

Dated: May 23, 2018.

**Catherine Andrade,**

*Corporate Secretary, Overseas Private Investment Corporation.*

[FR Doc. 2018-11376 Filed 5-23-18; 11:15 am]

**BILLING CODE 3210-01-P**

## POSTAL REGULATORY COMMISSION

[Docket Nos. MC2018-155 and CP2018-224]

### New Postal Products

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning negotiated service agreements. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* May 29, 2018.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202-789-6820.

### SUPPLEMENTARY INFORMATION:

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### I. Introduction

The Commission gives notice that the Postal Service has filed request(s) for the Commission to consider matters related to negotiated service agreement(s). The request(s) may propose the addition or removal of a negotiated service agreement from the market dominant or the competitive product list, or the modification of an existing product currently appearing on the market dominant or the competitive product list.

Section II identifies the docket number(s) associated with each Postal Service request, the title of each Postal Service request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 (Public Representative). Section II also

establishes comment deadline(s) pertaining to each request.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (<http://www.prc.gov>). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3007.40.

The Commission invites comments on whether the Postal Service's request(s) in the captioned docket(s) are consistent with the policies of title 39. For request(s) that the Postal Service states concern market dominant product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3622, 39 U.S.C. 3642, 39 CFR part 3010, and 39 CFR part 3020, subpart B. For request(s) that the Postal Service states concern competitive product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comment deadline(s) for each request appear in section II.

### II. Docketed Proceeding(s)

1. *Docket No(s):* MC2018-155 and CP2018-224; *Filing Title:* USPS Request to Add First-Class Package Service Contract 93 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* May 21, 2018; *Filing Authority:* 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.*; *Public Representative:* Christopher C. Mohr; *Comments Due:* May 29, 2018.

This notice will be published in the **Federal Register**.

**Stacy L. Ruble,**  
*Secretary.*

[FR Doc. 2018-11282 Filed 5-24-18; 8:45 am]

**BILLING CODE 7710-FW-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83296]

### Order Granting Application by NYSE National, Inc. for an Exemption Pursuant to Section 36(a) of the Exchange Act From the Rule Filing Requirements of Section 19(b) of the Exchange Act With Respect to Certain Rules Incorporated by Reference

May 21, 2018.

NYSE National, Inc. ("NYSE National" or "Exchange") has filed with the Securities and Exchange Commission ("Commission") an application for an exemption under Section 36(a)(1) of the Securities Exchange Act of 1934 ("Exchange

Act")<sup>1</sup> from the rule filing requirements of Section 19(b) of the Exchange Act<sup>2</sup> with respect to certain rules of the Financial Industry Regulatory Authority, Inc. ("FINRA") that the Exchange seeks to incorporate by reference.<sup>3</sup> Section 36 of the Exchange Act authorizes the Commission to conditionally or unconditionally exempt any person, security, or transaction, or any class thereof, from any provision of the Exchange Act or rule thereunder, if necessary or appropriate in the public interest and consistent with the protection of investors.

On May 17, 2018, the Commission approved the Exchange's proposed rule change that would delete the Exchange's current rules and replace them with rules to accommodate the re-launch of trading on the Exchange through the Pillar platform.<sup>4</sup> Among other things, the new rules include rules relating to the obligations and business conduct of the Exchange's members, referred to as ETP Holders.

NYSE National has requested, pursuant to Rule 0-12 under the Exchange Act,<sup>5</sup> that the Commission grant the Exchange an exemption from the rule filing requirements of Section 19(b) of the Act for changes to those Exchange rules that are effected solely by virtue of a change to a cross-referenced FINRA rule, including FINRA rules designated as NASD rules.<sup>6</sup> Specifically, the Exchange requests that it be permitted to incorporate by reference changes made to each FINRA rule (or series of rules, in the case of FINRA's Code of Arbitration Procedure) that is cross-referenced in the following

<sup>1</sup> 15 U.S.C. 78mm(a)(1).

<sup>2</sup> 15 U.S.C. 78s(b).

<sup>3</sup> See Letter from Elizabeth K. King, General Counsel and Corporate Secretary, New York Stock Exchange, to Brent J. Fields, Secretary, Commission, dated May 18, 2018 ("Exemptive Request"). The Exchange submitted the Exemptive Request in connection with a proposed rule change, in connection with the re-launch of trading on NYSE National on the Pillar trading platform. The proposal, as amended by Amendment No. 1, which was filed by the Exchange on May 16, 2018, includes: (1) Amendments to Article V, Sections 5.01 and 5.8 of the Fourth Amended and Restated Bylaws of NYSE National ("Bylaws"); (2) new rules based on the rules of the Exchange's affiliates relating to (a) trading securities on an unlisted trading privileges basis (Rule 5), (b) trading on the Pillar trading platform (Rules 1 and 7), (c) disciplinary rules (Rule 10), and (d) administration of the Exchange (Rules 3, 12 and 13); (3) rule changes that renumber and update current Exchange rules relating to (a) membership (Rule 2), (b) order audit trail requirements (Rule 6), and (c) trading practices (Rule 11); and (4) deletion of Chapters I-XVI and the rules contained therein.

