SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 9, 2021, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express Contract 90 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2021–124, CP2021–126.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2021–18314 Filed 8–24–21; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail Express, Priority Mail, First-Class Package Service, and Parcel Select Service Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice:* August 25, 2021.

FOR FURTHER INFORMATION CONTACT: Sean Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 9, 2021, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail, First-Class Package Service, and Parcel Select Service Contract 9 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2021–122, CP2021–124.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2021–18312 Filed 8–24–21; 8:45 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–92710; File No. SR–FINRA–2021–011]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Order Approving a Proposed Rule Change To Amend FINRA Rule 1011(p) ("Specified Risk Event")

August 19, 2021.

I. Introduction

On May 12, 2021, the Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act") [1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend FINRA Rule 1011(p) (which defines the term "specified risk event") to clarify the scope of "final regulatory actions" that are included in the definition of "specified risk event" for purposes of the Rule 1000 Series (Member Application and Associated Person Registration).[3]

The proposed rule change was published for comment in the **Federal Register** on May 26, 2021.[4] The public comment period closed on June 16, 2021. The Commission received one comment letter in response to the Notice.[5] On July 9, 2021, FINRA consented to an extension of the time period in which the Commission must 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 August 24, 2021.[6] This order approves the proposed rule change.

II. Description of the Proposed Rule Change

On December 10, 2020, the Commission approved a proposed rule change concerning brokers with a significant history of misconduct ("Misconduct Rule").[7] Among other things, the Misconduct Rule amended the FINRA Rule 1000 Series (Member Application and Associated Person Registration) to require a FINRA member broker-dealer ("member firm") to seek a materiality consultation and approval of a continuing membership application, if required, when a natural person seeking to become an owner, control person, principal, or registered person of the member firm has, in the prior five years, one or more "final criminal matters" or two or more "specified risk events." [8] The amendments to the Rule 1000 Series will become effective on September 1, 2021.[9]

To provide clarity to member firms determining whether they need to seek a materiality consultation or approval of a CMA, the Misconduct Rule defines "specified risk event" to mean "any one of the . . . events" described in Rule 1011(p) "that are disclosed, or are or were required to be disclosed, on an applicable Uniform Registration Form." [10] The events described in Rule 1011(p) include, among others, a "final regulatory action" as set forth in Rule 1011(p)(4). Specifically, Rule 1011(p)(4) describes "a final regulatory action" to include final regulatory actions "where (A) the total monetary sanctions (including civil and administrative penalties or fines, disgorgement, monetary penalties other than fines, or restitution) were ordered for a dollar amount at or above $15,000; or (B) the sanction against the person was a bar (permanently or temporarily), expulsion, rescission, revocation, or suspension from associating with a member." The proposed rule change

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

[2] 17 CFR 240.19b–4.

[3] *See* Exchange Act Release No. 90635 (Dec. 10, 2020), 85 FR 81540 (Dec. 16, 2020) (Order Approving File No. SR–FINRA–2020–011) ("December 2020 Order").

[4] *See* Exchange Act Release No. 91959 (May 20, 2021), 86 FR 28405 (May 26, 2021) (File No. SR–FINRA–2021–011) ("Notice").

[5] *See* letter from Isaiah Sanderman, dated May 28, 2021 ("Sanderman Letter"), available at *https://www.sec.gov/comments/sr-finra-2021-011/srfinra2021011-8852748-238381.htm.*

[6] *See* letter from Michael Garawski, Associate General Counsel, OGC Regulatory Practice and Policy, FINRA, to Daniel Fisher, Branch Chief, Division of Trading and Markets, Commission, dated July 9, 2021, available at SR–FINRA–2021–011-Extension1.pdf.

[7] *See supra* note 3.

