

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT of 1934
Release No. 85682 / April 17, 2019

In the Matter of the

Cboe BZX Exchange, Inc.

For an Order of Disapproval of

Proposed Rule Change to Amend BZX Rule
14.11(c), Index Fund Shares (File No. SR-
CboeBZX-2018-044)

**ORDER SCHEDULING
FILING OF STATEMENTS ON
REVIEW**

On June 21, 2018, Cboe BZX Exchange, Inc. (“BZX”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend BZX Rule 14.11(c) to permit either the portfolio holdings of a series of Index Fund Shares or the index underlying a series of Index Fund Shares to satisfy the listing standards under BZX Rules 14.11(c)(3), (4), and (5). The proposed rule change was published for comment in the Federal Register on July 11, 2018.³ On August 23, 2018, the Division of Trading and Markets (“Division”), for the Commission pursuant to delegated authority, extended the time period for Commission action on the proposed rule change.⁴ On September 28, 2018, BZX filed Amendment No. 1 to the proposed rule change, which amended and replaced the proposed rule change as originally filed.⁵ On October 5, 2018, the Division, for the Commission pursuant to delegated authority, published notice of Amendment No. 1 and instituted proceedings pursuant to Section 19(b)(2)(B) of the Act⁶ to determine whether to approve or disapprove the proposed

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 83594 (July 5, 2018), 83 FR 32158 (July 11, 2018).

⁴ See Securities Exchange Act Release No. 83919 (August 23, 2018), 83 FR 44083 (August 29, 2018).

⁵ Amendment No. 1 is available at: <https://www.sec.gov/comments/sr-cboebzx-2018-044/srcboebzx2018044-4468884-175849.pdf>.

⁶ 15 U.S.C. 78s(b)(2)(B).

rule change, as modified by Amendment No. 1.⁷ On December 21, 2018, pursuant to Section 19(b)(2) of the Act,⁸ the Division, for the Commission pursuant to delegated authority, designated a longer period within which to issue an order approving or disapproving the proposed rule change, as modified by Amendment No. 1.⁹ The Commission received one comment letter on the proposed rule change.¹⁰

On March 8, 2019, the Division, for the Commission pursuant to delegated authority,¹¹ disapproved the proposed rule change, as modified by Amendment No. 1.¹² On March 18, 2019, the Acting Secretary of the Commission notified BZX that, pursuant to Commission Rule of Practice 431,¹³ the Commission would review the Division's action pursuant to delegated authority and that the Division's action pursuant to delegated authority was stayed until the Commission orders otherwise.¹⁴

Accordingly, IT IS ORDERED, pursuant to Commission Rule of Practice 431, that by May 17, 2019, any party or other person may file a statement in support of, or in opposition to, the action made pursuant to delegated authority.

It is further ORDERED that the order disapproving proposed rule change SR-CboeBZX-2018-044 shall remain in effect pending the Commission's review.

By the Commission.

Jill M. Peterson
Assistant Secretary

⁷ See Securities Exchange Act Release No. 84378 (October 5, 2018), 83 FR 51745 (October 12, 2018).

⁸ 15 U.S.C. 78s(b)(2).

⁹ See Securities Exchange Act Release No. 84948 (December 21, 2018), 83 FR 67785 (December 31, 2018).

¹⁰ See letter from Kyle Murray, Assistant General Counsel, Cboe Global Markets, Inc., to Brent J. Fields, Secretary, Commission, dated November 16, 2018, available at <https://www.sec.gov/comments/sr-cboebzx-2018-044/srcboebzx2018044-4657310-176507.pdf>.

¹¹ 17 CFR 200.30-3(a)(12).

¹² See Securities Exchange Act Release No. 85278 (March 8, 2019), 84 FR 9395 (March 14, 2019).

¹³ 17 CFR 201.431.

¹⁴ See letter from Vanessa A. Countryman, Acting Secretary, Commission, to Kyle Murray, Assistant General Counsel, BZX, dated March 18, 2019, available at <https://www.sec.gov/rules/sro/cboebzx/2019/cboebzx-2018-044-acknowledgement-letter-031819.pdf>.