

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-88098; File No. SR-NYSENAT-2020-02)

January 30, 2020

Self-Regulatory Organizations; NYSE National, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Certain Grammatical or Non-substantive Changes to the NYSE National Rule 10.8000 and Rule 10.9000

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 January 22, 2020, NYSE National, Inc. (“NYSE National” or the “Exchange”) 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 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 certain grammatical or non-substantive changes to the NYSE National Rule 10.8000 and Rule 10.9000 Series to conform to the Rule 10.8000 and Rule 10.9000 Series of the Exchange’s affiliate NYSE Arca, Inc. (“NYSE Arca”). 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 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes certain grammatical or non-substantive changes to the NYSE National Rule 10.8000 (Investigations and Sanctions) and Rule 10.9000 (Code of Procedure) Series to conform to the Rule 10.8000 and Rule 10.9000 Series of the Exchange’s affiliate NYSE Arca. The proposed rule change will further harmonize the Exchange’s disciplinary rules with the rules of the Exchange’s affiliates.

Proposed Rule Change

In 2018, the Exchange adopted the Rule 10.8000 and Rule 10.9000 Series, which set forth the Exchange’s rules relating to investigation, discipline, sanction, and other procedural rules. Rule 10 was modeled on the rules of the Exchange’s affiliate NYSE American, Inc., which in turn was modeled on the rules of the Financial Industry Regulatory Authority, Inc. (“FINRA”).³ In 2019, the Exchange’s affiliate NYSE Arca adopted the Rule 10.8000 and Rule 10.9000 Series.⁴ As part of that filing, NYSE Arca incorporated certain grammatical or other non-substantive changes that the Exchange proposes to adopt in order to further harmonize the Exchange’s disciplinary rules with the rules of its affiliates.

Specifically, the Exchange proposes the following changes:

³ See Securities Exchange Act Release No. 83289 (May 17, 2018), 83 FR 23968 (May 23, 2018) (SR-NYSENat-2018-02).

⁴ See Securities Exchange Act Release No. 85639 (April 12, 2019), 84 FR 16346 (April 18, 2019) (SR-NYSEArca-2019-15). As part of that filing, NYSE Arca incorporated certain grammatical or other non-substantive changes that had been earlier made to the Exchange’s disciplinary rules. See *id.*, 84 FR at 16346, n. 4.

- Rule 10.8211 (Automated Submission of Trading Data Requested by the Exchange) sets forth the procedures for electronic blue sheets. In subsection (a), the Exchange proposes to delete the “s” following “transaction” and add the phrase “or transactions” and to replace “is” with “are” in order to conform to NYSE Arca Rule 10.8211(a).
- Rule 10.8313 (Release of Disciplinary Complaints, Decisions and Other Information) provides, in part, for the Exchange to publish all final disciplinary decisions issued under the Rule 10.9000 Series, other than minor rule violations, on its website. In Rule 10.8313(a)(3), the Exchange proposes to add “and” between “10.9558” and “10.9560.” In subsection (c)(1), the Exchange proposes to add “information that contains” prior to “confidential customer information.” Both changes would conform to NYSE Arca Rule 10.8313(a)(3) and (c)(1).
- Rule 10.8320 (Payment of Fines, Other Monetary Sanctions, or Costs; Summary Action for Failure to Pay) governs payment of fines and other monetary sanctions or costs by ETP⁵ Holders. In order to conform to NYSE Arca Rule 10.8320(b), Rule 10.8320(b) would be amended to add an apostrophe after “days” and the phrase “from membership” following “expel.”
- Rule 10.9110 (Application) sets forth the types of proceedings to which the Rule 10.9000 Series applies. In order to conform to NYSE Arca Rule 10.9110(a), the Exchange would add the following sentence to the end of the subsection: “No member of the Board of Directors or non-Regulatory Staff may interfere with or

⁵ The term “ETP” refers to an Equity Trading Permit issued by the Exchange for effecting approved securities transactions on the Exchange. An “ETP Holder” means the Exchange-approved holder of an ETP. See Rules 1.1(h) and (i).

attempt to influence the process or resolution of any pending investigation or disciplinary proceeding.”

