participants may readily adjust their order routing practices, the Exchange believes that the degree to which credit or fee changes in this market may impose any burden on competition is extremely limited.

The proposed new credit is reflective of this competition because, as a threshold issue, even as one of the largest U.S. equities exchanges by volume, the Exchange has less than 15% market share, which in most markets could hardly be categorized as having enough market power to burden competition. Moreover, price competition between exchanges is fierce, with liquidity and market share moving freely between exchanges in reaction to credit and fee changes. This is an addition to free flow of order flow to and among off-exchange venues which at times comprises more than half of industry volume.

The Exchange's proposal to add a new transaction credit is pro-competitive in that the Exchange intends for the credit to increase liquidity addition and overall activity on the Exchange, thereby rendering the Exchange more attractive and vibrant to participants.

In sum, if the change proposed herein is unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed change will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.[9]

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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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 should be approved or disapproved.

[9] 15 U.S.C. 78s(b)(3)(A)(ii).

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 (*https://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include file number SR–NASDAQ–2025–048 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–2025–048. 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 (*https://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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–NASDAQ–2025–048 and should be submitted on or before August 6, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[10]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–13265 Filed 7–15–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103443; File No. 4–618]

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d–2; Notice of Filing and Order Approving and Declaring Effective an Amendment to the Plan for the Allocation of Regulatory Responsibilities Between Cboe BZX Exchange, Inc., Cboe BYX Exchange, Inc., BOX Exchange LLC, Cboe Exchange, Inc., Cboe C2 Exchange, Inc., NYSE Texas, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Financial Industry Regulatory Authority, Inc., Long-Term Stock Exchange, Inc., MEMX LLC, Nasdaq ISE, LLC, Nasdaq GEMX, LLC, Nasdaq MRX, LLC, Investors Exchange LLC, Miami International Securities Exchange, LLC, MIAX PEARL, LLC, MIAX Emerald, LLC, MIAX Sapphire, LLC, The Nasdaq Stock Market LLC, Nasdaq BX, Inc., Nasdaq PHLX LLC, NYSE National, Inc., New York Stock Exchange LLC, NYSE American LLC, and NYSE Arca, Inc., Long-Term Stock Exchange, Inc., and 24X National Exchange LLC Concerning Covered Regulation NMS and Consolidated Audit Trail Rules

July 11, 2025.

Notice is hereby given that the Securities and Exchange Commission (''Commission'') has issued an Order, pursuant to Section 17(d) of the Securities Exchange Act of 1934 (''Act''),[1] approving and declaring effective an amendment to the plan for allocating regulatory responsibility (''Plan'') filed on June 25, 2025, pursuant to Rule 17d–2 of the Act,[2] by Cboe BZX Exchange, Inc. (''BZX''), Cboe BYX Exchange, Inc. (''BATS Y''), BOX Exchange LLC (''BOX''), Cboe Exchange, Inc. (''Cboe''), Cboe C2 Exchange, Inc. (''C2''), NYSE Texas, Inc. (''Texas''), Cboe EDGA Exchange, Inc. (''EDGA''), Cboe EDGX Exchange, Inc. (''EDGX''), Financial Industry Regulatory Authority, Inc. (''FINRA''), Long-Term Stock Exchange, Inc. (''LTSE''), MEMX LLC (''MEMX''), Nasdaq ISE, LLC

[10] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78q(d).

[2] 17 CFR 240.17d–2.

(''ISE''), Nasdaq GEMX, LLC (''GEMX''), Nasdaq MRX, LLC (''MRX''), Investors Exchange LLC (''IEX''), Miami International Securities Exchange, LLC (''MIAX''), MIAX PEARL, LLC (''MIAX PEARL''), MIAX Emerald, LLC (''MIAX Emerald''), MIAX Sapphire, LLC (''MIAX Sapphire''), The Nasdaq Stock Market LLC (''Nasdaq''), Nasdaq BX, Inc. (''BX''), Nasdaq PHLX LLC (''PHLX''), NYSE National, Inc. (''NYSE National''), New York Stock Exchange LLC (''NYSE''), NYSE American LLC (''NYSE American''), and NYSE Arca, Inc. (''NYSE Arca''), and 24X National Exchange LLC (''24X'') (each, a ''Participating Organization,'' and, together, the ''Participating Organizations'' or the ''Parties''). This Agreement amends and restates the agreement by and among the Participating Organizations approved by the Commission on August 1, 2024.[3]

I. Introduction

Section 19(g)(1) of the Act,[4] among other things, requires every self-regulatory organization (''SRO'') registered as either a national securities exchange or national securities association to examine for, and enforce compliance by, its members and persons associated with its members with the Act, the rules and regulations thereunder, and the SRO's own rules, unless the SRO is relieved of this responsibility pursuant to Section 17(d) or Section 19(g)(2) of the Act.[5] Without this relief, the statutory obligation of each individual SRO could result in a pattern of multiple examinations of broker-dealers that maintain memberships in more than one SRO (''common members''). Such regulatory duplication would add unnecessary expenses for common members and their SROs.

Section 17(d)(1) of the Act[6] was intended, in part, to eliminate unnecessary multiple examinations and regulatory duplication.[7] With respect to a common member, Section 17(d)(1) authorizes the Commission, by rule or order, to relieve an SRO of the responsibility to receive regulatory reports, to examine for and enforce compliance with applicable statutes, rules, and regulations, or to perform other specified regulatory functions.

