

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-CBOE-2026-034 and should be submitted on or before May 11, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>21</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105241; File No. SR-Phlx-2026-19]

### Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Review of Professional Orders

April 15, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 1, 2026, Nasdaq PHLX LLC (“Phlx” 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 quarterly review of Professional<sup>3</sup> orders.

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

<sup>21</sup> 17 CFR 200.30-3(a)(12).

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

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

<sup>3</sup> The term “Professional” means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). Member organizations must indicate whether orders are for Professionals. See Options 1, Section 1(b)(45). The manner in which a Professional order is calculated is specified in Options 1, Section 1(b)(45)(i).

#### II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

###### 1. Purpose

The Exchange proposes to amend the quarterly review of Professional orders. Today, orders for any Public Customer<sup>4</sup> that average more than 390 orders per day during any month of a calendar quarter must be represented as Professional orders for the next calendar quarter.<sup>5</sup> In order to properly represent orders entered on the Exchange, member organizations<sup>6</sup> are required currently to review their Public Customers’ activity and, on at least a quarterly basis, designate orders as Public Customer orders or Professional orders.<sup>7</sup> Specifically, member organizations are required to conduct a

<sup>4</sup> The term “Public Customer” means a person or entity that is not a broker or dealer in securities and is not a Professional as defined within Options 1, Section 1(b)(45). See Options 1, Section 1(b)(46).

<sup>5</sup> The requirement to review Public Customers’ activity on at least a quarterly basis to determine whether orders that are not for the account of a broker-dealer should be represented as Public Customer Orders or Professional Orders is not in the current rule text, however it was described in the adopting proposal. See Securities Exchange Act Release No. 77054 (February 4, 2016), 81 FR 7166 (February 10, 2016) (SR-Phlx-2016-10) (Notice of Filing of Proposed Rule Change Relating to Professional Customer Definition) (“SR-Phlx-2016-10”). The instant proposal seeks to codify the timing for review of Public Customers’ activity.

<sup>6</sup> The term “member organization” means a corporation, partnership (general or limited), limited liability partnership, limited liability company, business trust or similar organization, transacting business as a broker or a dealer in securities and which has the status of a member organization by virtue of (i) admission to membership given to it by the Membership Department pursuant to the provisions of General 3, Sections 5 and 10 or the By-Laws or (ii) the transitional rules adopted by the Exchange pursuant to Section 6-4 of the By-Laws. References herein to officer or partner, when used in the context of a member organization, shall include any person holding a similar position in any organization other than a corporation or partnership that has the status of a member organization. See General 1, Section 1(a)(17).

<sup>7</sup> See 81 FR 7166 at 7167.

quarterly review and make any appropriate changes to the way in which they are representing orders within five days after the end of each calendar quarter.<sup>8</sup> While member organizations are required to designate accounts on a quarterly basis, if during a quarter the Exchange identifies a customer for which orders are being represented as Public Customer Orders but that has averaged more than 390 orders per day during a month, the Exchange must notify the member organization and the member organization is required to change the manner in which it is representing the customer’s orders within five days.<sup>9</sup>

##### Proposal

At this time, the Exchange proposes to shorten the quarterly review and designation to a monthly review. The Exchange proposes to state at Options 1, Section 1(b)(45)(ii) that orders for any customer that had an average of more than 390 orders per day during any calendar month must be represented as Professional orders for the next calendar month.

As noted, currently, each member organization is required to monitor Public Customer orders to determine if the Public Customer has averaged more than 390 orders per day during a month. Determining whether a Public Customer has executed more than 390 orders per day during a month requires computing a daily average. As such, member organizations should be performing the workflow necessary to designate orders on a daily basis. Therefore, the proposal does not amend the current workflow, rather, the proposal amends the timeframe to change the manner in which the customer’s order is being represented from five days after the end of each calendar quarter to five days after the end of each calendar month.

