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*. Please include File Number SR–NASDAQ–2021–081 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–NASDAQ–2021–081. 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–NASDAQ–2021–081 and should be submitted on or before November 18, 2021.

[11] 17 CFR 200.30–3(a)(12).

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

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2021–23434 Filed 10–27–21; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–93416; File No. SR–NYSE–2021–61]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend NYSE Rule 7.31

October 25, 2021.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the "Act")[2] and Rule 19b–4 thereunder,[3] notice is hereby given that, on October 13, 2021, New York Stock Exchange LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. 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 NYSE Rule 7.31 to establish a minimum dollar threshold into its rule for Limit Order Price Protection. 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.

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

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 NYSE Rule 7.31 (Orders and Modifiers) to establish a minimum dollar threshold in its rule for Limit Order Price Protection.

Rule 7.31(a)(2)(B) ("Limit Order Price Protection") describes the price protection mechanism for Limit Orders. Currently, the rule provides that a Limit Order to buy (sell) will be rejected if it is priced at or above (below) a specified percentage away from the National Best Offer (National Best Bid) ("NBO" and "NBB," respectively).[4]

The Exchange proposes to amend Rule 7.31(a)(2)(B) to introduce a minimum dollar threshold of $0.15 into the Limit Order Price Protection calculation for lower-priced securities. Accordingly, the proposed rule would provide that a Limit Order to buy (sell) would be rejected if it was priced at or above (below) the greater of $0.15 or a specified percentage away from the NBO (NBB).

The Exchange believes that the introduction of this minimum dollar threshold would enhance the Limit Order Price Protection mechanism for securities with a reference price below $1.50 because using the current 10% multiplier for such securities would result in too narrow of a price protection mechanism. Thus, the proposed rule change would encourage price continuity, specifically in lower-priced illiquid securities.

This proposed minimum dollar threshold of $0.15 is the same minimum dollar threshold that currently exists in the Limit Order Price Protection rules of the Exchange's affiliate exchanges NYSE American LLC ("NYSE American"), NYSE Arca, Inc. ("NYSE Arca"), NYSE Chicago, Inc. ("NYSE Chicago"), and NYSE National, Inc ("NYSE National").[5]

[4] For securities with a reference price between $0.00 and $25.00, the specified percentage is 10%; for securities with a reference price between $25.01 and $50.00, the specified percentage is 5%; and for securities with a reference price greater than $50.00, the specified percentage is 3%.

[5] *See* NYSE American Rule 7.31E(a)(2)(B); NYSE Arca Rule 7.31–E(a)(2)(B); NYSE Chicago Rule 7.31(a)(2)(B); and NYSE National Rule 7.31(a)(2)(B). *See also* Securities Exchange Act Release Nos. 81943 (October 25, 2017), 82 FR 50475 (October 31, 2017) (SR–NYSAMER–2017–25) (adding $0.15 minimum dollar threshold to Limit Order Price Protection in NYSE American Rule 7.31E(a)(2)(B)); 82004 (November 2, 2017), 82 FR 51890 (November 8, 2017) (SR–NYSEArca–2017–126) (adding same to NYSE Arca Rule 7.31–E(a)(2)(B)); 87264 (October 9, 2019), 84 FR 55345 (October 16, 2019) (SR–NYSECHX–2019–08) (regarding NYSE Chicago Rule

Implementation

The Exchange anticipates implementing the proposed change in November 2021 and will announce the timing of such changes by Trader Update.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[6] in general, and with Section 6(b)(5),[7] in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange believes that the proposed change adding a $0.15 minimum price threshold to Rule 7.31(a)(2)(B) would remove impediments to and perfect the mechanism of a free and open market and a national market system, and in general, protect investors and the public interest, because the proposed change is based on the Limit Order Price Protection rules currently in effect on NYSE American, NYSE Arca, NYSE Chicago, and NYSE National, and therefore is not novel.[8] The Exchange further believes that the proposed change would enhance the Exchange's Limit Order Price Protection mechanism, which protects from aberrant prices, thus improving continuous trading and price discovery. In addition, the proposal to enhance Limit Order Price Protection by adding a minimum dollar threshold would assist with the maintenance of fair and orderly markets because such mechanisms protect investors from potentially receiving executions away from the prevailing market prices at any given time.

