

repo trades into central clearing, the proposals in the Advance Notice would help to decrease the settlement and operational risk present when such trades are conducted outside of central clearing. The Sponsored GC Service would thereby contribute to the stability of the tri-party repo market.

Furthermore, the Sponsored GC Service would enable FICC to centralize and control the liquidation of a greater number of tri-party repo transactions in the event of a member default, which in turn, would help protect the tri-party repo market against the destabilizing risk of a large-scale exit by institutional firms from the U.S. financial market in a stress scenario. Accordingly, the Commission believes that the proposed Sponsored GC Service would promote safety and soundness in the tri-party repo market, consistent with Section 805(b) of the Act.⁶¹

Additionally, the Commission also believes that FICC's proposal to change the CCLF allocation methodology is consistent with the principle of promoting robust risk management. As described above in Section II.C., FICC's proposal to change the CCLF allocation methodology would not impact FICC's current methodology for determining the total amount of the CCLF. As a result, FICC would retain its current level of liquid resources. FICC's proposal would only change the allocation of CCLF obligations among FICC's members. As described above in this Section III.A.1., FICC's proposed CCLF allocation methodology would result in a CCLF obligation for each member that better corresponds to the actual liquidity risk each member's trading activity presents to FICC. Accordingly, the Commission believes FICC's proposed CCLF allocation methodology would promote robust risk management because it would better align the costs for a member to participate in FICC with the level of risk the member's trading activity presents to FICC, while still maintaining the same overall level of liquidity resources at FICC.

B. Consistency With Rule 17Ad-22(e)(7)

Rule 17Ad-22(e)(7) under the Exchange Act requires a covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively measure, monitor, and manage the liquidity risk that arises in or is borne by the covered clearing agency.⁶² As described above in Section I.C.3., FICC proposes to change the

Rules to allow netting, for CCLF allocation purposes, of offsetting positions in a Sponsoring Member's omnibus account and netting account.

FICC's proposal would not impact FICC's current methodology for determining the total amount of the CCLF as a liquidity resource. As discussed above in Section III.A.1., FICC proposes to change the Rules regarding CCLF allocation to ensure that a Sponsoring Member's CCLF obligation aligns more closely with the actual liquidity risk its trading activity presents to FICC. As a result, FICC's proposed CCLF allocation methodology represents more efficient liquidity risk management than the current methodology. Accordingly, the Commission believes that FICC's proposed CCLF allocation methodology is consistent with Rule 17Ad-22(e)(7).⁶³

C. Consistency With Rule 17Ad-22(e)(21)

Rule 17Ad-22(e)(21) under the Exchange Act requires a covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to be efficient and effective in meeting the requirements of its participants and the markets it serves, including the clearing agency's clearing and settlement arrangements and the scope of products cleared or settled.⁶⁴ As described above in Section I.B., FICC's current Sponsored Service does not accommodate the trading of tri-party repos. FICC proposes to expand the Sponsored Service to allow tri-party repo trading to meet the needs of market participants that currently transact tri-party term repos outside of central clearing because they are not operationally equipped to perform the collateral management and other functions associated with term DVP repos. By expanding the Sponsored Service to facilitate tri-party repo trading, FICC seeks to provide a viable option for its members to transact term tri-party repos in central clearing. Sponsored GC Trades would settle in a manner similar to the way Sponsoring Members and Sponsored Members currently settle tri-party repos with each other outside of central clearing, thereby making it more operationally efficient for the parties to transact term repos with each other using FICC as the CCP. The Commission believes that the proposed Sponsored GC Service is consistent with Rule 17Ad-22(e)(21)⁶⁵ because it is responsive to the requests

from FICC's members for the ability to trade centrally cleared term tri-party repos in a manner that is efficient and effective in meeting the operational requirements of FICC's members.

IV. Conclusion

It is therefore noticed, pursuant to Section 806(e)(1)(I) of the Clearing Supervision Act, that the Commission *does not object* to Advance Notice (SR-FICC-2021-801) and that FICC is *authorized* to implement the proposed change as of the date of this notice or the date of an order by the Commission approving Proposed Rule Change SR-FICC-2021-003, whichever is later.

By the Commission.

Vanessa A. Countryman,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-92795; File Nos. SR-NYSE-2021-14, SR-NYSEAMER-2021-10, SR-NYSEArca-2021-13, SR-NYSECHX-2021-03, SR-NYSEAT-2021-04]

Self-Regulatory Organizations; New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc., and NYSE National, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove Proposed Rule Changes To Amend the Schedule of Wireless Connectivity Fees and Charges To Add Circuits for Connectivity Into and Out of the Data Center in Mahwah, New Jersey

August 27, 2021.

