

OCC, including any other rules proposed to be amended.

*(B) Clearing Agency's Statement on Burden on Competition*

Section 17A(b)(3)(I) of the Act<sup>29</sup> requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. OCC believes that while the proposed rule change may have differing impacts on its Clearing Members, it would not impose a burden on competition. Moreover, OCC believes that any competitive impact imposed by the proposed liquidation cost model would be necessary and appropriate in furtherance of the purposes of Act.<sup>30</sup> As noted above, under the proposed liquidation cost model, each Clearing Member/account would independently observe different levels of impact based on the composition of their cleared portfolios. Based on OCC's analysis to-date, directional portfolios containing more outright positions, which are more typically associated with customer accounts, are most likely to see the largest impact from the proposed liquidation cost charges, while more well-hedged portfolios, such as market maker accounts, would be less impacted (and are more likely to incur the minimum liquidation cost charge). In the aggregate, OCC expects the proposed liquidation cost charges to make up approximately 5–8% of total risk margin charges, with customer accounts accounting for roughly 60% of the proposed liquidation cost charges, and proprietary accounts and market makers generating approximately 25% and 15% of the proposed liquidation cost charges, respectively.

The proposed changes are primarily designed to allow OCC to determine margin requirements that more accurately represent the risk presented by the extra cost in liquidating a portfolio due to the bid-ask spread. While the individual impact of the proposed changes will vary and depend on the composition of the portfolio in question, the proposed risk model enhancements are intended apply to all Clearing Members to address potential liquidation costs that OCC may incur in closing out a defaulted Clearing Member's portfolio. OCC does not believe that the proposed rule change would unfairly inhibit access to OCC's services or disadvantage or favor any particular user in relationship to another user. Accordingly, OCC believes that any competitive impact would be

necessary and appropriate in furtherance of the prompt and accurate clearance and settlement of securities transactions, the safeguarding of securities and funds which are in the custody or control of OCC or for which it is responsible, and in general, the protection of investors and the public interest.

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

Written comments on the proposed rule change were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) By order approve or disapprove the proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be 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 Exchange 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](mailto:rule-comments@sec.gov). Please include File Number SR–OCC–2019–004 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–OCC–2019–004. 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 such filing also will be available for inspection and copying at the principal office of OCC and on OCC's website at <https://www.theocc.com/about/publications/bylaws.jsp>.

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–OCC–2019–004 and should be submitted on or before May 28, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>31</sup>

**Eduardo A. Aleman,**  
*Deputy Secretary.*

[FR Doc. 2019–09147 Filed 5–3–19; 8:45 am]

**BILLING CODE 8011–01–P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34–85752; File No. SR–MSRB–2019–09]

**Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Eliminate MSRB Rule G–29, on Availability of Board Rules**

April 30, 2019.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on April 19, 2019 the Municipal Securities Rulemaking Board (“MSRB”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described

<sup>31</sup> 17 CFR 200.30–3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>29</sup> 15 U.S.C. 78q–1(b)(3)(I).

<sup>30</sup> *Id.*

in Items I, II, and III below, which Items have been prepared by the MSRB. 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 MSRB filed with the Commission a proposed rule change seeking to eliminate MSRB Rule G-29, requiring that each broker, dealer and municipal securities dealer shall keep in each office in which any of the activities set forth in rule G-3(a)(i)<sup>3</sup> of the Board are conducted, a copy of all rules of the Board as from time to time in effect and shall make such rules available for examination by customers promptly upon request (the "proposed rule change" or "amendment").

The MSRB has designated the proposed rule change for immediate effectiveness and will be effective upon filing pursuant to Section 19(b)(3)(A) of the Act<sup>4</sup> and Rule 19b-4(f)(6) thereunder.<sup>5</sup> The operative date of the proposed rule change will not be less than 30 days from the date of filing and will be announced in an MSRB Notice to be published on the MSRB's website within 30 days of the date of this filing.

<sup>3</sup> MSRB Rule G-3(a)(i) regarding professional qualification requirements provides:

(a) Municipal Securities Representative, Municipal Securities Sales Limited Representative and Limited Representative—Investment Company and Variable Contracts Products.

(i) Definitions.

(A) The term "municipal securities representative" means a natural person associated with a broker, dealer or municipal securities dealer, other than a person whose functions are solely clerical or ministerial, whose activities include one or more of the following:

(1) Underwriting, trading or sales of municipal securities;

(2) financial advisory or consultant services for issuers in connection with the issuance of municipal securities;

(3) research or investment advice with respect to municipal securities; or

(4) any other activities which involve communication, directly or indirectly, with public investors in municipal securities;

provided, however, that the activities enumerated in subparagraphs (3) and (4) above shall be limited to such activities as they relate to the activities enumerated in subparagraphs (1) and (2) above.

