notices/other-commission-orders-notices-information).

For further information about this Release, you may contact David Dimitrious, Senior Special Counsel; Jennifer Colihan, Special Counsel; Eugene Hsia, Special Counsel; Michou Nguyen, Special Counsel; and Alba Baze, Attorney-Adviser, Office of Market Supervision, Division of Trading and Markets, at (202) 551–5550, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[8]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026–19215 Filed 9–18–26; 8:45 am]

BILLING CODE 8011–01–P

[8] 17 CFR 200.30–3(a)(75).

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 36332; File No. 812–16051]

Wasatch Funds Trust and Wasatch Advisors LP

September 16, 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 sections 2(a)(32), 5(a)(1), 18(f)(1), 18(i), 22(d) and 22(e) of the Act and rule 22c–1 under the Act and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act.

SUMMARY OF APPLICATION: Applicants request an order (''Order'') that would permit a registered open-end management investment company to offer one class of exchange-traded shares that operates as an exchange-traded fund (an ''ETF Class,'' and such shares, ''ETF Shares'') and one or more classes of shares that are not exchange-traded (each such class, a ''Mutual Fund Class,'' and such shares, ''Mutual Fund Shares,'' and each such fund, a ''Multi-Class ETF Fund''). The Order would provide Multi-Class ETF Funds with two broad categories of relief: (i) the relief necessary to permit standard exchange-traded fund (''ETF'') operations consistent with Rule 6c–11 under the Act (''ETF Operational Relief'') and (ii) the relief necessary for a fund to offer an ETF Class and one or more Mutual Fund Classes (''ETF Class Relief'').

APPLICANTS: Wasatch Funds Trust and Wasatch Advisors LP.

FILING DATES: The application was filed on July 8, 2026, and amended on September 10, 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 October 13, 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 at *Secretarys-Office@sec.gov.*

ADDRESSES: The Commission: *Secretarys-Office@sec.gov.* Applicants: Russell Biles, Wasatch Advisors LP, *rbiles@wasatchglobal.com;* Eric F. Fess and Felice R. Foundos, Chapman and Cutler LLP, *fess@chapman.com* and *foundos@chapman.com.*

FOR FURTHER INFORMATION CONTACT: Trace W. Rakestraw, Senior Special Counsel, 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 application, filed September 10, 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. 2026–19212 Filed 9–18–26; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106390; File No. SR–IEX–2026–31]

Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Address Internal Inconsistencies in Rule 22.260 in Advance of the Launch of IEX Options

September 16, 2026.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act'')[2] and Rule 19b–4 thereunder,[3] notice is hereby given that on September 8, 2026, the Investors Exchange LLC (''IEX'' or the ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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

Pursuant to the provisions of Section 19(b)(1) under the Act,[4] and Rule 19b–4 thereunder,[5] the Exchange is filing with the Commission a rule change proposal to address internal inconsistencies in Rule 22.260 in advance of the launch of IEX Options. The Exchange has designated this rule change as ''non-controversial'' under Section 19(b)(3)(A) of the Act[6] and provided the Commission with the notice required by Rule 19b–4(f)(6) thereunder.[7]

The text of the proposed rule change is available at the Exchange's website at *https://www.iexexchange.io/resources/regulation/rule-filings* and at the principal office of the Exchange.

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

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

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

[5] 17 CFR 240.19b–4.

[6] 15 U.S.C. 78s(b)(3)(A).

[7] 17 CFR 240.19b–4.

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

In its filing with the Commission, the self-regulatory organization 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 self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

On September 18, 2025, the Commission approved IEX's proposal to adopt rules governing the trading of options on the Exchange in a new facility called ''IEX Options''; [8] IEX Options has announced its plan to commence trading options on October 2, 2026.[9] As set forth in the IEX Options rules, the System's [10] acceptance and execution of orders, quotes, and bulk messages, as applicable, are subject to the price protection mechanisms and risk controls provided to Options Members [11] in Rule 22.250 (Pre-Trade and Activity-Based Risk Controls) and Rule 22.260 (Additional Price Protection Mechanisms and Risk Controls). In advance of the commencement of trading options, IEX now makes this rule change proposal to address internal inconsistencies in Rule 22.260. Specifically, as described below, IEX proposes to delete Rule 22.260(b) and to expand the types of orders that are not subject to Rule 22.260(e). The Exchange has designated this rule change as ''non-controversial'' under Section 19(b)(3)(A) of the Act [12] and provided the Commission with the notice required by Rule 19b–4(f)(6) thereunder.[13]

