

User Configuration Status, Supplier Credentials, Supplier Company Codes, Conditional Access Attributes.

2. *Security Analytics records:* Records relating to the gathering, analysis, review, monitoring, and investigation of information system security risks, including; User Investigation Priority Score, User Identity Risk Level, User Lateral Movement Paths, User Devices Numbers, User Account Numbers, User Resources Numbers, User Locations Numbers, User Matches Files Numbers, User Locations, Apps Used By User, User Groups, User Last Seen Date, User Affiliation, User Domain, App Instance, Organizational Groups, User Account Status, Activity ID, Activity Objects, Activity Type, Administrative Activity, Alert ID, Applied Action, Activity Date, Device Tag, Activity Files And Folders, Impersonated Activities, App Instance Activity, App Location Activity, Activity Matched Policy, Activity Registered ISP, Activity Source, Activity User, Activity User Agent, Activity User Agent Tag, Application Risk Score, Application Activity, User Software Deactivation, User Software Installation, User Software Removal, Last Date Of Software Execution, internet Application Transaction Counts, Data Volume Upload, Data Volume Download, Data Sensitivity Classification, internet Protocol, internet Port, internet Access History.

3. *Productivity Analytics records:* Records relating to the gathering, analysis, review, and investigation of information system utilization, including; Calendar Appointments, Email Read Rate, Email Response Rate, Operating System Activity History, Email Timestamp, Statements Made In Email Body, Email Sender, Email Recipient, Email Subject Line, Calendar Event Type, Calendar Event Status, Calendar Event Category, Calendar Event Subject, Calendar Event Duration, Calendar Event Attendees, Meeting Organizer, Meeting Invitees, Meeting Subject Line, Meeting Scheduled Time, Meeting Attendee Status, Meeting Scheduled Location, Web Call Organizer, Web Call Invitees, Web Call Scheduled Time, Web Call Joined Time, Web Call Duration, Web Call Status, Web Call Join Status, Number Of Collaborative Audio Calls Made, Number Of Collaborative Video Calls Made, Chat Initiator, Chat Recipient, Chat IM Sent Time, Number Of Cloud-Based Personal Storage Documents Worked On, Number Of Cloud-Based Enterprise Storage Documents Worked On, Device Name.

RECORD SOURCE CATEGORIES:

Employees; contractors; suppliers; customers.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

Standard routine uses 1. through 9. apply. In addition:

(a) Disclosure of records to appropriate agencies, entities, and persons when (1) the Postal Service suspects or has confirmed that there has been a breach of the system of records; (2) the Postal Service has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, the Postal Service (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the Postal Service's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Automated database, computer storage media, and paper.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

1. Records relating to information system access are retrievable by name, email address, username, geolocation data, and ACE ID.
2. Records relating to security analysis are retrievable by name, unique user ID, email address, geolocation data, IP address and computer name.
3. Records relating to productivity are retrievable by name, email address, and ACE ID.
4. Records relating to third-parties are retrievable by name, email address, user name, and IP address.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

1. Records relating to information system access are retained twenty-four months after last access.
2. Records relating to security analysis are retained for twenty-four months.
3. Records relating to productivity are retained for twenty-four months.
4. Records relating to third-parties are retained for twenty-four months.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Paper records, computers, and computer storage media are located in controlled-access areas under supervision of program personnel. Computer access is limited to

authorized personnel with a current security clearance, and physical access is limited to authorized personnel who must be identified with a badge.

Access to records is limited to individuals whose official duties require such access. Contractors and licensees are subject to contract controls and unannounced on-site audits and inspections.

Computers are protected by encryption, mechanical locks, card key systems, or other physical access control methods. The use of computer systems is regulated with installed security software, computer logon identifications, and operating system controls including access controls, terminal and transaction logging, and file management software.

RECORD ACCESS PROCEDURES:

Requests for access must be made in accordance with the Notification Procedure above and USPS Privacy Act regulations regarding access to records and verification of identity under 39 CFR 266.5.