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

The Exchange believes that the proposed rule change will not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather would provide for a more effective Limit Order Price Protection mechanism, specifically for lower-priced securities.

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

No written comments were solicited or received with respect to the proposed rule change.

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[9] and Rule 19b–4(f)(6) thereunder.[10]

A proposed rule change filed under Rule 19b–4(f)(6)[11] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[12] the Commission may 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 to allow the Exchange to make the proposed enhancement to its Limit Order Price Protection mechanism when the technology associated with this proposed change is available, which is anticipated to be less than 30 days from the date of this filing.

The Exchange represents that the proposed change would assist with the maintenance of fair and orderly markets by protecting investors from potentially receiving executions away from the prevailing market prices at any given time. And the Commission notes that the proposed minimum dollar threshold is the same minimum dollar threshold that currently exists in the Limit Order Price Protection rules of the Exchange's affiliate exchanges.[13] The Commission therefore believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission waives the 30-day operative delay and designates the proposal operative upon filing.[14]

At any time within 60 days of the filing of such 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 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.* Please include File Number SR–NYSE–2021–61 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–NYSE–2021–61. 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

7.31(a)(2)(B)); 83289 (May 17, 2018), 83 FR 23968 (May 23, 2018) (SR–NYSENAT–2018–02) (regarding NYSE National Rule 7.31(a)(2)(B)).

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78f(b)(5).

[8] *See supra* note 4.

[9] 15 U.S.C. 78s(b)(3)(A).

[10] 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.

[11] 17 CFR 240.19b–4(f)(6).

[12] 17 CFR 240.19b–4(f)(6)(iii).

[13] See *supra* note 5 and accompanying text.

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

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- NYSE–2021–61, and should be submitted on or before November 18, 2021.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2021–23532 Filed 10–27–21; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–93412; File No. S7–09–21]

Order Granting Conditional Substituted Compliance in Connection With Certain Requirements Applicable to Non-U.S. Security-Based Swap Dealers and Major Security-Based Swap Participants Subject to Regulation in the Kingdom of Spain

October 22, 2021.

I. Overview

The Spanish Comisión Nacional del Mercado de Valores (''CNMV'') has submitted a ''substituted compliance'' application requesting that the Securities and Exchange Commission (''Commission'') determine, pursuant to the Securities Exchange Act of 1934 (''Exchange Act'') rule 3a71–6,[1] that security-based swap dealers and major security-based swap participants (''SBS Entities'') subject to regulation in the Kingdom of Spain (''Spain'') conditionally may satisfy requirements under the Exchange Act by complying with comparable Spanish and European Union (''EU'') requirements.[2] The CNMV sought substituted compliance in connection with certain Exchange Act requirements related to risk control, internal supervision, chief compliance officer, antitrust, counterparty protection, recordkeeping, reporting, and notification.[3] The CNMV Application incorporated comparability analyses between the relevant requirements in Exchange Act section 15F[4] and the rules and regulations thereunder and applicable Spanish and EU law, as well as information regarding Spanish and EU supervisory and enforcement frameworks.

On August 20, 2021, the Commission issued a notice of the CNMV Application, accompanied by a proposed order to grant substituted compliance with conditions in connection with the CNMV Application (''proposed Order'').[5] The proposed Order incorporated a number of conditions to tailor the scope of substituted compliance consistent with the prerequisite that relevant Spanish and EU requirements produce regulatory outcomes that are comparable to relevant requirements under the Exchange Act.

As discussed below, the Commission is adopting a final order (''Order'') that has been modified from the proposal in certain respects to address commenter concerns and to make clarifying changes.

II. Substituted Compliance Framework and Prerequisites

A. Substituted Compliance Framework and Purpose

As the Commission has discussed previously,[6] Exchange Act rule 3a71–6 provides a framework whereby non-U.S. SBS Entities may satisfy certain requirements under Exchange Act section 15F by complying with comparable regulatory requirements of a foreign jurisdiction.[7] Because substituted compliance does not constitute exemptive relief, but instead provides an alternative method by which non-U.S. SBS Entities may comply with applicable Exchange Act requirements, the non-U.S. SBS Entities would remain subject to the relevant requirements under section 15F. The Commission accordingly will retain the authority to inspect, examine, and supervise those SBS Entities' compliance and take enforcement action as appropriate. Under the substituted compliance framework, failure to comply with the applicable foreign requirements and other conditions to a substituted compliance order would lead to a violation of the applicable requirements under the Exchange Act and potential enforcement action by the Commission (as opposed to automatic revocation of the substituted compliance order).