Background

IEX Options has three Order Types (applicable to orders and quotes): Limit orders,[14] Market orders,[15] and Attributable orders.[16] Each order and quote must also have a TIF [17] of either IOC [18] or Day.[19] Options Members may also include one of three optional ''Handling Instructions'' [20] with their orders and quotes: Book only,[21] Post Only,[22] and Intermarket Sweep Orders.[23]

IEX Options rules provide for several price protection mechanisms, including Rule 22.260(b) (Market Orders in No-Bid (Offer) Series) and Rule 22.260(e) (Drill-Through Protection). The Market Orders in a No-Bid (Offer) Series rule is designed to protect Market orders from executions at potentially erroneous prices, and provides that if the System receives a sell Market order in a series after it is open for trading with an NBB [24] of zero and an NBO [25] less than or equal to $0.50, the System will convert the Market order to a Limit order with a limit price equal to the minimum trading increment applicable to the series and will post the order to the Order Book.[26] If the System receives a sell Market order in a series after it is open for trading with an NBB of zero and an NBO greater than $0.50, the System cancels or rejects the Market order, except if the sell Market order would be subject to the drill-through protection, in which case the order joins the ongoing drill-through process.[27] If the System receives a buy Market order in a series after it is open for trading with an NBO of zero, the System cancels or rejects the Market order.[28]

[8] *See* Securities Exchange Act Release No. 103290 (June 18, 2025), 90 FR 26865, 26878 (June 24, 2025) (SR–IEX–2025–02) (Notice of Filing of Amendment No. 3 to a Proposed Rule Change To Adopt Rules To Govern the Trading of Options on the Exchange for a New Facility Called IEX Options) (''Options Rule Filing'') and Securities Exchange Act Release No. 103998 (September 18, 2025), 90 FR 45861 (September 23, 2025) (SR–IEX–2025–02) (Commission order approving a Proposed Rule Change, as Modified by Amendment No. 3, to Adopt Rules To Govern the Trading of Options on the Exchange for a New Facility Called IEX Options) (''Approval Order'').

[9] *See https://www.iex.io/options/resources#important-dates.*

[10] The term ''System'' means the automated trading system used by IEX Options for the trading of options contracts, as described in Rule 22.100(a). *See* Rule 17.100.

[11] The term ''Options Member'' means a firm, or organization that is registered with the Exchange pursuant to Chapter 18 of these Rules for purposes of participating in options trading on IEX Options as an Options Order Entry Firm, Options Market Maker, or Clearing Member. *See* Rule 17.100.

[12] 15 U.S.C. 78s(b)(3)(A).

[13] 17 CFR 240.19b–4.

[14] *See* Rule 22.100(d)(1).

[15] *See* Rule 22.100(d)(2).

[16] *See* Rule 22.100(d)(3).

[17] The term ''TIF'' shall mean the period of time that the System will hold an order, subject to the restrictions set forth in paragraph (l) below with respect to bulk messages, for potential execution. A Time-in-Force applied to a bulk message applies to each bid and offer within that bulk message. Unless otherwise specified in the Exchange Rules or the context indicates otherwise, the Exchange determines which of the following Times-in-Force are available on a class or system basis. *See* Rule 22.100(g).

[18] ''Immediate Or Cancel'' or ''IOC'' shall mean, for an order so designated, an order that is to be executed in whole or in part as soon as such order is received. The portion not so executed immediately on the Exchange or another options exchange is cancelled and is not posted to the IEX Options Book. IOC orders that are not designated as Book Only and that cannot be executed in accordance with Rule 22.170 on the System when reaching the Exchange will be eligible for routing away pursuant to Rule 22.180. Market Makers may designate bulk messages as IOC. *See* Rule 22.100(g)(1).

[19] ''Day'' shall mean, for an order so designated, an order to buy or sell which, if not executed expires at market close. Market Makers may designate bulk messages as Day. *See* Rule 22.100(g)(2).