CONTESTING RECORD PROCEDURES:

See Notification Procedure and Record Access Procedures above.

NOTIFICATION PROCEDURES:

Customers wanting to know if other information about them is maintained in this system of records must address inquiries in writing to the Chief Information Officer and Executive Vice President and include their name and address.

EXEMPTION PROMULGATED FROM THIS SYSTEM:

None.

HISTORY:

None.

Joshua J. Hofer,

Attorney, Ethics & Legal Compliance.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-91769; File No. SR-NYSE-2021-08]

Self-Regulatory Organizations; New York Stock Exchange LLC; Order Granting Approval of a Proposed Rule Change of New Rules Providing for the Registration and Obligations of Non-DMM Market Makers

May 4, 2021.

I. Introduction

On March 12, 2021, New York Stock Exchange, Inc. ("NYSE" or "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 proposed new rules providing for the registration and obligations of Non-DMM Market Makers. The proposed rule change was published for comment in the **Federal Register** on March 25, 2021.³ The Commission has received no comments on the proposed rule change. The Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

The Exchange proposes rules governing Non-DMM Market Makers who would be electronic, off-floor market makers.⁴ Non-DMM Market Makers would comprise a new category of market participants on the Exchange and would have responsibilities different than those of Designated Market Makers (“DMMs”) and Supplemental Liquidity Providers (“SLPs”).

Non-DMM Market Makers are not intended to replace DMMs or SLPs on the Exchange and would not assume any of the responsibilities already assigned to DMMs or SLPs pursuant to Exchange Rules (for example, Non-DMM Market Makers would not perform any trading floor functions such as those assigned to DMMs). Instead, under the proposed rules, for all securities that trade on the Exchange, a member organization may register as a Non-DMM Market Maker and be subject to obligations similar to those of Market Makers on NYSE Arca, Inc. (“NYSE Arca”) and NYSE American LLC (“NYSE American”) to, among other things, maintain continuous, two-sided trading interest in the securities in which they are registered as a Non-DMM Market Maker (“Two-Sided Obligation”) and adhere to certain pricing obligations.

The Exchange proposes the following rules, based on NYSE Arca and NYSE American rules of the same number with non-substantive changes, to govern the registration and obligations of Non-DMM Market Makers on the NYSE:

- Proposed Rule 1.1(p) (definition of Market Maker Authorized Trader);

- Proposed Rule 1.1(t) (definition of Non-DMM Market Maker);
- Proposed Rule 7.20 (Registration of Non-DMM Market Makers);
- Proposed Rule 7.21 (Obligations of Market Maker Authorized Traders);
- Proposed Rule 7.22 (Registration of Non-DMM Market Makers in a Security); and
- Proposed Rule 7.23 (Obligations of Non-DMM Market Makers).

These proposed rules would be applicable only to Non-DMM Market Makers. They would not apply to DMMs or SLPs, who would continue to be governed by existing Exchange rules applicable to those market participants.⁵

Proposed Rule Changes

Rule 1.1

Rule 1.1 sets forth definitions of terms that are used throughout the Exchange rules. The Exchange proposes to add the following definitions to the rule:

- The Exchange proposes to amend current Rule 1.1(p) to set forth the definition of “Market Maker Authorized Trader” or “MMAT.” A “Market Maker Authorized Trader” or “MMAT” would be defined as an Authorized Trader (as defined in Rule 1.1(a)) who performs market making activities pursuant to Rule 7P on behalf of a Non-DMM Market Maker.
- The Exchange proposes to amend current Rule 1.1(t) to set forth the definition of “Non-DMM Market Maker.” A “Non-DMM Market Maker” would be defined as a member organization that acts as a Non-DMM Market Maker pursuant to Rule 7P. Accordingly, for purposes of Exchange rules, the term “Non-DMM Market Maker” does not include DMMs or SLPs.

