

a fund will spend, on average, 10.5 burden hours⁴ and time costs of approximately \$7,104⁵ for one report. The Commission therefore estimates that the total annual burden for Form N-CR reporting will be 10.5 burden hours and the total annual time cost will be \$7,104.⁶

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data

2022 NAICS Manual.pdf (describing the industry classification system used by BLS and other agencies); the mean hourly wage for each occupation is adjusted for changes in the seasonally adjusted employment cost index for private wages and salaries between the data reference period and when the data are released by BLS; see *Employment Cost Index*, U.S. Bureau of Labor Statistics, <https://www.bls.gov/eci/>; the adjusted mean hourly wage is then multiplied by a factor that accounts for nonwage costs borne by employers, such as bonuses, benefits, and overhead; this factor is calculated as an average over the 10 most recently available years of data of the ratio of the Bureau of Economic Analysis's annual gross output data for [NAICS 523][the private sector] to total annual wages across all occupations for [NAICS 523][the private sector] in the OEWS data; see *Gross Output by Industry*, U.S. Bureau of Economic Analysis, <https://www.bea.gov/data/industries/gross-output-by-industry>; *Occupational Employment and Wage Statistics*, U.S. Bureau of Labor Statistics, <https://www.bls.gov/oes/>; the final product is the occupational hourly rate. See generally Updated Methodology for Calculating Occupational Hourly Rates (Dec. 19, 2025), available at <https://www.sec.gov/files/method-occupational-hourly-rates.pdf>.

⁴ When filing a report, the Commission estimates that a fund will spend on average approximately 4.5 hours of lawyer time, 4 hours of financial manager time, and 2 hours of computer programmer time to prepare, review and submit a filing.

⁵ This estimate is based on the following calculations: (4.5 hours × \$744 per hour for a lawyer = \$3,348) + (4 hours × \$731 per hour for a financial manager = \$2,924) + (2 hours × \$416 per hour for a computer programmer) = \$7,104.

⁶ This estimate is based on the following calculation: 1 reports per year × 10.5 burden hours per report = 10.5 burden hours; 1 reports per year × \$7,104 time cost per report = \$7,104 in time costs.

Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to PaperworkReductionAct@sec.gov by October 5, 2026.

Dated: July 30, 2026.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026–15727 Filed 8–3–26; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106016; File No. SR–Phlx–2026–49]

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend FLEX Electronic Options Listing Rules

July 30, 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 July 29, 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 and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend its FLEX Options Trading Rules at Options 3A, Section 3, FLEX Option Listings.

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.

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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

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

1. Purpose

Phlx proposes to amend Options 3A, Section 3, FLEX Option Listings as it relates to FLEX Equity Options where the underlying security is an ETF that is eligible for cash settlement. Specifically, the proposed amendments would: (1) permit newly FLEX-eligible ETFs that satisfy heightened eligibility thresholds of \$600 million average daily notional value and 5,616,000 shares ADV, based on the previous one-month period of trading statistics to be eligible for cash settlement as a contract term; (2) establish tiered criteria governing the treatment of cash-settled FLEX ETF Options where the underlying ETF ceases to satisfy the requirements of Options 3A, Section 3(c)(5)(A)(ii) at the time of the Exchange's bi-annual review; and (3) eliminate the existing provision limiting cash settlement as a contract term to no more than 50 underlying ETFs. This filing is identical to a rule proposal by Cboe.³

Background

Prior to the adoption of the rules described herein, FLEX Equity Options were generally required to be settled by physical delivery of the underlying security upon exercise. FLEX Index Options, by contrast, have long been settled by delivery in cash. Cash settlement was also available for customized equity options transacted in the over-the-counter (“OTC”) market, where settlement restrictions do not apply. The absence of a cash-settled exchange-traded alternative for equity-based FLEX Options created a gap between the exchange-traded and OTC markets that exchange-traded participants sought to bridge.

The Exchange previously submitted a filing with the Commission adopting cash settlement as an optional contract term for certain FLEX Equity Options where the underlying security is an ETF.⁴ Specifically, Options 3A, Section 3(c)(5)(A)(ii) permits cash settlement for FLEX Equity Options where the underlying ETF has, measured over the

³ See Securities Exchange Act Release No. 105929 (July 16, 2026), 91 FR 45856 (July 21, 2026) (SR–Cboe–2026–035) (Notice of Filing of Amendment No. 1 and Order Approving a Proposed Rule Change, as Modified and Superseded by Amendment No. 1, To Amend Rule 4.21 (Series of FLEX Options)).