To implement Section 17(d)(1), the Commission adopted two rules: Rule 17d–1 and Rule 17d–2 under the Act.[8] Rule 17d–1 authorizes the Commission to name a single SRO as the designated examining authority (''DEA'') to examine common members for compliance with the financial responsibility requirements imposed by the Act, or by Commission or SRO rules.[9] When an SRO has been named as a common member's DEA, all other SROs to which the common member belongs are relieved of the responsibility to examine the firm for compliance with the applicable financial responsibility rules. On its face, Rule 17d–1 deals only with an SRO's obligations to enforce member compliance with financial responsibility requirements. Rule 17d–1 does not relieve an SRO from its obligation to examine a common member for compliance with its own rules and provisions of the federal securities laws governing matters other than financial responsibility, including sales practices and trading activities and practices.

To address regulatory duplication in these and other areas, the Commission adopted Rule 17d–2 under the Act.[10] Rule 17d–2 permits SROs to propose joint plans for the allocation of regulatory responsibilities with respect to their common members. Under paragraph (c) of Rule 17d–2, the Commission may declare such a plan effective if, after providing for appropriate notice and comment, it determines that the plan is necessary or appropriate in the public interest and for the protection of investors; to foster cooperation and coordination among the SROs; to remove impediments to, and foster the development of, a national market system and a national clearance and settlement system; and is in conformity with the factors set forth in Section 17(d) of the Act. Commission approval of a plan filed pursuant to Rule 17d–2 relieves an SRO of those regulatory responsibilities allocated by the plan to another SRO.

II. The Plan

On December 3, 2010, the Commission approved the SRO participants' plan for allocating regulatory responsibilities pursuant to Rule 17d–2.[11] On October 29, 2015, the Commission approved an amended plan that added Regulation NMS Rules 606, 607, and 611(c) and (d) and added additional Participating Organizations that are options markets to the Plan.[12] On August 11, 2016, the Commission approved an amended plan that added IEX and ISE Mercury as Participating Organizations.[13] On February 2, 2017, the Commission approved an amended plan that added MIAX PEARL as a Participating Organization.[14] On February 4, 2019, the Commission approved an amended plan that added MIAX Emerald as a Participating Organization and reflected name changes of certain Participating Organizations.[15] On July 25, 2019, the Commission approved an amended plan that added LTSE as a Participating Organization and reflected name changes of certain Participating Organizations.[16] On March 12, 2020, the Commission approved an amended plan that added Rule 613 under the Act and the rules of each Participating Organization related to Rule 613 listed on Exhibit A to the Plan, and reflected the name change of Nasdaq PHLX, Inc. to Nasdaq PHLX LLC.[17] On June 10, 2020, the Commission approved a proposed amendment to the Plan to add MEMX as a Participant to the Plan.[18] On September 23, 2023, the Commission approved a proposed amendment to the Plan to add MIAX PEARL as a Participant to the Plan.[19]

The proposed 17d–2 Plan is intended to reduce regulatory duplication for firms that are members of more than one Participating Organization.[20] The Plan provides for the allocation of regulatory responsibility according to whether the covered rule pertains to NMS stocks or NMS securities. For covered rules that pertain to NMS stocks (*i.e.,* Rules 607, 611, and 612), FINRA serves as the ''Designated Regulation NMS Examining Authority'' (''DREA'') for common members that are members of FINRA

[3] *See* Securities Exchange Act Release No. 100636, 89 FR 64517 (Aug. 7, 2024).

[4] 15 U.S.C. 78s(g)(1).

[5] 15 U.S.C. 78q(d) and 15 U.S.C. 78s(g)(2), respectively.

[6] 15 U.S.C. 78q(d)(1).

[7] *See* Securities Act Amendments of 1975, Report of the Senate Committee on Banking, Housing, and Urban Affairs to Accompany S. 249, S. Rep. No. 94–75, 94th Cong., 1st Session 32 (1975).

[8] 17 CFR 240.17d–1 and 17 CFR 240.17d–2, respectively.

[9] *See* Securities Exchange Act Release No. 12352 (Apr. 20, 1976), 41 FR 18808 (May 7, 1976).

[10] *See* Securities Exchange Act Release No. 12935 (Oct. 28, 1976), 41 FR 49091 (Nov. 8, 1976).

[11] *See* Securities Exchange Act Release No. 63430, 75 FR 76758 (Dec. 9, 2010).

[12] *See* Securities Exchange Act Release No. 76311, 80 FR 68377 (Nov. 4, 2015).

[13] *See* Securities Exchange Act Release No. 78552, 81 FR 54905 (Aug. 17, 2016).

[14] *See* Securities Exchange Act Release No. 79928, 82 FR 9814 (Feb. 8, 2017).

[15] *See* Securities Exchange Act Release No. 85046, 84 FR 2643 (Feb. 7, 2019).

[16] *See* Securities Exchange Act Release No. 86470, 84 FR 37363 (July 31, 2019).

[17] *See* Securities Exchange Act Release No. 88366, 85 FR 15238 (Mar. 17, 2020).

[18] *See* Securities Exchange Act Release No. 89042, 85 FR 36450 (June 16, 2020).

[19] *See* Securities Exchange Act Release No. 89972, 85 FR 61062 (Sept. 29, 2020).

[20] The proposed 17d–2 Plan refers to these members as ''Common Members.''

and assumes certain examination and enforcement responsibilities for those members with respect to specified Regulation NMS rules. For common members that are not members of FINRA, the member's DEA serves as the DREA and ''Designated CAT Surveillance Authority (''DCSA''), provided that the DEA exchange operates a national securities exchange or facility that trades NMS stocks and the common member is a member of such exchange or facility. Section 2(c) of the Plan contains a list of principles that are applicable to the allocation of common members in cases not specifically addressed in the Plan. An exchange that does not trade NMS stocks would have no regulatory authority for covered Regulation NMS rules pertaining to NMS stocks. For covered rules that pertain to NMS securities, and thus include options (*i.e.,* Rule 606, Rule 613 and the SRO Covered CAT Rules), the Plan provides that the DREA will be the same as the DREA for the rules pertaining to NMS stocks and will serve as the DCSA. For common members that are not members of an exchange that trades NMS stocks, the common member would be allocated according to the principles set forth in Section 2(c) of the Plan.

