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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

Intra-Market Competition

The Exchange believes its proposal to modify the volume criteria thresholds for Tiers 5 and 6 of the Market Maker origin will not impose any burden on intra-market competition because the Exchange believes that it will not place any category of Exchange market participant at a competitive disadvantage because it will apply to all Market Makers equally. The proposal to modify the volume criteria thresholds for Tiers 5 and 6 of the Market Maker origin is intended to improve market quality. The Exchange believes that its proposal will encourage Market Makers to improve market quality by making it easier for Market Makers to achieve higher tiers, resulting in higher rebates and lower fees, which should result in narrower bid-ask spreads and increased depth of liquidity. This in turn will attract additional order flow to the Exchange, increasing trading opportunities to the benefit of all market participants. Accordingly, the Exchange believes that the proposed changes will continue to attract order flow to the Exchange, thereby encouraging additional volume and liquidity to the benefit of all market participants.

Inter-Market Competition

The Exchange believes its proposal will not impose any burden on inter-market competition because, as described above, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other options exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. The Exchange believes that the proposed rule changes reflect this competitive environment because they modify the Exchange's fees in a manner that encourages market participants to continue to provide liquidity and to send order flow to the Exchange.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act,[17] and Rule 19b–4(f)(2)[18] thereunder. 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 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–PEARL–2023–46 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–PEARL–2023–46. 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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–PEARL–2023–46 and should be submitted on or before October 23, 2023.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[19]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2023–21618 Filed 9–29–23; 8:45 am]

BILLING CODE 8011–01–P

[17] 15 U.S.C. 78s(b)(3)(A)(ii).

[18] 17 CFR 240.19b–4(f)(2).

[19] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–98529; File No. SR–PEARL–2023–48]

Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 2614(f) of the MIAX Pearl Equities Rulebook To Allow Self-Trade Protection Between Users That Access the Exchange Through a Direct Connection and Sponsored Access

September 26, 2023.

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 September 22, 2023, MIAX PEARL, LLC (''MIAX Pearl'' or the ''Exchange'') 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

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

[2] 17 CFR 240.19b-4.

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 Exchange Rule 2614(f) to permit individual firms with Users [3] that access the Exchange through a direct connection and also access the Exchange through Sponsored Access to enable Self-Trade Protection (''STP'') modifiers at the firm level on the Exchange's equity trading platform (referred to herein as ''MIAX Pearl Equities'').[4]

The text of the proposed rule change is available on the Exchange's website at *https://www.miaxglobal.com/markets/us-equities/pearl-equities/rule-filings,* at MIAX Pearl's principal office, 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 Exchange 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. The Exchange 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

The Exchange proposes to amend Exchange Rule 2614(f) to permit individual firms with Users that access the Exchange through a direct connection and also access the Exchange through Sponsored Access [5] to enable STP modifiers at the firm level on MIAX Pearl Equities, if they choose.

The Exchange offers optional anti-internalization functionality to Users in the form of STP modifiers that enable a User to prevent two of its orders from executing against each other. The Exchange offers the following four (4) STP modifiers to Equity Members: Cancel Newest, Cancel Oldest, Decrement and Cancel, and Cancel Both. An order marked with the Cancel Newest modifier will not execute against a contra-side order marked with any STP modifier originating from the same Unique Identifier (as currently defined) and the order with the most recent time stamp marked with the Cancel Newest modifier will be cancelled. The contra-side order with the older timestamp marked with an STP modifier will remain on the MIAX Pearl Equities Book.[6] An order marked with the Cancel Oldest modifier will not execute against a contra-side order marked with any STP modifier originating from the same Unique Identifier and the order with the older time stamp marked with the STP modifier will be cancelled. The contra-side order with the most recent timestamp marked with the STP modifier will remain on the MIAX Pearl Equities Book. An order marked with the Decrement and Cancel modifier will not execute against contra-side interest marked with any STP modifier originating from the same Unique Identifier. If both orders are equivalent in size, both orders will be cancelled. If both orders are not equivalent in size, the equivalent size will be cancelled and the larger order will be decremented by the size of the smaller order, with the balance remaining on the MIAX Pearl Equities Book. Finally, an order marked with the Cancel Both modifier will not execute against contra-side interest marked with any STP modifier originating from the same Unique Identifier and the entire size of both orders will be cancelled.