[20] The term ''Handling Instruction'' means an additional instruction a User designates on an order, subject to the restrictions set forth in paragraph (l) below with respect to bulk messages. A Handling Instruction applied to a bulk message applies to each bid and offer within that bulk message. Unless otherwise specified in the Exchange Rules or the context indicates otherwise, the Exchange determines which of the following Handling Instructions are available on a class or system basis. *See* Rule 22.100(e).

[21] ''Book Only'' is a Handling Instruction that an order is to be ranked and executed on the Exchange pursuant to Rule 22.170 (Order Display and Book Processing), or to be repriced or cancelled, as appropriate, without routing away to another options exchange. *See* Rule 22.100(e)(1).

[22] ''Post Only'' is a Handling Instruction a User may designate on an order that is to be ranked and executed on the Exchange pursuant to Rule 22.170 (Order Display and Book Processing) or cancelled, as appropriate, without routing away to another options exchange except that the order will not remove liquidity from the IEX Options Book. The System reprices, cancels or rejects (in accordance with User Instructions) a bid (offer) designated as Post Only with a price that locks or crosses the Exchange's best offer (bid). A Market order cannot be designated as Post Only. See Rule 22.100(e)(2).

[23] ''Intermarket Sweep Orders'' or ''ISO'' are orders that have the meaning provided in Rule 28.100 (Definitions). Such orders may be executed at one or multiple price levels in the System without regard to Protected Quotations at other options exchanges (*i.e.,* may trade through such quotations). The Exchange relies on the marking of an order as an ISO when handling such order, and thus, it is the entering Options Member's responsibility, not the Exchange's responsibility, to comply with the requirements relating to ISOs. ISOs are not eligible for routing pursuant to Rule 22.180 (Order Routing). A Market order cannot be designated as an Intermarket Sweep Order. Market Makers may not designate bulk messages as ISOs. *See* Rule 22.100(e)(3).

[24] *See* Rule 17.100.

[25] *See* Rule 17.100.

[26] *See* Rule 22.260(b)(1)(A). Note that following the Opening Process, orders and quotes received prior to and not executed in full during the Opening Process will be transitioned to the continuous Order Book and handled in accordance with existing IEX rules, as applicable. The System is considered to have received such orders at that time for purposes of the Market Orders in No-Bid (Offer) Series rule. See Rule 22.160(d). The Market Orders in No-Bid (Offer) Series rule is not applicable to the Opening Process.

[27] *See* Rule 22.260(b)(1)(B).

[28] *See* Rule 22.260(b)(2).

The Drill-Through Protection rule is designed to prevent an aggressively priced order from executing beyond multiple price levels by utilizing a series of iterations up to an Exchange-determined ''buffer amount'' [29] that caps how far the order can execute, rather than immediately sweeping all available liquidity up to its limit price, before it stops executing or routing the order.[30] Bulk messages [31] and ISOs are not eligible for drill-through protection.[32]

Proposal

A. Deletion of Rule 22.260(b)

As noted above, IEX Rule 22.260(b) specifies that if the System receives a sell Market order in a series after it is open for trading with an NBB of zero, if the NBO in the series is less than or equal to $0.50, then the System will convert the Market order to a Limit order with a limit price equal to the minimum trading increment applicable to the series and enter it into the IEX Options Book. However, IEX Market orders may only have a TIF of IOC,[33] which means a Market order that is not ''executed immediately on the Exchange or another options exchange is cancelled and is not posted to the IEX Options Book.'' [34] Because Market orders either execute or cancel on entry, they cannot be converted by the System into a Limit order that is entered into the Options Order Book nor could they be subject to an ongoing drill-through process.

Thus, the provisions in Rule 22.260(b) that refer to converting a sell Market order to a limit order or the order being subject to an ongoing drill-through process are inapplicable. If a Market order to sell is received at a time when the NBB is zero (*i.e.,* there is no interest to buy in the series), the Market order will be automatically canceled by the System because it would not be executed, pursuant to Rule 22.100(g)(1). With respect to a buy Market order received in a series after it is open for trading with an NBO of zero (*i.e.,* there is no interest to sell in the series), Rule 22.260(b)(2) provides that the order will be rejected. In this context the terms rejected and canceled achieve the same result because the order would not rest on the IEX Options Order Book. Accordingly, IEX proposes to delete Rule 22.260(b) as unnecessary and duplicative of Rule 22.100(g)(1) and insert the word ''Reserved'' in its place.

