

change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-CboeEDGA-2025-021 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-CboeEDGA-2025-021. 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 filing 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-CboeEDGA-2025-021 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹

Sherry R. Haywood,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103604; File No. 10-249]

Texas Stock Exchange LLC; Notice of Filing of Amendment No. 2 to an Application for Registration as a National Securities Exchange Under Section 6 of the Securities Exchange Act of 1934

July 31, 2025.

On January 31, 2025, Texas Stock Exchange LLC ("TXSE") filed with the Securities and Exchange Commission ("Commission") a Form 1 application under the Securities Exchange Act of 1934 ("Exchange Act"), seeking registration as a national securities exchange under Section 6 of the Exchange Act.¹ On April 2, 2025, TXSE submitted Amendment No. 1 to its Form 1.² Notice of the amended application was published for comment in the **Federal Register** on April 10, 2025.³ The Commission has received comments on the Form 1.⁴ On July 9, 2025, the Commission instituted proceedings pursuant to Section 19(a)(1)(B) of the Exchange Act⁵ to determine whether to grant or deny TXSE's application for registration as a national securities exchange under Section 6 of the Exchange Act.⁶ On July 29, 2025, TXSE filed a second amendment to its Form 1 application ("Amendment No. 2").⁷ The Commission is publishing this notice in order to solicit views of interested persons on TXSE's Form 1, as amended.

I. Description of TXSE

TXSE proposes to operate a fully automated limit order book for orders to buy and sell securities with a continuous automated matching function. TXSE would execute orders in price/time priority, and would "rank equally priced trading interest within the System in time priority in the following order: (i) The portion of a Limit Order with a Displayed

¹ 15 U.S.C. 78f.

² TXSE's Form 1 as amended, including all its exhibits, is available at: <https://www.sec.gov/rules-regulations/other-commission-orders-notices-information/txse-form-1>.

³ See Securities Exchange Act Release No. 102773 (Apr. 4, 2025), 90 FR 15375 (Apr. 10, 2025).

⁴ The public comment file for TXSE's Form 1 (File No. 10-249) is available on the Commission's website at: <https://www.sec.gov/comments/10-249/10-249.htm>.

⁵ 15 U.S.C. 78s(a)(1)(B).

⁶ See Securities Exchange Act Release No. 103422 (July 9, 2025), 90 FR 31360 (July 14, 2025) ("OIP").

⁷ Amendment No. 2 is available on the Commission's website at: <https://www.sec.gov/rules-regulations/other-commission-orders-notices-information/txse-form-1>.

instruction (including Market Maker Peg Orders); (ii) Limit Orders with a Non-Displayed instruction (including the Reserve Quantity of Limit Orders); and (iii) Orders with a Peg instruction (*i.e.*, Primary Peg Orders, Midpoint Peg Orders and Market Peg Orders), ranked in priority based upon the time such orders were initially received by the System."⁸ TXSE would not maintain a physical trading floor. Liquidity would be derived from orders to buy and orders to sell submitted to TXSE electronically by its registered broker-dealer members from remote locations. TXSE proposes to have one class of membership open to registered broker-dealers, and also proposes to allow members to register under TXSE rules as market makers on TXSE and be subject to certain specified requirements and obligations set forth in TXSE's proposed rules. TXSE would be a subsidiary of its parent company, TXSE Group Inc. ("TXSE Group"), which would directly hold 100% of the equity of TXSE. In turn, TXSE Group would be owned by a group of investors that are party to a stockholders' agreement ("Stockholders' Agreement"). The Stockholders' Agreement would provide a 40% cap on beneficial ownership of stock of TXSE Group by any person (alone or together with its related persons) and would further cap beneficial ownership of TXSE Group by members of TXSE at 20%.

II. Amendment No. 2 to TXSE's Form 1

In Amendment No. 2, TXSE proposes to revise Exhibits A-3, B-1, C, D, D-1, E, E-1, F-1, F-2, F-6, F-7, F-8, F-10, F-16, H-6, H-14, H-17, J, and K principally to: (1) reflect that TXSE will not offer any outbound routing functionality and to conform its rules relating to trading halts to the rules of another self-regulatory organization; (2) reflect updates regarding its affiliates; (3) make technical and conforming changes to certain membership related-forms and listing forms, including the corporate governance certification form for issuers; and (4) update the list of shareholders indirectly owning 5% or more of TXSE. In Amendment No. 2, TXSE also proposes to add Exhibits D-2, D-3, D-4, D-5, and D-6 to provide unaudited financial statements for certain of TXSE's affiliates.