⁴ See Securities Exchange Act Release No. 103759 (August 21, 2025), 90 FR 41636 (August 26, 2025) (SR–Phlx–2025–38) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt Electronic FLEX Options Rules).

prior six-month period, an average daily notional value of \$500 million or more and a national average daily volume (“ADV”) of at least 4,680,000 shares.

The Exchange adopted these specific thresholds to limit cash-settled FLEX ETF Options to the most highly liquid and actively-traded ETFs, thereby mitigating concerns about susceptibility to manipulation at settlement. With respect to the notional value threshold, the Exchange determined that average daily notional value is an appropriate proxy for manipulation resistance because, as a general matter, the more expensive an underlying ETF’s price, the less cost-effective manipulation becomes, and the more volume traded in an ETF, the more difficult manipulation of its price becomes. With respect to the ADV threshold, the Exchange determined that a requirement of 4,680,000 shares per day is appropriate because it represents average trading in the underlying ETF of approximately 200 shares per second, a level of continuous trading activity that the Exchange believes meaningfully limits the ability to influence the ETF’s price for purposes of establishing a settlement value. The Exchange acknowledged that no security is immune from all manipulation, but determined that the combination of these two requirements would appropriately limit cash settlement of FLEX ETF Options to underlying securities that are less susceptible to manipulation.

Under this framework, the Exchange conducts a bi-annual review on January 1 and July 1 of each year to identify qualifying ETFs, with newly eligible ETFs permitted to list cash-settled FLEX options beginning on February 1 and August 1, respectively. The rule caps the number of eligible underlying ETFs at 50; if more than 50 ETFs satisfy the criteria, the Exchange selects the top 50 by highest ADV. This cap was designed to prevent the scope of cash-settled FLEX ETF Options from expanding considerably without a corresponding evaluation of whether the level of the requirements remains reasonable, while still providing flexibility to add ETFs given that the initial list of eligible ETFs numbered well below 50 at the time of adoption. In the event a previously eligible ETF fails to satisfy the criteria at the time of a bi-annual review, any new positions overlying that ETF must be physically settled and any existing open cash-settled positions may be traded only to close. This provision was designed to address how to wind down outstanding cash-settled positions in an ETF that no longer qualifies under the liquidity and volume criteria, thereby

addressing manipulation concerns while still permitting market participants to exit existing positions.

In connection with the adoption of this framework, the Exchange committed to conducting a five-year review of cash-settled FLEX ETF Option trading activity and furnishing the Commission with five annual reports. Pursuant to this commitment, the Exchange has not submitted an annual monitoring report to the Commission covering the first year of trading as one year has not yet passed. The report will assess trading volume and open interest in cash-settled FLEX ETF options relative to physically settled options on the same underlying ETFs, market maker participation, position limit activity, and manipulation concerns when it is submitted after the first year of trading.

Cboe noted in SR-Cboe-2026-035 that it submitted two annual monitoring reports to the Commission covering the periods of August 1, 2023 through July 31, 2024 and August 1, 2024 through July 31, 2025, respectively.⁵ The reports assessed trading volume and open interest in cash-settled FLEX ETF options relative to physically settled options on the same underlying ETFs, market maker participation, position limit activity, and manipulation concerns.⁶ Cboe had no recommendations for enhancements to the listing standards based on either review.⁷ Also, Cboe noted that in both review periods, neither Cboe nor any affiliated Cboe securities exchange had an open investigation, inquiry, or enforcement matter relating to the manipulation of cash-settled FLEX ETF options or their underlying ETFs.⁸ Financial Industry Regulatory Authority (“FINRA”), acting as Cboe’s regulatory services provider for position limit surveillance, confirmed the same finding for both periods.⁹ While both of Cboe’s reports noted that certain regulatory matters arose during each period involving the applicable ETFs or related physically-settled options, Cboe’s surveillance and investigatory staff confirmed in each instance that the activity did not appear to relate to manipulation of an ETF for the purpose of benefiting a cash-settled FLEX ETF option position.¹⁰

Cboe’s review period reflected broad and stable market maker participation across the eligible underlying ETFs.