The text of the Plan delineates the proposed regulatory responsibilities with respect to the Parties. Included in the proposed Plan is an exhibit (the ''Covered Rules'') that lists the federal securities laws, rules, and regulations, for which the applicable DREA would bear examination and enforcement responsibility, and for which the applicable DCSA would bear surveillance, investigation, and enforcement responsibility, under the Plan for common members of the Participating Organization and their associated persons.

Specifically, the applicable DREA assumes examination and enforcement responsibility, and the applicable DCSA assumes surveillance, investigation, and enforcement responsibility, relating to compliance by common members with the Covered Rules. Covered Rules do not include the application of any rule of a Participating Organization, or any rule or regulation under the Act, to the extent that it pertains to violations of insider trading activities, because such matters are covered by a separate multiparty agreement under Rule 17d–2.[21] Under the Plan, Participating Organizations retain full responsibility for surveillance and enforcement with respect to trading activities or practices involving their own marketplace.[22]

III. Proposed Amendment to the Plan

On June 25, 2025, the parties submitted a proposed amendment to the Plan. The primary purpose of the amendment is to add 24X as a Participant to the Plan and to reflect the name change of NYSE Chicago, Inc. to NYSE Texas, Inc.

The text of the proposed amended 17d–2 Plan is as follows (additions are in *italics;* deletions are in [brackets]):

Agreement for the Allocation of Regulatory Responsibility for the Covered Regulation NMS and Consolidated Audit Trail Rules Pursuant to § 17(d) of the Securities Exchange Act of 1934, 15 U.S.C. 78q(d), and Rule 17d–2 Thereunder

This agreement (the ''Agreement'') by and among Cboe BZX Exchange, Inc. (''Cboe BZX''), Cboe BYX Exchange, Inc. (''Cboe BYX''), BOX Exchange LLC (''BOX''), Cboe Exchange, Inc. (''Cboe Options''), Cboe C2 Exchange, Inc. (''Cboe C2''), NYSE [Chicago] *Texas,* Inc. (''[CHX] *NYSE Texas*''), Cboe EDGA Exchange, Inc. (''Cboe EDGA''), Cboe EDGX Exchange, Inc. (''Cboe EDGX''), Financial Industry Regulatory Authority, Inc. (''FINRA''), MEMX LLC (''MEMX''), Nasdaq ISE, LLC (''ISE''), Nasdaq GEMX, LLC (''GEMX''), Nasdaq MRX, LLC (''MRX''), Investors Exchange LLC (''IEX''), Miami International Securities Exchange, LLC (''MIAX''), MIAX PEARL, LLC (''MIAX PEARL''), MIAX Emerald, LLC (''MIAX Emerald''), MIAX Sapphire, LLC (''MIAX Sapphire''), The Nasdaq Stock Market LLC (''Nasdaq''), Nasdaq BX, Inc. (''BX''), Nasdaq PHLX LLC (''PHLX''), NYSE National, Inc. (''NYSE National''), New York Stock Exchange LLC (''NYSE''), NYSE American LLC (''NYSE American''), NYSE Arca, Inc. (''NYSE Arca''), [and] Long-Term Stock Exchange, Inc. (''LTSE'') *and 24X National Exchange LLC (''24X'')* (each, a ''Participating Organization,'' and, together, the ''Participating Organizations''), is made pursuant to § 17(d) of the Securities Exchange Act of 1934 (the ''Act'' or ''SEA''), 15 U.S.C. 78q(d), and Rule 17d–2 thereunder, which allow for plans to allocate regulatory responsibility among self-regulatory organizations (''SROs''). Upon approval by the Securities and Exchange Commission (''Commission'' or ''SEC''), this Agreement shall amend and restate the agreement by and among the Participating Organizations approved by the SEC on [June 10, 2020] *August 1, 2024.*

Whereas, the Participating Organizations desire to: (a) foster cooperation and coordination among the SROs; (b) remove impediments to, and foster the development of, a national market system; (c) strive to protect the interest of investors; (d) eliminate duplication in their examination and enforcement of (i) SEA Rules 606, 607, 611, 612 and 613 (the ''Covered Regulation NMS Rules'') and (ii) rules of each Participating Organization related to SEA Rule 613 listed on Exhibit A hereto (''SRO Covered CAT Rules,'' together with the Covered Regulation NMS Rules, collectively, the ''Covered Rules'') and (e) eliminate duplication in their surveillance, examination, investigation and enforcement of SEA Rule 613 and the SRO Covered CAT Rules;

Whereas, the Participating Organizations are interested in allocating regulatory responsibilities with respect to broker-dealers that are members of more than one Participating Organization (the ''Common Members'') relating to the examination and enforcement of the Covered Rules and the surveillance, examination, investigation and enforcement of SEA Rule 613 and the SRO Covered CAT Rules; and

Whereas, the Participating Organizations will request regulatory allocation of these regulatory responsibilities by executing and filing with the SEC this plan for the above stated purposes pursuant to the provisions of § 17(d) of the Act, and Rule 17d–2 thereunder, as described below.