B. Amendment to Rule 22.260(e)

IEX's Drill-Through Protection provides execution-price protection for liquidity-taking orders, which permits a marketable order to access liquidity across multiple price levels while limiting the distance through the prevailing contra-side NBBO at which executions may initially occur to prevent an order from executing through successive price levels too aggressively.[35]

IEX's Drill-Through Protection Rule does not apply to bulk messages or ISOs.[36] Bulk messages are designed to enable Market Makers to efficiently submit and update liquidity providing quotations, rather than to function as liquidity-taking orders seeking execution through multiple price levels. For example, Day [37] bulk messages cannot sweep at all because they are Post Only; [38] and IOC bulk messages are for the limited purpose of Market Maker risk management.[39] Accordingly, applying drill-through to bulk messages would not meaningfully advance the purpose for which drill-through protection was designed.

IEX's Drill-Through Protection Rule does not apply to ISOs for a different reason. An Options Member submitting an ISO order is affirmatively instructing the Exchange to execute the order through the market up to its limit price without regard to Protected Quotations at other options exchanges.[40] Restricting the order by the Drill-Through process would be inconsistent with the objective of an ISO order.

IEX proposes to exclude Post Only orders (*i.e.,* including orders and quotes not submitted as bulk messages), which by definition cannot remove liquidity from the IEX Options Order Book, from the Drill-Through Protection rule. For the reasons discussed above, this exclusion is logical because Drill-Through Protection is designed to protect liquidity-taking orders (something Post Only orders cannot do) from executing at too aggressive a price.[41] Thus, as proposed, Rule 22.260(e)(3)(4) will now read: ''This protection does not apply to bulk messages, Post Only, or ISOs.''

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act [42] in general, and furthers the objectives of Section 6(b)(5) of the Act [43] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in, securities, 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.

As discussed in the Purpose section, the proposed rule change is designed to address internal inconsistencies in IEX Options rules. As such, the proposed rule change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system.

In particular, the Exchange believes the proposed rule change will promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a national market system, and protect investors and the public interest, by clarifying how impacted order types will function. Specifically, IEX believes that Options Members would not expect a Market order with a TIF of IOC to be eligible for the Market Orders in No-Bid (Offer) Series protection of converting the order to a Limit order and would not expect Drill-Through Protection for aggressive taking orders to apply to Post Only orders that by definition must add liquidity to the Order Book. Thus, IEX believes that the proposed changes will reduce confusion

[29] IEX Options determines the buffer amount on a class and premium basis. *See* Rule 22.260(e)(1)

[30] *See generally* Rule 22.260(e)(3)(F).

[31] *See* Rule 22.100(l).

[32] *See* Rule 22.260(e)(4).

[33] The Exchange may determine the TIF(s) applicable to each order type on a system-wide basis unless otherwise specified in the Exchange Rules. *See* Rule 22.100(g). The Exchange TIF determinations are specified in the FIX and binary input specifications and specify that Market orders may only have a TIF of IOC. *See* IEX Options FIX Specification, Appendix A, available at *https://www.iex.io/documents/iex-options-fix-specification* and IEX Binary Options Protocol Specification, Appendix A, available at *https://www.iex.io/documents/iex-binary-options-protocol-specification.*

[34] *See supra* note 18.

[35] *See generally* Rule 22.260(e).

[36] *See* Rule 22.260(e)(4).

[37] An order or quote with a TIF of Day that does not execute on entry rests on the Order Book, and if it does not execute before market close, is canceled. *See* Rule 22.100(g)(2).

[38] *See* Rule 22.100(l)(3).

[39] *See* Securities Exchange Act Release No. 105729 (June 18, 2026), 91 FR 38051 (June 24, 2026) (SR–IEX–2026–17) (Allowing bulk messages to have a TIF of IOC for the limited purpose of Market Maker risk management, in view of a Market Maker's core obligation to provide liquidity to the market.)

[40] *See supra* note 23,

[41] IEX Options rules provide that the System reprices, cancels, or rejects Post Only interest that would lock/cross the Exchange's contra-side interest, and Post Only interest does not route away. *See supra* note 22.

[42] 15 U.S.C. 78f(b).