Rule 7P, Section 2

The Exchange proposes to amend Section 2 under Rule 7P, which is currently designated as “Reserved,” and rename it “Non-DMM Market Makers.” The Exchange proposes that the rules set forth in this section would apply only to the proposed new group of Non-DMM Market Makers and would not be applicable to DMMs or SLPs.

Rule 7.20

The Exchange proposes to add Rule 7.20 and title it “Registration of Non-DMM Market Makers.” Proposed Rule 7.20 would set forth the requirements for member organizations to apply for registration as Non-DMM Market Makers. The Exchange proposes that its Non-DMM Market Makers have the

same registration requirements as Market Makers on NYSE Arca and NYSE American. The Exchange proposes to require member organizations interested in acting as Non-DMM Market Makers to submit an application to the Exchange. Proposed Rule 7.20 would also set forth the criteria the Exchange may consider in determining whether to approve or disapprove a prospective Non-DMM Market Maker’s application and specify how a Non-DMM Market Maker’s registration may be suspended, terminated, or withdrawn.

Rule 7.21

The Exchange proposes to add Rule 7.21 and title it “Obligations of Market Maker Authorized Traders.” Proposed Rule 7.21 would provide that Market Maker Authorized Traders (“MMATs”) are permitted to enter orders only for the account of the Non-DMM Market Maker for which they are registered. In addition, the proposed rule would specify the registration requirements for MMATs and the procedures for suspension and withdrawal of registration of MMATs. Specifically, the proposed rule would provide that a Non-DMM Market Maker must submit an application to the Exchange to register an associated person as an MMAT. An MMAT must meet certain requirements, and a Non-DMM Market Maker must ensure that its MMATs are qualified to perform market making activities. Proposed Rule 7.21 also provides that the Exchange may suspend or withdraw an MMAT’s registration.

Rule 7.22

The Exchange proposes to add Rule 7.22 and title it “Registration of Non-DMM Market Makers in a Security.” Proposed Rule 7.22 would set forth the process for Non-DMM Market Makers to become registered in a security and the factors the Exchange may consider in approving such registration. Non-DMM Market Makers may submit a request to the Exchange to be registered in a security, and the Exchange will evaluate whether to approve such registration, taking into consideration factors including the Non-DMM Market Maker’s financial resources, experience in making markets, operational capability, and the character of the market for the security. Non-DMM Market Makers will generally be permitted to register in securities in which a DMM and/or SLP is also registered, subject to the Exchange’s evaluation of the character of the market

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 91377 (March 19, 2021), 86 FR 15974 (March 25, 2021) (“Notice”).

⁴ A “Non-DMM Market Maker” would be defined as a member organization that acts as a Non-DMM Market Maker pursuant to Rule 7P. See Notice, *id.* at 15974.

⁵ See, e.g., NYSE Rules 98, 103, 103B, 104, and 107B.

for a given security.⁶ Finally, the proposed rule would also describe both termination of a Non-DMM Market Maker's registration in a security by the Exchange and voluntary termination by a Non-DMM Market Maker.

Rule 7.23

The Exchange proposes to add Rule 7.23 and title it "Obligations of Non-DMM Market Makers." Proposed Rule 7.23 would set forth the obligation of Non-DMM Market Makers to engage in a course of dealings for their own account to assist in the maintenance, insofar as reasonably practicable, of fair and orderly markets on the Exchange. The proposed rule would delineate the specific responsibilities and duties of Non-DMM Market Makers, including the Two-Sided Obligation applicable to securities in which the Non-DMM Market Maker is registered and the requirement that the interest satisfying the Two-Sided Obligation be not more than the Designated Percentage (as defined in Proposed Rule 7.23) away from the National Best Bid or Offer ("NBBO"). Proposed Rule 7.23 also provides that Non-DMM Market Makers will be subject to certain minimum capital requirements and sets forth the circumstances under which a Non-DMM Market Maker could be subject to disciplinary action or suspension or revocation of registration by the Exchange for failure to comply with the course of dealings obligations set forth in this proposed rule.

