order routing practices, the Exchange does not believe its proposed fee change can impose any burden on intermarket competition.

The Exchange believes that the proposed change could promote competition between the Exchange and other execution venues, including those that currently offer similar order types and comparable transaction pricing, by encouraging additional orders to be sent to the Exchange for execution.

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

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

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act and subparagraph (f)(2) of Rule 19b-4 thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission’s internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-NYSE(s-b)(3)2022-20 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1900.

All submissions should refer to File Number SR-NYSE(s-b)(3)2022-20. 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-NYSE(s-b)(3)2022-20 and should be submitted on or before October 19, 2022.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.\(^\text{19}\)

J. Matthew DeLaDernier,

Deputy Secretary.

[RF Doc. 2022–20954 Filed 9–27–22; 8:45 am]

BILLING CODE 801101–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations;
Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Change References in the Codes of Arbitration Procedure From the Neutral List Selection System to the List Selection Algorithm

September 22, 2022.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") or "Exchange Act")\(^{20}\) and Rule 19b–4 thereunder,\(^{21}\) notice is hereby given that on September 15, 2022, the Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a "non-controversial" rule change under paragraph (f)(6) of Rule 19b–4 under the Act,\(^{22}\) which renders the proposal effective upon receipt of this filing by the Commission. 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

FINRA is proposing to change references in the Codes of Arbitration Procedure ("Codes") from the Neutral List Selection System to the list selection algorithm.

The text of the proposed rule change is available on FINRA’s website at http://www.finra.org at the principal office of FINRA 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, FINRA 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. FINRA 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

From November 1998 until October 2006, the Neutral List Selection System (“NLSS”) was the computer system that generated lists of arbitrators from FINRA Dispute Resolution Services’ (“DRS”) rosters of arbitrators for the selected hearing location for each arbitration proceeding. In October 2006, DRS replaced the NLSS with the Mediation and Arbitration Tracking and Retrieval Interactive Case System (“MATRICS”).

As a result, all of the information contained in the NLSS was transferred to MATRICS such that MATRICS now contains the list selection algorithm. DRS uses the lists of arbitrators from its rosters of arbitrators. However, the Codes refer to the NLSS as a computer system that governs arbitrator list selection in the DRS arbitration forum.

FINRA is proposing to update the Codes by making technical, non-substantive changes to remove references to the NLSS from those rules describing arbitrator list selection and instead refer to the “list selection algorithm.” The proposed rule change would provide greater transparency and consistency regarding arbitrator list selection, as the Codes would reflect and align with DRS’s existing practices, processes and systems relating to arbitrator list selection.

In the proposed rule change, FINRA is not proposing any changes to the list selection algorithm, or any of DRS’s existing practices, processes and systems related to arbitrator list selection.

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become operative for 30 days after the date of the filing, so FINRA can implement the proposed rule change immediately.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Exchange Act, which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. FINRA believes that the proposed rule change will provide greater transparency to members and the public regarding arbitrator list selection by updating FINRA rules to reflect and align with DRS’s existing practices, processes and systems related to arbitrator list selection.

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

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or proper in furtherance of the purposes of the Exchange Act. The proposed rule change brings transparency and consistency to FINRA rules without adding any burden on member firms.

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) of the Act10 and Rule 19b–4(f)(6) thereunder.11

At any time within 60 days of the filing of the proposed rule change, the Commission 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);

• Send an email to rule-comments@sec.gov. Please include File Number SR–FINRA–2022–026 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–FINRA–2022–026. 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 FINRA. 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–FINRA–2022–026 and should be submitted on or before October 19, 2022.

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

J. Matthew DeLesniewski,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by MIAX Emerald, LLC To Amend Its Fee Schedule

September 22, 2022.

Pursuant to the provisions of 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 13, 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 is filing a proposal to amend the MIAX Emerald Fee Schedule (the ‘‘Fee Schedule’’).


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 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 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 Section 1(a)(i) of the Fee Schedule to amend the rebates provided for Market Maker Origins for Simple1 Maker (defined below) from Penny Classes (defined below) that trade contra to Priority Customers2 Origins by $0.02 in each Tier (defined below). The Exchange initially filed this proposal on September 1, 2022 (SR–EMERALD–2022–26). On September 13, 2022, the Exchange withdrew SR–EMERALD–2022–26 and resubmitted this proposal (SR–EMERALD–2022–29).

Background

The Exchange currently assesses transaction rebates and fees to all market participants, which are based upon a threshold tier structure (‘‘Tier’’). Tiers are determined on a monthly basis and are based on three alternative calculation methods, as defined in Section 1(a)(i) of the Fee Schedule. The calculation method that results in the highest Tier achieved by the Member3 shall apply to all Origin types by the Member, except the Priority Customer Origin type. For the Priority Customer Origin calculation, the Tier applied for a Member and its Affiliates4 is solely determined by calculation Method 3, as defined in Section 1(a)(i) of the Fee Schedule, titled ‘‘Total Priority Customer. Maker sides volume, based on % of CTVC (Method 3).’’ The monthly volume thresholds for each of the methods, associated with each Tier, are calculated as the total monthly volume executed by the Member in all options classes on MIAX Emerald in the relevant Origins and/or applicable liquidity, not including Excluded Contracts,5 (as the numerator) expressed as a percentage of (divided by) Customer

1 Member means an individual or organization allowed to exercise the trading rights associated with a Trading Permit. Members are deemed ‘‘members’’ under the Exchange Act. See the Definitions Section of the Fee Schedule and Exchange Rule 100.
2 Affiliate means an individual or organization that has been appointed by an ERM and an ERM (does not otherwise have a corporate affiliation based upon common ownership with an ERM) that has been appointed by an ERM (does not otherwise have a corporate affiliation based upon common ownership with a Market Maker) that has been appointed by an ERM and an ERM (does not otherwise have a corporate affiliation based upon common ownership with a Market Maker).
3 The Exchange is not filing a proposed rule change to amend the Fee Schedule for market participants other than Members. For the purposes of this rule change, the Exchange is not filing a proposed rule change to amend the Fee Schedule for market participants other than Members.
4 ‘‘Priority Customer’’ means a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 490 orders in listed options per day on average during a calendar month for its own beneficial account(s). See Exchange Rule 100, including Interpretation and Policy .01.