Cboe, which has been trading FLEX for a longer period than Phlx, stated in SR-Cboe-2026-035 that the highest levels of FLEX market maker participation were observed in SPY (9 to 12 per month), QQQ (6 to 10 per month), and IWM (3 to 15 per month).¹¹ Cboe noted that participation in less actively traded eligible ETFs was more limited but consistent across both periods, reflecting a well-supported and liquid product across the eligible universe.¹²

Proposal

The Exchange proposes to amend Options 3A, Section 3(c)(5)(A)(ii) to refine two aspects of the framework governing cash-settled FLEX ETF Options and to eliminate the 50-ETF cap. First, the Exchange proposes to permit newly FLEX-eligible ETFs to qualify for cash settlement as a contract term based on one month of trading statistics outside of the Exchange’s regular bi-annual review cycle. Second, the Exchange proposes to replace the existing provision governing ETFs that cease to satisfy the eligibility criteria with a tiered framework that more precisely calibrates treatment to the actual state of open interest in cash-settled FLEX ETF Options overlying the affected ETF. Third, the Exchange proposes to eliminate the existing cap limiting cash settlement as a contract term to no more than 50 underlying ETFs.

One-Month Lookback for Newly Eligible ETFs

Under the current rule, the Exchange determines eligible underlying ETFs bi-annually, on January 1 and July 1 of each year, using six months of prior trading statistics, with newly eligible ETFs permitted to list cash-settled FLEX options beginning on February 1 and August 1, respectively. No mechanism currently exists to add newly FLEX-eligible ETFs to the eligible list between bi-annual reviews. As a result, an ETF that becomes FLEX-eligible after a bi-annual review has been conducted may not be considered for cash-settled FLEX ETF Option eligibility for up to six months, even if it otherwise satisfies the notional value and ADV requirements of Options 3A, Section 3(c)(5)(A)(ii). The Exchange proposes to address this gap by permitting, outside of the regular bi-annual review, the Exchange to determine that a newly FLEX-eligible ETF satisfies heightened notional value and trading volume requirements of \$600 million average daily notional value and 5,616,000 shares ADV based

⁵ See *supra* note 3.

⁶ See *id.*

⁷ See *id.*

⁸ See *id.*

⁹ See *id.*

¹⁰ See *id.*

¹¹ See *id.*

¹² See *id.*

on the previous one-month period of trading statistics. Any ETF satisfying such requirements on that basis shall be eligible for cash settlement as a contract term.

The Exchange believes a one-month lookback is appropriate in this context because an ETF that has newly become FLEX-eligible and simultaneously satisfies both the \$600 million average daily notional value threshold and the 5,616,000-share ADV requirement over the prior month has already demonstrated the degree of liquidity and trading activity that the eligibility criteria are designed to capture. These thresholds represent a 20% increase over the standard \$500 million and 4,680,000-share thresholds that apply to the bi-annual review, reflecting the Exchange's determination that heightened criteria are appropriate for ETFs seeking to qualify based on a shorter lookback period. The Exchange believes that Cboe's annual monitoring reports demonstrate that the existing criteria are an effective proxy for identifying ETFs that are not readily susceptible to manipulation. Requiring newly eligible ETFs to await the next bi-annual review before becoming eligible for cash settlement would delay investor access to the product.

Cboe's back-testing analysis of newly listed FLEX ETFs supports the appropriateness of the heightened thresholds.¹³ Under the standard eligibility criteria (\$500 million average daily notional value and 4,680,000 shares ADV), ten ETFs would have qualified based on one month of trading data. Under the 20% increased thresholds (\$600 million average daily notional value and 5,616,000 shares ADV), only eight ETFs qualified. Cboe noted that the two ETFs excluded by the heightened thresholds did not qualify at their next six-month bi-annual review, demonstrating that the heightened thresholds effectively filter out ETFs whose initial trading activity may not be sustained.

The Exchange believes the heightened thresholds for the one-month lookback appropriately address the concern that a newly listed ETF may experience elevated trading activity in its initial period that is not representative of sustained liquidity. By requiring newly eligible ETFs to satisfy thresholds that are 20% above the standard bi-annual review criteria, the Exchange ensures that only those ETFs demonstrating a meaningfully higher level of liquidity and trading activity—beyond what may

reflect initial market interest—are eligible for cash settlement based on the shorter lookback period.