[8] *See* December 2020 Order at 81541. In general, a member firm initiates a materiality consultation with FINRA's Department of Member Regulation ("Member Regulation") by submitting a letter requesting its determination as to whether a proposed change is material such that it requires the submission of a Continuing Membership Application ("CMA"). If Member Regulation determines that a proposed change is material, it will instruct the broker-dealer to file a CMA if it intends to proceed with the proposed change. *See* Regulatory Notice 18–23 (Proposal Regarding the Rules Governing the New and Continuing Membership Application Process) (Jul. 2018); *see also* December 2020 Order at n. 9.

[9] *See* Regulatory Notice 21–09 (Mar. 2021).

[10] *See* FINRA Rule 1011(p); *see also* Notice at 28406. FINRA Rule 1011(r) defines "Uniform Registration Forms" to mean the Uniform Application for Broker-Dealer Registration (Form BD), the Uniform Application for Securities Industry Registration or Transfer (Form U4), the Uniform Termination Notice for Securities Industry Registration (Form U5) and the Uniform Disciplinary Action Reporting Form (Form U6), as such may be amended or any successor(s) thereto.

would delete from Rule 1011(p)(4) the phrase ''from associating with a member,'' which appears after the word ''suspension.'' [11]

III. Discussion and Commission Findings

After careful review of the proposed rule change and the comment letter, the Commission finds that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder that are applicable to a national securities association.[12] Specifically, the Commission finds that the proposed rule change is consistent with Section 15A(b)(6) of the Exchange Act,[13] which requires, among other things, that FINRA rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

A. Consistent With Basis for Approving the December 2020 Order

FINRA stated that including the phrase ''from associating with a member'' in Rule 1011(p)(4) was an ''inadvertent drafting error'' that inappropriately narrowed the ''final regulatory actions'' included in the ''specified risk event'' definition.[14] In particular, FINRA notes that the current rule may be interpreted to exclude from the definition of ''specified risk event'' final SEC and CFTC regulatory actions where the sanction against the person was a suspension other than a suspension from associating with a member.[15] FINRA stated that it did not intend to narrow the scope of ''final regulatory actions'' that are included in the ''specified risk event'' definition in this manner.[16] Rather, FINRA stated that it intended Rule 1011(p)(4) to be consistent with Rule 1011(p)(3), which describes the ''final investment-related civil actions'' that are included in the ''specified risk event'' definition. Rule 1011(p)(3) includes final investment-related civil actions that result in a ''suspension,'' and does not limit the suspensions to suspensions from associating with a member.[17] FINRA further cited the mapping exhibits it provided in SR–FINRA–2020–011 to illustrate its intent to include ''final regulatory actions'' beyond those resulting in suspensions ''from associating with a member'' in the ''specified risk event'' definition. FINRA stated that these exhibits demonstrated how the ''final regulatory actions'' included within the scope of the ''specified risk event'' definition should include final regulatory actions disclosed on the Uniform Registration Forms that resulted in a suspension.[18] FINRA stated that those mapping exhibits are consistent with how the relevant sanctions-related questions on the Uniform Registration Forms require the reporting of regulatory actions initiated by numerous regulators and self-regulatory organizations—not just FINRA—and include data fields for suspensions.[19]

FINRA believes that by amending Rule 1011(p)(4) to accurately describe the ''final regulatory actions'' that the definition of ''specified risk event'' should include, the proposed rule change would provide greater clarity to members and the public and serve the intended investor-protection purposes of the Misconduct Rule.[20]

B. The Proposed Rule Change Would Impose No Additional Burden

FINRA does not believe that the proposed rule change would result in any additional burdens not already contemplated in SR–FINRA–2020–011.[21] FINRA stated that the aspect of the economic impact assessment undertaken in SR–FINRA–2020–011 that pertained to the amendments to the Rule 1000 Series was based on the broader scope for the ''final regulatory actions'' that are included in the ''specified risk event'' definition that FINRA is proposing here.[22] Consistent with FINRA's original intent, the broader scope for the ''final regulatory actions'' that are included in the ''specified risk event'' definition includes final SEC and CFTC regulatory actions where the sanction against the person was a suspension other than a suspension from associating with a member.[23]