The Exchange does not believe that this amendment is a significant departure from the current rule, nor does it impose any burden on any member organization because each broker-dealer is required currently to perform the necessary calculation daily to arrive at the requisite average. Further, in addition to the calculation, broker-dealers are subject to know-your-customer and suitability requirements under FINRA Rules 2090 (Know Your Customer) and 2111 (Suitability) and would need to consider whether a customer meets the Professional designation for purposes of determining best execution and making appropriate recommendations. The Exchange notes

<sup>8</sup> See *id.*

<sup>9</sup> See *id.*

that the trading behavior of a Public Customer can be distinguished from that of a Professional which is the purpose of the separate designations. Finally, some member organizations currently designate a Public Customer that has averaged more than 390 orders per day during a month as a Professional on a more expedited basis, not waiting until five days after the quarter.

The Exchange believes that a calendar month is a sufficient time period to determine whether the activity of a customer meets the criteria for a Professional order. The Exchange believes that the shortened time period will ensure that the spirit of the designation of Professional order is met in that member organizations will make any appropriate changes to the way in which they are representing orders in a 30-day timeframe as opposed to a 90-day timeframe, thereby ensuring the designation is applied in a more expeditious manner.

The Exchange continues to believe that identifying Professional Orders based upon the average number of orders entered in qualified accounts is an appropriate and objective approach to reasonably distinguish such persons and entities from retail investors or market participants.

#### Technical Amendment

The Exchange proposes to reserve Options 3B and Options 3C. Another Nasdaq affiliated exchange has proposed rules in those corresponding sections. The reserved section is intended to harmonize the structure of Phlx's rules to those of other Nasdaq affiliated exchanges. The Exchange proposes that this amendment be operative 30 days from the date of filing. The Exchange also proposes to update the name of the "Diamonds Trust" in Options 9, Section 13(a) to "SPDR® Dow Jones® Industrial Average ETF Trust."

#### Implementation

The Exchange proposes implementing this rule change on July 1, 2026, except for the technical amendments which should become operative 30 days after the date of the filing. The Exchange will issue an Options Trader Alert to provide notice to member organizations of the proposed change.

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>10</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>11</sup> in particular, in that it is

designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange's proposal to shorten the quarterly look-back to a monthly look-back is consistent with the Act because it will ensure that the spirit of the designation of Professional order continues to be met, only on a more expedited basis—removing a potential delay of two months before affecting a change in the designation. The Exchange believes that this amendment will remove impediments to and perfect the mechanism of a free and open market and a national market system by promoting the consistent application of its rules and shortening the timeframe to change the designation for all member organizations while continuing to provide a sufficient time period to determine whether the activity of a customer meets the criteria for a Professional order. Further, the Exchange believes that the shortened time period will continue to promote consistency in the treatment of orders as Professional orders while also preventing members with high volume from receiving benefits reserved for Public Customer orders.

As noted, currently, each member organization is required to monitor Public Customer orders to determine if the Public Customer has averaged more than 390 orders per day during a month. Determining whether a Public Customer has executed more than 390 orders per day during a month requires computing a daily average. As such, member organizations should be performing the workflow necessary to designate orders on a daily basis. Therefore, the proposal does not amend the current workflow, rather, the proposal amends the timeframe to change the manner in which the customer's order is being represented from five days after the end of each calendar quarter to five days after the end of each calendar month.

The Exchange does not believe that this amendment is a significant departure from the current rule, nor does it impose any burden on any member organization because each broker-dealer is required currently to perform the necessary calculation daily to arrive at the requisite average. Further, in addition to the calculation, broker-dealers are subject to know-your-customer and suitability requirements under FINRA Rules 2090 (Know Your Customer) and 2111 (Suitability) and would need to consider whether a customer meets the Professional

designation for purposes of determining best execution and making appropriate recommendations. Finally, some member organizations currently designate a Public Customer that has averaged more than 390 orders per day during a month as a Professional on a more expedited basis, not waiting until five days after the quarter.

