



Martha Redding
Associate General Counsel
Assistant Secretary

March 30, 2020

VIA E-MAIL

Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Re: SR-NYSENAT-2020-12

Dear Secretary:

NYSE National, Inc. filed the attached Amendment No. 1 to the above-referenced filing on March 30, 2020.

Sincerely,

A handwritten signature in blue ink, appearing to be "37" or a similar stylized mark.

Encl. (Amendment No. 1 to SR-NYSENAT-2020-12)

OMB APPROVAL

OMB Number: 3235-0045
 Estimated average burden
 hours per response.....38

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 17

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 Form 19b-4

File No. * SR - 2020 - * 12
 Amendment No. (req. for Amendments *) 1

Filing by NYSE National, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * ☐ Amendment * ☒ Withdrawal ☐

Section 19(b)(2) * ☒ Section 19(b)(3)(A) * ☐ Section 19(b)(3)(B) * ☐

Rule

Pilot ☐ Extension of Time Period
 for Commission Action * ☐ Date Expires *

☐ 19b-4(f)(1) ☐ 19b-4(f)(4)
☐ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ☐ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Security-Based Swap Submission pursuant
 to the Securities Exchange Act of 1934

Section 806(e)(1) * ☐

Section 806(e)(2) * ☐

Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document



Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to add the Exchange supervision rules to the list of minor rule violations in Rule 10.9217

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * David Last Name * De Gregorio
 Title * Senior Counsel, NYSE Group Inc.
 E-mail * David.DeGregoro@theice.com
 Telephone * (211) 656-4166 Fax (212) 656-8101

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date 03/30/2020

By Clare Saperstein

(Name *)

Associate General Counsel

Clare Saperstein,

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549	
For complete Form 19b-4 instructions please refer to the EFFF website.	
<div>Form 19b-4 Information *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.
<div>Exhibit 1 - Notice of Proposed Rule Change *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)
<div>Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)
<div>Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document <input type="checkbox"/></div>	Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.
<div>Exhibit 3 - Form, Report, or Questionnaire</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document <input type="checkbox"/></div>	Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.
<div>Exhibit 4 - Marked Copies</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.
<div>Exhibit 5 - Proposed Rule Text</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.
<div>Partial Amendment</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

- (a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² NYSE National, Inc. (“NYSE National” or the “Exchange”) proposes to add the Exchange’s supervision rules to the list of minor rule violations in Rule 10.9217. This Amendment No. 1 to SR-NYSENat-2020-12 replaces SR-NYSENat-2020-12 as originally filed and supersedes such filing in its entirety.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached as Exhibit 5.

- (b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.
- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action by the Board of Directors or the membership of the Exchange is required. Therefore, the Exchange’s internal procedures with respect to the proposed change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

David De Gregorio
Senior Counsel
NYSE Group, Inc.
(212) 656-4166

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

- (a) Purpose

The Exchange proposes to add the Exchange’s supervision rules to the list of minor rule violations in Rule 10.9217. Rule 10.9217 sets forth the list of rules under which an ETP Holder or Associated Person may be subject to a fine under a minor rule violation plan as described in Rule 10.9216(b).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Proposed Rule Change

First, the Exchange proposes to add the following new paragraph (d) to Rule 10.9217:

Nothing in this Rule shall require the Exchange to impose a fine for a violation of any rule under this Minor Rule Plan. If the Exchange determines that any violation is not minor in nature, the Exchange may, at its discretion, proceed under the Rule 10.9000 Series rather than under this Rule.

The language is based on NYSE Arca, Inc. (“NYSE Arca”) Rule 10.9217(d). Existing paragraphs (d) through (f) of Rule 9217 would become paragraphs (e), (f) and (g).

Second, the Exchange proposes to add Rules 11.3.2 (Violations Prohibited), 11.5.1 (Written Procedures) and 11.5.2 (Responsibility of ETP Holders) to the list of rules in Rule 10.9217 eligible for disposition pursuant to a fine under Rule 10.9216(b). Rules 11.3.2, 11.5.1 and 11.5.2 are the Exchange’s supervision rules for equities trading.

Rule 11.3.2 provides that no ETP Holder shall engage in conduct in violation of the Exchange Act, the rules or regulations thereunder, the By-Laws, or Exchange Rules, and that every ETP Holder shall supervise persons associated with the ETP Holder as to assure compliance with those requirements.

Rule 11.5.1 governs written procedures and requires ETP Holders to establish, maintain, and enforce written procedures to supervise properly the activities of its Associated Persons and to assure their compliance with applicable securities laws, rules, regulations and statements of policy promulgated thereunder, with the rules of the designated self-regulatory organization, where appropriate, and with Exchange rules.