(B) The term "municipal securities sales limited representative" means a municipal securities representative whose activities with respect to municipal securities are limited exclusively to sales to and purchases from customers of municipal securities.

(C) The term "limited representative—investment company and variable contracts products" means a municipal securities representative whose activities with respect to municipal securities are limited exclusively to sales to and purchases from customers of municipal fund securities.

<sup>4</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>5</sup> 17 CFR 240.19b-4(f)(6).

The text of the proposed rule change is available on the MSRB's website at [www.msrb.org/Rules-and-Interpretations/SEC-Filings/2019-Filings.aspx](http://www.msrb.org/Rules-and-Interpretations/SEC-Filings/2019-Filings.aspx), at the MSRB'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 MSRB 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 MSRB 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

Rule G-29 generally requires dealers to keep a copy of all MSRB rules in offices that conduct any of the municipal securities activities defined in Rule G-3(a)(i) and make them available for examination by their customers upon request. The rule was designed to facilitate compliance with MSRB rules and protect investors by ensuring municipal securities professionals<sup>6</sup> and their customers have access to MSRB rules, including timely updates.<sup>7</sup> The rule was originally adopted by the Board in 1977,<sup>8</sup> and has been amended and interpreted, periodically as market practices evolved and other regulatory developments occurred, to ensure the rule remained current and achieved its goal of providing ready access to important MSRB rule information.

For example, when the MSRB published its rulebook electronically, the Board issued interpretive guidance noting that dealers could comply with Rule G-29 by giving customers access to the rules either in printed form, or electronically via the MSRB internet

<sup>6</sup> As used therein, "municipal securities professional" means persons participating in the activities described in MSRB Rule G-3. See also note 3.

<sup>7</sup> See Notice of Approval of Fair Practice Rules, [1977-1987 Transfer Binder] Municipal Securities Rulemaking Board Manual (CCH) ¶ 10,090 at 10,494 (Oct. 24, 1978).

<sup>8</sup> See File No. SR-MSRB-77-12 (Sept. 20, 1977). The SEC approved Rule G-29 in Release No. 34-15247 (Oct. 19, 1978), 43 FR 50525 (Oct. 30, 1978).

website ([www.msrb.org](http://www.msrb.org)) or using third party software products.<sup>9</sup> This guidance also reminded dealers that MSRB Rule G-27, on supervision, requires a dealer to supervise the conduct of its municipal securities business and the municipal securities activities of its associated persons to ensure compliance with Rule G-29, including how the dealer provides its offices with the most current version of the rules once they are in effect so that its municipal securities professionals are alerted to new developments. A short time later, the Board issued a notice highlighting the SEC's guidance regarding the delivery of electronic information.<sup>10</sup> The notice again notes that electronic media may be used by dealers in satisfying their obligations under MSRB rules, including Rule G-29.<sup>11</sup>

Most recently, as part of its retrospective rule review, the Board considered whether amendments to the rule were needed to address changing practices in the municipal securities market. In doing so, the Board recognized that while its interpretive guidance somewhat modernized how dealers could continue to comply with Rule G-29 (*i.e.*, providing for access to MSRB Rules via electronic media), the rule was no longer necessary for purposes of ensuring municipal securities professionals and their customers have ready access to current MSRB rules, which formed the basis for the proposed rule change.<sup>12</sup>

#### Proposed Rule Change

The proposed rule change seeks to eliminate Rule G-29 and would contribute to the MSRB's continuing efforts to improve market efficiency by eliminating unnecessary regulatory requirements that no longer serve their original purpose of helping to prevent a market harm.

<sup>9</sup> See Rule G-29 Interpretive Notice—Availability of Board Rules, May 20, 1998, MSRB Reports, Vol. 18, No. 2 (August 1998) at 37. This notice was also updated, effective January 1, 2014, to reflect the discontinuation of the MSRB's printed version of the MSRB Rule Book.

<sup>10</sup> On May 9, 1996, the Commission issued a Release expressing its views on the use of electronic media for delivery of information by, among others, brokers and dealers. The Commission stated that brokers, dealers and others may satisfy their delivery obligations under federal securities laws by using electronic media as an alternative to paper-based media within the framework established in the 1995 SEC Release on the use of electronic media for delivery purposes. Securities Act Release No. 7288, Exchange Act Release No. 37182 (May 9, 1996), 61 FR 24644 (May 15, 1996).

<sup>11</sup> See Rule G-32 Interpretation—Notice Regarding Electronic Delivery and Receipt of Information by Brokers, Dealers and Municipal Securities Dealers, November 20, 1998.

<sup>12</sup> See MSRB Informational Notice 2019-04.

