

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-81782; File No. SR-NYSENat-2017-04)

September 29, 2017

Self-Regulatory Organizations; NYSE National, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Adopt Rules to Establish a Rule Numbering Framework in Connection with the Re-Launch of Trading on the Exchange

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 September 28, 2017, NYSE National, Inc. (the “Exchange” or “NYSE National”) 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 the Substance of the Proposed Rule Change

The Exchange proposes to adopt rules to establish a rule numbering framework in connection with the re-launch of trading on the Exchange. 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

¹ 15 U.S.C.78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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

NYSE National, in connection with the re-launch of its trading operations, proposes to adopt rules to establish a rule numbering framework. The Exchange proposes to establish this framework in order to facilitate the amendment and re-publication of its new rule book in advance of the re-launch of trading operations on the Exchange.

On January 31, 2017, Intercontinental Exchange, Inc. ("ICE"), through its wholly-owned subsidiary NYSE Group, acquired all of the outstanding capital stock of the Exchange (the "Acquisition").⁴

Immediately following the closing of the Acquisition, effective February 1, 2017, NYSE National ceased trading operations.⁵ NYSE National continues to be registered as a national securities exchange and has rules that are distinct from the rules of the three other registered national securities exchanges owned by NYSE Group, namely, NYSE, NYSE American LLC, and NYSE Arca, Inc. ("NYSE Arca", and together, the "NYSE Exchanges").⁶

In connection with the Acquisition, NYSE Group announced its plans to migrate NYSE

⁴ See Securities Exchange Act Release No. 79902 (January 30, 2017), 82 FR 9258 (February 3, 2017) (SR-NSX-2016-16). Prior to the Acquisition, the Exchange was named "National Stock Exchange, Inc." NYSE Group is a wholly-owned subsidiary of NYSE Holdings LLC, which is wholly owned by Intercontinental Exchange Holdings, Inc., a direct wholly-owned subsidiary of ICE. ICE is a public company listed on the New York Stock Exchange LLC (the "NYSE").

⁵ See Securities Exchange Act Release No. 80018 (February 10, 2017), 82 FR 10947 (February 16, 2017) (SR-NSX-2017-04).

⁶ See 82 FR 9258, supra note 4.

National to the NYSE Pillar platform, which is an integrated trading technology platform designed to use a single specification for connecting to the equities and options markets operated by the NYSE Exchanges.⁷ The Exchange now proposes to re-launch trading using the NYSE Pillar platform.

To that end, in connection with the re-launch of trading operations following the migration to Pillar, the Exchange proposes to adopt the rule numbering framework of the rules governing the NYSE Arca equities market. The Exchange believes that if it and its affiliates are operating on the same trading platform, using the same rule numbering scheme across all markets using the NYSE Pillar platform will make it easier for members, the public and the Commission to navigate the rules of each market. The Exchange therefore proposes to adopt a framework of rule numbering that is based on the current rules governing the NYSE Arca equities market: NYSE Arca Rules 0 through 3, 4-E through 9-E, and 10 through 14.⁸

As proposed, this framework would use the current rule numbering scheme of the rules governing the NYSE Arca equities market, and would consist of the following proposed rules:

RULE 0 REGULATION OF THE EXCHANGE AND ETP HOLDERS

RULE 1 DEFINITIONS

RULE 2 TRADING PERMITS

RULE 3 ORGANIZATION AND ADMINISTRATION

RULE 4 CAPITAL REQUIREMENTS, FINANCIAL REPORTS, MARGIN

⁷ See Trader Update dated January 18, 2017, available here: https://www.nyse.com/publicdocs/nyse/markets/nyse/NYSE_Group_NSX_Member_Notice.pdf

⁸ See Securities Exchange Act Release No. 81419 (August 17, 2017), 82 FR 40044 (August 23, 2017) (SR-NYSEArca-2017-40), at 40046. Because the Exchange only has an equities market, the proposed rule framework would not require the “-E” designation for Rules 4 through 9.

RULE 5 EQUITIES LISTINGS

RULE 6 ORDER AUDIT TRAIL SYSTEM

RULE 7 EQUITIES TRADING

RULE 8 TRADING OF CERTAIN EXCHANGE DERIVATIVES

RULE 9 CONDUCTING BUSINESS WITH THE PUBLIC

RULE 10 DISCIPLINARY PROCEEDINGS, OTHER HEARINGS AND
APPEALS

RULE 11 BUSINESS CONDUCT

RULE 12 ARBITRATION

RULE 13 CANCELLATION, SUSPENSION, AND REINSTATEMENT

RULE 14 LIABILITY OF DIRECTORS AND EXCHANGE

The Exchange proposes to establish this framework in order to facilitate the amendment and re-publication of its new rule book in advance of the re-launch of trading operations on the Exchange. The Exchange intends to file separate proposed rules changes for the substantive areas identified in its new rule book, as well as the related price list.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),⁹ in general, and furthers the objectives of Section 6(b)(5),¹⁰ 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

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

public interest. The Exchange believes that the proposed rules would remove impediments to and perfect the mechanism of a free and open market because the proposed rule set establishing a rule numbering framework would promote transparency in Exchange rules by using consistent rule numbers with the equities market of NYSE Arca, which is the first market that migrated to the Pillar trading platform. The Exchange believes that using a common framework of rule numbers for the equity markets that operate on the Pillar trading platform will better allow members, regulators, and the public to navigate the Exchange's rulebook and better understand how equity trading is conducted on the Exchange.

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 rule change is not designed to address any competitive issue but rather to adopt a new rule numbering framework to support the Exchange's amendment and re-publication of its rule book that in turn will support the re-launch of its trading platform. The Exchange believes that the proposed rule change would promote consistency and transparency on both the Exchange and its affiliate NYSE Arca, thus making the Exchange's rules easier to navigate.

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

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)(iii) of the Act¹¹ and subparagraph (f)(6) of Rule 19b-4 thereunder.¹²

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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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 e-mail to rule-comments@sec.gov. Please include File Number SR-NYSENat-2017-04 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-2017-04. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your

¹¹ 15 U.S.C. 78s(b)(3)(A)(iii).

¹² 17 CFR 240.19b-4(f)(6).

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 offices of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSENat-2017-04, 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.¹³

Eduardo A. Aleman
Assistant Secretary

¹³ 17 CFR 200.30-3(a)(12).