Further, the Exchange represents that it will continue to monitor the one-month lookback criteria on an ongoing basis to assess the appropriateness of the threshold. As part of this ongoing monitoring, the Exchange will evaluate whether the heightened criteria continue to effectively identify ETFs with sustained liquidity and trading activity, and will propose adjustments to the threshold if warranted by the Exchange's review.

Tiered Criteria for ETFs Ceasing To Satisfy Eligibility Requirements

Under the current rule, if the Exchange determines at the time of a bi-annual review that an underlying ETF ceases to satisfy the eligibility criteria, any new position overlying that ETF must be physically settled and any existing open cash-settled positions may be traded only to close. While this provision addresses the wind-down of cash-settled activity in a straightforward manner, it does not distinguish between ETFs with active open interest and those with no meaningful cash-settled activity, nor does it account for the possibility that an ETF may temporarily fall below the eligibility thresholds and subsequently recover.

The Exchange proposes to replace this provision with a tiered framework that more precisely calibrates the treatment of an ineligible ETF to the actual state of the market for cash-settled FLEX ETF Options overlying that ETF. Under the proposed framework, if no open interest in cash-settled FLEX Equity Options overlying the ETF exists during the previous six-month period at the time of the bi-annual review determination, the existing treatment will apply: any new position must be physically settled and any open cash-settled positions may be traded only to close. Where open interest in cash-settled FLEX Equity Options overlying the ETF does exist during the previous six-month period, the Exchange will permit the opening of new cash-settled positions in that ETF for a period of one year from the date of the bi-annual review, after which any new position must be physically settled and any remaining open cash-settled positions may be traded only to close. This one-year continuation period is intended to provide market participants holding or seeking to manage existing cash-settled positions with a reasonable and predictable runway to do so, rather than abruptly restricting new position activity at the time of the bi-annual review determination.

The proposed framework also includes a recovery provision: if the underlying ETF satisfies the eligibility criteria at the time of either bi-annual review conducted during the one-year continuation period, that period will terminate and the ETF will resume full eligibility for cash settlement as a contract term. The Exchange believes this provision appropriately accounts for the possibility that an ETF's trading statistics may fluctuate around the eligibility thresholds and prevents an unnecessarily disruptive wind-down in cases where the ETF promptly returns to eligibility.

Elimination of the 50-ETF Cap

The Exchange also proposes to eliminate the existing provision limiting cash settlement as a contract term to no more than 50 underlying ETFs. The cap was adopted at the outset of the program to prevent the scope of cash-settled FLEX ETF Options from expanding considerably without a corresponding evaluation of whether the level of the eligibility requirements remained reasonable. While the number of ETFs satisfying the eligibility criteria remained well below 50 during the initial period of the program's operation, over the two-year period that Cboe monitored the market, the number of qualifying ETFs has grown to exceed that threshold (as of February 1, 2026, 60 ETFs were eligible), such that the cap now operates as an active constraint on the availability of cash-settled FLEX ETF Options on ETFs that otherwise satisfy the established eligibility criteria. The Exchange does not believe this result is consistent with the purpose of the cap, which was intended as a programmatic guardrail rather than a permanent numerical ceiling. As noted above, Cboe did not identify manipulation concerns in its reviews. Given the same eligibility criteria and position and exercise limits would apply to any cash-settled FLEX ETF option, as would the Exchange's surveillance program, the Exchange believes the 50-ETF cap is no longer necessary. The Exchange believes these protections and the eligibility criteria themselves sufficiently mitigate any manipulation concerns associated with cash-settled FLEX ETF Options.

The Exchange also notes that, consistent with its commitment in the original proposal, it will continue to furnish the Commission with annual reports for the remainder of the five-year review period. The Exchange believes that the continued reporting commitment, together with the proposed amendments, appropriately positions the cash-settled FLEX ETF

¹³ For purposes of the back-testing analysis, Cboe reviewed all newly listed FLEX-eligible ETFs from January 1, 2025 through April 6, 2026.

Option framework to address the operational gaps identified through the Exchange's review to date while preserving the monitoring mechanisms that allow the Exchange and the Commission to evaluate the ongoing impact of the program.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,¹⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act,¹⁵ 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 believes the proposed rule change is consistent with Section 6(b)(5) of the Act because each of the proposed amendments is designed to refine an existing, Commission-approved framework in a manner that is reasonably calibrated to address identified operational gaps while preserving and reinforcing the manipulation-mitigating features of that framework.