<sup>4</sup> See Securities Exchange Act Release No. 83289 (May 17, 2018).

<sup>5</sup> 17 CFR 240.0-12.

<sup>6</sup> See Exemptive Request, *supra* note 3, at 1-2.

proposed NYSE National Rules, without the need for the Exchange to file separately the same proposed rule changes pursuant to Section 19(b) of the Act:<sup>7</sup>

- Rule 2.2 (Obligations of ETP Holders and the Exchange) cross-references NASD Rule 1032(f)(1),
- Rule 6.7440 (Recording of Order Information) cross-references FINRA Rule 7740,
- Rule 6.7450 (Order Data Transmission Requirements) cross-references FINRA Rule 7450,
- Rule 11.2111 (Suitability) cross-references FINRA Rule 2111,
- Rule 11.2210 (Communications with the Public) cross-references FINRA Rule 2210 (except FINRA Rule 2210(c)),
- Rule 11.2232 (Customer Confirmations) cross-references FINRA Rule 2232,
- Rule 11.3310 (Anti-Money Laundering Compliance Program) cross-references FINRA Rule 3310,
- Rule 11.5320 (Prohibition Against Trading Ahead of Customer Orders) cross-references FINRA Rule 5310,
- Rule 11.5320 Commentary .01 (Large Orders and Institutional Account Exceptions) cross-references FINRA Rule 4512(c), and
- Rule 12 (Code of Arbitration Procedure for Customer and Industry Disputes) cross-references the 12000 and the 13000 Series of the FINRA Code of Arbitration and FINRA Rule 2268.

The Exchange states that the direct incorporations by reference of FINRA rules, certain of which are regulatory in nature,<sup>8</sup> are intended to be a comprehensive integration of the relevant FINRA rules into NYSE National's rules.<sup>9</sup> The Exchange represents that, as a condition to the requested exemption from Section 19(b) of the Act, the Exchange agrees to provide written notice to its members whenever FINRA proposes a change to a cross-referenced rule.<sup>10</sup> Such notice will alert Exchange members to the proposed rule change and give them an

opportunity to comment on the proposal. The Exchange further represents that it will inform members in writing when the Commission approves any such proposed rule changes.<sup>11</sup>

According to the Exchange, this exemption is necessary and appropriate because it would result in the Exchange's rules being consistent with the relevant cross-referenced FINRA rules at all times, thus ensuring identical regulation of joint members of the Exchange and FINRA with respect to such rules. Without such an exemption, joint members of the Exchange and FINRA could be subject to two different standards.<sup>12</sup> Moreover, the Exchange believes that by incorporating the above-referenced FINRA rules in the Exchange's rulebook as rules of the Exchange, the exemption would ensure consistent regulation of Exchange ETP Holders that are not FINRA members and Exchange ETP Holders that are FINRA members.<sup>13</sup> In addition, the Exchange believes that the exemption would ensure consistency between certain Exchange and FINRA rules that are covered by the Exchange's regulatory services agreement ("RSA") with FINRA, which would facilitate FINRA's provision of services to the Exchange under the RSA within the scope of those rules.<sup>14</sup>

The Commission has issued exemptions similar to the Exchange's request.<sup>15</sup> In granting one such

exemption in 2010, the Commission repeated a prior, 2004 Commission statement that it would consider similar future exemption requests from other SROs, provided that:

- An SRO wishing to incorporate rules of another SRO by reference has submitted a written request for an order exempting it from the requirement in Section 19(b) of the Exchange Act to file proposed rule changes relating to the rules incorporated by reference, has identified the applicable originating SRO(s), together with the rules it wants to incorporate by reference, and otherwise has complied with the procedural requirements set forth in the Commission's release governing procedures for requesting exemptive orders pursuant to Rule 0–12 under the Exchange Act;<sup>16</sup>
- The incorporating SRO has requested incorporation of categories of rules (rather than individual rules within a category) that are not trading rules (*e.g.*, the SRO has requested incorporation of rules such as margin, suitability, or arbitration); and
- The incorporating SRO has reasonable procedures in place to provide written notice to its members each time a change is proposed to the incorporated rules of another SRO.<sup>17</sup>

The Commission believes that the Exchange has satisfied each of these conditions. The Commission also believes that granting the Exchange an exemption from the rule filing requirements under Section 19(b) of the Exchange Act will promote efficient use of Commission and Exchange resources by avoiding duplicative rule filings based on simultaneous changes to identical rule text sought by more than one SRO.<sup>18</sup> The Commission therefore finds it appropriate in the public interest and consistent with the protection of investors to exempt the Exchange from the rule filing requirements under Section 19(b) of the Exchange Act with respect to the above-described rules it has incorporated by reference. This exemption is conditioned upon the Exchange

Options Market rules) ("BATS Options Market Order").

