

of an exchange from being designed to permit unfair discrimination between customers, issuers, brokers, or dealers. Further, Section 6(b)(8) of the Act requires that the rules of an exchange not impose any burden on competition that is not necessary or appropriate under the Act.¹⁴

The Exchange's proposal would change how cancellation of MOC, LOC, and Closing IO Orders would be handled under NYSE Rule 7.35(B)(f)(2) with respect to the NYSE Closing Auction. The Commission notes that the Exchange has separately proposed a different set of changes to its Closing Auction process and that the other proposal is currently in proceedings before the Commission.¹⁵ The Commission believes that it is appropriate to institute proceedings to allow for additional analysis and input concerning the instant proposed rule change's consistency with requirements of the Act and to evaluate this proposed rule change in light of other pending proposed changes to the Closing Auction.

IV. Procedure: Request for Written Comments

The Commission requests that interested persons provide written submissions of their views, data, and arguments with respect to the issues identified above, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposal is consistent with Section 6(b)(5) or any other provision of the Act, or the rules and regulation thereunder. Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4 under the Act,¹⁶ any request for an opportunity to make an oral presentation.¹⁷

Interested persons are invited to submit written data, views, and arguments regarding whether the proposal should be approved or disapproved by April 18, 2022. Any

person who wishes to file a rebuttal to any other person's submission must file that rebuttal by May 2, 2022. The Commission asks that commenters address the sufficiency of the Exchange's statements in support of the proposal which are set forth in the Notice, in addition to any other comments they may wish to submit about the proposed change. 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-2021-74 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-2021-74. 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 proposal that are filed with the Commission, and all written communications relating to the proposal 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 filings 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-2021-74 and should be submitted on or before April 18, 2022. Rebuttal comments should be submitted by May 2, 2022.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

J. Matthew DeLesDernier,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-94489; File No. SR-EMERALD-2022-11]

Self-Regulatory Organizations; MIAX Emerald, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Make a Formatting Change to Exchange Rule 531, Reports, Market Data Products and Services

March 22, 2022.

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 March 11, 2022, MIAX Emerald, LLC ("MIAX Emerald" or "Exchange") filed with the Securities and Exchange Commission ("Commission") a proposed rule change as described in Items I, II, and III 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 make an administrative, immaterial change to update the subparagraph lettering in Exchange Rule 531.

The text of the proposed rule change is available on the Exchange's website at <http://www.miaxoptions.com/rule-filings/emerald> at MIAX Emerald'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

¹⁴ 15 U.S.C. 78f(b)(8).

¹⁵ See Securities Exchange Act Release No. 93037 (Sept. 16, 2021), 86 FR 52719 (Sept. 22, 2021) (SR-NYSE-2021-44) (Notice); Securities Exchange Act Release No. 93809 (Dec. 17, 2021), 86 FR 73060 (Dec. 23, 2021) (Order Instituting Proceedings).

¹⁶ 17 CFR 240.19b-4.

¹⁷ Rule 700(c)(2) of the Commission's Rules of Practice provides that "[t]he Commission, in its sole discretion, may determine whether any issues relevant to approval or disapproval would be facilitated by the opportunity for an oral presentation of views." 17 CFR 201.700(c)(2).

¹⁸ 17 CFR 200.30-3(a)(57).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 make an administrative, immaterial change to update the subparagraph lettering in Exchange Rule 531 by changing subparagraph (c), High Precision Network Time Signal Service, to subparagraph (d). On November 19, 2021, the Exchange filed a proposed rule change to adopt Exchange Rule 531(c), High Precision Network Time Signal Service (“HPNTSS”), and that proposed rule change was published for comment in the **Federal Register** on December 7, 2021 (the “HPNTSS Proposal”).³ On January 27, 2022, the Exchange filed a proposed rule change for immediate effectiveness to amend Exchange Rule 531(b) to provide for the new “Liquidity Taker Event Report—Complex Orders” and, within that filing, proposed to move the rule text for the then-current subparagraph (b), Market Data Products, to become new subparagraph (c) under Exchange Rule 531.⁴ Thereafter, the Commission approved the HPNTSS Proposal on March 1, 2022,⁵ which resulted in Exchange Rule 531 containing two separate references to paragraph (c), one for HPNTSS and a second for Market Data Products. The Exchange now proposes to update the subparagraph lettering for HPNTSS to be under paragraph (d) to Exchange Rule 531. The Exchange does not propose to make any substantive changes to the text of Exchange Rule 531.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁶ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁷ requirements that the rules of an exchange be designed to remove impediments to and perfect the

mechanism of a free and open market and a national market system because it proposes an administrative, immaterial change to update the subparagraph lettering in Exchange Rule 531 by changing subparagraph (c), High Precision Network Time Signal Service, to now be subparagraph (d). This change is simply intended to remove two separate references to subparagraph (c) within Exchange Rule 531, one for HPNTSS and a second for Market Data Products. The Exchange does not propose any other changes to Exchange Rule 531. The proposed rule change would prevent any potential investor confusion by providing clarity within the rule text and make the Exchange's rules easier to understand, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system.

