

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

Because the foregoing proposed rule change does not (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>8</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>9</sup>

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)<sup>10</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposed rule change will become operative on filing. The Exchange stated that the proposed rule change promotes the protection of investors and the public interest by improving the organization and clarity of the Exchange's Rulebook. Waiver of the operative delay would allow the Exchange, without delay, to reorganize its Rulebook in a manner that improves clarity and readability. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.<sup>11</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the

Commission shall institute proceedings to determine whether the proposed rule change should be approved or disapproved.

### 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-BX-2018-009 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-BX-2018-009. 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 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-BX-2018-009, and should be submitted on or before March 30, 2018.

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

**Eduardo A. Aleman,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82811; File No. SR-NASDAQ-2018-016]

### Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Relocate the Nasdaq Options Market LLC Data Feed Offerings

March 6, 2018.

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 22, 2018, The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange") 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 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 relocate the Nasdaq Options Market LLC ("NOM") data feed offerings currently located at Chapter VI, Section 1(a)(3) to Chapter VI, Section 19(a) which is currently reserved, and entitle it "Data Feeds."

The text of the proposed rule change is available on the Exchange's website at <http://nasdaq.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

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>9</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>10</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>11</sup> For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>12</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.

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 relocate the data feeds currently listed in Chapter VI, Section 1(a)(3) to Chapter VI, Section 19(a) which is currently reserved, and entitle it "Data Feeds."

The Exchange considers it is appropriate to move these data feed offerings to a separate rule to better organize its Rulebook and facilitate future cross-references. The Exchange notes that the changes proposed in this filing are of a non-substantive nature.

Specifically, the Exchange proposes to rename Section 19 as "Data Feeds" and add the definitions for Nasdaq ITCH to Trade Options ("ITTO")<sup>3</sup> and Best of Nasdaq Options ("BONO")<sup>4</sup> which are currently contained at Chapter VI, Section 1(a)(3). The Exchange also proposes to add an "and" to the end of Chapter VI, Section 1(a)(2) and a cross reference citation to Chapter 19 at Chapter VI, Section 1(a)(3) to point to the proposed rule for the list of data offerings.

**2. Statutory Basis**

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the "Act"),<sup>5</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>6</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest, by improving the way its Rulebook is organized, providing ease of reference in locating data feed offerings and providing greater transparency to its rules. As previously stated, the proposed rule relocation is non-substantive and is concerned solely with the administration of the Exchange.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

In accordance with Section 6(b)(8) of the Act,<sup>7</sup> the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intra-market competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange's proposal does not impose an undue burden on competition, rather the proposal seeks to improve its Rulebook's clarity and make non-substantive rule changes.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

No written comments were either solicited or received.

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

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A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)<sup>10</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposed rule change will become operative on filing. The Exchange stated that the proposed rule change promotes the protection of investors and the public interest by improving the organization and clarity of the Exchange's Rulebook. Waiver of the operative delay would allow the Exchange, without delay, to reorganize its Rulebook in a manner that improves

clarity and readability. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.<sup>11</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change should be approved or disapproved.

**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-NASDAQ-2018-016 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-NASDAQ-2018-016. 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

<sup>11</sup> For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>3</sup> The ITTO data feed provides quotation information for individual orders on the NOM book, last sale information for trades executed on NOM, and Order Imbalance Information as set forth in NOM Rules Chapter VI, Section 8.

<sup>4</sup> The BONO data feed provides the NOM Best Bid and Offer and last sale information for trades executed on NOM.

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

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> 15 U.S.C. 78f(b)(8).

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>9</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>10</sup> 17 CFR 240.19b-4(f)(6)(iii).

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-NASDAQ-2018-016, and should be submitted on or before March 30, 2018.

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

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

[FR Doc. 2018-04789 Filed 3-8-18; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82804; File No. SR-NYSE-2017-53]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Amend the Listed Company Manual for Special Purpose Acquisition Companies To Lower the Initial Holders Requirement From 300 to 150 Round Lot Holders and To Eliminate Completely the 300 Public Stockholders Continued Listing Requirement, To Require at Least \$5 Million in Net Tangible Assets for Initial and Continued Listing, and To Impose a 30-Day Deadline To Demonstrate Compliance With Certain Initial Listing Requirements Following a Business Combination

March 5, 2018.

