rule change.[4] On March 27, 2020, the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule change.[5]

Section 19(b)(2) of the Act[6] provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the **Federal Register** on December 30, 2019.[7] June 27, 2020 is 180 days from that date, and August 26, 2020 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, the issues raised in the comment letters that have been submitted in connection therewith, and the Exchange's response to comments. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[8] designates August 26, 2020 as the date by which the Commission should either approve or disapprove the proposed rule change (File No. SR–IEX–2019–15).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

J. Matthew DeLesDernier,

Assistant Secretary.

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[4] *See* Securities Exchange Act Release No. 88186 (February 12, 2020), 85 FR 9513 (February 19, 2020).

[5] *See* Securities Exchange Act Release No. 88501 (March 27, 2020), 85 FR 18612 (April 2, 2020). Comments in response to the proceedings can be found at *https://www.sec.gov/comments/sr-iex-2019-15/sriex201915.htm.*

[6] 15 U.S.C. 78s(b)(2).

[7] *See* Notice, *supra* note 3.

[8] 15 U.S.C. 78s(b)(2).

[9] 17 CFR 200.30–3(a)(57).

SECURITIES EXCHANGE ACT OF 1934

[Release No. 34–89170]

Order Under Section 17a and Section 36 of The Securities Exchange Act of 1934 Extending Temporary Exemptions From Specified Provisions of The Exchange Act and Certain Rules Thereunder

June 26, 2020.

On March 20, 2020, the Securities and Exchange Commission (''Commission'') issued an order pursuant to its authority under Sections 36 and 17A(c)(1) of the Exchange Act that granted transfer agents (and other persons with regard to Exchange Act section 17(f)(2) and Rule 17f–2 thereunder) the following temporary exemptions: (1) Transfer agents from the requirements of Sections 17A and 17(f)(1) of the Exchange Act, as well as Rules 17Ad–1 through 17Ad–11, 17Ad–13 through 17Ad–20, and 17f–1 thereunder; and (2) transfer agents and other persons subject to such requirements, from the requirements of Section 17(f)(2) of the Exchange Act and Rule 17f–2 thereunder (collectively, the ''Exemptions'').[1] The Exemptions were granted in light of the challenges that may be presented by COVID–19 and originally were scheduled to expire on May 30, 2020. On May 27, 2020, the Commission issued an order extending the Exemptions until June 30, 2020.[2]

The Commission understands that COVID–19 may continue to present challenges for transfer agents and other persons in timely meeting certain of their obligations under the federal securities laws. For this reason and the reasons stated in the Order originally granting the Exemptions, the Commission finds that extending the Exemptions pursuant to its authority under Sections 36 and 17A(c)(1) of the Exchange Act, is appropriate in the public interest and consistent with the protection of investors.

Accordingly, *it is ordered*, pursuant to Sections 17A and 36 of the Exchange Act, that the time period for the Exemptions specified in the Order is hereby extended to the date to be specified in a public notice from Commission staff specifying the date on which the Exemptions will terminate. Such date shall be at least two weeks from the date of the Commission staff public notice. Transfer agents and other persons seeking to avail themselves of this relief must satisfy the conditions below.

[1] *See* Securities Exchange Act Release No. 34–88488 (March 20, 2020), 85 FR 17122 (March 26, 2020) (''Order'').

[2] *See* Securities Exchange Act Release No. 34–88960 (May 27, 2020), 85 FR 33234 (June 1, 2020) (''First Extension Order'').

Conditions

(a) A registrant or other person relying on the Order must provide written notification to the Commission within two weeks of relying on the Order of the following:[3]

(1) The registrant or other person is relying on the Order;

(2) A description of the specific Exempted Provisions, as defined in the Order, the registrant or other person is unable to comply with and a statement of the reasons why, in good faith, the registrant or other person is unable to comply with such Exempted Provisions; and

(3) If a transfer agent knows or believes that it has been unable to maintain the books and records it is required to maintain pursuant to Section 17A and the rules thereunder, a complete and accurate description of the type of books and records that were not maintained, the names of the issuers for whom such books and records were not maintained, the extent of the failure to maintain such books and records, and the steps taken to ameliorate any such failure to maintain such books and records.

(b) As noted in the Order, the Exempted Provisions do not include, and neither the Order, the First Extension order, nor this extension of the Order provides relief from, Rule 17Ad–12 under the Exchange Act. Transfer agents affected by COVID–19 that have custody or possession of any security holder or issuer funds or securities shall continue to comply with the requirements of Rule 17Ad–12 under the Exchange Act. If a transfer agent's operations, facilities, or systems are significantly affected as a result of COVID–19 such that the transfer agent believes its compliance with Rule 17Ad–12 could be negatively affected, to the extent possible, all security holder or issuer funds that remain in the custody of the transfer agent should be maintained in a separate bank account held for the exclusive benefit of security holders until such funds are properly processed, transferred, or remitted.