Currently, Users can set the STP modifier to apply at the market participant identifier (''MPID''), Exchange Member [7] identifier, trading group identifier, or Equity Member Affiliate identifier level (any such existing identifier, a ''Unique Identifier'').[8] The STP modifier on the order with the most recent time stamp controls the interaction between two orders marked with STP modifiers. STP functionality assists market participants in reducing trading costs from unwanted executions potentially resulting from the interaction of executable buy and sell trading interest from the same firm.

The Exchange now proposes to amend Rule 2614(f) and enhance its existing STP functionality by introducing a fifth Unique Identifier, Multiple Access identifier, which will allow a User to prevent orders entered via its direct connection from interacting with the User's orders entered via Sponsored Access. Currently, STP is only available to individual and affiliated [9] Users. However, there are certain situations (discussed *infra*) in which an individual firm may access the Exchange through different methods (*i.e.,* through a direct connection and through Sponsored Access) and therefore desires to enable STP in order to prevent orders submitted through its direct connection from interacting with those orders submitted through Sponsored Access.

The Multiple Access identifier is similar to the affiliate identifier that is already in place, as it will enable firms that currently enter orders on the Exchange under two different Unique Identifiers to assign the same Unique Identifier to orders entered via its direct connection and to orders entered via Sponsored Access. This will permit the firm to enable STP and prevent contra side orders from executing. While the affiliate identifier requires Users to prove that an affiliate relationship exists between the two Users, the proposed Multiple Access identifier will only require a User to demonstrate: (i) it maintains a Membership as an Equity Member on the Exchange through which it directly submits orders to the System; [10] and (ii) it also operates as a pponsored [sic] participant and submits

[3] The term ''User'' means any Member or sponsored participant who is authorized to obtain access to the System pursuant to Exchange Rule 2602. *See* Exchange Rule 1901.

[4] This proposed rule change is based on recent proposed rule changes by other national securities exchanges that were filed for immediate effectiveness pursuant to Section 19(b)(3)(A)(iii) of the Act, 15 U.S.C. 78s(b)(3)(A)(iii), and Rule 19b–4(f)(6), 17 CFR 240.19b–4(f)(6), thereunder. *See* Securities Exchange Act Release Nos. 98021 (July 28, 2023), 88 FR 51386 (August 3, 2023) (SR–CboeEDGX–2023–049); 98020 (July 28, 2023), 88 FR 51361 (August 3, 2023) (SR–CboeEDGA–2023–013); 98019 (July 28, 2023), 88 FR 51379 (August 3, 2023) (SR–CboeBYX–2023–012); *and* 98022 (July 28, 2023), 88 FR 51383 (August 3, 2023) (SR–CboeBZX–2023–054).

[5] *See* Exchange Rule 210.

[6] Exchange Rule 1901 defines the term ''MIAX Pearl Equities Book'' as ''the electronic book of orders in equity securities maintained by the System.''

[7] The term ''Equity Member'' is a Member authorized by the Exchange to transact business on MIAX Pearl Equities. *See* Exchange Rule 1901.

[8] *See* Exchange Rule 2614(f).

[9] The term ''affiliate'' of or person ''affiliated with'' another person means a person who, directly, or indirectly, controls, is controlled by, or is under common control with, such other person. *See* Exchange Rule 100. The term ''person'' refers to a natural person, corporation, partnership (general or limited), limited liability company, association, joint stock company, trust, trustee of a trust fund, or any organized group of persons whether incorporated or not and a government or agency or political subdivision thereof. *Id. See also* 17 CFR 230.405. An *affiliate* of, or person *affiliated* with, a specified person, is a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

[10] The term ''System'' is the automated trading system used by the Exchange for the trading of securities. *See* Exchange Rule 100.

orders to the System through Sponsored Access. The proposed addition of the Multiple Access identifier does not present any new or novel STP functionality, but rather would extend existing STP functionality to firms that already access the Exchange through multiple formats and therefore have different Unique Identifiers appended to their orders.[11]