One-Month Lookback for Newly Eligible ETFs

The Exchange believes the proposed one-month lookback for newly FLEX-eligible ETFs is consistent with the Act because it removes an impediment to the offering of cash-settled FLEX ETF Options on ETFs that have already demonstrated the liquidity and trading activity that the eligibility criteria are designed to capture, without compromising the manipulation-resistant features of those criteria. Under the current rule, an ETF that becomes FLEX-eligible after a bi-annual review has been conducted must wait up to six months before it may be considered for cash-settled FLEX ETF Option eligibility, even if it satisfies both the \$600 million average daily notional value threshold and the 5,616,000-share ADV requirement at the time it becomes FLEX-eligible. The Exchange believes this gap is not necessary to protect against manipulation.

An ETF that satisfies both heightened thresholds over the prior one-month period has demonstrated a degree of liquidity and breadth of trading activity exceeding that which the six-month bi-annual review is designed to identify as indicative of reduced susceptibility to manipulation. The heightened thresholds, which represent a 20%

increase over the standard \$500 million and 4,680,000-share thresholds applicable to the bi-annual review, are designed to account for the possibility that a newly listed ETF may experience elevated trading activity in its initial period that is not representative of sustained liquidity. As noted above, Cboe's annual monitoring reports demonstrated the existing eligibility criteria are an effective and reliable proxy for identifying ETFs that are not readily susceptible to manipulation, and did not identify any manipulation concerns in connection with cash-settled FLEX ETF Options or their underlying ETFs during that period. The Exchange therefore believes that permitting a one-month lookback for newly FLEX-eligible ETFs between bi-annual reviews, subject to the heightened thresholds, removes an impediment to and perfects the mechanism of a free and open market and protects investors and the public interest by providing timely investor access to a cash-settlement alternative on ETFs that satisfy the established eligibility criteria, while maintaining the protections afforded by those criteria.

Cboe's back-testing analysis further supports the consistency of the heightened thresholds with the Act's anti-manipulation objectives. Under the standard criteria, ten newly listed FLEX ETFs would have qualified based on one month of trading data, but under the 20% increased thresholds only 8 qualified. The two names excluded (AMDL and SIVR) did not qualify at their next six-month bi-annual review, confirming that the heightened thresholds effectively identify and exclude ETFs whose initial trading statistics do not reflect sustained market activity. The Exchange believes this empirical evidence demonstrates that the heightened thresholds are reasonably designed to prevent ETFs with potentially transient liquidity from qualifying for cash settlement based on the shorter lookback period.

Tiered Criteria for ETFs Ceasing To Satisfy Eligibility Requirements

The Exchange believes the proposed tiered framework for ETFs that cease to satisfy the eligibility criteria at the time of a bi-annual review is consistent with the Act because it is reasonably designed to prevent fraudulent and manipulative acts and practices while also promoting just and equitable principles of trade and protecting investors. The current rule applies a single, uniform wind-down treatment to any ETF that falls below the eligibility thresholds at bi-annual review,

regardless of whether active open interest in cash-settled FLEX ETF Options overlying that ETF exists. The Exchange believes this one-size-fits-all approach does not adequately account for the legitimate interests of market participants that hold existing cash-settled positions or that need the ability to open new positions to manage existing risk exposure in an ETF that has temporarily fallen below the thresholds.

The proposed tiered framework addresses this concern in a manner consistent with the Act's investor protection and anti-manipulation objectives. Where no open interest in cash-settled FLEX ETF Options overlying the affected ETF has existed during the previous six-month period, the current treatment would continue to apply, because the Exchange believes an immediate restriction on new cash-settled positions would not disrupt market participants' activity. Where open interest does exist at the time of the bi-annual review, the proposed one-year continuation period provides market participants with a reasonable and predictable runway to manage existing positions, which the Exchange believes promotes just and equitable principles of trade. The Exchange further believes that the recovery provision, under which the continuation period terminates and full eligibility is restored if the ETF satisfies the criteria at either bi-annual review during the one-year period, is consistent with the Act because it prevents an unnecessarily disruptive wind-down where an ETF's trading statistics temporarily dip below the eligibility thresholds and then recover, and it reinforces the principle that the eligibility criteria, rather than arbitrary timing, are the appropriate determinant of cash-settlement eligibility. Taken together, the Exchange believes the tiered framework is a reasonable means to address manipulation concerns while not unduly burdening market participants with existing cash-settled positions, as it eliminates the current immediate disruption to their investment strategies.