Rule 11.5.2 provides that final responsibility for proper supervision rests with the ETP Holder, and that the ETP Holder shall designate a partner, officer or manager in each office of supervisory jurisdiction, including the main office, to carry out the written supervisory procedures.

Rules 11.3.2, 11.5.1 and 11.5.2 are substantially similar to certain provisions of the New York Stock Exchange LLC’s (“NYSE”) supervision Rule 3110. Specifically, NYSE Rule 3110(a) requires, in part, that NYSE member organizations establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable NYSE rules and that final responsibility for proper supervision rests with the member

organization. NYSE Rule 3110(b)(1) requires NYSE member organizations to establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable NYSE rules. Both NYSE Rules 3110(a) and (b)(1) are separately eligible for a minor rule fine under the NYSE's version of Rule 9217.³

To effectuate this change, the Exchange proposes to add "Failure to comply with the supervision requirements of Rules 11.3.2 and 11.5.1" and "Failure to comply with the supervision requirements of Rules 11.3.2 and Rule 11.5.2" to the list of rule violations in current subparagraph (e) of Rule 9217 titled "Record Keeping and Other Minor Rule Violations." As noted above, subparagraph (e) of Rule 9217 would become new subparagraph (f).

Similarly, the Exchange would add two new entries to the Fine Schedule in current Rule 9217(f)(2), which would become subparagraph (g)(2). First, the Exchange would add a new number 4 to the chart in subparagraph (f)(2) titled "Failure to comply with the supervision requirements as set forth in Rules 11.3.2 and 11.5.1" and corresponding proposed fine levels of \$2,000 for a first level fine, \$4,000 for a second level fine, and \$5,000 for a third level fine. Second, the Exchange would add a new number 5 to the chart in subparagraph (f)(2) titled "Failure to comply with the supervision requirements as set forth in Rules 11.3.2 and 11.5.2" and corresponding proposed fine levels of \$2,000 for a first level fine, \$4,000 for a second level fine, and \$5,000 for a third level fine.

The proposed fine levels are consistent with current Exchange fine levels and comparable to those in the NYSE fine schedule.⁴

(b) Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(5),⁶ 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 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.

³ See NYSE Rules 3110 (Supervision) & 9217.

⁴ See NYSE 9217. The Exchange notes that it must provide the Commission prompt notice of any violation with sanction over \$2,500, in accordance with Securities Exchange Act Rule 19d-1(c). See 17 CFR 240.19d-1(c).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

Minor rule fines provide a meaningful sanction for minor or technical violations of rules. The Exchange believes that the proposed rule change will strengthen the Exchange's ability to carry out its oversight and enforcement responsibilities in cases where full disciplinary proceedings are unwarranted in view of the minor nature of the particular violation. Specifically, the proposed rule change is designed to prevent fraudulent and manipulative acts and practices because it will provide the Exchange the ability to issue a minor rule fine for violations of its rules governing supervision requirements in situations where either a cautionary action letter or a more formal disciplinary action may not be warranted or appropriate.

In addition, the Exchange believes that adding rules based on the rules of its affiliate to the Exchange's minor rule plan would promote fairness and consistency in the marketplace by permitting the Exchange to issue a minor rule fine for violations of substantially similar rules that are eligible for minor rule treatment on the Exchange's affiliate, thereby harmonizing minor rule plan fines across affiliated exchanges for the same conduct. As noted above, Rules 11.3.2, 11.5.1 and 11.5.2 are substantially similar to certain provisions of NYSE Rule 3110. NYSE Rule 3110(a) and (b)(1) are each separately eligible for a minor rule fine under NYSE Rule 9217.⁷

The Exchange further believes that the proposed amendments to Rule 10.9217 are consistent with Section 6(b)(6) of the Act,⁸ which provides that members and persons associated with members shall be appropriately disciplined for violation of the provisions of the rules of the exchange, by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting sanction. As noted, the proposed rule change would provide the Exchange ability to sanction minor or technical violations pursuant to the Exchange's rules.

4. 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. The proposed change is not designed to address any competitive issue but rather to update the Exchange's rules to strengthen the Exchange's ability to carry out its oversight and enforcement functions and deter potential violative conduct.

⁷ See note 3, *supra*.

⁸ 15 U.S.C. 78f(b)(6).

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

The Exchange does not consent to an extension of the time period specified in Section 19(b)(2)⁹ of the Exchange Act.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is based on NYSE Rule 9217 and NYSE Arca Rule 10.9217 with the differences noted herein.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Federal Register

Exhibit 5 – Text of Proposed Rule Change

⁹ 15 U.S.C. 78s(b)(2).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- ; File No. SR-NYSE-NAT-2020-12, Amendment No. 1)

[Date]

Self-Regulatory Organizations; NYSE National, Inc.; Notice of Filing of Proposed Rule Change to Add the Exchange's Supervision Rules to the List of Minor Rule Violations in Rule 10.9217

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on March 30, 2020, NYSE National, Inc. ("NYSE National" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III 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 add the Exchange's supervision rules to the list of minor rule violations in Rule 10.9217. This Amendment No. 1 to SR-NYSENat-2020-12 replaces SR-NYSENat-2020-12 as originally filed and supersedes such filing in its entirety. 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.