The notification required under (a) above shall be emailed to: *tradingandmarkets@sec.gov.*

The Commission encourages registered transfer agents and the issuers for whom they act to inform affected security holders whom they should contact concerning their accounts, their access to funds or securities, and other

[3] A registrant or other person who is relying on the Order or the First Extension Order and has already provided a written notification to the Commission may rely on this extension without submitting another written notification solely with respect to the Exempted Provisions described in such prior written notification.

shareholder concerns. If feasible, issuers and their transfer agents should place a notice on their websites or provide toll free numbers to respond to inquiries.

The Commission is closely monitoring the impact of COVID–19 on investors, the securities markets, and market participants and may modify the relief provided by the Order, with any additional conditions the Commission deems appropriate, if the need for such modification arises. Transfer agents and other persons who are unable to meet a deadline as extended by this relief, or in need of additional assistance, should contact the Division of Trading and Markets at (202) 551–5777 or *tradingandmarkets@sec.gov.*

By the Commission.

Eduardo A. Aleman,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89162; File No. SR–GEMX–2020–16]

Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Options 3, Section 3 to Conform the Rule to Section 3.1 of the Plan for the Purpose of Developing and Implementing Procedures Designed To Facilitate the Listing and Trading of Standardized Options

June 26, 2020

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 23, 2020, Nasdaq GEMX, LLC (the ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[3] and Rule 19b–4(f)(6) thereunder.[4] 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 Options 3, Section 3 to conform the rule to Section 3.1 of the Plan for the Purpose of Developing and Implementing Procedures Designed to Facilitate the Listing and Trading of Standardized Options (the ''OLPP'').

The text of the proposed rule change is available on the Exchange's website at *http://nasdaqgemx.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 purpose of this rule change is to amend Options 3, Section 3 (Minimum Trading Increments) to align the rule with the recently approved amendment to the OLPP.

Background

On January 23, 2007, the Commission approved on a limited basis a Penny Pilot in option classes in certain issues (''Penny Pilot''). The Penny Pilot was designed to determine whether investors would benefit from options being quoted in penny increments, and in which classes the benefits were most significant. The Penny Pilot was initiated at the then existing option exchanges in January 2007[5] and was expanded and extended numerous times over the last 13 years.[6] In each instance, these approvals relied upon the consideration of data periodically provided by the Exchanges that analyzed how quoting options in penny increments affects spreads, liquidity, quote traffic, and volume. Today, the Penny Pilot includes 363 option classes, which are among the most actively traded, multiply listed option classes. The Penny Pilot is scheduled to expire by its own terms on June 30, 2020.[7]

In light of the imminent expiration of the Penny Pilot on June 30, 2020, the Exchange, together with other participating exchanges, filed, on July 18, 2019 a proposal to amend the OLPP.[8] On April 1, 2020 the Commission approved the amendment to the OLPP to make permanent the Pilot Program (the ''OLPP Program'').[9]

The OLPP Program replaces the Penny Pilot by instituting a permanent program that would permit quoting in penny increments for certain option classes. Under the terms of the OLPP Program, designated option classes would continue to be quoted in $0.01 and $0.05 increments according to the same parameters for the Penny Pilot. In addition, the OLPP Program would: (i) establish an annual review process to add option classes to, or to remove option classes from, the OLPP Program; (ii) to allow an option class to be added to the OLPP Program if it is a newly listed option class and it meets certain criteria; (iii) to allow an option class to be added to the OLPP Program if it is an option class that has seen a significant growth in activity; (iv) to provide that if a corporate action involves one or more option classes in the OLPP Program, all adjusted and unadjusted series and classes emerging as a result of the corporate action will be included in the OLPP Program; and (v) to provide that any series in an option class participating in the OLPP Program that have been delisted, or are identified by OCC as ineligible for opening Customer transactions, will

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[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(iii).

[4] 17 CFR 240.19b–4(f)(6).

[5] *See* Securities Exchange Act Release Nos. 55154 (January 23, 2007), 72 FR 4743 (February 1, 2007) (SR–CBOE–2006–92); 55161 (January 24, 2007), 72 FR 4754 (February 1, 2007) (SR–ISE–2006–62); 54886 (December 6, 2006), 71 FR 74979 (December 13, 2006) (SR–Phlx–2006–74); 54590 (October 12, 2006), 71 FR 61525 (October 18, 2006) (SR–NYSEArca–2006–73); and 54741 (November 9, 2006), 71 FR 67176 (November 20, 2006) (SR-Amex–2006–106).

[6] The Penny Pilot was established on the Exchange in July 2013 as part of the Exchange's Form 1 application for registration as a national securities exchange, and was last extended in December 2019. *See* Securities Exchange Act Release Nos. 70050 (July 26, 2013), 78 FR 46622 (August 1, 2013) (File No. 10–209); and 87753 (December 16, 2019), 84 FR 70243 (December 20, 2019) (SR–GEMX–2019–19).

[7] *See* Securities Exchange Act Release No. 87753 (December 16, 2019), 84 FR 70243 (December 20, 2019) (SR–GEMX–2019–19).

[8] *See* Securities Exchange Act Release No. 87681 (December 9, 2019), 84 FR 68960 (December 17, 2019) (''Notice'').

[9] *See* Securities Exchange Act Release No. 88532 (April 1, 2020), 85 FR 19545 (April 7, 2020) (File No. 4–443) (''Approval Order'').