SECURITIES AND EXCHANGE COMMISSION

June 14, 2019

Self-Regulatory Organizations; NYSE American LLC; Notice of Withdrawal of Proposed Rule Change, as Modified by Amendment No. 2, To Allow Flexible Exchange Equity Options To Be Cash Settled Where the Underlying Security is a Specified Exchange-Traded Fund

On September 20, 2018, NYSE American LLC (“NYSE American” or the “Exchange”) 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 modify the rules related to Flexible Exchange (“FLEX”) Options to allow cash settlement for certain FLEX Equity Options. The proposal, as modified by Amendment No. 2, would allow FLEX Equity Options to be cash settled where the underlying security is one of 25 specified Exchange-Traded Funds (“ETF”).

The proposed rule change was published for comment in the Federal Register on October 11, 2018.3 On November 19, 2018, pursuant to Section 19(b)(2) of the Act,4 the Commission designated a longer period within which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove

---

the proposed rule change.\textsuperscript{5} The Commission received one comment in response to the Original Notice.\textsuperscript{6}

On December 19, 2018, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act\textsuperscript{7} to determine whether to approve or disapprove the proposed rule change.\textsuperscript{8} On March 11, 2019, the Exchange filed Amendment No. 1 to the proposed rule change. On March 25, 2019, the Exchange withdrew Amendment No. 1 and filed Amendment No. 2 to the proposed rule change, which superseded and replaced the proposed rule change in its entirety.\textsuperscript{9} On April 5, 2019, the Commission designated a longer period for Commission action on the proceedings to determine whether to approve or disapprove the proposed rule change.\textsuperscript{10} The Commission published Amendment No. 2 for comment in the Federal Register on April 17, 2019.\textsuperscript{11} The Commission received no comments in response to this solicitation for comments.

\textsuperscript{5} See Securities Exchange Act Release No. 84616 (November 19, 2018), 83 FR 60519 (November 26, 2018). The Commission designated January 9, 2019, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

\textsuperscript{6} See Letter to Brent J. Fields, Secretary, Commission, from Samara Cohen, Head of ETF Global Markets, BlackRock, dated November 27, 2018 (“BlackRock Letter”).


\textsuperscript{8} See Securities Exchange Act Release No. 84870 (December 19, 2018), 83 FR 66779 (December 27, 2018) (“Order Instituting Proceedings”). The Commission designated April 9, 2019, as the date by which the Commission shall approve or disapprove the proposed rule change.

\textsuperscript{9} See Notice, infra note 11, at n.10, which describes the changes proposed in Amendment No. 2 from the original proposal.


For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.12

Vanessa A. Countryman
Acting Secretary