There are situations where an individual firm would choose to submit orders to the Exchange through different mechanisms. For instance, a firm may employ different trading strategies across different trading desks and choose to send orders for one strategy to the Exchange through a direct connection while the other strategy is sent through Sponsored Access. The proposed functionality would serve as an additional tool that Users may enable in order to assist with compliance with the various securities laws relating to potentially manipulative trading activity such as wash sales[12] and self-trades.[13] Additionally, the proposed functionality would provide firms an additional solution to manage order flow by preventing undesirable executions where the firm submits orders in multiple formats (*i.e.,* direct connection or Sponsored Access). As is the case with the existing risk tools, Users, and not the Exchange, have full responsibility for ensuring that their orders comply with applicable securities rules, laws, and regulations. Furthermore, as is the case with the existing risk settings, the Exchange does not believe that the use of the proposed STP functionality can replace User-managed risk management solutions.

The Exchange is proposing to allow firms that submit orders to the Exchange through both a direct connection and through Sponsored Access to utilize STP by utilizing the Multiple Access identifier.[14] Specifically, the Exchange is proposing to allow individual firms who choose to access the System through both a direct connection and through Sponsored Access to use STP functionality in order to prevent executions from occurring between those separate Users that are associated with the direct connection and Sponsored Access. When a firm requests STP using the Multiple Access identifier and the Exchange confirms that the individual firm is both a Member that accesses the Exchange through a direct connection and maintains a sponsored participant relationship on the Exchange, the Exchange will assign an identical Multiple Access identifier to each User. This Multiple Access identifier will be used to prevent executions between contra side orders entered by the Users assigned the same Multiple Access identifier. The purpose of this proposed change is to extend STP functionality to separate Users originating from the same individual firm in order to prevent transactions between the firm's orders submitted directly to the System and through Sponsored Access.

The Exchange includes the below examples to demonstrate how STP will operate with the proposed Multiple Access identifier. For all examples below, User A represents Firm 1 accessing the System through a direct connection. User B also represents Firm 1 but where Firm 1 is accessing the System as a sponsored participant through a Sponsoring Member.[15] User A and User B will use a Multiple Access identifier of ''A'' when requesting STP at the Multiple Access level, as both Users submit Firm 1's orders to the System. User C is not related to Users A and B and uses a Multiple Access identifier of ''C''.

Multiple Access Level STP

Scenario 1: User A submits a buy order. User B submits a sell order. User C also submits a sell order. User A has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User B has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User C has not enabled STP. User A's buy order is prevented from executing with User B's sell order as each User has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User A's buy order will be permitted to execute with User C's sell order because User C has not enabled STP, depending on which STP modifier has been chosen by User A.

Scenario 2: User A submits a buy order. User B submits a sell order. User C also submits a sell order. User A has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User B has not enabled STP. User C has enabled STP at the Multiple Access level using a Multiple Access identifier of C. User A's order will be eligible to trade with both User B and User C. User A's order is eligible to trade with User B because User B did not enable STP. In order for STP to prevent the matching of contra side orders, both the buy and sell order must contain an STP modifier. User A's order is also eligible to trade with User C because even though User A and User C have both enabled STP at the Multiple Access level, User A and User C have different Multiple Access identifiers.

Scenario 3: User A submits a buy order and a sell order. User B submits a buy order. User A has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User B has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User A's buy order is not eligible to execute with User A's sell order because User A has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User A's sell order is not eligible to execute with User B's buy order because both User A and User B have enabled STP at the Multiple Access level using a Multiple Access identifier of A.

Scenario 4: User A submits a buy order and a sell order. User B submits a sell order. User C submits a sell order. User A has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User B has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User C has enabled STP at the Multiple Access level using a Multiple Access identifier of C. User A's buy order is not eligible to execute with User A's sell order because User A has enabled STP at the Multiple Access level using a Multiple Access identifier of A. User A's buy order is not eligible to execute with User B's sell order because both User A and User B have enabled STP at the Multiple Access level using a Multiple Access identifier of A. User A's buy order is eligible to execute with User C's sell order because while User A and User C have enabled STP at the Multiple Access level, User A and User C have been assigned different Multiple Access identifiers.

This proposed rule change is designed to provide additional flexibility to Equity Members in how they implement

[11] *See also supra* note 4.