- Rule 10.9120 (Definitions) sets forth the definitions applicable to the Rule 10.9000 Series. Under the definition of “Interested Staff” in Rule 10.9120(B)(iii), the Exchange would add parentheses around the “s” in “supervises” to conform to NYSE Arca Rule 10.9120(B)(iii).
- Rule 10.9310 governs review by the Exchange’s board of directors. In order to conform with NYSE Arca Rule 10.9310(a)(B)(i) and (ii), Rule 10.9310(a)(B)(i) and (ii) would both be amended to define the term “affiliate” as used therein. Specifically, the phrase “of the Exchange as such term is defined in Rule 12b-2 under the Exchange Act” would be added before “affiliate” in both subsections and the phrases “ETP Holder that is an” and “Exchange ETP Holder that is an” before “affiliate” in subsections (a)(i) and (a)(ii), respectively, would be deleted. Further, in order to conform to NYSE Arca Rule 10.9310(b), the Exchange would add “Securities” before, and “of 1934” after, “Exchange Act” in the last sentence.
- Rule 10.9524 (Exchange Board of Directors Consideration) governs requests for review by the applicant to the Exchange board of directors. To conform with NYSE Arca Rule 10.9524, the Exchange would add “Securities” before, and “of 1934” after, “Exchange Act” in the last sentence.
- Rule 10.9559 (Hearing Procedures for Expedited Proceedings Under the Rule 10.9550 Series) sets forth uniform hearing procedures for all expedited proceedings under the Rule 10.9550 Series. In order to conform to NYSE Arca Rule 10.9559, the Exchange proposes the following changes to Rule 10.9559:

- replacing the incorrect reference to Rule 10.9552 with Rule 10.9551 in subsection (c)(1);
 - adding two references to Rule 10.9551 in subsection (d)(2);
 - deleting “the” before “Hearing Officer” in the next to last sentence of Rule 10.9559(e);
 - replacing the incorrect reference to Rule 10.9552 with Rule 10.9551 in Rule 10.9559(g)(4); and
 - adding a reference to Rule 10.9551 in Rule 10.9559(o)(3).
- Finally, Rule 10.9560 (Expedited Suspension Proceeding) sets forth procedures for expedited suspension hearings. In order to conform to NYSE Arca Rule 10.9560, the Exchange proposes the following changes to Rule 10.9560:
 - adding “or Panelist” after “Hearing Officer” in three places in subsection (b)(2); and
 - adding “or Panelist” after “Hearing Officer” in two places in subsection (c)(1).

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (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

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

public interest.

The Exchange believes that the proposed rule change would remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors and the public interest because the proposed conforming grammatical or non-substantive changes would add clarity, transparency and consistency to the Exchange's disciplinary rules. The Exchange believes that market participants would benefit from the increased clarity, thereby reducing potential confusion. Similarly, the Exchange believes that the proposed changes would also make the Exchange's disciplinary rules more consistent with the rules of NYSE Arca, thereby ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public can more easily navigate and understand 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 rule change is not intended to address competitive issues but rather is concerned solely with amending the disciplinary rules to make conforming grammatical or non-substantive changes based on the disciplinary rules of the Exchange's affiliate NYSE Arca.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of

the Act⁸ and Rule 19b-4(f)(6) thereunder.⁹ Because the 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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.

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)¹⁰ 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 e-mail to rule-comments@sec.gov. Please include File Number SR-NYSENAT-2020-02 on the subject line.

⁸ 15 U.S.C. 78s(b)(3)(A)(iii).

⁹ 17 CFR 240.19b-4(f)(6).

¹⁰ 15 U.S.C. 78s(b)(2)(B).

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-2020-02. 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 offices 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-2020-02, 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.¹¹

J. Matthew DeLesDernier
Assistant Secretary

¹¹ 17 CFR 200.30-3(a)(12).