

(6) FINRA has implemented increased sales practice and customer margin requirements for FINRA members applicable to inverse, leveraged and inverse leveraged securities (which include the Shares) and options on such securities, as described in FINRA Regulatory Notices 09–31 (June 2009), 09–53 (August 2009), and 09–65 (November 2009). Members that carry customer accounts will be required to follow the FINRA guidance set forth in these notices;

(7) For initial and continued listing, the Fund and the Trust must be in compliance with Rule 10A–3 under the Act;<sup>47</sup> and

(8) A minimum of 100,000 Shares of the Fund will be outstanding at the commencement of trading on the Exchange.

Accordingly, the Commission finds that the proposed rule change, as modified by Amendment Nos. 1 and 3, is consistent with Section 6(b)(5) of the Act<sup>48</sup> and the rules and regulations thereunder applicable to a national securities exchange.

#### IV. Solicitation of Comments on Amendment Nos. 1 and 3 to the Proposed Rule Change

Interested persons are invited to submit written views, data, and arguments concerning whether Amendment Nos. 1 and 3 are 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 email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR–CboeBZX–2020–070 on the subject line.

##### 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–CboeBZX–2020–070. This

relating to every customer prior to trading the Shares, and specifically provides that “[n]o Member shall recommend to a customer a transaction in any such product unless the Member has a reasonable basis for believing at the time of making the recommendation that the customer has such knowledge and experience in financial matters that he may reasonably be expected to be capable of evaluating the risks of the recommended transaction and is financially able to bear the risks of the recommended position;” (d) how information regarding the IIV and the Fund's holdings is disseminated; (e) the risks involved in trading the Shares during the Pre-Opening and After Hours Trading Sessions (as such terms are defined in BZX Rules) when an updated IIV will not be calculated or publicly disseminated; (f) the requirement that Members deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (g) trading information.

<sup>47</sup> 17 CFR 240.10A–3.

<sup>48</sup> 15 U.S.C. 78f(b)(5).

file number should be included on the subject line if email 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 office 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–CboeBZX–2020–070 and should be submitted on or before April 1, 2021.

#### V. Accelerated Approval of the Proposed Rule Change, as Modified by Amendment Nos. 1 and 3

The Commission finds good cause to approve the proposed rule change, as modified by Amendment Nos. 1 and 3, prior to the thirtieth day after the date of publication of notice of the filing of Amendment Nos. 1 and 3 in the **Federal Register**. In Amendment No. 1, among other things,<sup>49</sup> the Exchange represents that the Funds' participation, on any given day, in VIX Futures Contracts, will be limited to no more than ten percent of the VIX Futures Contracts traded on CFE during any Rebalance Period, and in the event that the Funds expect to hit the ten percent threshold during the primary Rebalance Period, the Funds would extend their respective rebalances into an Extended Rebalance Period. In Amendment No. 3, the Exchange represents that the Fund will notify both the Exchange and the Commission in the event that the Fund participates in an Extended Rebalance Period as soon as practicable, but no

later than 9:00 a.m. E.T. on the trading day following the event. The changes to the proposal and additional information in Amendment Nos. 1 and 3 assist the Commission in evaluating the Exchange's proposal and in determining that it is consistent with the Act. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,<sup>50</sup> to approve the proposed rule change, as modified by Amendment Nos. 1 and 3, on an accelerated basis.

#### VI. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>51</sup> that the proposed rule change (SR–CboeBZX–2020–070), as modified by Amendment Nos. 1 and 3, be, and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>52</sup>

**J. Matthew DeLesDernier**,  
Assistant Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–91261; File No. SR–NSCC–2021–001]

### Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Remove the InsurExpress and Replacements Services From Rule 57 of the NSCC Rules

March 5, 2021.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on February 25, 2021, National Securities Clearing Corporation (“NSCC”) 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 clearing agency. NSCC filed the proposed rule change pursuant to Section 19(b)(3)(A)<sup>3</sup> of the Act and subparagraph (f)(4)<sup>4</sup> of Rule 19b–4 thereunder. The Commission is publishing this notice to solicit

<sup>50</sup> 15 U.S.C. 78s(b)(2).