#### I. Introduction

On November 16, 2017, New York Stock Exchange LLC ("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")<sup>1</sup> and Rule 19b-4

thereunder,<sup>2</sup> a proposed rule change to amend the listing requirements for Special Purpose Acquisition Companies ("SPACs")<sup>3</sup> by reducing the number of round lot holders required for initial listing from 300 to 150 and eliminating the continued listing requirement for a minimum number of holders, which is also currently 300, that applies until a SPAC completes one or more business combinations.<sup>4</sup> NYSE also proposes to require that a SPAC maintain at least \$5 million in net tangible assets for initial and continued listing. NYSE is proposing to allow companies 30 days to demonstrate compliance with the applicable holder requirements of Section 102.01A in the Listed Companies Manual ("Manual") following a business combination.<sup>5</sup> Finally, the NYSE proposes to eliminate certain alternative initial listing distribution criteria for SPACs that list in connection with a transfer or quotation.<sup>6</sup>

The proposed rule change was published for comment in the **Federal Register** on December 6, 2017.<sup>7</sup> On January 18, 2018, the Commission extended the time period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change, to March 6, 2018.<sup>8</sup> The Commission received two comments on the proposal.<sup>9</sup> This order institutes proceedings under Section 19(b)(2)(B) of the Act to determine whether to approve or disapprove the proposal.

#### II. Description of Proposal

##### A. Background on SPACs

A SPAC is a special purpose company whose business plan is to raise capital in an initial public offering ("IPO") and, within a specific period of time, engage in a merger or acquisition with one or

more unidentified companies. Among other things, a SPAC must keep 90% of the gross proceeds of its IPO in an escrow account through the date of a business combination.<sup>10</sup> The SPAC must complete one or more business combinations, having an aggregate market value of at least 80% of the value of the deposit account at the time of the agreement to enter into the initial combination, within 36 months of the effectiveness of the IPO registration statement.<sup>11</sup> Additionally, shareholders who object to a business combination have the right to convert their common stock into a pro rata share of the funds held in escrow.<sup>12</sup> Following each business combination the combined company must meet the Exchange's requirements for initial listing of an operating company, including the requirement to maintain a minimum of 300 holders.<sup>13</sup>

##### B. Description of Proposed Changes to SPAC Listing Standards

The Exchange has proposed to reduce the number of round lot holders required for SPACs initially listing on the Exchange from 300 to 150.<sup>14</sup> The Exchange also proposed to completely eliminate the current continued listing requirement that there be a minimum of 300 holders until such time as the SPAC completes one or more business combinations.<sup>15</sup> In support of this proposal, as set forth in more detail in the Notice, the Exchange states that SPACs often have difficulty demonstrating compliance with these initial and continued listing standards. Based on conversations with market participants, NYSE believes this is due to the unique nature of SPACs which limits the number of interested retail investors and encourages owners to hold their shares until an acquisition is announced, which can be as long as

<sup>10</sup> See Section 102.06 of the Manual.

<sup>11</sup> *Id.* Amounts disbursed to management for working capital purposes and any deferred underwriter fees are excluded when calculating the 80% value of the deposit account.

<sup>12</sup> See Sections 102.06(b) and 102.06(c) of the Manual. If a shareholder vote is taken however, under Section 102.06(b) of the Manual, the right of shareholders voting against a business combination to redeem their shares for cash may be subject to a limit established by the SPAC (that can be set no lower than 10% of the shares sold in the IPO).

<sup>13</sup> See Sections 102.06 and 802.01B(ii) of the Manual.

<sup>14</sup> See proposed Section 102.06 of the Manual, in Exhibit 5 to NYSE-2017-53.

<sup>15</sup> See proposed Section 802.01B(ii) of the Manual in Exhibit 5 to NYSE-2017-53. Section 802.01B of the Manual currently requires at least 300 public stockholders for continued listing. "Public stockholders" are defined to exclude holders that are directors, officers, or their immediate families and holders of other concentrated holdings of 10% or more. See Section 802.01B(ii) of the Manual.

<sup>12</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> The Commission notes that throughout this order we have used the term "SPAC" or "SPACs." These terms have the same meaning as an "Acquisition Company" or "AC" which is the term used by NYSE in its current rules and the proposed rule filing.

<sup>4</sup> See Section 102.06 of the Listed Company Manual, and *infra* note 11, and accompanying text, which describes the requirements for the value of the business combination(s).

<sup>5</sup> *Id.*

<sup>6</sup> See Section 102.06 of the Manual.

<sup>7</sup> See Securities Exchange Act Release No. 82180 (November 30, 2017), 82 FR 57632 ("Notice").

<sup>8</sup> See Securities Exchange Act Release No. 82531, (January 19, 2018), 83 FR 3371 ("Extension").

<sup>9</sup> See Letters to Brent J. Fields, Secretary, Commission, from Michael Kitlas, dated November 30, 2017 ("Kitlas Letter") and Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors, dated December 20, 2017 ("CII Letter").