[12] A ''wash sale'' is generally defined as a trade involving no change in beneficial ownership that is intended to produce the false appearance of trading and is strictly prohibited under both the federal securities laws and FINRA rules. *See, e.g.,* 15 U.S.C 78i(a)(1); FINRA Rule 6140(b) (''Other Trading Practices'').

[13] Self-trades are ''transactions in a security resulting from the unintentional interaction of orders originating from the same firm that involve no change in beneficial ownership of the security.'' FINRA requires members to have policies and procedures in place that are reasonably designed to review trading activity for, and prevent, a pattern or practice of self-trades resulting from orders originating from a single algorithm or trading desk, or related algorithms or trading desks. *See* FINRA Rule 5210, Supplementary Material .02.

[14] The Exchange will require firms requesting to use the Multiple Access identifier to complete an affidavit stating: (i) it is currently an Equity Member of the Exchange that submits orders directly to the System, and (ii) it also submits orders to the System through a Sponsored Access arrangement.

[15] *See* Exchange Rules 210 and 2602.

self-trade prevention, and thereby better manage their order flow and prevent undesirable executions or the potential for ''wash sales'' that may occur as a result of the speed of trading in today's marketplace. Based on informal discussions with Equity Members, the Exchange believes that the proposed amendments will be useful to Equity Members in implementing their own compliance controls. Furthermore, the additional STP functionality may assist Members in complying with certain rules and regulations of the Employee Retirement Income Security Act (''ERISA'') that preclude and/or limit managing broker-dealers of such accounts from trading as principal with orders generated for those accounts.

The Exchange notes that, as with the current anti-internalization functionality offered by the Exchange, use of the proposed new Multiple Access identifier STP grouping will not alleviate, or otherwise exempt, Equity Members from their best execution obligations. As such, Equity Members and their Affiliates using STP will continue to be obligated to take appropriate steps to ensure customer orders which were prevented from execution due to anti-internalization ultimately receive the same price, or a better price, than they would have received had execution of the orders not been inhibited by anti-internalization. Further, as with current rule provisions, Market Makers and other Users may not use STP functionality to evade the firm quote obligation, as specified in Exchange Rule 2606(b), and the STP functionality must be used in a manner consistent with just and equitable principles of trade.[16] For these reasons, the Exchange believes the proposed new Equity Member Affiliate level of STP grouping offers Equity Members enhanced order processing functionality that may prevent potentially undesirable executions without negatively impacting broker-dealer best execution obligations.

Implementation

The Exchange will issue a trading alert publicly announcing the implementation date of this proposed rule change to provide Equity Members with adequate time to prepare for the associated technological changes. The Exchange anticipates that the implementation date will be in the fourth quarter of 2023.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,[17] in general, and furthers the objectives of Section 6(b)(5),[18] 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 regulating, clearing, settling, processing information with respect to, and 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [19] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Specifically, the Exchange believes that the proposed rule change is consistent with the protection of investors and the public interest because allowing Users that access the Exchange through a direct connection and also access the Exchange through Sponsored Access to be part of the same STP group will provide Equity Members with additional flexibility with respect to how they implement self-trade protections provided by the Exchange that may better support their trading strategies and compliance controls. Equity Members that prefer the current anti-internalization groupings offered by the Exchange can continue to use them without any modification.

In particular, the Exchange believes that the proposed Multiple Access level STP functionality promotes just and equitable principles of trade by allowing individual firms to better manage order flow and prevent undesirable trading activity such as wash sales or self-trades that may occur as a result of the velocity of trading in today's high-speed marketplace. The proposed Multiple Access identifier and description of eligibility to utilize the proposed Multiple Access identifier does not introduce any new or novel functionality, as the proposed amendment does not seek to change the underlying STP functionality, but merely extends the current STP functionality to another trading relationship. For instance, a User may operate trading desk 1 that accesses the Exchange via the User's direct connection, as well as trading desk 2 that accesses the Exchange as a sponsored participant. While these desks may operate different trading strategies, a User may desire to prevent these desks from trading versus each other in the marketplace because the orders are originating from the same entity. Here, Users may desire STP functionality on a Multiple Access level that will help them avoid unintended executions to achieve compliance [20] with regulatory rules regarding wash sales and self-trades in a very similar manner to the way that the current STP functionality applies on the existing Unique Identifier level. In this regard, the proposed Multiple Access level STP functionality will permit individual firms associated with different Users for purposes of submitting orders to the Exchange in a different manner to prevent the execution of transactions by and between the Users. The Exchange also believes that the proposed rule change is fair and equitable and is not designed to permit unfair discrimination as use of the proposed STP functionality is available to all Users that meet the criteria and is optional, and its use is not a prerequisite for trading on the Exchange.