<sup>16</sup> See 17 CFR 240.0–12 and Securities Exchange Act Release No. 39624 (February 5, 1998), 63 FR 8101 (February 18, 1998) ("Commission Procedures for Filing Applications for Orders for Exemptive Relief Pursuant to Section 36 of the Exchange Act; Final Rule").

<sup>17</sup> See BATS Options Market Order, *supra* note 15 (citing Securities Exchange Act Release No. 49260 (February 17, 2004), 69 FR 8500 (February 24, 2004) (order granting exemptive request relating to rules incorporated by reference by several SROs) ("2004 Order").

<sup>18</sup> See BATS Options Market Order, *supra* note 15, 75 FR at 8761; *see also* 2004 Order, *supra* note 17, 69 FR at 8502.

<sup>7</sup> *Id.*

<sup>8</sup> The Exchange represents that the FINRA rules proposed to be incorporated by reference are not trading rules. In addition, the Exchange notes that several other self-regulatory organizations ("SROs") incorporate by reference certain regulatory rules of another SRO and have received from the Commission similar exemptions from Section 19(b) of the Exchange Act. *See* Exemptive Request, *supra* note 3, at 2, n. 5.

<sup>9</sup> *See* Exemptive Request, *supra* note 3, at 2–3.

<sup>10</sup> *See* Exemptive Request, *supra* note 3, at 3. The Exchange represents that it will provide such notice via a posting on the same website location where the Exchange will post its own rule filings pursuant to Rule 19b–4(1) within the time frame required by such Rule. The website posting will include a link to the location on FINRA's website where the applicable proposed rule change is posted. *Id.*

<sup>11</sup> *See* Exemptive Request, *supra* note 3, at 3.

<sup>12</sup> *See* Exemptive Request, *supra* note 3, at 2.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> *See, e.g.*, Securities Exchange Act Release Nos. 83040 (April 12, 2018), 75 FR 17198 (April 18, 2018) (order granting MIA X PEARL, LLC's exemptive request relating to rules of the Miami International Securities Exchange, LLC incorporated by reference); 76998 (January 29, 2016), 81 FR 6066, 6083–84 (February 4, 2016) (order granting application for registration as a national securities exchange of ISE Mercury, LLC (now known as Nasdaq MRX, LLC) and exemptive request relating to rules of the International Securities Exchange, LLC (now known as Nasdaq ISE, LLC) ("ISE") incorporated by reference, including index options rules); 70050 (July 26, 2013), 78 FR 46622, 46642 (August 1, 2013) (order granting application for registration as a national securities exchange of Topaz Exchange, LLC (now known as Nasdaq GEMX, LLC) and exemptive request relating to rules of ISE incorporated by reference, including index options rules); 61152 (December 10, 2009), 74 FR 66699, 66709–10 (December 16, 2009) (order granting application for registration as a national securities exchange of C2 Options Exchange, Incorporated ("C2") and exemptive request relating to rules of the Chicago Board Options Exchange, Incorporated ("CBOE") incorporated by reference, including index options rules). *See also, e.g.*, Securities Exchange Act Release No. 61534 (February 18, 2010), 75 FR 8760 (February 25, 2010) (order granting BATS Exchange, Inc.'s exemptive request relating to rules incorporated by reference by the BATS Exchange

promptly providing written notice to its members whenever FINRA changes a rule that the Exchange has incorporated by reference.

Accordingly, *it is ordered*, pursuant to Section 36 of the Exchange Act,<sup>19</sup> that the Exchange is exempt from the rule filing requirements of Section 19(b) of the Exchange Act solely with respect to changes to the rules identified in its request that incorporate by reference certain FINRA rules that are the result of changes to such FINRA rules, provided that the Exchange promptly provides written notice to its members whenever FINRA proposes to change a rule that the Exchange has incorporated by reference.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>20</sup>

**Eduardo A. Aleman,**  
Assistant Secretary.

[FR Doc. 2018-11226 Filed 5-24-18; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83295; File No. SR-Phlx-2018-39]

### Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Sections I and II of the Pricing Schedule

May 21, 2018.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (“Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that on May 10, 2018, Nasdaq PHLX LLC (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“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 to amend Phlx’s Pricing Schedule at Section I, entitled “Rebates and Fees for Adding and Removing Liquidity in SPY,” and Section II, entitled “Multiply Listed Options Fees (Includes options

overlying equities, ETFs, ETNs and indexes which are Multiply Listed).”

