective date can be established if Holdings is the successful bidder.

The parties represent that: (1) The rail lines to be owned or operated by G&U and Mass Coastal do not connect with each other or any railroads in their respective corporate families; (2) the proposed transaction is not part of a series of anticipated transactions that would connect the railroads with each other or with any other railroads in their respective corporate families; and (3) the proposed transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

The parties state that the purpose of the proposed transaction is to afford Mass Coastal improved access to financial resources and opportunities to achieve operating efficiencies as a result of common control with another rail carrier.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. However, 49 U.S.C. 11326(c) does not provide for labor protection for transactions under 49 U.S.C. 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here because all of the carriers involved are Class III carriers.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than June 25, 2020.

All pleadings, referring to Docket No. FD 36409, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street SW, Washington, DC 20423-0001. In addition, a copy of each pleading

<sup>16</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> See *In re San Luis & Rio Grande R.R.*, Case No. 19-18905-TBM (Bankr. D. Colo.).

<sup>2</sup> The Board's exemption authority is permissive only; it does not require the authorized transaction to be consummated. See *Oakland Glob. Rail Enter.—Pet. For Declaratory Order*, FD 36168 et al., slip op. at 6 n.8 (STB served June 20, 2019) (explaining that Board authority is permissive and an entity must still obtain the requisite property rights). Thus, this exemption does not foreclose any other entity from seeking to acquire Mass Coastal (subject to any Board authority that may be needed), and it does not assume or affect the outcome of the bidding process.