<sup>51</sup> *Id.*

<sup>52</sup> 17 CFR 200.30–3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b–4(f)(4).

<sup>49</sup> See *supra* note 8.

comments on the proposed rule change from interested persons.

### **I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change**

(a) The proposed rule change of NSCC is annexed hereto as Exhibit 5 and consists of modifications to NSCC's Rules & Procedures ("Rules") in order to remove the InsurExpress and Replacements services from Rule 57 of the Rules, as described in greater detail below.<sup>5</sup>

### **II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, the clearing agency 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 clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

#### *(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

##### **1. Purpose**

The proposed rule change consists of modifications to the Rules in order to remove the InsurExpress and Replacements services from Rule 57 of the Rules, as described in greater detail below.

##### **Background**

##### **InsurExpress**

In 2003, NSCC established a service ("InsurExpress") to allow Members, Mutual Fund/Insurance Services Members, Insurance Carrier/Retirement Services Members and Data Services Only Members (collectively, "I&RS Members") to submit application information and to settle premium payments with respect to life insurance products that it, at that time, called "Portal."<sup>6</sup> In 2006, NSCC modified the Rules to, among other things, add a provision in the Rules specific to the service, rename the service "InsurExpress" and provide that InsurExpress would allow I&RS Members to transmit I&RS Data relating to the initiation, processing and

completion of applications for life insurance contracts and other insurance products among themselves.<sup>7</sup> The provision relating to InsurExpress is set forth in Section 10 of Rule 57 of the Rules.<sup>8</sup> The 2003 Filing introducing the service indicated that the proposed fee schedule was being developed and would be filed with the Commission at a later date.<sup>9</sup>

No I&RS Members signed up for or used InsurExpress, and fees for InsurExpress were never developed or filed with the Commission. In addition, there were no system developments made to the NSCC system in connection with InsurExpress. NSCC has no current plans to develop fees or build anything in the NSCC system relating to InsurExpress. As a result, NSCC would like to remove InsurExpress from the Rules.

##### **Replacements**

In 2010, NSCC established a service ("Replacements") intended to support the transmission of I&RS Data regarding the transfer, exchange or replacement of an existing insurance contract and settlement of payments in conjunction to these replacement transactions. System developments to the NSCC system were made to support Replacements and a fee schedule for the service was added in Section IV.K.3 of Addendum A of the Rules. In addition, NSCC believes that at least one I&RS Member signed up to use Replacements and possibly tested the service. However, the service was never used in production and no fees have been charged for the service. There are currently no I&RS Members signed up for Replacements and NSCC does not believe that any I&RS Members will use the service. As a result, NSCC would like to remove Replacements from the Rules.

##### **Proposed Rule Change**

In order to implement the proposal above, NSCC would delete Section 10 of Rule 57,<sup>10</sup> which is the section relating to InsurExpress. In addition, NSCC would delete Section 11 of Rule 57,<sup>11</sup> which is the section relating to Replacements. NSCC would re-number Section 12 and Section 13 of Rule 57 to reflect the deletions of Sections 10 and 11 of Rule 57. NSCC would also remove the fees listed for Replacements in

Section IV.K.3 of Addendum A of the Rules.<sup>12</sup>

##### **2. Statutory Basis**

Section 17A(b)(3)(F) of the Act requires, in part, that the Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.<sup>13</sup> NSCC believes that the proposed rule change is consistent with this provision because it would provide enhanced clarity and transparency for participants with respect to services offered by NSCC by updating the Rules to remove the ability to access services that I&RS Members did not utilize and are unlikely to utilize in the future.

Therefore, by providing enhanced clarity and transparency in the Rules regarding the services provided by NSCC, NSCC believes the proposed rule change would promote the prompt and accurate clearance and settlement of securities transactions, consistent with the requirements of the Act, in particular Section 17A(b)(3)(F), cited above.

#### *(B) Clearing Agency's Statement on Burden on Competition*

NSCC does not believe that the proposed rule change would have any impact on competition. I&RS Members have not used InsurExpress or Replacements and are unlikely to use either service in the future. Therefore, the proposed rule change should have no effect on I&RS Members, other than to remove InsurExpress and Replacements from the Rules which are unlikely to be utilized by I&RS Members.