III. Request for Written Comment

The Commission requests that interested persons provide written views and data with respect to TXSE's

⁸ Proposed TXSE Rule 11.008. Capitalized terms used but not defined herein have the meanings specified in Exhibit B-1, as amended.

¹⁹ 17 CFR 200.30-3(a)(12).

Form 1, as amended. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/other.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number 10-249 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 10-249. 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/other.shtml>). 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 10-249 and should be submitted on or before August 26, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103602; File No. SR-FICC-2025-017]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change To Revise the Definition of the Backtesting Charge

July 31, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 23, 2025, Fixed Income Clearing Corporation ("FICC") filed with the Securities and Exchange Commission

("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of modifications to FICC's Government Securities Division ("GSD") Rulebook ("GSD Rules")³ that would revise the definition of the Backtesting Charge to (1) clarify that the calculation of the backtesting coverage and any applicable Backtesting Charge does not include any amounts already collected as a Backtesting Charge; and (2) revise the calculation of both the backtesting coverage and any applicable Backtesting Charge to exclude all other margin amounts already collected intraday.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency 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 clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

FICC is proposing to revise the definition of Backtesting Charge in the GSD Rules to clarify the current calculation of that charge and adopt a change to the calculation.

First, the proposed changes would clarify in the GSD Rules that the backtesting coverage calculated in connection with the Backtesting Charge and the calculation of that charge for a Netting Member or Segregated Indirect Participant do not include amounts collected from that Netting Member or Segregated Indirect Participant as a Backtesting Charge. This change, and other drafting changes to the definition of the Backtesting Charge described below, would reflect FICC's current practice and provide Members with a

better understanding of the calculation of this margin component.

Second, the proposed changes would revise the calculation of the backtesting coverage calculated in connection with the Backtesting Charge and the calculation of that charge by excluding amounts already collected intraday from the Netting Member or Segregated Indirect Participant as another component of the Required Fund Deposit or Segregated Customer Margin, as applicable. This proposed change would remove from these calculations an assumption that FICC would collect all intraday margin requirements before the Netting Member or Segregated Indirect Participant defaults. Therefore, the proposal would enhance FICC's ability to produce margin levels commensurate with the risks presented by its Members, in compliance with the requirements of Rule 17ad-22(e)(6)(i) under the Act.⁴

Background

FICC, through GSD, serves as a central counterparty and provider of clearance and settlement services for transactions in the U.S. government securities, as well as repurchase and reverse repurchase transactions involving U.S. government securities.⁵ As part of its market risk management strategy,⁶ FICC manages its credit exposure to Members by determining the appropriate Required Fund Deposit (or Segregated Customer Margin, when applicable) to the Clearing Fund and monitoring its sufficiency, as provided for in the GSD Rules.⁷ Required Fund Deposits and Segregated Customer Margin deposits serve as margin.

The objective of a Member's Required Fund Deposits is to mitigate potential losses to FICC associated with liquidating a Member's portfolio in the event FICC ceases to act for that Member (hereinafter referred to as a "default").⁸

⁴ 17 CFR 240.17ad-22(e)(6)(i).

⁵ GSD also clears and settles certain transactions on securities issued or guaranteed by U.S. government agencies and government sponsored enterprises.

⁶ FICC's market risk management strategy is designed to comply with Rule 17ad-22(e)(4) under the Act, where these risks are referred to as "credit risks." 17 CFR 240.17ad-22(e)(4).

⁷ See GSD Rule 4 (Clearing Fund and Loss Allocation), *supra* note 3. Segregated Customer Margin is, generally, the margin that an Agent Clearing Member or Sponsoring Member is required to deposit with FICC to support the obligations of its Segregated Indirect Participants. See GSD Rule 1 (Definitions), *id.*

⁸ The GSD Rules identify when FICC may cease to act for a Member and the types of actions FICC may take. For example, FICC may suspend a firm's membership with FICC, or prohibit or limit a Member's access to FICC's services, in the event that Member defaults on a financial or other

⁹ 17 CFR 200.30-3(a)(71)(ii).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Terms not defined herein are defined in the GSD Rules, available at www.dtcc.com/legal/rules-and-procedures.