

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-CboeBYX-2026-008 and should be submitted on or before April 13, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁵

Vanessa A. Countryman,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105046; File No. SR-FICC-2026-003]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Order Approving Proposed Rule Change To Remove the Activity Limit From the GSD Rules

March 18, 2026.

I. Introduction

On January 29, 2026, the Fixed Income Clearing Corporation ("FICC") filed with the Securities and Exchange Commission ("Commission") proposed rule change SR-FICC-2026-003, pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder.² The Proposed Rule Change would amend the Government Securities Division ("GSD") Rulebook³ (i) to remove the activity limit currently applied to Sponsoring Members and (ii) to modify the application of the existing "higher of" calculation methodology to apply only to those Sponsored Members and Segregated Indirect Participants whose activity level exceeds a specified liquidity threshold. The Proposed Rule Change was published for comment in the **Federal Register** on February 4,

2026.⁴ The Commission has received no comments on the Proposed Rule Change.

For the reasons discussed below, the Commission is approving the Proposed Rule Change.

II. Background

FICC's GSD provides trade comparison, netting, risk management, settlement, and central counterparty ("CCP") services for the U.S. Government securities market.⁵ As a CCP, FICC interposes itself as the buyer to every seller and seller to every buyer for the financial transactions it clears. As such, FICC is exposed to the risk that one or more of its members may fail to make a payment or to deliver securities.

Market participants who are not members of FICC may access FICC's services indirectly through the Sponsored Service or Agent Clearing Service.⁶ The Sponsored Service allows members approved as Sponsoring Members to sponsor certain firms as "Sponsored Members."⁷ Similarly, the Agent Clearing Service allows members approved as Agent Clearing Members to submit activities of certain institutional firms, "Executing Firm Customers," for clearing and settlement. FICC establishes and maintains a Sponsoring Member Omnibus Account, to record transactions of a Sponsoring Member's Sponsored Members, and an Agent Clearing Member Omnibus Account, to record transactions of an Agent Clearing Member's Executing Firm Customers.⁸ Sponsoring Members and Agent Clearing Members also have the option of segregating transactions of Sponsored Members and Executing Firm Customers, as "Segregated Indirect Participants," in Segregated Indirect Participants Accounts.⁹

A key tool that FICC uses to manage its credit exposures to its members is the daily collection of the Required Fund Deposit (*i.e.*, margin) from each member. A member's margin is designed to mitigate potential losses associated with liquidation of the member's portfolio in the event of that member's default. FICC's Rules refer to margin in two ways, depending on the types of members and accounts involved. First, the Required Fund

Deposit is the sum of each member's proprietary accounts and its indirect participant accounts not designated as Segregated Indirect Participants Accounts.¹⁰ The aggregated amount of all GSD members' margin constitutes the Clearing Fund, which FICC would be able to access should a defaulted member's own margin be insufficient to satisfy losses to FICC caused by the liquidation of that member's portfolio. Second, the Segregated Customer Margin Requirement is the sum of the member's Sponsoring Member Omnibus Accounts and Agent Clearing Member Omnibus Accounts designated as Segregated Indirect Participants Accounts.¹¹ Similarly, FICC would be able to access Segregated Customer Margin in the event of the default of the Segregated Indirect Participant for which that margin is held.

Both the Required Fund Deposit and Segregated Customer Margin Requirement consist of several components, each of which is calculated to address specific risks faced by FICC arising out of its members' trading activity.¹² For both, the components include, among others, a VaR charge ("VaR Charge") designed to capture the potential market price risk associated with the securities in a member's portfolio.¹³ As a further risk mitigation step, FICC may require additional financial resources or other adequate assurances (such as limitations on activities) from members that may present a higher risk exposure to FICC.¹⁴

In particular, to mitigate the market risk associated with the Sponsored Service, FICC limits the activity that a Sponsoring Member can submit to FICC in certain circumstances. Specifically, a Sponsoring Member is not allowed to submit activity into its Sponsoring Member Omnibus Account when the sum of the VaR Charges for its Sponsoring Member Omnibus Account(s) and its Dealer Accounts ("Aggregate VaR Charges") exceeds its Netting Member Capital.¹⁵

In addition, FICC can assess a higher Required Fund Deposit on its

¹⁰ See GSD Rule 4 (Clearing Fund and Loss Allocation), *supra* note 3.

¹¹ *Id.*

¹² See GSD Rules Margin Component Schedule, Sections 2 and 5, *supra* note 3.