Elimination of the 50-ETF Cap

The Exchange believes the elimination of the 50-ETF cap is consistent with the Act because the cap is no longer necessary to protect against the concerns it was designed to address and, as currently operative, functions as an impediment to the offering of cash-settled FLEX ETF Options on ETFs that otherwise satisfy the established eligibility criteria. The cap was adopted at the outset of the program to prevent

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(5).

the scope of cash-settled FLEX ETF Options from expanding considerably without a corresponding evaluation of whether the level of the eligibility requirements remained reasonable. While the number of qualifying ETFs remained well below 50 during the initial period of the program's operation, that number has more recently grown to exceed the cap, such that the cap now actively restricts the availability of cash-settled FLEX ETF Options on ETFs that fully satisfy the notional value and ADV requirements of Options 3A, Section 3(c)(5)(A)(ii). The Exchange believes that retaining this arbitrary restriction is inconsistent with the Act's objectives because Cboe's two-year monitoring record demonstrates that the eligibility criteria themselves limit the availability of cash settlement to FLEX ETF Options. The liquidity and trading activity requirements mitigate manipulation concerns for any ETF that satisfies those requirements, not just the top 50.

During the first two years that cash-settled FLEX ETF Options were available on Cboe, it identified (and its annual monitoring reports demonstrated) no manipulation concerns in connection with cash-settled FLEX ETF Options or their underlying ETFs. The Exchange believes the eligibility criteria, position and exercise limits, and surveillance program applicable to the 50 ETFs eligible for FLEX options with cash-settlement provide adequate protections against manipulation and market disruption to all ETFs that satisfy the criteria, regardless of the number of qualifying ETFs. The Exchange therefore believes that eliminating the cap removes an impediment to and perfects the mechanism of a free and open market, protects investors and the public interest, and is otherwise consistent with the Act.

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.

The Exchange does not believe the proposed rule change will impose any burden on intramarket competition. The proposed amendments apply uniformly to all market participants that trade cash-settled FLEX ETF Options on the Exchange. All newly FLEX-eligible ETFs would be eligible for the one-month lookback, subject to the same heightened eligibility thresholds (\$600 million average daily notional volume and 5,616,000 shares ADV) and any ETF

that satisfies those heightened criteria within that one-month lookback would be eligible for cash-settlement, and cash-settled FLEX options on such ETFs would be available to all market participants. The tiered framework for ETFs ceasing to satisfy the eligibility criteria applies in the same manner to all market participants holding or seeking to open positions in cash-settled FLEX ETF Options overlying the affected ETF, and the one-year continuation period and recovery provision provide all such participants with the same predictable and equitable treatment. The elimination of the 50-ETF cap permits any ETF that satisfies the eligibility criteria to be eligible for FLEX cash-settlement rather than arbitrarily restricting that product availability to 50 ETFs. The Exchange believes the proposed rule promotes competition, as it would treat all ETFs that satisfy the eligibility criteria for cash-settled FLEX Options in the same manner.

The Exchange does not believe the proposed rule change will impose any burden on intermarket competition. Cash-settled FLEX ETF Options with the same underlying ETF may be listed on multiple exchanges, and the proposed amendments do not restrict the ability of other exchanges to adopt similar or competing frameworks. This rule proposal is a competitive response to Cboe's proposal¹⁶ and it would enhance competition among the options exchanges.

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 Act¹⁷ and subparagraph (f)(6) of Rule 19b-4 thereunder.¹⁸

¹⁶ See *supra*.

¹⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁸ 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, along with a brief description and text of the proposed rule change,

A proposed rule change filed under Rule 19b-4(f)(6)¹⁹ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),²⁰ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requested that the Commission waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange states that waiver of the operative delay would permit the Exchange to amend its FLEX rules consistent with Cboe²¹ and competitively offer the same products on a cash-settled basis. For this reason, and because the proposed rule change raises no new or novel legal or regulatory issues, the Commission finds that waiver of the operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.²²

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 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-Phlx-2026-49 on the subject line.

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.

¹⁹ 17 CFR 240.19b-4(f)(6).

²⁰ 17 CFR 240.19b-4(f)(6)(iii).

²¹ See *supra* note 3.