[43] 15 U.S.C. 78f(b)(5).

among market participants, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

The Exchange also believes that the proposed changes are consistent with the investor protection and the public interest provisions of the Act because impacted order types will continue to function as expected. Specifically, buy (or sell) Market orders received in a series after it is open for trading with an NBO (or NBB) of zero, will be canceled, which is what an Options Member would expect to happen when there is no contra-party interest because all IEX Options Market orders have a TIF of IOC.[44] And with respect to Drill-Through Protections, because Post Only orders do not take liquidity, it is logical to exclude them from a protection mechanism that prevents taking liquidity at excessive prices. Importantly, Market orders and Post Only orders will continue to be subject to all the applicable protections specified in Rules 22.250 and 22.260.

Moreover, the Exchange believes these proposed, narrowly tailored changes to its rules are not designed to permit unfair discrimination among Options Members as they would apply equally to all Options Members.

Finally, each of these proposed changes is based on the logical functionality of the Commission-approved price protection mechanisms coupled with how IEX's order types, TIFs, and Handling Instructions interact, and thus, the Exchange does not believe that the proposed rule change raises any new or novel issues.

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 that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the extent the proposed changes enhance the competitiveness of IEX Options, competing exchanges have and can continue to adopt comparable functionality, subject to the Commission's rule filing process.

The Exchange also does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The rule change will apply equally to all Options Members. The Exchange believes that these proposed changes to Rule 22.260 to better align the rule with System functionality will enable Options Members to better understand and utilize these price protection mechanisms and risk controls, which, in turn, may enhance the integrity of trading on the options market and help to assure the stability of the financial system.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act[45] and Rule 19b–4(f)(6)[46] thereunder. 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; or (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) of the Act[47] and Rule 19b–4(f)(6)[48] thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)[49] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[50] the Commission may designate a shorter time if such action is consistent with protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposed rule change may become operative immediately upon filing. According to the Exchange, waiving the 30-day delay would allow the proposed rule change to become operative on October 2, 2026, when IEX Options commences trading, and would permit the IEX Options System to operate in a manner fully aligned with IEX Options rules, alleviating any confusion among market participants about how the rules operate. Waiver of the 30-day operative delay is consistent with the protection of investors and the public interest because it allows the revised IEX Options rules to be operative by October 2, 2026, the date that trading begins on the IEX Options System, provides clarity and prevents potential confusion for market participants about the operation of IEX Options rules, and does not introduce any novel regulatory issues. Accordingly, the Commission designates the proposed rule change to be operative upon filing.[51]

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 will 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–IEX–2026–31 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–IEX–2026–31. 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

[44] *See supra* note 33.

[45] 15 U.S.C. 78s(b)(3)(A).

[46] 17 CFR 240.19b–4(f)(6).

[47] 15 U.S.C. 78s(b)(3)(A).

[48] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6)(iii) requires the Exchange 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, 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.

[49] 17 CFR 240.19b–4(f)(6).

[50] 17 CFR 240.19b–4(f)(6)(iii).

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

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–IEX–2026–31 and should be submitted on or before October 13, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[52]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026–19218 Filed 9–18–26; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106393; File No. SR–MSRB–2026–04]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Granting Approval of a Proposed Rule Change To Amend MSRB Rule G–27 to Exclude Certain Public Finance Activities From the Term "Structuring of Public Offerings or Private Placements," Extend the Length of the Exclusion for Non-Primary Residences From Municipal Branch Office Designation, and Make a Technical Update to the Rule's Title

September 16, 2026.

I. Introduction

On July 27, 2026, the Municipal Securities Rulemaking Board (''MSRB'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'' or ''Exchange Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend MSRB Rule G–27 (''Rule G–27''), on supervision, to (i) exclude certain public finance activities from the term ''structuring of public offerings or private placements'' as used within MSRB Rule G–27, (ii) extend the length of the exclusion for non-primary residences from municipal branch office designation, and (iii) make a technical update to the title of MSRB Rule G–27 (collectively, the ''proposed rule change'').[3]

The MSRB will announce the operative date of the proposed rule change in a regulatory notice to be published on the MSRB website no later than 30 days following Commission approval.[4] The compliance date would be no earlier than 90 days and no later than 180 days following Commission approval.[5]

