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

No written comments were solicited or received with respect to the proposed rule change.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will: (A) By order approve or disapprove the proposed rule change, or (B) institute proceedings to determine whether the proposed rule change should be 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. Please include File Number SR–NYSEArca–2018–25 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–NYSEArca–2018–25. 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–NYSEArca–2018–25 and should be submitted on or before May 24, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.22
Robert W. Errett,
Deputy Secretary.
[FR Doc. 2018–09340 Filed 5–2–18; 8:45 am]
BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing of Amendment No. 2 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 2, To Amend Nasdaq Rule 4703(a) To Allow Members To Designate an Order with a RTFY or SCAN Routing Order Attribute To Activate at 7:00 a.m. ET

April 27, 2018.

I. Introduction

On August 30, 2017, The Nasdaq Stock Market LLC (“Nasdaq” 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 a proposed rule change to amend Nasdaq Rule 4703(a) relating to the times for activating an order with a RTFY or SCAN routing order attribute. The proposed rule change was published for comment in the Federal Register on September 18, 2017.3 On October 31, 2017, pursuant to Section 19(b)(2) of the Act,4 the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.5 On December 13, 2017, the Exchange filed Amendment No. 1 to the proposed rule change, which amended and superseded the proposed rule change as originally filed.6 On December 15, 2017, the Commission published notice of Amendment No. 1 and instituted proceeding under Section 19(b)(2)(B) of the Act7 to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 1.8 On March 14, 2018, pursuant to Section 19(b)(2) of the Act,9 the Commission designated a longer period within which to issue an order approving or disapproving the proposed rule change.10 On April 19, 2018, the Exchange filed Amendment No. 2 to the proposed rule change, which amended and superseded the proposed rule change, as modified by Amendment No. 1.11 The Commission has received no comments on Amendment No. 1.

comments on the proposed rule change. The Commission is publishing this notice to solicit comments on Amendment No. 2 from interested persons, and is approving the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

II. Description of the Proposal

The Exchange proposes to amend Nasdaq Rule 4703(a) to allow members to designate a 7:00 a.m. ET activation time for an order with a RTFY or SCAN routing order attribute.

RTFY is a routing option available for an order that qualifies as a designated retail order under which orders check the system for available shares only if so instructed by the entering firm and are thereafter routed to destinations on the system routing table.12 If shares remain unexecuted after routing, they are posted to the Nasdaq book.13 Once on the book, should the order subsequently be locked or crossed by another market center, the system will not route the order to the locking or crossing market center.14 RTFY is designed to allow orders to participate in the opening, reopening, and closing process of the primary listing market for a security.15 SCAN is a routing option under which orders check the system for available shares and simultaneously route the remaining shares to destinations on the system routing table.16 If shares remain unexecuted after routing, they are posted on the Nasdaq book.17 Once on the book, should the order subsequently be locked or crossed by another market center, the system will not route the order to the locking or crossing market center.18

Nasdaq Rule 4703(a) provides the times-in-force that may be assigned to orders entered into the system. According to Nasdaq Rule 4703(a), members specify an order’s time-in-force by designating a time at which the order will become active and a time at which the order will cease to be active. All of the times-in-force currently described in Nasdaq Rule 4703(a) are applicable to orders with RTFY or SCAN routing order attributes.19 According to the Exchange, during Pre-Market Hours,20 members usually designate orders with RTFY or SCAN routing order attributes to activate upon entry or at 8:00 a.m. ET.21 The Exchange now proposes to amend Nasdaq Rule 4703(a) to provide that a member entering an order with a RTFY or SCAN routing order attribute may designate the order to activate at 7:00 a.m. ET if entered prior to 7:00 a.m. ET on the same day.22 As with the existing 8:00 a.m. ET activation time, the Exchange proposes to offer the 7:00 a.m. ET activation time on a port level basis.23

III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 2, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.24 In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,25 which requires, among other things, that the rules of a national securities exchange be designed 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, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest. The Commission notes that the proposal would provide Exchange members with an additional time for activating orders with RTFY or SCAN routing order attributes, and could facilitate the entry of these orders.26

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20 “Pre-Market Hours” means the period of time beginning at 4:00 a.m. ET and ending immediately prior to the commencement of Market Hours. See Nasdaq Rule 4701(g). “Market Hours” means the period of time beginning at 9:30 a.m. ET and ending at 4:00 p.m. ET (or such earlier time as may be designated by Nasdaq on a day when Nasdaq closes early). See id.

