

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–NYSE–2020–72 and should be submitted on or before October 6, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁵

J. Matthew DeLesDernier,
Assistant Secretary.

[FR Doc. 2020–20258 Filed 9–14–20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89471; File No. SR–CboeBZX–2020–057]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Options Regulatory Fee

August 4, 2020.

Correction

In notice document 2020–17352 appearing on pages 49405–49407 in the issue of August 13, 2020, make the following correction:

On page 49405, in the first column, the File No. in the heading is corrected to read as set forth above.

[FR Doc. C1–2020–17352 Filed 9–14–20; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89793; File No. SR–LCH SA–2020–003]

Self-Regulatory Organizations; LCH SA; Order Approving Proposed Rule Change, as Modified by Amendment No. 1, Relating to LCH SA's Governance Arrangements

September 9, 2020.

I. Introduction

On July 23, 2020, Banque Centrale de Compensation, which conducts

business under the name LCH SA (“LCH SA”), 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–4,² a proposed rule change to adopt certain changes to its governance arrangements, as described below. On July 29, 2020, LCH SA filed Amendment No. 1 to the proposed rule change.³ The proposed rule change, as modified by Amendment No. 1 (hereafter the “proposed rule change”), was published for comment in the **Federal Register** on August 10, 2020.⁴ The Commission did not receive comments on the proposed rule change. For the reasons discussed below, the Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

A. Background

LCH Group Holdings Limited (“LCH Group”)⁵ is the majority-owner and parent company of LCH SA.⁶ London Stock Exchange Group PLC (“LSEG”) is the majority-owner and parent company of LCH Group. LCH Group is also the parent company of LCH Limited, a central counterparty (“CCP”) authorized to offer clearing services in the European Union and registered with the Commodity Futures Trading Commission as a derivatives clearing organization.

In connection with its purchase of approximately 58 percent of LCH Group in 2013, LSEG entered into an agreement (the “Relationship Agreement”) with LCH Group for the purpose of, among other things: (i) Establishing core operating principles to be applied in managing the business of LCH Group; (ii) protecting minority shareholders of LCH Group by requiring the approval of 80 percent of votes on certain matters; (iii) requiring that the

Board of Directors of LCH Group and the Boards of LCH SA and LCH Limited be comprised of a mix of independent non-executive directors, executive directors, User Directors (as defined below), Venue Directors (as defined below), and LSEG representatives; and (iv) requiring LSEG, as a majority shareholder, to consent to certain actions, such as approval of the LCH Group budget.

LCH SA represents that the Relationship Agreement is no longer necessary because certain contractual provisions are provided for in law or regulation and other provisions are historic and no longer relevant. Notably, since 2013, LSEG has added to its shareholdings in LCH Group and now owns approximately 83 percent of LCH Group. Therefore, the minority protection provisions noted above are no longer relevant as LSEG alone could approve such matters by voting its shares. Consequently, LCH SA states that LCH Group and LSEG plan to terminate the Relationship Agreement. LCH Group also has determined to simplify its governing arrangements and to eliminate provisions in LCH Group's governance documents that are unnecessary and outdated. LCH SA also represents that LCH Group has also determined to eliminate duplication in decision-making between its Board of Directors and the Boards of LCH SA and LCH Limited by limiting the LCH Group Board to representatives of LSEG and LCH Group only. Further, LCH SA states that LCH Group will amend its Articles of Association accordingly.⁷

In response to the actions of LCH Group, LCH SA has submitted the proposed rule change to amend and simplify LCH SA's governance arrangements to reflect changes in LCH Group's governance arrangements. Specifically, the proposed rule change would (i) amend the Board of Directors of LCH SA (the “Board”) Terms of Reference (“Board TOR”); (ii) adopt the Terms of Reference of the Nomination Committee of the Board (“Nomination Committee TOR”); (iii) amend the Terms of Reference of the Risk Committee of the Board (“Risk Committee TOR”); (iv) amend the Terms of Reference of the Audit Committee of the Board (“Audit Committee TOR”); and (v) amend the Terms of Reference of the Remuneration Committee of the Board (“Remuneration Committee TOR”). Independent of these amendments related to the changes at LCH Group, the proposed rule change would also adopt the Terms of Reference of the Technology, Security,

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ LCH SA filed Amendment No. 1 to correct the Exhibit 5 to the original filing to reflect a change in Article 13 of the Terms of Reference of the Board of Directors of LCH SA and to correct an erroneous citation in the original filing.

⁴ Self-Regulatory Organizations; LCH SA; Notice of Filing of Proposed Rule Change, as Modified by Amendment No. 1, Relating to LCH SA's Governance Arrangements, Exchange Act Release No. 89465 (Aug. 4, 2020), 85 FR 48295 (Aug. 10, 2020) (SR–LCH–SA–2020–003) (“Notice”).

⁵ This description is substantially excerpted from the Notice, 85 FR 48295. Capitalized terms not otherwise defined herein have the meanings assigned to them in the LCH SA CDS/Clear Rule Book or the LCH SA governing documents, as applicable.

⁶ LCH Group currently owns 88.9 percent of LCH SA; Euronext N.V. owns 11.1 percent of LCH SA. See Notice, 85 FR at 48295, n. 4.

⁷ See Notice, 85 FR at 48296.

²⁵ 17 CFR 200.30–3(a)(12).