Now, therefore, in consideration of the mutual covenants contained hereafter, and other valuable consideration to be mutually exchanged, the Participating Organizations hereby agree as follows:

1. Assumption of Surveillance Responsibility. The Designated CAT Surveillance Authority (the ''DCSA'') shall assume surveillance, investigation and enforcement responsibility relating to compliance by Common Members with SEA Rule 613 and the SRO Covered CAT Rules listed on Exhibit A (''Surveillance Responsibility''). Included in the Surveillance Responsibility assumed hereunder the DCSA shall perform investigations and enforcement resulting from reports and metrics concerning potentially non-compliant CAT reporting generated by the Plan Processor for the National Market System Plan Governing the Consolidated Audit Trail and as provided for in the Monitoring CAT

[21] *See* Securities Exchange Act Release No. 103365 (July 1, 2025), 90 FR 29912 (July 7, 2025) (File No. 4–566) (notice of filing and order approving and declaring effective an amendment to the insider trading 17d–2 plan).

[22] *See* paragraph 3 of the Plan.

Reporter Compliance Policy (dated August 13, 2019 and as amended from time to time) relating to Common Members. FINRA shall serve as DCSA for Common Members that are members of FINRA. The DREA allocated below shall serve as DCSA for Common Members that are not members of FINRA.

2. Assumption of Examination Responsibility. The Designated Regulation NMS Examining Authority (the ''DREA'') shall assume examination and enforcement responsibilities relating to compliance by Common Members with the Covered Rules to which the DREA is allocated responsibility (''Examination Responsibility''). A list of the Covered Rules is attached hereto as Exhibit A.

a. For Covered Regulation NMS Rules Pertaining to ''NMS stocks'' (as defined in Regulation NMS) (*i.e.,* Rules 607, 611 and 612): FINRA shall serve as DREA for Common Members that are members of FINRA. The Designated Examining Authority (''DEA'') pursuant to SEA Rule 17d–1 shall serve as DREA (and accordingly as DCSA as provided in paragraph 1 above) for Common Members that are not members of FINRA, provided that the DEA operates a national securities exchange or facility that trades NMS stocks and the Common Member is a member of such exchange or facility. For all other Common Members, the Participating Organizations shall allocate Common Members among the Participating Organizations (other than FINRA) that operate a national securities exchange that trades NMS stocks based on the principles outlined below and the Participating Organization to which such a Common Member is allocated shall serve as the DREA for that Common Member. (A Participating Organization that operates a national securities exchange that does not trade NMS stocks has no regulatory responsibilities related to Covered Regulation NMS Rules pertaining to NMS stocks and will not serve as DREA for such Covered Regulation NMS Rules.)

b. For Covered Regulation NMS Rules Pertaining to ''NMS securities'' (as defined in Regulation NMS) (*i.e.,* Rule 606 and Rule 613) and the SRO Covered CAT Rules listed on Exhibit A hereto, the DREA shall be the same as the DREA for Covered Regulation NMS Rules pertaining to NMS stocks (and shall serve as the DCSA in paragraph 1 above). For Common Members that are not members of a national securities exchange that trades NMS stocks and thus have not been appointed a DREA under paragraph a., the Participating Organizations shall allocate the Common Members among the Participating Organizations (other than FINRA) that operate a national securities exchange that trades NMS securities based on the principles outlined below and the Participating Organization to which such a Common Member is allocated shall serve as the DREA for that Common Member with respect to Covered Regulation NMS Rules pertaining to NMS securities. The allocation of Common Members to DREAs (including FINRA) and accordingly to serve as DCSA in paragraph 1 above for all Covered Rules is provided in Exhibit B.

c. For purposes of this paragraph 2, any allocation of a Common Member to a Participating Organization other than as specified in paragraphs a. and b. above shall be based on the following principles, except to the extent all affected Participating Organizations consent to one or more different principles and any such agreement to different principles would be deemed an amendment to this Agreement as provided in paragraph 24:

i. The Participating Organizations shall not allocate a Common Member to a Participating Organization unless the Common Member is a member of that Participating Organization.

ii. To the extent practicable, Common Members shall be allocated among the Participating Organizations of which they are members in such a manner as to equalize, as nearly as possible, the allocation among such Participating Organizations.

iii. To the extent practicable, the allocation will take into account the amount of NMS stock activity (or NMS security activity, as applicable) conducted by each Common Member in order to most evenly divide the Common Members with the largest amount of activity among the Participating Organizations of which they are a member. The allocation will also take into account similar allocations pursuant to other plans or agreements to which the Participating Organizations are party to maintain consistency in oversight of the Common Members.[1]

iv. The Participating Organizations may reallocate Common Members from time-to-time and in such manner as they deem appropriate consistent with the terms of this Agreement.

[1] For example, if one Participating Organization was allocated responsibility for a particular Common Member pursuant to a separate Rule 17d–2 Agreement, that Participant Organization would be assigned to be the DREA of that Common Member, unless there is good cause not to make that assignment.

v. Whenever a Common Member ceases to be a member of its DREA (including FINRA), the DREA shall promptly inform the Participating Organizations, who shall review the matter and reallocate the Common Member to another Participating Organization.

vi. The DEA or DREA (including FINRA) may request that a Common Member be reallocated to another Participating Organization (including the DEA or DREA (including FINRA)) by giving 30 days written notice to the Participating Organizations. The Participating Organizations shall promptly consider such request and, in their discretion, may approve or disapprove such request and if approved, reallocate the Common Member to such Participating Organization.

vii. All determinations by the Participating Organizations with respect to allocations shall be by the affirmative vote of a majority of the Participating

viii. Organizations that, at the time of such determination, share the applicable Common Member being allocated; a Participating Organization shall not be entitled to vote on any allocation related to a Common Member unless the Common Member is a member of such Participating Organization.