¹³ *Id.* The components also include, as applicable, Blackout Period Exposure Adjustment, Backtesting Charge, Holiday Charge, Intraday Supplemental Fund Deposit, Margin Liquidity Adjustment Charge, and Portfolio Differential Charge.

¹⁴ See Notice of Filing, *supra* note 4, 91 FR at 5129. See also GSD Rule 3A (Sponsoring Members and Sponsored Members) and Margin Component Schedule, *supra* note 3.

¹⁵ See Notice of Filing, *supra* note 4, 91 FR at 5129.

⁴⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Each capitalized term not otherwise defined herein has its meaning as set forth in the GSD Rulebook ("Rules"), available at <https://www.dtcc.com/legal/rules-and-procedures>.

⁴ See Securities Exchange Act Release No. 104755 (Jan. 30, 2026). 91 FR 5128 (Feb. 4, 2026) (File No. SR-FICC-2026-003) ("Notice of Filing").

⁵ FICC's Mortgage-Backed Securities Division provides similar services for mortgage-backed securities. For purposes of this Order, "FICC" refers to GSD.

⁶ See GSD Rules 3A and 8, *supra* note 3.

⁷ See Notice of Filing, *supra* note 4, 91 FR at 5129.

⁸ *Id.*

⁹ *Id.*

Sponsoring Members. FICC currently determines the intraday VaR Charge on Sponsoring Member Omnibus Accounts by using a “higher of” VaR Charge calculation methodology, meaning that FICC applies as the intraday VaR Charge the higher of the VaR calculation as of the beginning of the day and intraday.¹⁶

III. Description of the Proposed Rule Change

FICC is proposing to amend the Rules to remove the activity limit currently applied to Sponsoring Members and to modify the application of the “higher of” calculation methodology currently applied for the intraday VaR Charge to Sponsoring Member Omnibus Accounts.¹⁷

First, the Proposed Rule Change would remove the restriction on activity submission from Sponsoring Members currently applied to Sponsoring Members whose Aggregate VaR Charges exceed their Netting Member Capital. FICC states that it is proposing to delete this restriction on activity submission from GSD Rule 3A, and, in lieu thereof, modify the application of the “higher of” calculation methodology so that it would apply to only those Sponsored Members and Segregated Indirect Participants whose activity level exceeds a specified liquidity threshold.¹⁸ FICC also states that the proposed removal of activity limit would also facilitate access to FICC’s clearance and settlement services in accordance with the requirements of Rule 17ad–22(e)(18)(iv)(C) under the Act.¹⁹

Second, FICC is proposing to expand the application of the “higher of” calculation methodology currently applied to Sponsoring Member Omnibus Accounts for the intraday VaR Charge to also apply to Segregated Indirect Participants Accounts.²⁰ FICC

states that since both of these account types are used exclusively to record transactions submitted to FICC on behalf of indirect participants, they should be monitored and risk managed in a similar manner.²¹

In addition, to monitor and mitigate risk exposures from Sponsored Members and Segregated Indirect Participants, FICC is proposing to apply the “higher of” calculation methodology only when the aggregate liquidity needs of a particular Sponsored Member/ Segregated Indirect Participant across all accounts exceed FICC’s daily liquidity need.²² To determine when to apply the “higher of” calculation methodology, FICC would compare the total liquidity needs arising from the Sponsored Member’s/Segregated Indirect Participant’s activities across all accounts of its Sponsoring Members/ Agent Clearing Members against FICC’s daily liquidity need. If the indirect participant’s liquidity needs exceed FICC’s daily liquidity need on any Business Day, FICC would then apply the “higher of” the VaR Charge calculation as the intraday VaR Charge to the Sponsored Member/Segregated Indirect Participant for the following 25 Business Days.²³ FICC states that this proposed change would help monitor and mitigate risk exposures from Sponsored Members and Segregated Indirect Participants whose activity level exceeds the specified liquidity threshold of FICC’s daily liquidity need.²⁴

FICC conducted an impact study for the period from April 1, 2024 to October 31, 2025 (“Impact Study”).²⁵ Overall, the Impact Study shows that if modifications to the application of the “higher of” calculation methodology had been in place, of the Sponsored Members included in the study, 95.5% of the Sponsored Members would have had a reduction in their VaR Charges, each having, on average, a daily reduction in their VaR Charges of approximately \$20.2 million (or approximately 32% of the average daily VaR Charge that would otherwise be

accounts are calculated on a net basis across all Executing Firm Customers whose transactions are recorded within the same account, unlike Sponsored Members and Segregated Indirect Participants whose margin requirements are calculated on a gross basis. See Notice of Filing, *supra* note 4, 91 FR at 5130 n.22.