The proposed rule change was published for comment in the **Federal Register** on August 4, 2026.[6] The Commission received four comment letters[7] on the proposed rule change. On September 2, 2026, the MSRB responded to the comment letters.[8] As described further below, the Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

A. Background

MSRB Rule G–27(a), on obligation to supervise, requires each broker, dealer, or municipal securities dealers (''dealer'') to supervise the conduct of the municipal securities activities of the dealer and its associated persons to ensure compliance with MSRB rules, and the applicable provisions of the Exchange Act and rules thereunder. As such, MSRB Rule G–27(b)(iii) requires dealers to designate as an office of municipal supervisory jurisdiction (''OMSJ'') any office at which any one or more of the enumerated activities under MSRB Rule G–27(g)(i) occurs at such office with respect to municipal securities. Locations that are not required to be designated as an OMSJ constitute either a municipal branch office or a non-branch location.[9]

The MSRB notes it has never publicly defined the scope of the term ''structuring of public offerings or private placements,''[10] which the MSRB believes has led to dealers designating some locations as an OMSJ out of an abundance of caution.[11] The MSRB notes that there are additional compliance and regulatory obligations for locations classified as an OMSJ or a municipal branch office, including annual inspections.[12] According to the MSRB, advancements in technology and compliance tools have enhanced dealers' ability to more effectively supervise the conduct of the municipal securities activities of the dealer and that of its associated persons in a decentralized environment due to hybrid work arrangements.[13] The MSRB also stated that certain surveillance and monitoring technology can provide a more real-time supervision of associated persons regardless of their physical location.[14] Thus, according to the MSRB, dealers have made strides in modernizing their workplace while also undertaking the necessity of putting proper safeguards in place to ensure compliance with MSRB rules and the applicable provisions of the Exchange Act and rules thereunder.[15]

Based on the above and as further described in the Notice, according to the MSRB, the proposed rule change will provide greater flexibility to dealers and their associated persons with respect to hybrid work arrangements without modifying the OMSJ and municipal branch office definitions within MSRB Rule G–27(g)(i) and MSRB Rule G–27(g)(ii), respectively.[16]

B. Summary of the Proposed Rule Change

As discussed below and in the Notice, the proposed rule change would amend Rule G–27 to (i) exclude certain public finance activities from the term ''structuring of public offerings or private placements'' as used within MSRB Rule G–27, (ii) extend the length of the exclusion for non-primary residences from municipal branch office designation, and (iii) make a technical update to the title of MSRB Rule G–27.[17] Specifically, the proposed rule change would extend an exemption from municipal branch office designation under MSRB Rule G–27(g)(ii)(A)(3) for non-primary residences from less than

[52] 17 CFR 200.30–3(a)(12).

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

[2] 17 CFR 240.19b–4.

[3] *See* Exchange Act Release No. 34–106014 (July 30, 2026), 91 FR 49460 (August 4, 2026) (File No. SR–MSRB–2026–04) (''Notice'').

[4] *See* Notice, 91 FR at 49460.

[5] *See id.*

[6] *See id.*

[7] *See* Letter from Leslie M. Norwood, Managing Director and Associate General Counsel, Securities Industry and Financial Markets Association, dated August 25, 2026 (''SIFMA Letter''); Letter from Susan Gaffney, Executive Director, National Association of Municipal Advisors, dated August 25, 2026 (''NAMA Letter''); Letter from Michael Decker, Senior Vice President, Research & Public Policy, Bond Market Association, dated August 24, 2026 (''BMA Letter''); and Letter from Jessica R. Giroux, Chief Legal Officer, American Securities Association, dated August 25, 2026 (''ASA Letter'').

[8] *See* Letter from Ernesto A. Lanza, Chief Regulatory and Policy Officer, MSRB, dated September 2, 2026 (''MSRB Letter'').

[9] *See* Notice, 91 FR at 49461.

[10] *See* Notice, 91 FR at 49462. The MSRB notes that FINRA has also never defined the term ''structuring of public offerings or private placements'' in FINRA Rule 3110.

[11] *See* Notice, 91 FR at 49461.

[12] *See* Notice, 91 FR at 49462.

[13] *See* Notice, 91 FR at 49461.

[14] *See id.*

[15] *See id.*

[16] *See id.*

[17] *See* Notice, 91 FR at 49462–65.