d. The Participating Organizations agree that they shall conduct meetings among them as needed for the purposes of ensuring proper allocation of Common Members and identifying issues or concerns with respect to the regulation of Common Members. To promote consistency in connection with regulation of Common Members, the Participating Organizations further agree to conduct meetings to discuss the overarching principles as to how Covered Rules, in particular SEA Rule 613 and the SRO Covered CAT Rules, should be surveilled, examined, investigated and enforced. On an ongoing basis, the Participating Organizations agree to consult with and solicit input from the Participating Organizations regarding their surveillance, examination, investigation and enforcement programs regarding SEA Rule 613 and the SRO Covered CAT Rules. In particular, FINRA will consult with Participating Organizations prior to finalizing its disposition and sanctions guidelines with respect to violations of SEA Rule 613 and the SRO Covered CAT Rules. Further, in the period preceding the full implementation of CAT for equities and options securities, FINRA will consult with other Participating Organizations prior to finalizing dispositions other

than no further action that involve their Common Members.

e. By signing this Agreement, the Participating Organizations hereby certify that the list of SRO Covered CAT Rules listed on Exhibit A hereto are correct and are identical or substantially similar to each other.

f. Each year following the commencement date of operation of this Agreement, or more frequently if required by changes in any of the SRO Covered CAT Rules, each Participating Organization shall submit an updated list of SRO Covered CAT Rules to FINRA for review which shall (1) add SRO Covered CAT Rules not included in the current list of SRO Covered CAT Rules that are substantially similar to each other; (2) delete SRO Covered CAT Rules included in the current list that are no longer substantially similar; and (3) confirm that the remaining rules on the current list of SRO Covered CAT Rules continue to be substantially similar. FINRA shall review each Participating Organization's annual certification and confirm whether FINRA agrees with the submitted certified and updated list of SRO Covered CAT Rules. The DREA/DCSA shall not have Regulatory Responsibility for any provision in a SRO Covered CAT Rule provision requiring a member of a Participating Organization to provide notice, reports or any other filings directly to a Participating Organization.

3. Scope of Responsibility. Notwithstanding anything herein to the contrary, it is explicitly understood that the terms ''Surveillance Responsibility'' and ''Examination Responsibility'' (collectively referred to herein as the ''Regulatory Responsibility'') do not include any responsibilities beyond those concerning the Covered Rules, and each of the Participating Organizations shall retain full responsibility for, examination, surveillance and enforcement with respect to trading activities or practices involving its own marketplace unless otherwise allocated pursuant to a separate Rule 17d–2 Agreement. The allocation of DCSA Responsibility to a Participating Organization shall not limit another Participating Organization's ability to utilize data from the Consolidated Audit Trail to perform examination, surveillance, investigative, enforcement or other regulatory work concerning potential or identified violations of statutes or rules other than the SRO Covered CAT Rules.

4. No Retention of Regulatory Responsibility. The Participating Organizations do not contemplate the retention of any responsibilities with respect to the regulatory activities being assumed by the DREA/DCSA under the terms of this Agreement. Nothing in this Agreement will be interpreted to prevent a DREA/DCSA from entering into Regulatory Services Agreement(s) to perform its Regulatory Responsibility.

5. No Charge. A DREA/DCSA shall not charge Participating Organizations for performing the Regulatory Responsibility under this Agreement.

6. Applicability of Certain Laws, Rules, Regulations or Orders. Notwithstanding any provision hereof, this Agreement shall be subject to any statute, or any rule or order of the SEC. To the extent such statute, rule, or order is inconsistent with one or more provisions of this Agreement, the statute, rule, or order shall supersede the provision(s) hereof to the extent necessary to be properly effectuated and the provision(s) hereof in that respect shall be null and void.

7. Customer Complaints. If a Participating Organization receives a copy of a customer complaint relating to a DREA's/DCSA's Regulatory Responsibility as set forth in this Agreement, the Participating Organization shall promptly forward to such DREA/DCSA a copy of such customer complaint. It shall be such DREA's/DCSA's responsibility to review and take appropriate action in respect to such complaint.

8. Parties to Make Personnel Available as Witnesses. Each Participating Organization shall make its personnel available to the DREA/DCSA to serve as testimonial or non-testimonial witnesses as necessary to assist the DREA/DCSA in fulfilling the Regulatory Responsibility allocated under this Agreement. The DREA/DCSA shall provide reasonable advance notice when practicable and shall work with a Participating Organization to accommodate reasonable scheduling conflicts within the context and demands as the entity with ultimate regulatory responsibility. The Participating Organization shall pay all reasonable travel and other expenses incurred by its employees to the extent that the DREA/DCSA requires such employees to serve as witnesses, and provide information or other assistance pursuant to this Agreement.

9. Sharing of Work-Papers, Data and Related Information.

a. Sharing. A Participating Organization shall make available to the DREA/DCSA information necessary to assist the DREA/DCSA in fulfilling the Regulatory Responsibility assumed under the terms of this Agreement. Such information shall include *any* information collected by a Participating Organization in the course of performing its regulatory obligations under the Act, including information relating to an on-going disciplinary investigation or action against a member, the amount of a fine imposed on a member, financial information, or information regarding proprietary trading systems gained in the course of examining a member (''Regulatory Information''). This Regulatory Information shall be used by the DREA/DCSA solely for the purposes of fulfilling the DREA's/DCSA's Regulatory Responsibility.

b. No Waiver of Privilege. The sharing of documents or information between the parties pursuant to this Agreement shall not be deemed a waiver as against third parties of regulatory or other privileges relating to the discovery of documents or information.

10. Special or Cause Examinations and Enforcement Proceedings. Nothing in this Agreement shall restrict or in any way encumber the right of a Participating Organization to conduct special or cause examinations of a Common Member, or take enforcement proceedings against a Common Member as a Participating Organization, in its sole discretion, shall deem appropriate or necessary.