Under rule 3a71–6, substituted compliance potentially is available in connection with certain section 15F requirements,[8] but is not available in connection with antifraud prohibitions and certain other requirements under the Federal securities laws.[9] SBS

[15] 17 CFR 200.30–3(a)(12).

[1] 17 CFR 240.3a71–6.

[2] *See* Letter from Rodrigo Buenaventura, Chair, CNMV, dated August 20, 2021 (''CNMV Application''). The CNMV Application is available on the Commission's website at: *https://www.sec.gov/page/exchange-act-substituted-compliance-and-listed-jurisidction-applications-security-based-swap.*

[3] Risk control requirements include requirements related to internal risk management, trade acknowledgement and verification, portfolio reconciliation and dispute resolution, portfolio compression, and trading relationship documentation; internal supervision, chief compliance officer, and antittrust requirements include requirements related to diligent supervision, conflicts of interest, information gathering, chief compliance officers, and antitrust considerations; counterparty protection requirements include requirements related to disclosure of material risks and characteristics, disclosure of material incentives or conflicts of interest, ''know your counterparty,'' suitability of recommendations, fair and balanced communications, disclosure of daily marks, and disclosure of clearing rights; and recordkeeping, reporting, and notification requirements include requirements related to making and keeping current certain prescribed records, preservation of records, reporting, and notificiation.

[4] 15 U.S.C. 78o–10.

[5] *See* Exchange Act Release No. 92716 (Aug. 20, 2021), 86 FR 47668 (Aug. 26, 2021) (''Spanish Substituted Compliance Notice and Proposed Order'').

[6] *See, e.g.,* Exchange Act Release No. 90378 (Nov. 9, 2020), 85 FR 72726 (Nov. 13, 2020) (''German Substituted Compliance Notice and Proposed Order''); Exchange Act Release No. 90765 (Dec. 22, 2020), 85 FR 85686 (Dec. 29, 2020) (''German Substituted Compliance Order'') Exchange Act Release No. 92647 (Aug. 12, 2021), 86 FR 46500 (Aug. 18, 2021) (''German Substituted Compliance Notice and Proposed Amended Order''); Exchange Act Release No. 93411 (Oct. 22, 2021) (''German Amended Substituted Compliance Order''); Exchange Act Release No. 90766 (Dec. 22, 2020), 85 FR 85720 (Dec. 29, 2020) (''French Substituted Compliance Notice and Proposed Order''); Exchange Act Release No. 91477 (Apr. 5, 2021), 86 FR 18341 (Apr. 8, 2021) (''French Substituted Compliance Re-Opening Release''); Exchange Act Release No. 92484 (July 23, 2021), 86 FR 41612 (Aug. 2, 2021) (''French Substituted Compliance Order''); Exchange Act Release No. 91476 (Apr. 5, 2021), 86 FR 18378 (Apr. 8, 2021) (''UK Substituted Compliance Notice and Proposed Order''); Exchange Act Release No. 92529 (July 30, 2021), 86 FR 43318 (August 6, 2021), ''UK Substituted Compliance Order''); Exchange Act Release No. 92632 (Aug. 10, 2021), 86 FR 45770 (Aug. 16, 2021) (''Swiss Substituted Compliance Notice and Proposed Order''); Exchange Act Release No. 93284 (Oct. 8, 2021), 86 FR 57455 (Oct. 15, 2021) (''Swiss Substituted Compliance Order''); Spanish Substituted Compliance Notice and Proposed Order, 86 FR 47668.

[7] *See* Exchange Act Release No. 77617 (Apr. 14, 2016), 81 FR 29960, 30079 (May 13, 2016) (''Business Conduct Adopting Release'').

[8] 17 CFR 240.3a71–6(d).

[9] *See* Spanish Substituted Compliance Notice and Proposed Order, 86 FR 47669 n.10 (addressing unavailability under Rule 3a71–6 of substituted compliance for information-related requirements under Exchange Act section 15F, as well as for provisions related to anti-fraud, transactions with counterparties that are not eligible contract participants, segregation of customer assets,