The Exchange notes that the trading behavior of a Public Customer can be distinguished from that of a Professional which is the purpose of the separate designations. The Exchange continues to believe that identifying Professional orders based upon the average number of orders entered in qualified accounts is an appropriately objective approach to reasonably distinguish such persons and entities from retail investors or market participants. Priority is one of the marketplace advantages provided to Public Customer orders on the Exchange. Public Customer orders are given execution priority over non-Customer orders and quotations of market makers at the same price. Another marketplace advantage afforded to Public Customer orders on the Exchange is that members are generally not assessed transaction fees or are assessed lower fees for the execution of Public Customer orders. The purpose of these marketplace advantages is to attract retail order flow to the Exchange by leveling the playing field for retail investors over market Professionals. This proposal will continue to provide Public Customer accounts with marketplace advantages and distinguish those accounts non-Professional retail investors from the Professionals accounts. The Exchange notes that some non-broker-dealer individuals and entities have access to information and technology that enables them to Professionally trade listed options in the same manner as a broker or dealer in securities.

#### Technical Amendment

Reserving Options 3B, Options 3C and updating the name of the "Diamonds Trust" are non-substantive amendments.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Specifically, the Exchange does not believe that the proposed rule change will impose any burden on intra-market competition because, today, each member organization is required to monitor Public Customer orders to

<sup>10</sup> 15 U.S.C. 78f(b).

<sup>11</sup> 15 U.S.C. 78f(b)(5).

determine if the Public Customer has averaged more than 390 orders per day during a month. Determining whether a Public Customer has executed more than 390 orders per day during a month requires computing a daily average. As such, member organizations should be performing the workflow necessary to designate orders on a daily basis. Therefore, the proposal does not amend the current workflow, rather, the proposal amends the timeframe to change the manner in which the customer's order is being represented from five days after the end of each calendar quarter to five days after the end of each calendar month.

The Exchange does not believe that this amendment is a significant departure from the current rule, nor does it impose any burden on any member organization because each broker-dealer is required currently to perform the necessary calculation daily to arrive at the requisite average. Further, in addition to the calculation, broker-dealers are subject to know-your-customer and suitability requirements under FINRA Rules 2090 (Know Your Customer) and 2111 (Suitability) and would need to consider whether a customer meets the Professional designation for purposes of determining best execution and making appropriate recommendations. Finally, some member organizations currently designate a Public Customer that has averaged more than 390 orders per day during a month as a Professional on a more expedited basis, not waiting until five days after the quarter.

The Exchange notes that the trading behavior of a Public Customer can be distinguished from that of a Professional which is the purpose of the separate designations.

Further, the designation of Professional orders would not result in any different treatment of such orders for purposes of compliance with the Exchange's Rules. Public Customers have been granted certain priority over other non-broker-dealer individuals and entities that have access to information and technology that enables them to Professionally trade listed options in the same manner as a broker or dealer in securities. Further, the Public Customer designation allows the Exchange to attract order flow or create more competitive markets.

Also, the Exchange does not believe that the proposed rule change will impose any burden on inter-market competition because other exchanges are expected to adopt similar rules.

*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**

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>12</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>13</sup>

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 necessary or appropriate in the public interest, for the protection of investors, or 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.

**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](mailto:rule-comments@sec.gov). Please include file number SR-Phlx-2026-19 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-Phlx-2026-19. This file

<sup>12</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>13</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-Phlx-2026-19 and should be submitted on or before May 11, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>14</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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**SECURITIES AND EXCHANGE COMMISSION**

**[Investment Company Act Release No. 36091; File No. 812-15992]**

**Flat Rock Global, LLC, et al.**

April 15, 2026.

**AGENCY:** Securities and Exchange Commission ("Commission" or "SEC").  
**ACTION:** Notice.

Notice of application for an order under sections 17(d) and 57(i) of the Investment Company Act of 1940 (the "Act") and rule 17d-1 under the Act to permit certain joint transactions otherwise prohibited by sections 17(d) and 57(a)(4) of the Act and rule 17d-1 under the Act.

**SUMMARY OF APPLICATION:** Applicants request an order to permit certain business development companies ("BDCs") and closed-end management investment companies to co-invest in portfolio companies with each other and with certain affiliated investment entities.

**APPLICANTS:** Flat Rock Global, LLC, Flat Rock Opportunity Fund, Flat Rock Core Income Fund, Flat Rock Enhanced Income Fund.

**FILING DATES:** The application was filed on February 17, 2026.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will

<sup>14</sup> 17 CFR 200.30-3(a)(12).