

permits fair competition among national securities exchanges.

The Exchange also does not believe the proposal would cause any unnecessary or in appropriate burden on intermarket competition as other exchanges are free to introduce their own comparable data product and lower their prices to better compete with the Exchange's offering. The Exchange does not believe the proposed rule change would cause any unnecessary or inappropriate burden on intramarket competition. Particularly, the proposal would apply uniformly to any market participant, in that it does not differentiate between subscribers to the Open-Close Report. The proposal is modest and would allow any interested Member or non-Member to subscribe to or request such data based on their business needs.

*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,<sup>25</sup> and Rule 19b-4(f)(2)<sup>26</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. 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](mailto:rule-comments@sec.gov). Please include File Number SR-MIAX-2021-39 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-MIAX-2021-39. 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-MIAX-2021-39 and should be submitted on or before October 13, 2021.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>27</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

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**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 10983/September 17, 2021; Release No. 93048/September 17, 2021]

**Securities Act of 1933; Securities Exchange Act of 1934; Order Approving the Public Company Accounting Oversight Board Supplemental Budget for Calendar Year 2021**

The Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"),<sup>1</sup> established the Public Company Accounting Oversight Board ("PCAOB") to oversee the audits of companies that are subject to the securities laws, and related matters, in order to protect the interests of investors and further the public interest in the preparation of informative, accurate and independent audit reports. Section 982 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act")<sup>2</sup> amended the Sarbanes-Oxley Act to provide the PCAOB with explicit authority to oversee auditors of broker-dealers registered with the Commission. The PCAOB is to accomplish these goals through registration of public accounting firms, standard setting, inspection, and disciplinary programs. The PCAOB is subject to the comprehensive oversight of the Securities and Exchange Commission (the "Commission").

Section 109(b) of the Sarbanes-Oxley Act directs the PCAOB to establish a budget for each fiscal year in accordance with the PCAOB's internal procedures, subject to approval by the Commission. Rule 190 of Regulation P facilitates the Commission's review and approval of PCAOB budgets and annual accounting support fees.<sup>3</sup> This budget rule provides, among other things, limits on the PCAOB's ability to incur expenses and obligations except as provided in the approved budget as well as the procedures for the submission of supplemental budgets when it is forecasted that the limits to incur expenses and obligations will be exceeded in a given year. The Commission previously determined that the PCAOB's 2021 budget of \$287.3 million was consistent with Section 109 of the Sarbanes-Oxley Act and accordingly, it approved the PCAOB's 2021 budget on December 16, 2020.<sup>4</sup>

During 2021, the PCAOB determined that expenses related to the engagement of outside counsel would cause its

<sup>1</sup> 15 U.S.C. 7201 *et seq.*

<sup>2</sup> Public Law 111-203, 124 Stat. 1376 (2010).

<sup>3</sup> 17 CFR 202.190.

<sup>4</sup> Release No. 33-10905 (December 16, 2020).

<sup>25</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>26</sup> 17 CFR 240.19b-4(f)(2).

<sup>27</sup> 17 CFR 200.30-3(a)(12).

Office of the General Counsel to spend amounts exceeding the previously approved program area budget for the year. As a result, on July 14, 2021 it submitted a supplemental budget to the SEC. The PCAOB's 2021 supplemental budget requests Commission approval to transfer \$3.4 million of FY 2021 funding from a certain program area in which all funds allocated are projected to not be spent in 2021 to the Office of the General Counsel to cover the projected excess costs related to the engagement of outside counsel. The supplemental budget does not request an increase to the PCAOB's previously approved 2021 budget of \$287.3 million.

The Commission directs the PCAOB to keep the Commission, through staff in its Office of the Chief Accountant, apprised each month of monthly legal expenses incurred and paid through the end of its fiscal year 2021. Separately, the Commission directs that the PCAOB implement policies and procedures to ensure additional funds will not be required for spending on outside counsel for the 2021 fiscal year beyond those approved in this Order. The Commission also directs the PCAOB to inform the Commission of all of the steps it will take to reduce its current and future reliance on outside counsel.

The Commission has determined that the PCAOB's 2021 supplemental budget is consistent with Section 109 of the Sarbanes-Oxley Act. Accordingly,

*It is ordered*, pursuant to Section 109 of the Sarbanes-Oxley Act, that the PCAOB supplemental budget for calendar year 2021 is approved.