²¹ See Notice of Filing, *supra* note 4, 91 FR at 5130.

²² *Id.*

²³ *Id.*

²⁴ *Id.*

²⁵ As part of the Proposed Rule Change, FICC filed, as Exhibit 3, the Impact Study. Pursuant to 17 CFR 240.24b–2, FICC requested confidential treatment of Exhibit 3.

assessed on the Sponsored Member). The Impact Study also shows that 4.5% of the Sponsored Members included would not have been impacted because they were either already subject to the “higher of” calculation methodology and remain so under the proposed modification, or they were already being assessed the VaR Charge calculated intraday as the intraday VaR Charge and would remain so under the proposed modification.

IV. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act²⁶ directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and rules and regulations thereunder applicable to such organization. After careful review of the Proposed Rule Change, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to FICC. In particular, the Commission finds that the Proposed Rule Change is consistent with Section 17A(b)(3)(F) of the Act²⁷ and Rule 17ad–22(e)(4), (e)(6)(i), and (e)(19) thereunder.²⁸

A. Consistency With Section 17A(b)(3)(F) of the Act

Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to, among other things, promote the prompt and accurate clearance and settlement of securities transactions, and assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible.²⁹ The Commission believes that the Proposed Rule Change is consistent with Section 17A(b)(3)(F) of the Act for the reasons stated below.

As discussed in Part II, FICC determines and monitors the appropriate margin to collect from members to mitigate potential losses from liquidation of a member’s portfolio in the event of that member’s default. As discussed in Part III, the Proposed Rule Change would remove the activity limit on Sponsored Members with VaR Charges that exceed their capital, and it would revise FICC’s rules such that FICC would assess a higher margin on Sponsored Members and Segregated Indirect Participants whose activity

²⁶ 15 U.S.C. 78s(b)(2)(C).

²⁷ 15 U.S.C. 78q–1(b)(3)(F).

²⁸ 17 CFR 240.17Ad–22(e)(4), (e)(6)(i), and (e)(19).

²⁹ 15 U.S.C. 78q–1(b)(3)(F).

¹⁶ *Id.* at 5130. FICC calculates VaR Charge twice daily based on each Member’s noon position and end-of-day position, collecting the former intraday (*i.e.*, intraday VaR Charge) and the latter at start-of-day the next business day (*i.e.*, SOD VaR Charge). With the application of the “higher of” methodology, FICC would compare the VaR Charge calculated based on the noon slice against the VaR Charge calculated based on the prior business day’s end-of-day positions and apply the higher of the two amounts as the intraday VaR Charge. *Id.* at n.21.

¹⁷ FICC is also proposing to add two new definitions and conforming changes. FICC proposes to add to Rule 1 definitions for terms “Affiliated Family” and “Daily Liquidity Need.” See Notice of Filing, *supra* note 4, 91 FR at 5130.

¹⁸ *Id.* at 5129.

¹⁹ *Id.* at 5130 (citing 17 CFR 240.17ad–22(e)(18)(iv)(C)).

²⁰ FICC states that it would not apply the “higher of” calculation methodology to Agent Clearing Member Omnibus Accounts that are not designated as segregated because margin requirements for these

level exceeds FICC's daily liquidity need and thus pose a higher risk to FICC. The Proposed Rule Change should continue to allow FICC to assess the margin required to cover risks arising from the activity of Sponsored Members and Segregated Indirect Participants, thus helping to better mitigate potential losses arising out of a member default that would exceed FICC's prefunded resources and result in a disruption of FICC's operation of its critical clearance and settlement services. Because the modifications to margin calculation methodology would generally provide a more accurate assessment of margin sufficient to manage potential losses arising out of a member default, the Commission finds that the Proposed Rule Change should support FICC's ability to provide prompt and accurate clearance and settlement of securities transactions, consistent with Section 17A(b)(3)(F) of the Act.³⁰