Because access to the internet is more widespread and often necessary to conduct municipal securities activities in today's markets, MSRB rules and relevant updates, including on the MSRB's internet website, are more accessible and readily available to both municipal securities professionals and their customers than provided for under Rule G-29. That is, investors are currently more likely to access MSRB rules electronically on their own, as opposed to requesting to review them under the provisions of the rule. In addition, while Rule G-29 generally requires that dealers make MSRB rules available to customers, upon request, the rule is somewhat limiting in that a customer's access to the information likely depends on whether a customer knows they can access the information pursuant to the provisions under the rule. In other words, there currently is no requirement under Rule G-29 that dealers inform customers of their ability to request to review MSRB rules to which they are required to provide access. Additionally, there are other MSRB rules that promote ready access to MSRB rule information. For example, MSRB Rule G-10 generally requires, among other things, that once a year, dealers and municipal advisors, provide in writing (which may be electronic) to each customer, information on how to access the MSRB internet website, which provides access to all MSRB rules and updates. More specifically, under Rule G-10 customers and municipal advisory clients must be provided a statement that their dealers or municipal advisors are registered with the SEC and the MSRB, the MSRB's internet website address, and a statement about the availability of a brochure, posted on the MSRB's website, that describes the protections that may be provided by the MSRB's rules and how to file a complaint with an appropriate regulatory authority. The requirements set forth in Rule G-10 effectively remind customers and municipal advisory clients about the MSRB's website, which provides access to more than just the MSRB rule information specified under Rule G-29. For these reasons, the MSRB believes that the proposed rule change would have little effect on municipal securities professionals' or their customers' ability to access MSRB rules.

Finally, as previously discussed, MSRB guidance makes clear that MSRB Rule G-27, on supervision, requires each dealer to supervise the conduct of its municipal securities activities to ensure compliance with Rule G-29. It is the MSRB's understanding that dealers

typically comply with Rule G-29 by virtue of providing access to the internet in offices conducting municipal securities activities but may lack the required supervisory procedures detailing the process by which they ensure compliance with the rule.<sup>13</sup> Thus, the MSRB believes that the proposed rule change will not only eliminate unnecessary rule provisions but will also reduce supervisory burdens for dealers, without hampering access to MSRB rule information for customers or municipal securities professionals' ability to comply with regulatory requirements.

## 2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with the provisions of Section 15B(b)(2)(C) of the Act,<sup>14</sup> which provides that the MSRB's rules shall:

be 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 municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

Specifically, the proposed rule change would remove regulatory burdens on dealers by recognizing that there is no longer a market harm that the rule seeks to prevent. By eliminating a rule that no longer resolves a market harm, the proposed rule change removes impediments to and perfects the mechanism of a free and open market by more appropriately responding to actual market practices, reducing regulatory burdens and thus focusing on compliance with a more appropriate and beneficial process by which MSRB rule information is made available and accessed consistent with current practices. Eliminating Rule G-29 also has no effect on investor protection because MSRB rule information remains readily available to municipal securities professionals and their customers.

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

Section 15B(b)(2)(C) of the Act requires that MSRB rules not be

<sup>13</sup> The MSRB intends to include in the notice announcing the operative date of the elimination of Rule G-29 a statement that, to the extent any MSRB guidance references Rule G-29, that guidance, as it concerns Rule G-29 and any related supervisory requirements, will no longer be applicable.

<sup>14</sup> 15 U.S.C. 78o-4(b)(2)(C).

designed to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.<sup>15</sup> The MSRB notes that its policy on economic analysis limits its applications regarding rules for which the Board seeks immediate effectiveness.<sup>16</sup> As previously discussed, the MSRB does not believe the proposed rule change would result in delayed access to MSRB rule information for customers or hamper municipal securities professionals' ability to comply with regulatory requirements but instead reduces a burden for dealers that is no longer deemed necessary.

The MSRB also considered the alternative of modernizing Rule G-29 but, given the ease with which the MSRB rulebook can be accessed electronically, the fact investors receive annual disclosures, including the location of the MSRB's internet website, under Rule G-10, and the widespread availability and use of the internet by both investors and those conducting municipal securities activities, the MSRB currently believes the existence of Rule G-29 would continue to result in unnecessary supervisory burdens, while providing limited benefits to municipal securities professionals or customers.

The MSRB also believes that the costs associated with compliance with the regulatory requirements and elimination of Rule G-29 are negligible, given the MSRB rulebook is accessible on its website at no cost, and internet services are universally available in municipal securities offices. However, the proposed rule change would nevertheless reduce costs for dealers as they would no longer be required to continue to maintain supervisory procedures and conduct supervisory reviews to ensure compliance with existing Rule G-29.