By the Commission.

**Vanessa A. Countryman,**  
*Secretary.*

[FR Doc. 2021-20515 Filed 9-21-21; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-93027; File No. SR-IEX-2021-11]

### Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Provide That a Reserve Order May Have (i) an Odd Lot Sized Display Quantity and (ii) an Optional Random Initial and Replenishment Display Quantity

September 16, 2021.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup>

notice is hereby given that on September 14, 2021, the Investors Exchange LLC ("IEX" 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 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

Pursuant to the provisions of Section 19(b)(1) under the Act,<sup>3</sup> and Rule 19b-4 thereunder,<sup>4</sup> IEX is filing with the Commission a proposed rule change to provide that a reserve order may have (i) an odd lot sized display quantity and (ii) an optional random initial and replenishment display quantity. The Exchange has designated this rule change as "non-controversial" under Section 19(b)(3)(A) of the Act<sup>5</sup> and provided the Commission with the notice required by Rule 19b-4(f)(6) thereunder.<sup>6</sup>

The text of the proposed rule change is available at the Exchange's website at [www.iextrading.com](http://www.iextrading.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 the 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 these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The purpose of the proposed rule filing is to amend IEX Rule 11.190(b)(2) to provide that a reserve order<sup>7</sup> may

have (i) an odd lot<sup>8</sup> size display quantity and (ii) an optional random initial and replenishment display quantity. Specifically, as proposed, a reserve order may have an odd lot as well as a round or mixed lot initial and replenishment display quantity. In addition, as proposed, a Member<sup>9</sup> may attach an optional random replenishment instruction to any reserve order pursuant to which the reserve order's display quantity (both upon initial posting to the Order Book<sup>10</sup> and upon any subsequent replenishments) would be randomly determined by the System<sup>11</sup> within a replenishment range specified by the Member. In addition, IEX proposes to make conforming edits to IEX Rules 11.190(b)(2) and 11.220(a)(1)(C) reflecting the proposed changes to reserve order functionality. The proposed changes are designed to increase displayed liquidity on the Exchange (potentially at prices better than the NBBO),<sup>12</sup> to the benefit of all market participants, by providing additional optionality to Members in the use of odd lot size reserve order displayed quantities, as well as helping to protect Members using reserve orders with random replenishment from potential information leakage.

##### Background

IEX, like other equities exchanges,<sup>13</sup> offers Members a "reserve" order type, which allows Members to submit a partially displayed limit order,<sup>14</sup> so that a portion of the order is displayed ("display quantity") and a portion of the order is non-displayed ("reserve quantity").<sup>15</sup> As set forth in IEX Rule 11.190(b)(2), when Users<sup>16</sup> submit a reserve order, they must specify the display quantity (which must be a round or mixed lot). Upon entry, the System attempts to execute a reserve order as a single order of its full, unexecuted size. If an incoming reserve order is not fully executed, it posts to the Order Book where it is effectively

<sup>8</sup> An odd lot order is generally any order of less than 100 shares (the size of a round lot order). See IEX Rule 11.180(a).

<sup>9</sup> See IEX Rule 1.160(s).

<sup>10</sup> See IEX Rule 1.160(p).

<sup>11</sup> See IEX Rule 1.160(nn).

<sup>12</sup> See IEX Rule 1.160(u).

<sup>13</sup> See, e.g., Cboe BZX Exchange, Inc. ("BZX") Rule 11.9(c)(1); MEMX, LLC ("MEMX") Rule 11.8(b)(4); The Nasdaq Stock Market LLC ("Nasdaq") Rule 4703(h); and New York Stock Exchange LLC Rule 7.31(d)(1).

<sup>14</sup> See IEX Rule 11.190(a)(1).

<sup>15</sup> See IEX Rule 11.190(b)(2).

<sup>16</sup> See IEX Rule 1.160(qq). The text of IEX Rule 11.190(b)(2) uses the term "User", so any direct references to the text of the rule will use the term "User." Otherwise, for purposes of this rule filing, the term "Member" will be used synonymously with the term "User."

<sup>3</sup> 15 U.S.C. 78s(b)(1).

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

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>6</sup> 17 CFR 240.19b-4.

<sup>7</sup> See IEX Rule 11.190(b)(2).

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

<sup>2</sup> 17 CFR 240.19b-4.