²² For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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–2026–49. 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–Phlx–2026–49 and should be submitted on or before August 25, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²³

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026–15732 Filed 8–3–26; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 36276; 812–15935]

Yorkville America Investment Trust and Yorkville America Equities, LLC

July 30, 2026.

AGENCY: Securities and Exchange Commission (“Commission” or “SEC”).

ACTION: Notice.

Notice of an application under section 6(c) of the Investment Company Act of 1940 (“Act”) for an exemption from section 15(a) of the Act, as well as from certain disclosure requirements in rule 20a–1 under the Act, Item 19(a)(3) of Form N–1A, Items 22(c)(1)(ii), 22(c)(1)(iii), 22(c)(8) and 22(c)(9) of Schedule 14A under the Securities Exchange Act of 1934, and sections 6–07(2)(a), (b), and (c) of Regulation S–X (“Disclosure Requirements”).

SUMMARY OF APPLICATION: The requested exemption would permit Applicants to enter into and materially amend subadvisory agreements with

subadvisors without shareholder approval and would grant relief from the Disclosure Requirements as they relate to fees paid to the subadvisors.

APPLICANTS: Yorkville America Investment Trust and Yorkville America Equities, LLC.

FILING DATES: The application was filed on November 6, 2025, and amended on July 14, 2026.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing on any application by emailing the SEC's Secretary at Secretarys-Office@sec.gov and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below. The email should include the file number referenced above. Hearing requests should be received by the Commission by 5:30 p.m., Eastern time, on August 25, 2026, and should be accompanied by proof of service on the Applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission's Secretary.

ADDRESSES: The Commission: Secretarys-Office@sec.gov. Applicants: Steve Neamtz, President, Yorkville America Equities, LLC, 1012 Springfield Avenue, Mountainside, New Jersey 07092; John H. Lively, Practus, LLP, 11300 Tomahawk Creek Parkway, Suite 310, Leawood, KS, 66211.

FOR FURTHER INFORMATION CONTACT: Asaf Barouk, Senior Counsel, or Matthew Cook, Branch Chief, at (202) 551–6825 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: For Applicants' representations, legal analysis, and conditions, please refer to Applicants' amended and restated application, dated July 14, 2026, which may be obtained via the Commission's website by searching for the file number at the top of this document, or for an Applicant using the Company name search field on the SEC's EDGAR system. The SEC's EDGAR system may be searched at <https://www.sec.gov/search-filings>. You may also call the SEC's Office of Investor Education and Assistance at (202) 551–8090.

For the Commission, by the Division of Investment Management, under delegated authority.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026–15731 Filed 8–3–26; 8:45 am]

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DEPARTMENT OF STATE

[Public Notice: 13090]

Imposition of Nonproliferation Measures Against Foreign Persons, Including a Ban on U.S. Government Procurement

ACTION: Notice.

SUMMARY: A determination has been made that a number of foreign persons have engaged in activities that warrant the imposition of measures pursuant to the Iran, North Korea, and Syria Nonproliferation Act (INKSNA).

DATES: These measures went into effect July 24, 2026.

FOR FURTHER INFORMATION CONTACT: On general issues: Pam Durham, Office of WMD and Missile Controls, Bureau of Arms Control and Nonproliferation, Department of State, Telephone (202) 647–4930. Email: acn-wmc-sanctions@state.gov. For U.S. Government procurement ban issues: Eric Moore, Office of the Procurement Executive, Department of State, Telephone: (703) 875–4079. Email: mooreen@state.gov.

SUPPLEMENTARY INFORMATION: The INKSNA provides for sanctions on foreign entities and individuals for the transfer to or acquisition from Iran since January 1, 1999; the transfer to or acquisition from Syria since January 1, 2005; or the transfer to or acquisition from the DPRK since January 1, 2006, of goods, services, or technology controlled under multilateral control lists (Australia Group, Chemical Weapons Convention, Missile Technology Control Regime, Nuclear Suppliers Group, and Wassenaar Arrangement) or otherwise having the potential to make a material contribution to the development of weapons of mass destruction (WMD) or cruise or ballistic missile systems.

On July 24, 2026, the U.S. Government applied the measures authorized in section 3 of the Iran, North Korea, and Syria Nonproliferation Act (Pub. L. 106–178) against the following foreign persons identified in the report submitted pursuant to section 2(a) of the Act:

1061st Material-Technical Support Center (MTSC) (Russia); and any

²³ 17 CFR 200.30–3(a)(12).