Additionally, the Proposed Rule Change should help limit non-defaulting members' exposure to mutualized losses since FICC would access the mutualized Clearing Fund should a defaulted member's own margin be insufficient to satisfy losses to FICC caused by the liquidation of that member's portfolio. By allowing FICC to assess additional margin on Sponsored Members and Segregated Indirect Participants whose activity poses a higher risk to FICC and helping to limit the exposure of FICC's non-defaulting members to mutualized losses, the Proposed Rule Change should help FICC assure the safeguarding of securities and funds which are in its custody or control, consistent with Section 17A(b)(3)(F) of the Act.³¹

B. Consistency With Rule 17Ad-22(e)(4)

Rule 17Ad-22(e)(4)(i) requires that FICC establish, implement, maintain and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes.³²

The Proposed Rule Change would modify the application of the "higher of" calculation methodology so that Sponsored Members and Segregated Indirect Participants that present a higher risk exposure to FICC have a higher margin assessment. This modification should help FICC calculate and collect sufficient margin that more accurately covers the risk exposure from

activities that members submit to FICC on behalf of indirect participants. By enabling FICC to calculate and collect sufficient margin to manage and mitigate FICC's credit exposure to its members, the Proposed Rule Change is reasonably designed to enable FICC to effectively identify, measure, monitor, and manage its credit exposure to participants, consistent with Rule 17Ad-22(e)(4).³³

C. Consistency With Rule 17Ad-22(e)(6)(i)

Rule 17Ad-22(e)(6)(i) requires that, among other things, that FICC establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market.³⁴

By assessing higher margin on indirect participants with higher risk exposures to FICC, the modification to the application of the "higher of" calculation methodology would help ensure that margin levels are commensurate with the risk exposure presented by the activities of indirect participants submitted to FICC by Sponsoring Members and Agent Clearing Members. Therefore, the Proposed Rule Change should allow FICC to more accurately address the risks presented by members and indirect participants, thus producing margin levels commensurate with the risks and particular attributes of each as with each relevant product, portfolio, and market, and overall better cover FICC's credit exposures to its participants, consistent with the requirements of Rule 17Ad-22(e)(6)(i).³⁵

D. Consistency With Rule 17Ad-22(e)(19)

Rule 17Ad-22(e)(19) requires FICC to identify, monitor, and manage the material risks to FICC arising from arrangements in which firms that are indirect participants in FICC rely on the services provided by direct participants to access FICC's clearance and settlement facilities.³⁶

As discussed in Part III, FICC is removing the activity limit currently applicable to Sponsoring Members, which restricts their activity when their Aggregate VaR Charges exceed their

Netting Member Capital. However, FICC would continue to have additional tools available to monitor its Sponsoring Members' exposures to Sponsored Member activity. For example, FICC performs intraday monitoring and collects Intraday Supplemental Fund Deposits and/or Intraday Mark-to-Market Charges as appropriate on its indirect participant accounts and would be able to collect additional margin should a particular portfolio present that risk.³⁷ FICC would still be able to monitor its Sponsoring Members' Excess Capital Ratio, which compares (a) the amount of a Netting Member's VaR Charge, other than the VaR Charges calculated for such Netting Member's Segregated Indirect Participants Accounts, against (b) the amount of Netting Member Capital that the Netting Member maintains, and, if that ECR is greater than 1.0, FICC assesses the Excess Capital Premium.³⁸ FICC therefore would continue to have the ability to monitor and manage the potential exposures arising from Sponsored Member Activity.

In addition, FICC is modifying the application of the "higher of" calculation methodology which would also include Segregated Indirect Participants. In doing so, the Proposed Rule Change should enable FICC to more accurately address the risk that the activities of all types of indirect participants present to FICC. This change should further mitigate risk exposure from indirect participant transactions for both Sponsored Members and Segregated Indirect Participants by ensuring that the margin collected is sufficient to cover the risk from these indirect participant arrangements accessing FICC's services.

For these reasons, the Proposed Rule Change should continue to allow FICC to identify, monitor, and manage the material risks to FICC arising from the activities of Sponsored Members and Segregated Indirect Participants, consistent with the requirements of Rule 17Ad-22(e)(19).³⁹

V. Conclusion

On the basis of the foregoing, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act, and in

³⁷ See, e.g., Margin Component Schedule, GSD Rules (Section 2(b) for Required Fund Deposit calculations and Section 3(b) for Segregated Indirect Customer Margin Requirements), *supra* note 3. See also *id.* (Section 2(c) identifying the inclusion of the Intraday Supplemental Fund Deposit for Sponsored GC CIL Omnibus Account Required Fund Deposits).

³⁸ See *id.* (Section 2(b) regarding Required Fund Deposit Calculations and Section 5 defining Excess Capital Ratio and Excess Capital Premium).