On February 12, 2021, New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc., and NYSE National, Inc. (collectively, the "Exchanges") each 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 (1) add circuits for connectivity into and out of the data center in Mahwah, New Jersey ("Mahwah Data Center"); (2) add services available to customers of the Mahwah Data Center that are not colocation Users; and (3) change the name of the Fee Schedule to "Mahwah Wireless, Circuits, and Non-Colocation Connectivity Fee Schedule." The

⁶³ *Id.*

⁶⁴ 17 CFR 240.17Ad-22(e)(21).

⁶⁵ *Id.*

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

⁶¹ *Id.*

⁶² 17 CFR 240.17Ad-22(e)(7).

proposed rule changes were published for comment in the **Federal Register** on March 4, 2021.³ On April 7, 2021, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to either approve the proposed rule changes, disapprove the proposed rule changes, or institute proceedings to determine whether to approve or disapprove the proposed rule changes.⁵ On May 26, 2021, the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule changes.⁶ The Commission has received comment letters on the proposed rule changes.⁷

Section 19(b)(2) of the Act⁸ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule changes were published for notice and comment in the **Federal Register** on March 4, 2021.⁹ August 31, 2021 is 180 days from that date, and October 30, 2021 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule changes so that it has sufficient time to consider the proposed rule changes, the issues raised in the comment letter that has been submitted in connection therewith, and the Exchanges' response to the comment letter. Accordingly, the Commission, pursuant to Section

19(b)(2) of the Act,¹⁰ designates October 30, 2021 as the date by which the Commission should either approve or disapprove the proposed rule changes (File Nos. SR-NYSE-2021-14, SR-NYSEAMER-2021-10, SR-NYSEArca-2021-13, SR-NYSECHX-2021-03, SR-NYSENAT-2021-04).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Vanessa A. Countryman,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-92793; File No. SR-FINRA-2021-020]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Form CMA (Continuing Membership Application Form)

August 27, 2021.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 20, 2021, the Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4 under the Act,³ which renders the proposal effective upon receipt of this filing by the Commission. 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 (1) amend Form CMA (Continuing Membership Application Form) required under Rule 1017 (Application for Approval of Change in Ownership, Control, or Business Operations) to conform to amendments to the Membership

Application Program ("MAP") rules⁴ as described in File No. SR-FINRA-2020-011, which become effective on September 1, 2021;⁵ and (2) make non-substantive and technical changes to Form CMA.⁶ The proposed rule change does not make any changes to the text of FINRA rules.

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

Background

The MAP rules require an applicant for continuing membership to file an application that includes a Form CMA.⁷ Form CMA is organized into sections that align with the standards for admission set forth in Rule 1014(a) (Standards for Admission). Each section begins with a description of the applicable standard in Rule 1014(a), followed by a series of questions related to that standard that are intended to help the applicant provide the responses needed to demonstrate that it

³ See Securities Exchange Act Release Nos. 91217 (February 26, 2021), 86 FR 12715 (March 4, 2021) (SR-NYSE-2021-14); 91218 (February 26, 2021), 86 FR 12744 (March 4, 2021) (SR-NYSEAMER-2021-10); 91216 (February 26, 2021), 86 FR 12735 (March 4, 2021) (SR-NYSEArca-2021-13); 91219 (February 26, 2021), 86 FR 12724 (March 4, 2021) (SR-NYSECHX-2021-03); and 91215 (February 26, 2021), 86 FR 12752 (March 4, 2021) (SR-NYSENAT-2021-04) (collectively, the "Notices").

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 91490 (April 7, 2021), 86 FR 19313 (April 13, 2021). The Commission designated June 2, 2021, as the date by which it should approve, disapprove, or institute proceedings to determine whether to approve or disapprove the proposed rule changes.

⁶ See Securities Exchange Act Release No. 92033 (May 26, 2021), 86 FR 29601 (June 2, 2021).

⁷ Comments received on the Notices are available on the Commission's website at: <https://www.sec.gov/comments/sr-nyse-2021-14/srnyse202114.htm>.

⁸ 15 U.S.C. 78s(b)(2).

⁹ See Notices, *supra* note 3.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30-3(a)(31).

¹⁵ U.S.C. 78s(b)(1).

²⁷ CFR 240.19b-4.

³⁷ CFR 240.19b-4(f)(6).

⁴ The MAP rules consist of Rules 1011 through 1019, which reside under the Rule 1000 Series (Member Application and Associated Person Registration).

⁵ See Securities Exchange Act Release No. 90635 (December 10, 2020), 85 FR 81540 (December 16, 2020) (Order Approving File No. SR-FINRA-2020-011, as Modified by Amendment No. 1) ("SEC Order"). See also *Regulatory Notice* 21-09 (March 2021) (announcing September 1, 2021, as the effective date of the amendments to the MAP rules, and different effective dates of the amendments to other FINRA rules to address brokers with a significant history of misconduct).

⁶ FINRA is separately developing comprehensive changes to the MAP rules in connection with the retrospective review of this rule set, which will also require conforming amendments to the standardized forms. See *Regulatory Notice* 18-23 (July 2018) (requesting comment on a proposal regarding the MAP rules).

⁷ See Rule 1017(b)(2).