The Commission received one comment letter in response to the proposed rule change. Because the letter failed to address any component of the proposed rule change, the Commission believes the comment is beyond the scope of the proposal.[24]

In sum, the Commission finds that the proposed rule change is consistent with its findings in the December 2020 Order. In the December 2020 Order, the Commission found that the Misconduct Rules would result in ''greater investor protections by helping address the concerns raised by associated persons with a significant history of misconduct and the broker-dealers that employ them.'' [25] Specifically, the Commission stated that the Misconduct Rules would ''strengthen the tools available to FINRA in responding to associated persons who have a significant history of misconduct'' and were sufficiently tailored ''to target the specific misconduct it seeks to address, which would minimize the potential costs to broker-dealers.'' [26] The Commission agrees that by amending the ''final regulatory actions'' that are included in the ''specified risk event'' definition, the proposed rule change would provide greater clarity to members and the public and serve the intended investor protection purposes of the Misconduct Rules approved in the December 2020 Order.[27] The Commission also agrees with FINRA's assessment that the proposed rule change would impose no additional burden not already contemplated and approved by the Commission.

IV. Conclusion

It is therefore ordered pursuant to Section 19(b)(2) of the Exchange Act [28] that the proposal (SR–FINRA–2021–011), be and hereby is approved.

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[11] *See supra* note 4.

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

[13] 15 U.S.C. 78o–3(b)(6).

[14] *See* Notice at 28406.

[15] *Id.*

[16] *Id.*

[17] *Id.*

[18] *See* Form 19b–4, Exs. 3a and 3b, File No. SR–FINRA–2020–011, available at *https://www.finra.org/sites/default/files/2020-04/SR-FINRA-2020-011.pdf; see also* Notice at n. 7.

[19] *See* Form U4, Regulatory Action Disclosure Reporting Page, Questions 1 (requesting information about which regulator initiated the regulatory action) and 13 (Sanction Detail); Form BD, Regulatory Action Disclosure Reporting Page, Part II, Questions 1 (requesting information about which regulator initiated the regulatory action) and Question 2 (Principal Sanction). FINRA also stated that the data that it provided in SR–FINRA–2020–011 concerning the regulatory action disclosures included regulatory actions that resulted in any suspension, not just suspensions from associating with a member; *see also* Notice at n. 8.

[20] *See* Notice at 28407.

[21] *Id.*

[22] *Id.*

[23] *Id.*

[24] *See* Sanderman Letter.

[25] *See* December 2020 Order at 81548.

[26] *Id.*

[27] *See* December 2020 Order at 81546 (explaining that the rules approved in SR–FINRA–2020–011 ''further promote investor protection by applying additional safeguards and disclosure obligations for a broker-dealer's continuing membership with FINRA and for changes to a current member broker-dealer's ownership, control, or business operations,'' where those changes involve persons with a significant history of misconduct). *See* Notice at note 9.

[28] 15 U.S.C. 78s(b)(2).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[29]

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2021–18237 Filed 8–24–21; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–92709; File No. SR–CBOE–2021–046]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing of a Proposed Rule Change To Amend Rule 5.4 and Make Corresponding Changes to Other Rules

August 19, 2021.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act''),[2] and Rule 19b–4 thereunder,[3] notice is hereby given that on August 6, 2021, Cboe Exchange, Inc. (the ''Exchange'' or ''Cboe Options'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. 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 Exchange, Inc. (the ''Exchange'' or ''Cboe Options'') proposes to amend Rule 5.4 and make corresponding changes to other Rules. The text of the proposed rule change is provided below.

(additions are *italicized;* deletions are [bracketed])

* * * * *

Rules of Cboe Exchange, Inc.

* * * * *

Rule 5.4. Minimum Increments for Bids and Offers

(a) No change.

