

Commission shall institute proceedings to determine whether the proposed rule 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-CBOE-2020-059 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-CBOE-2020-059. 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-CBOE-2020-059 and should be submitted on or before July 22, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>46</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2020-14121 Filed 6-30-20; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-39, OMB Control No. 3235-0049]

### Proposal for OMB Review; Comment Request

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736,

*Extension:*  
Form ADV

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information summarized below. The Commission is issuing this Notice in order to supplement the Notice it issued on May 12, soliciting comments on the collection of information. The Commission is issuing this supplemental Notice to update the approximate average per adviser burden based on data as of March 31, 2020. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

The title for the collection of information is "Form ADV" (17 CFR 279.1). Form ADV is the investment adviser registration form and exempt reporting adviser reporting form filed electronically with the Commission pursuant to rules 203-1 (17 CFR 275.203-1), 204-1 (17 CFR 275.204-1) and 204-4 (17 CFR 275.204-4) under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 *et seq.*) by advisers registered with the Commission or applying for registration with the Commission or by exempt reporting advisers filing reports with the Commission. The information collected takes the form of disclosures to the adviser's clients and potential clients. The purpose of this collection of information is to provide advisory clients, prospective clients, and the Commission with information about the adviser, its business, its conflicts of

interest and personnel. Clients use certain of the information to determine whether to hire or retain an adviser.

The information collected provides the Commission with knowledge about the adviser, its business, its conflicts of interest and personnel. The Commission uses the information to determine eligibility for registration with the Commission and to manage its regulatory, examination, and enforcement programs. Part 1 of Form ADV contains information used primarily by the Commission staff and Part 2 is the client brochure. Part 3 requires registered investment advisers that offer services to retail investors to prepare and file with the Commission a relationship summary.

The respondents to this information collection are investment advisers registered with the Commission or applying for registration with the Commission and exempt reporting advisers filing reports with the Commission. Our latest data indicate that there were 13,500 advisers registered with the Commission as of March 31, 2020. The Commission has estimated that Form ADV imposes an annual blended average per adviser burden of approximately 21.55 hours per respondent. Based on this figure, the Commission estimates a total annual burden of 383,652 hours for this collection of information.

Written comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 45 days of this publication. An agency may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

Please direct your written comments to David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, C/O Cynthia Roscoe, 100 F Street NE, Washington, DC 20549; or send an email to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

<sup>46</sup> 17 CFR 200.30-3(a)(12).

Dated: June 25, 2020.

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

[FR Doc. 2020-14106 Filed 6-30-20; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-89150; File No. SR-BX-  
2020-012]

### Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Options 9, Sections 13 and 15 To Increase the Position and Exercise Limits for Options on the SPDR® S&P 500® ETF Trust

June 25, 2020.

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 June 17, 2020, Nasdaq BX, Inc. (“BX” 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend Options 9, Section 13, Position Limits, to increase position limits for options on the SPDR® S&P 500® ETF Trust (“SPY”), and similarly increase exercise limits within Options 9, Section 15, Exercise Limits.

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

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 Options 9, Section 13, Position Limits, to increase position limits for options on SPY. The Exchange’s position limits are incorporated by reference to Cboe Exchange, Inc. (“Cboe”), except for SPY.<sup>3</sup> The proposed amendments to SPY are based on the similar proposal by Cboe.<sup>4</sup> The Exchange also proposes to make minor non-substantive technical corrections to Options 9, Section 13 and Options 9, Section 15. Each change will be described below.

Position limits are designed to address potential manipulative schemes and adverse market impacts surrounding the use of options, such as disrupting the market in the security underlying the options. While position limits should address and discourage the potential for manipulative schemes and adverse market impact, if such limits are set too low, participation in the options market may be discouraged. The Exchange believes that position limits must therefore be balanced between mitigating concerns of any potential manipulation and the cost of inhibiting potential hedging activity that could be used for legitimate economic purposes.

The Exchange has observed an ongoing increase in demand in options on the SPDR® S&P 500® ETF Trust (“SPY”) for both trading and hedging purposes. Though the demand for

options on SPY appear to have increased, position limits (and corresponding exercise limits) for options on SPY have remained the same. The Exchange believes these unchanged position limits may have impeded, and may continue to impede, trading activity and strategies of investors, such as use of effective hedging vehicles or income generating strategies (e.g., buy-write or put-write), and the ability of Market Makers to make liquid markets with tighter spreads in these options, resulting in the transfer of volume to over-the-counter (“OTC”) markets. OTC transactions occur through bilateral agreements, the terms of which are not publically disclosed to the marketplace. As such, OTC transactions do not contribute to the price discovery process on a public exchange or other lit markets. Therefore, the Exchange believes that the proposed increase for position limits (and exercise limits) on options on SPY may enable liquidity providers to provide additional liquidity to the Exchange and other market participants to transfer their liquidity demands from OTC markets to the Exchange, as well as other options exchange on which they participate. As described in further detail below, the Exchange believes that the continuously increasing market capitalization of SPY and SPY component securities, as well as the highly liquid markets for those securities, reduces the concerns for potential market manipulation and/or disruption in the underlying markets upon increasing position limits, while the rising demand for trading options on SPY for legitimate economic purposes compels an increase in position limits (and corresponding exercise limits).

#### Proposed Position Limits for Options on SPY

Options 9, Section 13 sets forth the position limit for options on SPY. The Exchange proposes to amend Options 9, Section 13 to double the position limits for options on SPY. The current position limit for options on SPY is 1,800,000 and the proposed position limit for options on SPY is 3,600,000. The Exchange represents that SPY qualifies for the initial listing criteria set forth in Options 4, Section 3(i) for ETFs. In addition, the Exchange is making corresponding amendments to exercise limits for options on SPY within Options 9, Section 15.

#### Composition and Growth Analysis for SPY

As stated above, position (and exercise) limits are intended to prevent the establishment of options positions that can be used or might create

<sup>3</sup> See Options 9, Section 13(a)(1). The Exchange notes that with respect to U.S. Dollar-Settled Foreign Currency Options, those position limits are incorporated by reference to Phlx. See Options 9, Section 13(a)(4).

<sup>4</sup> See Securities Exchange Act Release No. 88768 (April 29, 2020) (SR-CBOE-2020-015) (Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, to Increase Position Limits for Options on Certain Exchange-Traded Funds and Indexes). The Cboe proposal also proposed to increase position limits for options overlying a number of ETFs as well as the MSCI Emerging Markets Index (“MXEF”) and the MSCI EAFE Index (“MXEA”). The Exchange’s proposal only proposes an increase to the position (and exercise limit) for options overlying SPY. BX does not list options on MXEF and MXEA. Also, other options and Exchange-Traded Fund position limits, which were amended in Cboe’s rule change, have already been increased on BX because BX’s rules at Options 9, Section 13 and Options 9, Section 15 incorporate its position limits and exercise limits to Cboe, except for SPY. Accordingly, this proposal is limited to SPY.

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

<sup>2</sup> 17 CFR 240.19b-4.