22 See Amendment No. 2 at 5.

23 See id.

24 See Amendment No. 2 at n.14. As a result, if, for example, a member cancels an order entered through a port set for 7:00 a.m. ET activation and wishes the order to instead activate at 8:00 a.m. ET, it must either have another port set for activation at 8:00 a.m. ET or, alternatively, enter the order at that time for immediate activation. See id.

26 The Exchange states that, should it become aware of other orders that would also benefit from this change, it would consider filing another rule change to extend the proposed activation functionality to such other orders. See Amendment No. 2 at 13–14.

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utilizing the proposed 7:00 a.m. ET activation time. The Exchange notes that members may cancel their inactive orders with RTFY or SCAN routing order attributes at any time prior to the time the order activates, which would allow members to react to conditions that may cause them to violate their best execution obligations to their customers should the orders activate and execute. The Exchange also notes that members may cancel their active orders with RTFY or SCAN routing order attributes and enter new orders at another time that the members believe will satisfy their best execution obligations. The Commission notes that Exchange members’ use of the proposed 7:00 a.m. ET activation time must be consistent with their best execution obligations.

IV. Solicitation of Comments on Amendment No. 2 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning whether Amendment No. 2 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. Please include File Number SR–NASDAQ–2017–088 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–2017–088. 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–NASDAQ–2017–088 and should be submitted on or before May 24, 2018.

V. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 2

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 2, prior to the thirtieth day after the date of publication of notice of the filing of Amendment No. 2 in the Federal Register. As noted above, in Amendment No. 2, the Exchange narrowed the proposal from allowing members to activate orders with RTFY or SCAN routing order attributes at any time during Pre-Market Hours, to specifically allowing members to activate these orders at 7:00 a.m. ET, which is similar to existing functionalities on certain other exchanges. Moreover, Amendment No. 2 provided additional explanation regarding the potential benefits of a 7:00 a.m. ET activation time. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act, to approve the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR–NASDAQ–2017–088), as modified by Amendment No. 2, be, and hereby is, approved on an accelerated basis.

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

Robert W. Errett, Deputy Secretary.

[FR Doc. 2018–09341 Filed 5–2–18; 8:45 am]

BILLING CODE 8011–01–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2018–0012]

Privacy Act of 1974; System of Records

AGENCY: Office of Analytics, Review, and Oversight, Social Security Administration (SSA).

ACTION: Notice of a new system of records.

SUMMARY: In accordance with the Privacy Act, we are issuing public notice of our intent to establish a new system of records entitled, Anti-Fraud Enterprise Solution (AFES) (60–0388), hereinafter called the AFES Record System. The AFES Record System is an agency-wide and overarching system that includes the ability to detect, prevent, and mitigate fraud in SSA’s programs. The AFES Record System will collect and maintain personally identifiable information (PII) to assist in identifying suspicious or potentially fraudulent activities performed by individuals across all the agency’s programs and service delivery methods. This notice publishes details of the system as set forth under the caption, SUPPLEMENTARY INFORMATION.

DATES: The system of records notice (SORN) is applicable upon its publication in today’s Federal Register, with the exception of the routine uses, which are effective June 4, 2018. We invite public comment on the routine uses or other aspects of this SORN. In accordance with 5 U.S.C. 552a(e)(4) and (e)(11), the public is given a 30-day period in which to submit comments. Therefore, please submit any comments by June 4, 2018.

ADDRESSES: The public, Office of Management and Budget (OMB), and Congress may comment on this publication by writing to the Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, SSA, Room G–401 West High Rise, 6401 Security Boulevard, Baltimore, Maryland 21235–6401, or through the Federal e-Rulemaking Portal at http://www.regulations.gov, please reference docket number SSA–2018–0012. All comments we receive will be available for public inspection at the above address and we will post them to http://www.regulations.gov.