

Office of Personnel Management.
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Regulatory Affairs Analyst.
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reprinted below in accordance with 39 U.S.C. 3632(b)(2).

Joshua J. Hofer,
Attorney, Ethics & Legal Compliance.

Decision of the Governors of the United States Postal Service on Mail Classification Schedule Changes Related to the Outbound Commercial Provider Initiative (OCPI) (Governors' Decision No. 21-4)

May 6, 2021

Statement of Explanation and Justification

Pursuant to our authority under section 404(b) and Chapter 36 of title 39, United States Code, the Governors establish classification changes related to the Outbound Commercial Provider Initiative (OCPI).

The OCPI would allow the Postal Service to offer outbound international service for package shipments through the use of a supplier in lieu of the destination country postal operator. OCPI is designed to help the Postal Service remain competitive in the cross-border shipping market, by providing the ability for delivery in the destination country of certain outbound international products by a third-party supplier, instead of the designated foreign postal operator of the destination country. This provides the Postal Service the option of selecting providers that may be able to offer either

superior service or better destination delivery prices, or both.

In order to implement the OCPI, revisions to the Mail Classification Schedule (MCS) should be made. These changes to the MCS would not mandate the use of the OCPI, but rather maintain flexibility to allow its use in particular outbound international traffic lanes.

We have evaluated the classification changes related to the OCPI for the Outbound Single-Piece First-Class Package International Service product in this context in accordance with Title 39 of the United States Code. We approve the changes, finding that they are appropriate, and are consistent with the applicable criteria.

Order

We direct management to provide the required public notice, and to file with the Postal Regulatory Commission the required documents and supporting documents consistent with this Decision. The changes in classification to the Mail Classification Schedule set forth herein are intended to be effective thirty days after the material MCS changes are filed with the Postal Regulatory Commission, or as soon as practicable thereafter.

By The Governors:

/s/

Ron A. Bloom,
Chairman, Board of Governors.

POSTAL SERVICE

Classification Changes—First-Class Package International Service: Postal Service™

ACTION: Notice of classification changes to First-Class Package International Service.

SUMMARY: This notice set forth changes for the classification description of Outbound Single-Piece First-Class Package International Service.

DATES: *Date of notice:* May 26, 2021.

FOR FURTHER INFORMATION CONTACT: Christopher C. Meyerson, (202) 268-7820.

SUPPLEMENTARY INFORMATION: On May 6, 2021, pursuant to their authority under 39 U.S.C. 3632, the Governors of the United States Postal Service® established classification changes for a competitive product, namely, Outbound Single-Piece First-Class Package International Service. The Governors' Decision and the record of proceedings in connection with such decision are

2335 Outbound Single-Piece First-Class Package International Service

2335.1 Description

- a. Outbound Single-Piece First-Class Package International Service consists of outbound international ~~letter post~~ packages and rolls (destined for delivery outside of the United States) ~~that are subject to the provisions of the Universal Postal Convention of the Universal Postal Union and that are not entered as Priority Mail International.~~

- c. Outbound Single-Piece First-Class Package International Service pieces that are undeliverable-as-addressed ~~are entitled to~~ may be forwarded if applicable or returned to the sender.

United States Postal Service
Office of the Board of Governors
Certification of Governors' Vote on
Governors' Decision No. 21-4

Consistent with 39 U.S.C. 3632(a), I hereby certify that, on May 6, 2021, the Governors voted on adopting Governors' Decision No. 21-4, and that a majority of the Governors then holding office voted in favor of that Decision.

Date: May 6, 2021

/s/

Michael J. Elston,
 Secretary of the Board of Governors.

[FR Doc. 2021-11104 Filed 5-25-21; 8:45 am]

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SECURITIES AND EXCHANGE
COMMISSION

[Release No. 34-91948; File No. SR-NYSE-2021-33]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Its Price List

May 20, 2021.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 ("Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on May 17, 2021, New York Stock Exchange LLC ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III 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

The Exchange proposes to amend its Price List to (1) introduce a new fee for orders designated with a Retail Modifier at the open and the close; (2) revise certain requirements for executions at the open and the close; (3) introduce an additional credit under the Step Up Tier 2 Adding Credit; and (4) revise certain requirements for Retail Price Improvement ("RPI") orders in the Retail Liquidity Program. The Exchange proposes to implement the fee changes

effective May 17, 2021.⁴ The proposed rule change is available on the Exchange's website at www.nyse.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 self-regulatory organization 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 those 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 parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its Price List to (1) introduce a new fee for orders designated with a Retail Modifier at the open and the close; (2) revise certain requirements for executions at the open and the close; (3) introduce an additional credit under the Step Up Tier 2 Adding Credit; and (4) revise certain requirements for RPI orders in the Retail Liquidity Program.

The proposed changes respond to the current competitive environment where order flow providers have a choice of where to direct liquidity-providing orders by offering further incentives for member organizations to send additional liquidity to the Exchange, including retail order flow.

The Exchange proposes to implement the fee changes effective May 17, 2021.

Background

Current Market and Competitive Environment

The Exchange operates in a highly competitive market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market

system "has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies."⁵

While Regulation NMS has enhanced competition, it has also fostered a "fragmented" market structure where trading in a single stock can occur across multiple trading centers. When multiple trading centers compete for order flow in the same stock, the Commission has recognized that "such competition can lead to the fragmentation of order flow in that stock."⁶ Indeed, equity trading is currently dispersed across 16 exchanges,⁷ 31 alternative trading systems,⁸ and numerous broker-dealer internalizers and wholesalers, all competing for order flow. Based on publicly available information, no single exchange has more than 20% market share.⁹ Therefore, no exchange possesses significant pricing power in the execution of equity order flow. More specifically, the Exchange's market share of trading in Tape A, B and C securities combined is less than 12%.

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can move order flow, or discontinue or reduce use of certain categories of products, in response to fee changes. With respect to non-marketable order flow that would provide displayed liquidity on an Exchange, member organizations can choose from any one of the numerous currently operating registered exchanges to route such order flow. Accordingly, competitive forces constrain exchange transaction fees that relate to orders that would provide liquidity on an exchange.

In response to this competitive environment, the Exchange has established incentives for its member organizations who submit orders that provide liquidity on the Exchange. The proposed fee change is designed to

⁵ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37495, 37499 (June 29, 2005) (S7-10-04) (Final Rule) ("Regulation NMS").

⁶ See Securities Exchange Act Release No. 61358, 75 FR 3594, 3597 (January 21, 2010) (File No. S7-02-10) (Concept Release on Equity Market Structure).

⁷ See Cboe Global Markets, U.S. Equities Market Volume Summary, available at http://markets.cboe.com/us/equities/market_share/. See generally <https://www.sec.gov/fast-answers/divisionsmarketregmrexchangesshtml.html>.

⁸ See FINRA ATS Transparency Data, available at <https://otctransparency.finra.org/otctransparency/AtsIssueData>. A list of alternative trading systems registered with the Commission is available at <https://www.sec.gov/foia/docs/atstlist.htm>.

⁹ See Cboe Global Markets U.S. Equities Market Volume Summary, available at http://markets.cboe.com/us/equities/market_share/.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ The Exchange originally filed to amend the Price List on May 3, 2021 (SR-NYSE-2021-30). SR-NYSE-2021-30 was subsequently withdrawn and replaced by this filing.