The text of the proposed rule change is available on the Exchange’s website at <http://nasdaqphlx.cchwallstreet.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 Exchange 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 these 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 aspects 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 to amend Phlx’s Pricing Schedule at Section I, entitled “Rebates and Fees for Adding and Removing Liquidity in SPY,” and Section II, entitled “Multiply Listed Options Fees (Includes options overlying equities, ETFs, ETNs and indexes which are Multiply Listed).” Specifically, the Exchange proposes to amend a surcharge in Section I, Part B, which applies to options overlying SPY as well as a surcharge in Section II related to Complex Orders in order to further reduce the costs to the Exchange of such transactions. Each surcharge amendment is described below in more detail.

###### Section I, Part B

The Exchange proposes to amend Section I, Part B to amend Complex Order<sup>4</sup> fees for SPY. The Exchange proposes to increase a surcharge of \$0.05 per contract, which is currently assessed to Customers<sup>5</sup> when executing

the individual components of their Complex Orders in SPY against Market Maker<sup>6</sup> or Specialist<sup>7</sup> quotes that are resting on the Simple Order Book. Today, Customers submit Complex Orders to the Exchange because often, Customers are able to execute such Complex Orders immediately by executing the individual components thereof through interactions with Market Maker and Specialist quotes that rest on the Exchange’s Simple Order Book. These Customers benefit from not having to wait for counterparties that are willing to execute against their Complex Orders in the Complex Order Book. The Exchange proposes to increase the surcharge from \$0.05 to \$0.15 per contract for Customers that execute Complex Orders against Market Maker or Specialist quotes resting on the Simple Order Book.<sup>8</sup> The Exchange proposes this surcharge increase to reduce further the Exchange’s costs for these transactions. Not only does the Exchange receive no fees from Customers for engaging in these transactions,<sup>9</sup> but the Exchange also pays rebates to the Market Makers and Specialists whose quotes execute against the Customers’ Complex Orders.<sup>10</sup> Pursuant to Section I, Part A of the Exchange’s Pricing Schedule, these rebates range from \$0.15 to \$0.35 per contract.

###### Section II

The Exchange proposes to amend Section II to increase a surcharge assessed to electronic Complex Orders that remove liquidity<sup>11</sup> from the Complex Order Book and auctions,

<sup>6</sup> The term “ROT, SQT and RSQT” applies to transactions for the accounts of Registered Option Traders (“ROT”), Streaming Quote Traders (“SQT”), and Remote Streaming Quote Traders (“RSQT”). For purposes of the Pricing Schedule, the term “Market Maker” will be utilized to describe fees and rebates applicable to ROTs, SQTs and RSQTs. RSQTs may also be referred to as Remote Market Makers (“RMMs”). See Preface to Phlx’s Pricing Schedule.

<sup>7</sup> The term “Specialist” applies to transactions for the account of a Specialist (as defined in Exchange Rule 1020(a)). A Specialist is an Exchange member registered as an options specialist pursuant to Rule 1020(a). An options Specialist includes a Remote Specialist, which is defined as an options specialist in one or more classes that does not have a physical presence on an Exchange floor and is approved by the Exchange pursuant to Rule 501.

<sup>8</sup> A component of a Complex Order may “leg” against a resting order in the Simple Order Book.

<sup>9</sup> Non-Customer market participants pay fees for adding and removing liquidity in Complex Orders as noted in Section I, Part B of the Pricing Schedule, although Customers pay no such fees.

<sup>10</sup> See rebates in Section I, Part A of the Pricing Schedule.

<sup>11</sup> The Exchange notes that an order that is received by the trading system first in time shall be considered an order adding liquidity and an order that trades against that order shall be considered an order removing liquidity.

<sup>19</sup> 15 U.S.C. 78mm.

<sup>20</sup> 17 CFR 200.30-3(a)(76).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> A Complex Order is an order involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, priced as a net debit or credit based on the relative prices of the individual components, for the same account, for the purpose of executing a particular investment strategy. See Phlx Rule 1098.

<sup>5</sup> The term “Customer” applies to any transaction that is identified by a member or member organization for clearing in the Customer range at The Options Clearing Corporation which is not for the account of a broker or dealer or for the account of a “Professional” (as that term is defined in Rule 1000(b)(14)).