³⁹ *Id.*

³⁰ *Id.*

³¹ *Id.*

³² 17 CFR 240.17Ad-22(e)(4).

³³ *Id.*

³⁴ 17 CFR 240.17Ad-22(e)(6)(i).

³⁵ *Id.*

³⁶ 17 CFR 240.17Ad-22(e)(19).

particular, with the requirements of Section 17A of the Act⁴⁰ and the rules and regulations promulgated thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act⁴¹ that proposed rule change SR-FICC-2026-003, be, and hereby is, *approved*.⁴²

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴³

Vanessa A. Countryman,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105044; File No. SR-NASDAQ-2026-018]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Designated Liquidity Provider and Market Quality Supporter Programs in Equity 7, Section 114

March 18, 2026.

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 March 11, 2026, The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, 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 Substance of the Proposed Rule Change

The Exchange proposes to amend the Exchange’s incentive program for Exchange-Traded Products (“ETPs”) in Equity 7, Section 114 by: (1) amending the market quality metrics (“Market Quality Metrics” or “MQMs”) in the Designated Liquidity Provider (as defined below) and Market Quality Supporter (as defined below) programs; (2) clarifying how the auction spread metrics in the Designated Liquidity Provider and Market Quality Supporter programs are measured today; and (3) modifying how the Exchange will treat new allocations and new launches of ETPs under the Designated Liquidity Provider and Market Quality Supporter programs.

The text of the proposed rule change is available on the Exchange’s website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings>, and at the principal office of the Exchange.

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 purpose of the proposed rule change is to amend the Exchange’s incentive program for ETPs in Equity 7, Section 114 by: (1) amending the Market Quality Metrics in the Designated Liquidity Provider³ (“DLP”) and Market Quality Supporter⁴ (“MQS”) programs; (2) clarifying how the auction spread metrics in the DLP and MQS programs are measured today; and (3) modifying how the Exchange will treat new allocations and new launches of ETPs under the DLP and MQS programs.

The Exchange initially filed the proposed pricing changes on March 2, 2026 (SR-NASDAQ-2026-011). On March 11, 2026, the Exchange withdrew that filing and submitted this filing.

Background

Today, pursuant to Equity 7, Sections 114(f) and 114(g), the Exchange maintains a DLP program and MQS program, each of which are designed to enhance liquidity and market quality in Nasdaq-listed ETPs by providing incentives to the DLP or MQS for an ETP that is designated as a Qualified Security.⁵ The MQS program is designed to complement the DLP program by allowing up to three MQSs per Nasdaq-listed ETP to support market quality for Low Volume ETPs.⁶ As set out in Equity 7, Section 114(f)(4) and Section 114(g)(4), the DLP and MQS programs use market quality performance standards (“Market Quality Metrics” or “MQMs”) based on the ETP’s underlying investment strategy, which determine eligibility for DLP and MQS program incentives.⁷ The MQMs for the DLP program as set out in Equity 7, Section 114(f)(4)(B) are as follows:

Market quality metrics	High volume ETPs	Investment strategy group A ETPs	Investment strategy group B ETPs	Investment strategy group C ETPs
Time at the NBBO with a minimum notional size of \$5,000	40%	45%	45%	45%

⁴⁰ 15 U.S.C. 78q-1.

⁴¹ 15 U.S.C. 78s(b)(2).

⁴² In approving the Proposed Rule Change, the Commission considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁴³ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ A “Designated Liquidity Provider” is a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A DLP is selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to

promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws.

⁴ A “Market Quality Supporter” has committed to maintain minimum performance standards in Low Volume ETPs as defined in Equity 7, Section 114(g)(4)(A). A MQS is selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. See Equity 7, Section 114(g)(2).

⁵ For purposes of the DLP and MQS programs, a security may be designated as a “Qualified Security” if: (A) it is an ETP listed on Nasdaq pursuant to Nasdaq Rules 5703, 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (B) it has one DLP (for the DLP program) and at least one MQS (for the MQS program). See Equity 7, Sections 114(f)(1) and (g)(1).

⁶ For purposes of the MQS program, the term “Low Volume” ETPs means ETPs with a monthly ADV of 1 million shares or less in the prior month. See Equity 7, Section 114(g)(4)(A).

⁷ See DLP and MQS Programs Factsheet, available at: <https://www.nasdaq.com/docs/ETF-DLP-Factsheet>.