Finally, the Exchange notes other equity exchanges recently amended their rules to allow similar groupings for their own anti-internalization functionality.[21] Consequently, the Exchange does not believe that the proposed rule change raises any new or novel issues not already considered by the Commission.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. STP is an optional functionality offered by the Exchange and Users are free to decide whether to use STP in their decision-making process when submitting orders to the Exchange.

The Exchange believes that the proposed Multiple Access identifier does not impose any burden on intramarket competition as it seeks to enhance an existing functionality available to all Users. The Exchange is not proposing to introduce any new or novel functionality, but rather is proposing to provide an extension of its existing STP functionality to individual firms who choose to access the System

[16] *See* Exchange Rule 2100.

[17] 15 U.S.C. 78f(b).

[18] 15 U.S.C. 78f(b)(5).

[19] *Id.*

[20] The Exchange reminds Users that while they may utilize STP to help prevent potential transactions such as wash sales or self-trades, Users, not the Exchange, are ultimately responsible for ensuring that their orders comply with applicable rules, laws, and regulations.

[21] *See supra* note 4.

through both a direct connection and through Sponsored Access. Additionally, the proposed rule specifies which Users are eligible to use the Multiple Access identifier and will be available to any User who satisfies such criteria. STP will continue to be an optional functionality offered by the Exchange and the addition of Multiple Access level STP will not change how the current Unique Identifiers and STP functionality operate.

The Exchange believes that the proposed Multiple Access identifier does not impose any undue burden on intermarket competition. STP is an optional functionality offered by the Exchange and Users are not required to use STP functionality when submitting orders to the Exchange. Further, the Exchange is not required to offer STP and is choosing to do so as a benefit for Users who wish to enable STP functionality. Moreover, the proposed change is not being submitted for competitive reasons, but rather to provide Users enhanced order processing functionality that may prevent undesirable executions by affiliated Users such as wash sales or self-trades. Nonetheless, the proposed rule change would also improve the Exchange's ability to compete with other exchanges that recently amended their rules to allow Multiple Access identifier grouping for their own anti-internalization functionality.[22]

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)(iii) of the Act [23] and Rule 19b–4(f)(6) thereunder.[24]

[22] *See id.*

[23] 15 U.S.C. 78s(b)(3)(A)(iii).

[24] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b-4(f)(6) requires the Exchange 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.

A proposed rule change filed under Rule 19b–4(f)(6) [25] normally does not become operative prior to 30 days after the date of the filing. However, Rule 19b–4(f)(6)(iii) [26] permits the Commission to 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 so that the proposal may become operative immediately upon filing. Waiver of the 30-day operative delay will allow the Exchange to immediately offer individual firms with Users that access the Exchange through a direct connection and through Sponsored Access functionality to better manage order flow and prevent undesirable executions, to help ensure compliance with securities laws relating to potentially manipulative trading activity such as wash sales and self-trades. Further, the Commission notes that this proposed rule change would permit functionality on the Exchange currently available on other exchanges [27] and as such, does not raise any novel legal or regulatory issues. For these reasons, the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.[28]

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 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:

[25] *Id.*

[26] 17 CFR 240.19b–4(f)(6)(iii).

[27] *See supra* note 4.

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

Electronic Comments

- Use the Commission's internet comment form (*https://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include file number SR–PEARL–2023–48 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–PEARL–2023–48. 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 (*https://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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–PEARL–2023–48 and should be submitted on or before October 23, 2023.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[29]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2023–21620 Filed 9–29–23; 8:45 am]

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[29] 17 CFR 200.30–3(a)(12), (59).