(b) Except as provided in Rule 5.33, the minimum increment for bids and offers on complex orders [with any ratio equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00) for equity and index options, and for Index Combo orders,] is $0.01 or greater, which may be determined by the Exchange on a class-by-class basis, and the legs may be executed in $0.01 increments. [The minimum increment for bids and offers on complex orders with any ratio less than one-to-three (.333) or greater than three-to-one (3.00) for equity and index options (except for Index Combo orders) is the standard increment for the class pursuant to paragraph (a), and the legs may be executed in the minimum increment applicable to the class pursuant to paragraph (a).] Notwithstanding the foregoing, the minimum increment for bids and offers on complex orders in options on the S&P 500 Index (SPX) or on the S&P 100 Index (OEX and XEO), except for box/roll spreads, is $0.05 or greater, or in any increment, which may be determined by the Exchange on a class-by-class basis.

* * * * *

Rule 5.33. Complex Orders

Trading of complex orders (as defined in Rule 1.1) is subject to all other Rules applicable to the trading of orders, unless otherwise provided in this Rule 5.33.

(a)–(e) No change.

(f) *Minimum Increments, Execution Prices, and Priority.*

(1) *Minimum Increments.* No change.

(2) *Execution Prices and Complex Order Priority.*

(A) *Complex Orders.* The System does not execute a complex order pursuant to this Rule 5.33 at a net price:

(i)–(iv) No change.

(v) that would cause any component of the complex strategy to be executed at a price ahead of a Priority Customer Order on the Simple Book without improving the BBO of *(a)* at least one component of the complex strategy, *if the complex order has a ratio equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00), or is an Index Combo order, or (b) each component of the complex strategy with a Priority Customer Order at the BBO, if the complex order has a ratio less than one-to-three (.333) or greater than three-to-one (3.00).*

* * * * *

The text of the proposed rule change is also available on the Exchange's website (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), at the Exchange's Office of the Secretary, 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 self-regulatory organization 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 those 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 parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The proposed rule change amends the minimum increment for complex orders with ratios of greater than three-to-one or less than one-to-three. Currently, Rule 5.4(b) provides that the minimum increment for bids and offers on complex orders with any ratio greater than or equal to one-to-three (.333) and less than or equal to three-to-one (3.00) for equity and index options, and for Index Combo[4] orders, is $0.01 or greater, which may be determined by the Exchange on a class-by-class basis, and the legs may be executed in $0.01 increments. However, the minimum increment for bids and offers on complex orders with any ratio less than one-to-three (.333) or greater than three-to-one (3.00) for equity and index options (except for Index Combo orders) is the standard increment for the class pursuant to Rule 5.4(a), and the legs may be executed in the minimum increment applicable to the class pursuant to paragraph 5.4(a).[5] The Exchange currently only permits complex orders with ratios greater than three-to-one or less than one-to-three for execution on the Exchange's trading floor.[6] The proposed rule change provides that the minimum increment for bids and offers on complex orders with any ratio may be in $0.01 or greater, as determined by the Exchange on a class-by-class basis. This will provide TPHs with the same pricing flexibility with respect to all complex orders they submit to the Exchange, regardless of their ratios.

Complex orders involve special pricing and handling. Bids and offers for

[29] 17 CFR 200.30–3(a)(12).

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

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] An ''Index Combo'' order is an order to purchase or sell one or more index option series and the offsetting number of Index Combinations (with an ''Index Combination'' defined as a purchase (sale) of an index option call and sale (purchase) of an index option put with the same underlying index, expiration date, and strike price) defined by the delta (defined as the positive (negative) number of Index Combinations that must be sold (purchased) to establish a market neutral hedge with one or more series of the same index option. *See* Rule 5.33(b)(5).

[5] The minimum increment for bids and offers on complex orders in options on the S&P 500 Index (SPX) or on the S&P 100 Index (OEX and XEO), except for box/roll spreads, is $0.05 or greater, or in any increment, which may be determined by the Exchange on a class-by-class basis. Rule 5.4(c) sets forth the minimum increment applicable to other types of options.

[6] If the Securities and Exchange Commission (the ''Commission'') approves the proposed rule change, the Exchange intends to begin accepting complex orders with ratios greater than three-to-one or less than one-to-three for electronic execution, in addition to open outcry.