¹ 15 U.S.C.78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 add the Exchange's supervision rules to the list of minor rule violations in Rule 10.9217. Rule 10.9217 sets forth the list of rules under which an ETP Holder or Associated Person may be subject to a fine under a minor rule violation plan as described in Rule 10.9216(b).

Proposed Rule Change

First, the Exchange proposes to add the following new paragraph (d) to Rule 10.9217:

Nothing in this Rule shall require the Exchange to impose a fine for a violation of any rule under this Minor Rule Plan.

If the Exchange determines that any violation is not minor in nature, the Exchange may, at its discretion, proceed under the Rule 10.9000 Series rather than under this Rule.

The language is based on NYSE Arca, Inc. ("NYSE Arca") Rule 10.9217(d). Existing paragraphs (d) through (f) of Rule 9217 would become paragraphs (e), (f) and

(g).

Second, the Exchange proposes to add Rules 11.3.2 (Violations Prohibited), 11.5.1 (Written Procedures) and 11.5.2 (Responsibility of ETP Holders) to the list of rules in Rule 10.9217 eligible for disposition pursuant to a fine under Rule 10.9216(b). Rules 11.3.2, 11.5.1 and 11.5.2 are the Exchange's supervision rules for equities trading.

Rule 11.3.2 provides that no ETP Holder shall engage in conduct in violation of the Exchange Act, the rules or regulations thereunder, the By-Laws, or Exchange Rules, and that every ETP Holder shall supervise persons associated with the ETP Holder as to assure compliance with those requirements.

Rule 11.5.1 governs written procedures and requires ETP Holders to establish, maintain, and enforce written procedures to supervise properly the activities of its Associated Persons and to assure their compliance with applicable securities laws, rules, regulations and statements of policy promulgated thereunder, with the rules of the designated self-regulatory organization, where appropriate, and with Exchange rules.

Rule 11.5.2 provides that final responsibility for proper supervision rests with the ETP Holder, and that the ETP Holder shall designate a partner, officer or manager in each office of supervisory jurisdiction, including the main office, to carry out the written supervisory procedures.

Rules 11.3.2, 11.5.1 and 11.5.2 are substantially similar to certain provisions of the New York Stock Exchange LLC's ("NYSE") supervision Rule 3110. Specifically, NYSE Rule 3110(a) requires, in part, that NYSE member organizations establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with

applicable NYSE rules and that final responsibility for proper supervision rests with the member organization. NYSE Rule 3110(b)(1) requires NYSE member organizations to establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable NYSE rules. Both NYSE Rules 3110(a) and (b)(1) are separately eligible for a minor rule fine under the NYSE's version of Rule 9217.⁴

To effectuate this change, the Exchange proposes to add "Failure to comply with the supervision requirements of Rules 11.3.2 and 11.5.1" and "Failure to comply with the supervision requirements of Rules 11.3.2 and Rule 11.5.2" to the list of rule violations in current subparagraph (e) of Rule 9217 titled "Record Keeping and Other Minor Rule Violations." As noted above, subparagraph (e) of Rule 9217 would become new subparagraph (f).

Similarly, the Exchange would add two new entries to the Fine Schedule in current Rule 9217(f)(2), which would become subparagraph (g)(2). First, the Exchange would add a new number 4 to the chart in subparagraph (f)(2) titled "Failure to comply with the supervision requirements as set forth in Rules 11.3.2 and 11.5.1" and corresponding proposed fine levels of \$2,000 for a first level fine, \$4,000 for a second level fine, and \$5,000 for a third level fine. Second, the Exchange would add a new number 5 to the chart in subparagraph (f)(2) titled "Failure to comply with the supervision requirements as set forth in Rules 11.3.2 and 11.5.2" and corresponding proposed fine levels of \$2,000 for a first level fine, \$4,000 for a second level fine, and

⁴ See NYSE Rules 3110 (Supervision) & 9217.

\$5,000 for a third level fine.

The proposed fine levels are consistent with current Exchange fine levels and comparable to those in the NYSE fine schedule.⁵

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(5),⁷ 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 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.