#### *(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

NSCC has not received or solicited any written comments relating to this proposal. NSCC will notify the Commission of any written comments received by NSCC.

### **III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)<sup>14</sup> of the Act and paragraph (f)<sup>15</sup> of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend

<sup>5</sup> Terms not defined herein are defined in the Rules, available at [https://dtcc.com/~media/Files/Downloads/legal/rules/nscc\\_rules.pdf](https://dtcc.com/~media/Files/Downloads/legal/rules/nscc_rules.pdf).

<sup>6</sup> Securities Exchange Act Release No. 48896 (December 9, 2003), 68 FR 70553 (December 18, 2003) (SR-NSCC-2003-18) ("2003 Filing").

<sup>7</sup> Securities Exchange Act Release No. 54921 (December 12, 2006), 71 FR 76415 (December 20, 2006) (SR-NSCC-2006-14).

<sup>8</sup> Section 10 of Rule 57, *supra* note 5.

<sup>9</sup> See Footnote 3 of the 2003 Filing, *supra* note 6.

<sup>10</sup> Section 10 of Rule 57, *supra* note 5.

<sup>11</sup> Section 11 of Rule 57, *supra* note 5.

<sup>12</sup> Section IV.K.3 of Addendum A of the Rules, *supra* note 5.

<sup>13</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 17 CFR 240.19b-4(f).

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.

#### 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 email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR–NSCC–2021–001 on the subject line.

##### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to File Number SR–NSCC–2021–001. This file number should be included on the subject line if email 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 office of NSCC and on DTCC's website (<https://dtcc.com/legal/sec-rule-filings.aspx>). All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NSCC–

2021–001 and should be submitted on or before April 1, 2021.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–91272; File No. SR–CboeEDGX–2021–012]

### Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 11.11 (Routing to Away Trading Centers), as Well as Its Fee Schedule, To Delete References to the INET and RDOX Routing Options

March 5, 2021.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on March 1, 2021, Cboe EDGX Exchange, Inc. (“Exchange” or “EDGX”) filed with the Securities and Exchange Commission (“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<sup>3</sup> and Rule 19b–4(f)(6) thereunder.<sup>4</sup> 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

Cboe EDGX Exchange, Inc. (the “Exchange” or “EDGX”) proposes to amend Rule 11.11 (Routing to Away Trading Centers), as well as its Fee Schedule, to delete references to the INET and RDOX routing options. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website ([http://markets.cboe.com/us/options/regulation/rule\\_filings/edgx/](http://markets.cboe.com/us/options/regulation/rule_filings/edgx/)), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

<sup>16</sup> 17 CFR 200.30–3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>4</sup> 17 CFR 240.19b–4(f)(6).

#### 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 paragraphs (4) and (6) under Exchange Rule 11.11(g) and 11.11(a) to delete all references to the INET and RDOX routing options. The Exchange also proposes to delete all references to the INET routing option from the EDGX Fee Schedule, as provided in fee codes 2 and L. The Exchange intends to implement the proposed rule changes on March 1, 2021.

Exchange Rule 11.11(g) provides for various routing options available on the Exchange. Specifically, Rule 11.11(g)(4) provides for the INET routing option, under which an order checks the System<sup>5</sup> for available shares and then is sent to Nasdaq. If shares remain unexecuted after routing, they are posted on the Nasdaq book, unless otherwise instructed by the User.<sup>6</sup> Similarly, Exchange Rule 11.11(g)(6) provides for the RDOX routing option, under which an order checks the System for available shares and then is sent to the NYSE and can be re-routed by the NYSE. If shares remain unexecuted after routing, they are posted on the NYSE book, unless otherwise instructed by the User.

The Exchange has determined because few Users select the INET or RDOX routing options, the current demand does not warrant the infrastructure and ongoing maintenance expenses required to support the product. Therefore, the Exchange now

<sup>5</sup> The term “System” shall mean the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away. See Exchange Rule 1.5(cc).

<sup>6</sup> The term “User” shall mean any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3. See Exchange Rule 1.5(ee).