11. Dispute Resolution Under this Agreement.

a. Negotiation. The Participating Organizations will attempt to resolve any disputes through good faith negotiation and discussion, escalating such discussion up through the appropriate management levels until reaching the executive management level. In the event a dispute cannot be settled through these means, the Participating Organizations shall refer the dispute to binding arbitration.

b. Binding Arbitration. All claims, disputes, controversies, and other matters in question between the Participating Organizations to this Agreement arising out of or relating to this Agreement or the breach thereof that cannot be resolved by the Participating Organizations will be resolved through binding arbitration. Unless otherwise agreed by the Participating Organizations, a dispute submitted to binding arbitration pursuant to this paragraph shall be resolved using the following procedures:

(i) The arbitration shall be conducted in a city selected by the DREA/DCSA in which it maintains a principal office or where otherwise agreed to by the Participating Organizations in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the

arbitrator may be entered in any court having jurisdiction thereof; and

(ii) There shall be three arbitrators, and the chairperson of the arbitration panel shall be an attorney. The arbitrators shall be appointed in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

12. Limitation of Liability. As between the Participating Organizations, no Participating Organization, including its respective directors, governors, officers, employees and agents, will be liable to any other Participating Organization, or its directors, governors, officers, employees and agents, for any liability, loss or damage resulting from any delays, inaccuracies, errors or omissions with respect to its performing or failing to perform regulatory responsibilities, obligations, or functions, except: (a) as otherwise provided for under the Act; (b) in instances of a Participating Organization's gross negligence, willful misconduct or reckless disregard with respect to another Participating Organization; or (c) in instances of a breach of confidentiality obligations owed to another Participating Organization. The Participating Organizations understand and agree that the regulatory responsibilities are being performed on a good faith and best effort basis and no warranties, express or implied, are made by any Participating Organization to any other Participating Organization with respect to any of the responsibilities to be performed hereunder. This paragraph is not intended to create liability of any Participating Organization to any third party.

13. SEC Approval.

a. The Participating Organizations agree to file promptly this Agreement with the SEC for its review and approval. FINRA shall file this Agreement on behalf, and with the explicit consent, of all Participating Organizations.

b. If approved by the SEC, the Participating Organizations will notify their members of the general terms of the Agreement and of its impact on their members.

14. Subsequent Parties; Limited Relationship. This Agreement shall inure to the benefit of and shall be binding upon the Participating Organizations hereto and their respective legal representatives, successors, and assigns. Nothing in this Agreement, expressed or implied, is intended or shall: (a) confer on any person other than the Participating Organizations hereto, or their respective legal representatives, successors, and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, (b) constitute the Participating Organizations hereto partners or participants in a joint venture, or (c) appoint one Participating Organization the agent of the other.

15. Assignment. No Participating Organization may assign this Agreement without the prior written consent of the DREAs/DCSAs performing Regulatory Responsibility on behalf of such Participating Organization, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that any Participating Organization may assign the Agreement to a corporation controlling, controlled by or under common control with the Participating Organization without the prior written consent of such Participating Organization's DREAs/DCSAs. No assignment shall be effective without Commission approval.

16. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

17. Termination. Any Participating Organization may cancel its participation in the Agreement at any time upon the approval of the Commission after 180 days written notice to the other Participating Organizations (or in the case of a change of control in ownership of a Participating Organization, such other notice time period as that Participating Organization may choose). The cancellation of its participation in this Agreement by any Participating Organization shall not terminate this Agreement as to the remaining Participating Organizations.

18. General. The Participating Organizations agree to perform all acts and execute all supplementary instruments or documents that may be reasonably necessary or desirable to carry out the provisions of this Agreement.

19. Written Notice. Any written notice required or permitted to be given under this Agreement shall be deemed given if sent by certified mail, return receipt requested, or by a comparable means of electronic communication to each Participating Organization entitled to receipt thereof, to the attention of the Participating Organization's representative at the Participating Organization's then principal office or by email.

20. Confidentiality. The Participating Organizations agree that documents or information shared shall be held in confidence, and used only for the purposes of carrying out their respective regulatory obligations under this Agreement, provided, however, that each Participating Organization may disclose such documents or information as may be required to comply with applicable regulatory requirements or requests for information from the SEC. Any Participating Organization disclosing confidential documents or information in compliance with applicable regulatory or oversight requirements will request confidential treatment of such information. No Participating Organization shall assert regulatory or other privileges as against the other with respect to Regulatory Information that is required to be shared pursuant to this Agreement.

21. Regulatory Responsibility. Pursuant to Section 17(d)(1)(A) of the Act, and Rule 17d–2 thereunder, the Participating Organizations request the SEC, upon its approval of this Agreement, to relieve the Participating Organizations which are participants in this Agreement that are not the DREA or DCSA as to a Common Member of any and all responsibilities with respect to the matters allocated to the DREA or DCSA pursuant to this Agreement for purposes of §§ 17(d) and 19(g) of the Act.

22. Governing Law. This Agreement shall be deemed to have been made in the State of New York, and shall be construed and enforced in accordance with the law of the State of New York, without reference to principles of conflicts of laws thereof. Each of the Participating Organizations hereby consents to submit to the jurisdiction of the courts of the State of New York in connection with any action or proceeding relating to this Agreement.

23. Survival of Provisions. Provisions intended by their terms or context to survive and continue notwithstanding delivery of the regulatory services by the DREA/DCSA and any expiration of this Agreement shall survive and continue.