<sup>15</sup> *Id.*

<sup>16</sup> The scope of the Board's policy on the use of economic analysis in rulemaking provides that:

[t]his Policy addresses rulemaking activities of the MSRB that culminate, or are expected to culminate, in a filing of a proposed rule change with the SEC under Section 19(b) of the Exchange Act, other than a proposed rule change that the MSRB reasonably believes would qualify for immediate effectiveness under Section 19(b)(3)(A) of the Exchange Act if filed as such (*e.g.*, fee filing or facility filing) or as otherwise provided under the exception process of this Policy.

Policy on the Use of Economic Analysis in MSRB Rulemaking, available at <http://msrb.org/Rules-and-Interpretations/Economic-Analysis-Policy.aspx>. For those rule changes which the MSRB seeks immediate effectiveness, the MSRB usually focuses exclusively its examination on the burden of competition on regulated entities.

*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 on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Exchange Act<sup>17</sup> and Rule 19b-4(f)(6)<sup>18</sup> 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.

**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](mailto:rule-comments@sec.gov). Please include File Number SR-MSRB-2019-09 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-MSRB-2019-09. 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 MSRB. 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-MSRB-2019-09 and should be submitted on or before May 28, 2019.

For the Commission, pursuant to delegated authority.<sup>19</sup>

**Eduardo A. Aleman,**

*Deputy Secretary.*

[FR Doc. 2019-09146 Filed 5-3-19; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-85754; File No. SR-CBOE-2019-015]

**Self-Regulatory Organizations; Cboe Exchange, Inc.; Order Approving a Proposed Rule Change To Allow \$1 Strike Price Intervals Above \$200 on Options on the QQQ and IWM Exchange-Traded Funds**

April 30, 2019.

On March 6, 2019, Cboe Exchange, Inc. ("Exchange" or "Cboe") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 ("Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> a proposed rule change to allow Cboe to list QQQ and IWM options with \$1 strike price intervals instead of \$5 strike price intervals when the strike price of the option is greater than \$200. The proposed rule change was published for comment in the **Federal Register** on March 18, 2019.<sup>4</sup> No comments on the proposed rule change have been received. This order approves the proposed rule change.

<sup>19</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> See Securities Exchange Act Release No. 85295 (Mar. 12, 2019), 84 FR 9851 ("Notice").

**I. Description of the Proposed Rule Change**

The Exchange's current rules provide that the interval between strike prices of series of options on exchange-traded funds may be \$5.00 or greater where the strike price is greater than \$200,<sup>5</sup> except that the interval between strike prices of series of options on SPY, IVV, and DIA may be \$1 or greater where the strike price is greater than \$200.<sup>6</sup> The Exchange proposes to expand that exception, also allowing \$1 strike price intervals where the strike price is above \$200 for options on IWM<sup>7</sup> and QQQ.<sup>8</sup>

The Exchange notes that "\$1 intervals already exist below the \$200 price point" for options on both ETFs, and further notes "in the midst of current price trends," that "both QQQ and IWM have consistently inclined in price toward the \$200 level."<sup>9</sup> In light of this, the Exchange "believes that continuing to maintain the current \$200 level (above which intervals increase 500% to \$5), may have a negative effect on investing, trading and hedging opportunities, and volume" particularly to the extent it impacts the ability of market participants to roll their positions once strike prices pass \$200.<sup>10</sup>

Accordingly, in light of the "slower movements of broad-based indices," the Exchange proposes to allow \$1 strike intervals above \$200 so that options on these two ETFs may be "more precisely aligned with the smaller, longer-term incremental increases in respective underlying ETFs."<sup>11</sup> In turn, the exchange believes that its proposal will "permit strikes to be set to more closely reflect the increasing values in the

<sup>5</sup> See Interpretation and Policy .08(a) to Rule 5.5.

<sup>6</sup> See *id.*

<sup>7</sup> According to the Exchange, IWM is an index-based ETF designed to track the price and performance of the Russell 2000 Index ("RUT"), which represents the small capitalization sector of the U.S. equity market, and the value of IWM is designed to approximate 1/40 the value of the underlying RUT. See *id.* Cboe states that IWM is among the most actively traded ETFs on the market. See *id.*

<sup>8</sup> According to the Exchange, the QQQ is designed to closely track the price and performance of a the Nasdaq-100 Index ("NDX"), which represents the largest and most active non-financial domestic and international issues listed on The Nasdaq Stock Market based on market capitalization, and the value of QQQ is designed to approximate 1/40 the value of the underlying NDX. See Notice, *supra* note 4, 84 FR at 9852. The Exchange states that QQQ is among the most actively traded ETFs on the market. See *id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* For example, the Exchange notes that "to move a position from a \$200 strike to a \$205 strike under the current rule, an investor would need for the underlying product to move 2.5%" whereas rolling an open position from a \$200 to a \$201 strike represents "only a 0.5% move for the underlying." *Id.*

<sup>11</sup> *Id.*

<sup>17</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>18</sup> 17 CFR 240.19b-4(f)(6).