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

The Exchange does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The proposed rule change would not have any impact on inter-market competition or intra-market competition because it simply updates subparagraph lettering in Exchange Rule 531 without making any substantive changes. The proposed rule change is ministerial in nature and does not propose any new products or services, and thus, would not have any impact on competition.

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 after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act⁸ and Rule 19b-4(f)(6)⁹ thereunder.

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule

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-EMERALD-2022-11 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-EMERALD-2022-11. 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

change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

³ See Securities Exchange Act Release No. 93698 (December 1, 2021), 86 FR 69301 (December 7, 2021) (SR-EMERALD-2021-38).

⁴ See Securities Exchange Act Release No. 94136 (February 2, 2022), 87 FR 7223 (February 8, 2022) (SR-EMERALD-2022-02).

⁵ See Securities Exchange Act Release No. 94335 (March 1, 2022), 87 FR 12756 (March 7, 2022).

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

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-EMERALD-2022-11 and should be submitted on or before April 18, 2022.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁰

J. Matthew DeLesDernier,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-94487; File No. SR-NYSEAMER-2022-15]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing of Proposed Rule Change To Amend Rule 7.31E(h)(3)

March 22, 2022.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on March 9, 2022, NYSE American LLC (“NYSE American” 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

The Exchange proposes to amend Rule 7.31E(h)(3). 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.

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 Rule 7.31E(h)(3) to modify certain factors relevant to the quote instability calculation for Discretionary Pegged Orders. Specifically, the Exchange proposes to amend Rule 7.31E(h)(3)(D)(i)(D)(1)(a), which sets forth the quote stability coefficients. Under Rule 7.31E(h)(3)(D)(i)(D)(3), the Exchange may modify the quote stability coefficients at any time, subject to a filing of a proposed rule change. The Exchange proposes such changes in this rule filing.

Discretionary Pegged Orders

Rule 7.31E(h)(3) provides for Discretionary Pegged Orders, which are Pegged Orders⁴ that may exercise price discretion from their working price to a discretionary price in order to trade with contra-side orders on the Exchange Book, except during periods of quote instability as defined in Rule 7.31E(h)(3)(D).

Rule 7.31E(h)(3)(D) provides that the Exchange uses a quote instability calculation to assess a security’s “quote instability factor,” or the probability of an imminent change to the current PBB to a lower price or PBO to a higher price.⁵ When quoting activity in a security meets predefined criteria and the quote instability factor calculated is greater than the Exchange’s defined “quote instability threshold,” the

Exchange treats the quote as unstable (“quote instability” or a “crumbling quote”).

Rule 7.31E(h)(3)(D)(i) provides that the Exchange determines a quote to be unstable when, among other factors, the quote instability factor result from the quote stability calculation is greater than the quote instability threshold. To perform the quote stability calculation and determine the quote instability factor, the Exchange employs a fixed formula utilizing the quote stability coefficients and quote stability variables set forth in Rule 7.31E(h)(3)(D)(i)(D)(1)(a) and Rule 7.31E(h)(3)(D)(i)(D)(1)(b), respectively.

Proposed Rule Change

The Exchange proposes to update the quote stability coefficients used in the quote instability calculation, which have not been modified since Rule 7.31E(h)(3) was adopted. The proposed changes are intended to update the quote stability coefficients to be based on more current market data and activity on the Exchange, including to reflect the Exchange’s elimination of a delay mechanism that previously added latency to certain order processing (the “Delay Mechanism”).⁶

The Exchange reviewed NYSE American market data from randomly selected days in the fourth quarter of 2021 to analyze the effectiveness of the quote stability coefficients in predicting changes to the PBBO. Specifically, the Exchange reviewed PBBO data, on a nanosecond level, for certain intervals throughout each randomly selected day to track changes to quotes on NYSE American and away markets. The Exchange used this data to generate and test the proposed quote stability coefficients, and based on its analysis, believes that modifying the quote stability coefficients would enable the Exchange to evaluate the quality of the PBBO more effectively.

The Exchange proposes to modify the quote stability coefficients set forth in Rule 7.31E(h)(3)(D)(i)(D)(1)(a)(i) through (v) as follows:

Quote stability coefficient	Current value	Proposed value
C0	-2.39515	-2.174901

⁶ The Exchange eliminated the Delay Mechanism, which added a delay of 350 microseconds of latency to specified order processing, in 2019. See Securities Exchange Act Release No. 87550 (November 15, 2019), 84 FR 64359 (November 21, 2019) (SR-NYSEAMER-2019-48) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Exchange Rules 1.1E and 7.29E to Eliminate the Delay Mechanism and Amend Exchange Rule 7.31E and Related Exchange Rules to Re-Introduce Previously-Approved Order Types and Modifiers).

⁴ A Pegged Order is a Limit Order that does not route with a working price that is pegged to a dynamic reference price. If the designated reference price is higher (lower) than the limit price of a Pegged Order to buy (sell), the working price will be the limit price of the order. See Rule 7.31E(h).

⁵ NYSE American Rule 1.1E(dd) defines PBB as the highest Protected Bid and PBO as the lowest Protected Offer. Rule 1.1E(dd) also provides that “PBBO” means the Best Protected Bid and the Best Protected Offer.

¹⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.