24. Amendment.

a. This Agreement may be amended to add a new Participating Organization, provided that such Participating Organization does not assume regulatory responsibility, by an amendment executed by all applicable DREAs/DCSAs and such new Participating Organization. All other Participating Organizations expressly consent to allow such DREAs/DCSAs to

jointly add new Participating Organizations to the Agreement as provided above. Such DREAs/DCSAs will promptly notify all Participating Organizations of any such amendments to add a new Participating Organization.

b. All other amendments must be approved by each Participating Organization. All amendments, including adding a new Participating Organization but excluding changes to Exhibit B, must be filed with and approved by the Commission before they become effective.

25. Effective Date. The Effective Date of this Agreement will be the date the SEC declares this Agreement to be effective pursuant to authority conferred by § 17(d) of the Act, and Rule 17d–2 thereunder.

26. Counterparts. This Agreement may be executed in any number of counterparts, including facsimile, each of which will be deemed an original, but all of which taken together shall constitute one single agreement among the Participating Organizations.

* * * * *

Exhibit A

Covered Rules

Covered Regulation NMS Rules

SEA Rule 606—Disclosure of Order Routing Information.*
SEA Rule 607—Customer Account Statements.
SEA Rule 611—Order Protection Rule.
SEA Rule 612—Minimum Pricing Increment.
SEA Rule 613(g)(2)—Consolidated Audit Trail *

* Covered Regulation NMS Rules with asterisks (*) pertain to NMS securities. Covered Regulation NMS Rules without asterisks pertain to NMS stocks.

SRO Covered CAT Rules

24X—Rules 4.5—4.16
Cboe BZX—Rules 4.5–4.16
Cboe BYX—Rules 4.5–4.16
BOX—Rules 16020–16095
Cboe Options—Rules 7.20–7.31
Cboe C2—Chapter 7, Section B (only with respect to incorporation of Cboe Rules 7.20–7.31)
Cboe EDGA—Rules 4.5–4.16
Cboe EDGX—Rules 4.5–4.16
FINRA—Rules 6810–6895
IEX—Rules 11.610–11.695
MEMX Rules 4.5–4.16
MIAX—Rules 1701–1712
MIAX PEARL—Rules 1701–1712
MIAX Emerald—Rules 1701–1712
MIAX Sapphire—Rules 1701–1712
Nasdaq—General 7, Sections 1–13
BX Equities Rules—General 7
PHLX—General 7
ISE—General 7
GEMX—General 7
MRX—General 7
NYSE—Rules 6810–6895
NYSE Arca—Rules—11.6810–11.6895
NYSE American—Rules 6810–6895
NYSE *Texas* [Chicago]—Rules 6810–6895
NYSE National—Rules 6.6810–6.6895
LTSE—Rules 11.610–11.695

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Comments may be submitted by any of the following methods:

Electronic Comments

• Use the Commission's internet comment form (*http://www.sec.gov/rules/other.shtml*); or

• Send an email to *rule-comments@sec.gov.* Please include File Number 4–618 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 4–618. 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/other.shtml*). Copies of the plan also will be available for inspection and copying at the principal offices of the Participating Organizations. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number 4–618 and should be submitted on or before August 6, 2025.

V. Discussion

The Commission finds that the Plan, as amended, is consistent with the factors set forth in Section 17(d) of the Act [23] and Rule 17d–2(c) thereunder [24] in that the proposed amended Plan is necessary or appropriate in the public interest and for the protection of investors, fosters cooperation and coordination among SROs, and removes impediments to and fosters the development of the national market system. In particular, the Commission believes that the proposed amended Plan should reduce unnecessary regulatory duplication by allocating to the applicable DREA certain examination and enforcement responsibilities, and to the applicable DCSA certain surveillance, investigation, and enforcement responsibilities, for Common Members that would otherwise be performed by multiple Parties. Accordingly, the proposed amended Plan promotes efficiency by reducing costs to Common Members. Furthermore, because the Parties will coordinate their regulatory functions in accordance with the proposed amended Plan, the amended Plan should promote investor protection.

The Commission is hereby declaring effective a plan that allocates regulatory responsibility for certain provisions of the federal securities laws, rules, and regulations as set forth in Exhibit A to the Plan. The Commission notes that any amendment to the Plan must be approved by the relevant Parties as set forth in Paragraph 24 of the Plan and must be filed with and approved by the Commission before it may become effective.[25]

Under paragraph (c) of Rule 17d–2, the Commission may, after appropriate notice and comment, declare a plan, or any part of a plan, effective. In this instance, the Commission believes that appropriate notice and comment can take place after the proposed amendment is effective. In particular, the purpose of the amendment is to add 24X as a Participating Organization and to reflect the name change of NYSE Chicago, Inc. to NYSE Texas, Inc. The Commission notes that the most recent prior amendment to the Plan was published for comment and the Commission did not receive any comments thereon.[26] The Commission believes that the current amendment to the Plan does not raise any new regulatory issues that the Commission has not previously considered, and therefore believes that the amended Plan should become effective without any undue delay.

[23] 15 U.S.C. 78q(d).

[24] 17 CFR 240.17d–2(c).

[25] *See* Paragraph 24 of the Plan. The Commission notes, however, that changes to Exhibit B to the Plan (the allocation of Common Members to DREAs) are not required to be filed with, and approved by, the Commission before they become effective.

[26] *See* Securities Exchange Act Release No. 100636 (August 1, 2024), 89 FR 64517 (August 7, 2024).

VI. Conclusion

This Order gives effect to the Plan filed with the Commission in File No. 4–618. The Parties shall notify all members affected by the Plan of their rights and obligations under the Plan.

It is therefore ordered, pursuant to Section 17(d) of the Act, that the Plan in File No. 4–618 is hereby approved and declared effective.