Specifically, with respect to the Two-Sided Obligation, proposed Rule 7.23(a)(1)(A) provides that Non-DMM Market Makers would be required to maintain displayed interest identified as interest meeting the Two-Sided Obligation on a continuous basis during Core Trading Hours for those securities in which the Non-DMM Market Maker is registered. Proposed Rule 7.23(a)(1)(B) provides that interest satisfying a Non-DMM Market Maker's Two-Sided Obligation must not be more than the Designated Percentage away from the then current NBBO, or if there is no NBBO, not more than the Designated Percentage away from the last reported sale for that security. With respect to minimum capital requirements, proposed Rule 7.23(a)(2) provides that Non-DMM Market Makers would be required to maintain adequate minimum capital in accordance with Rule 15c3-1 under the Act.

⁶ Orders entered by Non-DMM Market Makers will be allocated in accordance with Rules 7.36 and 7.37 and be treated as a Book Participant. Non-DMM Market Makers will not be eligible to participate in the allocation process as a DMM Participant.

III. Discussion and Commission Findings

After careful consideration, the Commission finds that the Exchange's proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to national securities exchanges. In particular, the Commission finds that the Exchange's proposed rule change is consistent with Section 6(b)(5) of the Act,⁷ which requires that the rules of an exchange be designed, among other things, 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, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.⁸

As described above, the Exchange proposes to adopt rules for the registration and obligations of Non-DMM Market Makers that are substantially comparable to NYSE Arca and NYSE American rules. The Exchange stated that the proposed rules are designed to enable market makers that are registered on the Exchange's affiliated markets to become registered on the Exchange as Non-DMM Market Makers by meeting the same registration requirements and by agreeing to be subject to the same obligations.⁹ The Exchange represented that the proposed Non-DMM Market Makers are not intended to supplant existing DMMs or SLPs or their roles on the Exchange and Non-DMM Market Makers would not assume any of the responsibilities already assigned to DMMs or SLPs pursuant to Exchange Rules.¹⁰ According to the Exchange, the proposed rules are intended to provide for a new category of market maker that the Exchange believes will promote competition on the Exchange by enhancing the range and diversity of market making activity on the Exchange. Further, the Exchange stated that the proposal would promote competition by encouraging additional displayed liquidity. The Exchange also stated that the proposal would facilitate price

⁷ 17 U.S.C. 78f(b)(5).

⁸ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁹ See Notice, *supra* note 3 at 15976.

¹⁰ While the proposed obligations for Non-DMM Market Makers are less stringent than those for DMMs and SLPs, the proposed rules would not affect the existing roles or obligations of DMMs and SLPs.

discovery and promote market quality on the Exchange.¹¹

The Commission believes that introducing a new category of market maker—Non-DMM Market Makers—could promote competition on the Exchange. Further the Commission believes that the introduction of Non-DMM Market Makers on the Exchange and their obligations to the market as required under NYSE Rule 7.23 could provide additional, supplemental liquidity to the market and could enhance price discovery.

Based on the foregoing, the Commission therefore finds that the proposed rule change is consistent with the Act.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹² that the proposed rule change (SR-NYSE-2021-08) be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

J. Matthew DeLesDernier,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-91757; File No. SR-C2-2021-008]

Self-Regulatory Organizations; Cboe C2 Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Adopt a Fee Schedule To Establish Fees for Industry Members Related to the National Market System Plan Governing the Consolidated Audit Trail

May 4, 2021.

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 April 21, 2021, Cboe C2 Exchange, Inc. ("Exchange" or "C2") 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.

¹ See *id.*

² 15 U.S.C. 78s(b)(2).

³ 17 CFR 200.30-3(a)(12).

⁴ 15 U.S.C. 78s(b)(1).

⁵ 17 CFR 240.19b-4.