Minor rule fines provide a meaningful sanction for minor or technical violations of rules. The Exchange believes that the proposed rule change will strengthen the Exchange's ability to carry out its oversight and enforcement responsibilities in cases where full disciplinary proceedings are unwarranted in view of the minor nature of the particular violation. Specifically, the proposed rule change is designed to prevent fraudulent and manipulative acts and practices because it will provide the Exchange the ability to issue a minor rule fine for violations of its rules governing supervision requirements in situations where either a cautionary action letter or a more formal disciplinary action may not be warranted or appropriate.

⁵ See NYSE 9217. The Exchange notes that it must provide the Commission prompt notice of any violation with sanction over \$2,500, in accordance with Securities Exchange Act Rule 19d-1(c). See 17 CFR 240.19d-1(c).

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

In addition, the Exchange believes that adding rules based on the rules of its affiliate to the Exchange's minor rule plan would promote fairness and consistency in the marketplace by permitting the Exchange to issue a minor rule fine for violations of substantially similar rules that are eligible for minor rule treatment on the Exchange's affiliate, thereby harmonizing minor rule plan fines across affiliated exchanges for the same conduct. As noted above, Rules 11.3.2, 11.5.1 and 11.5.2 are substantially similar to certain provisions of NYSE Rule 3110. NYSE Rule 3110(a) and (b)(1) are each separately eligible for a minor rule fine under NYSE Rule 9217.⁸

The Exchange further believes that the proposed amendments to Rule 10.9217 are consistent with Section 6(b)(6) of the Act,⁹ which provides that members and persons associated with members shall be appropriately disciplined for violation of the provisions of the rules of the exchange, by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting sanction. As noted, the proposed rule change would provide the Exchange ability to sanction minor or technical violations pursuant to the Exchange's rules.

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. The proposed change is not designed to address any competitive issue but rather to update the Exchange's rules to strengthen the Exchange's ability to carry out its oversight and enforcement functions and deter potential violative conduct.

⁸ See note 4, *supra*.

⁹ 15 U.S.C. 78f(b)(6).

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

Within 45 days of the date of publication of this notice in the Federal Register or 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 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 e-mail to rule-comments@sec.gov. Please include File Number SR-NYSENAT-2020-12 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-NYSENAT-2020-12. This file number should be included on the subject line if e-mail 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-NYSENAT-2020-12 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

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

Eduardo A. Aleman
Deputy Secretary

¹⁰ 17 CFR 200.30-3(a)(12).

Additions underlined.
 Deletions [bracketed].

Rules of NYSE National, Inc.

* * * * *

Rule 10.9217. Violations Appropriate for Disposition Under Rule 10.9216(b)

* * * * *

(d) Nothing in this Rule shall require the Exchange to impose a fine for a violation of any rule under this Minor Rule Plan. If the Exchange determines that any violation is not minor in nature, the Exchange may, at its discretion, proceed under the Rule 10.9000 Series rather than under this Rule.

List of Rule Violations and Fines Applicable Thereto

([d]e) Trading Rule Violations.

- Short Sales. (Rule 7.16)
- Failure to maintain continuous, two-sided Q Orders in those securities in which the Market Maker is registered to trade. (Rule 7.23(a)(1)).
- Failure to comply with Authorized Trader requirements. (Rule 7.30).
- Acting as a Market Maker in a security without being registered as such as required by Rule 7.20(a).
- Committing any act prohibited by Rule 11.12.11 (Prearranged Trades).

([e]f) Record Keeping and Other Minor Rule Violations.

- Failure to comply with the employee registration or other requirements of Rule 2.2.
- Failure to comply with the books and records requirements of Rule 11.4.1.
- Failure to comply with the requirements for preventing the misuse of material nonpublic information as set forth in Rule 11.5.5 and its Commentaries.
- Failure to comply with the supervision requirements of Rules 11.3.2 and 11.5.1

- Failure to comply with the supervision requirements of Rules 11.3.2 and 11.5.2.

([f]g) Fine Schedule

* * * * *

(2) Record Keeping and Other Minor Rule Violations Fine Levels

	Fine Levels		
	1st Level	2nd Level	3rd Level
1. Failure to comply with the requirements for preventing the Misuse of Material Nonpublic Information as set forth in Rule 11.5.5	\$2,000.00	\$4,000.00	\$5,000.00
2. Failure to comply with the books and records requirements of Rule 11.4.1	\$2,000.00	\$4,000.00	\$5,000.00
3. Failure to comply with the employee registration or other requirements of Rule 2.2. ¹	\$1,000.00	\$2,500.00	\$3,500.00
4. <u>Failure to comply with the supervision requirements of Rules 11.3.2 and 11.5.1</u>	\$2,000.00	\$4,000.00	\$5,000.00
5. <u>Failure to comply with the supervision requirements of Rules 11.3.2 and 11.5.2.</u>	\$2,000.00	\$4,000.00	\$5,000.00

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