It is further ordered that the Parties who are not the DREA or DCSA as to a particular Common Member are relieved of those regulatory responsibilities allocated to the Common Member's DREA or DCSA under the Plan to the extent of such allocation.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[27]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–13264 Filed 7–15–25; 8:45 am]

BILLING CODE 8011–01–P

[27] 17 CFR 200.30–3(a)(34).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103436; File Nos. SR–OCC–2025–006]

Self-Regulatory Organizations; The Options Clearing Corporation; Order Granting Approval of Proposed Rule Change by The Options Clearing Corporation Concerning the Adoption of the Amended and Restated Participant Exchange Agreement Between OCC and Each of the National Securities Exchanges That List Equity Options

July 11, 2025.

I. Introduction

On May 13, 2025, the Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change SR–OCC–2025–006, pursuant to Section 19(b) of the Securities Exchange Act of 1934 ("Exchange Act") [1] and Rule 19b–4 [2] thereunder, to replace the current Restated Participant Exchange Agreement with a new agreement.[3] The proposed rule change was published for public comment in the **Federal Register** on May 29, 2025.[4] The Commission has received no written comments regarding the proposed rule change.[5] For the reasons discussed below, the Commission is approving the proposed rule change (hereinafter defined as "Proposed Rule Change").

II. Background

OCC is the sole clearing agency for standardized equity options listed on national securities exchanges registered with the Commission. OCC's relationship with the national securities exchanges that list options (each an "Exchange," and collectively, the "Exchanges") is largely governed by an agreement, last updated in 2007, between OCC and the Exchanges. This agreement, the Restated Participant Exchange Agreement ("RPEA") sets out the terms and conditions under which OCC will provide to the Exchanges clearing services for the options listed on the Exchanges.

OCC proposes to replace the current RPEA with a new RPEA. OCC represents that the differences between the current and new RPEA are designed to: (i) reflect current, enhanced, or implied but not specifically stated operational and business practices between OCC and the Exchanges, which may address technology or industry changes or developments that necessitate new or updated agreement terms or incorporate adopted best practices for contract terms; (ii) align the agreement with current law and/or OCC's rules; (iii) eliminate provisions that are out of date or update provisions to reflect current industry terminology; (iv) acknowledge the legal and regulatory landscape of the options industry that affect the interactions between OCC and the Exchanges by recognizing such factors within the agreement; and (v) improve overall readability of the document through the incorporation of intervening amendments and changes into the agreement.[6]

Such differences are described in more detail below.

A. Operational and Business Practices

As stated above, OCC represents that some of the differences between the current RPEA and the new RPEA are designed to reflect current, enhanced, or implied but not specifically stated operational and business practices between OCC and the Exchanges. These operational and business practice changes generally result from technology and industry developments that either necessitate new or updated agreement terms or incorporate into the new RPEA best practices for contract terms that have been implied or adopted in practice but are not reflected in the current RPEA.[7] The specific updates related to developments in operational and business practices are discussed in more detail below.

Section 5 of the new RPEA would set forth conditions the Exchanges will establish before seeking to delist an option. OCC states that this change would reduce the risk that Clearing Members could have open interest in options with no mechanism to close out those positions.[8]

OCC proposes to add a new Section 2(b) [9] that would allow OCC to refuse to clear options that materially impact OCC's risk profile or introduce novel or unique risks to OCC.[10] Proposed section 2(b) requires OCC to work with the Exchange to mitigate any such risk, if feasible, and to otherwise notify an Exchange of a disapproval of a new product. OCC states that this change would address industry changes in terms of risk assessment and management of new products.[11]

OCC proposes to add a new Section 6 to set forth the conditions for options that are listed on only one Exchange. Where OCC deems the price of an option listed on only one Exchange to be inaccurate, unreliable, unavailable, or inappropriate, the new RPEA would require the Exchanges to work with OCC to determine reliable settlement prices and to use commercially reasonable efforts to continue listing a singly listed option until all open interest is closed out at OCC.[12] OCC states that these changes would address a situation in which an underlying price may not be available or accurate.[13]

As a consequence of the substantial growth in the amount and speed of data flow between OCC and the Exchanges since the execution of the current

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

[2] 17 CFR 240.19b–4.

[3] *See* Notice of Filing *infra* note 4, at 90 FR 22807.

[4] *See* Securities Exchange Act Release No. 103106 (May 22, 2025), 90 FR 22807 (May 29, 2025) (File No. SR–OCC–2025–006) ("Notice of Filing").

[5] On June 17, 2025, representatives of BOX Exchange, LLC met with staff in the Commission's Division of Trading and Markets to discuss the proposed rule changes. *See* Memorandum from the Division of Trading and Markets regarding a June 17, 2025 meeting with representatives of BOX Exchange, LLC; available at *https://www.sec.gov/comments/sr-occ-2025-006/srocc2025006-615728-1806735.pdf.*

[6] *See* Notice of Filing, 90 FR at 22808.

[7] *See* Notice of Filing, 90 FR at 22808.

[8] *See* Notice of Filing, 90 FR at 22810.

[9] Section 2 of the new RPEA corresponds to Section 3 of the current RPEA because OCC proposes deleting section 2 of the current RPEA as described below. OCC proposes to make other section number changes as needed. For clarity, references herein are to the proposed section numbers of the new RPEA unless otherwise stated.

[10] New section 2(b) replaces an out of date section related to the obligation to register options for trading.

[11] *See* Notice of Filing, 90 FR at 22809.

[12] If the Exchange could no longer list a singly listed option, it would be required to notify OCC and to permit listing and trading on an alternate Exchange.

[13] *See* Notice of Filing, 90 FR at 22810.