business in Open-End Funds and thus provide Fund Servicing Activities. Without the requested relief, Opco would lose opportunities to further expand its business through Fund Servicing Activities by distributing and managing Open-End Fund products.

9. Applicants note that as of September 2022, when the Commission filed the Complaint against Opco, Opco made changes to cease relying on the LOE. Opco does not intend to rely on the LOE unless it can ensure it remains compliant with SEC and MSRB rules, including exemptions therefrom. If Opco intends to utilize the LOE at some point in the future, Opco will implement a procedure for use of the LOE to ensure compliance with the LOE. Applicants also note that in January 2024, Opco hired a new Head of Public Finance with over 30 years' experience working at other well-known industry participants, reporting directly to the President and CEO of Opco, and added a new managing director and a new director from outside of Opco to bolster the Public Finance team. The Head of Public Finance has also engaged a consultant to help adopt an updated and revised policy and procedures manual for the origination of municipal bond sales and is finalizing policies and procedures for the sales and trading of municipal bonds including procedures designed to achieve compliance with SEC and MSRB rules including, but not limited to, Exchange Act rule 15c2–12 and the exemptions therefrom.

10. Applicants will provide written notification to the Chief Counsel of the Commission's Division of Investment Management with a copy to the Chief Counsel of the Commission's Division of Enforcement of a material violation of the terms and conditions of the Requested Orders within 30 days of discovery of the material violation. In addition, Applicants agree as a condition of the application that the material terms and conditions of the Final Judgment will be complied with in all material respects.

Applicants' Conditions

Applicants agree that any order granted by the Commission pursuant to the application will be subject to the following conditions:

1. Any temporary exemption granted pursuant to the Application shall be without prejudice to, and shall not limit the Commission's rights in any manner with respect to, any Commission investigation of, or administrative proceedings involving or against, Covered Persons, including without limitation, the consideration by the Commission of a permanent exemption from section 9(a) of the Act requested pursuant to the Application or the revocation or removal of any temporary exemptions granted under the Act in connection with the Application.

2. Neither the Applicants, OPY, nor any of the other Covered Persons will employ any person to provide Fund Servicing Activities who previously has been or who subsequently may be identified by the Applicants or any U.S. or non-U.S. regulatory or enforcement agencies as having been responsible for the Conduct in any capacity without first making a further application to the Commission pursuant to section 9(c).

3. Each Applicant, OPY and any other Covered Person will adopt and implement policies and procedures reasonably designed to ensure that it will comply with the terms and conditions of the Requested Orders within 60 days of the date of the Permanent Order.

4. The material terms and conditions of the Final Judgment will be complied with in all material respects.

5. The Applicants will provide written notification to the Chief Counsel of the Commission's Division of Investment Management with a copy to the Chief Counsel of the Commission's Division of Enforcement of a material violation of the terms and conditions of the Requested Orders and Consent within 30 days of discovery of the material violation.

Temporary Order

The Commission has considered the matter and finds that Applicants have made the necessary showing to justify granting a temporary exemption.

Accordingly,

It is hereby ordered, pursuant to section 9(c) of the Act, that the Adviser is granted a temporary exemption from the provisions of section 9(a), effective as the date of this order, solely with respect to the Consent, subject to the representations and conditions in the application, until the Commission takes final action on the Applicants' application for a permanent order.

By the Commission.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–22336 Filed 12–8–25; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104314; File No. SR–NSCC–2025–016]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Annual Testing of the Recovery and Wind-down Plan

December 4, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on November 25, 2025, National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the clearing agency. NSCC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6) thereunder.[4] The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The proposed rule change consists of modifications to the NSCC Rules & Procedures ("NSCC Rules").[5] The proposed changes would provide that NSCC has established standards to be taken into account for designating those "Members," "Limited Members," and "Settling Banks," as such terms are defined in NSCC Rule 42 ("Wind-down of the Corporation," referred to as the "Wind-down Rule"), who shall be required to participate in annual testing of NSCC's recovery and wind-down plan ("RWP Testing").[6] The proposed rule change is intended to provide consistency with the RWP Testing requirements of Rule 17ad–26[7] ("SEC Rule 17ad–26" or "Rule 17ad–26") promulgated under the Act by the Commission.

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

[2] 17 CFR 240.19b–4.

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

[4] 17 CFR 240.19b–4(f)(6).

[5] Terms not otherwise defined herein have the meaning set forth in the NSCC Rules, *available at http://www.dtcc.com/legal/rules-and-procedures.*

[6] *Id.*

[7] 17 CFR 240.17ad–26. *See* Covered Clearing Agency Resilience and Recovery and Orderly Wind-down Plans, Securities Exchange Act Release No. 101446 (Oct. 25, 2024), 89 FR 91000 (Nov. 18, 2024) (S7–10–23) ("Adopting Release").

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

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

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

1. Purpose

The proposed rule change would amend NSCC Rule 2B (Ongoing Membership Requirements and Monitoring) to provide that NSCC has established standards for designating those ''Members,'' ''Limited Members,'' and ''Settling Banks,'' as such terms are defined in NSCC Rule 42, who shall be required to participate in annual RWP Testing. Currently, NSCC Rule 2B requires certain NSCC participants to fulfill certain operational testing requirements that may be imposed by NSCC to test and monitor the continuing operational capability of the participants and provides that NSCC has established standards for designating those participants who shall be required to participate in annual business continuity and disaster recovery testing. Under the proposed rule change, similar standards would be added with respect to participation in RWP Testing.

The Commission promulgated Rule 17ad–26, which requires that plans for the recovery and orderly wind-down of a covered clearing agency, such as NSCC, identify and include certain specific elements.[8] One of the required elements is to include procedures for testing the covered clearing agency's ability to implement its recovery and orderly wind-down plan at least every 12 months, including by requiring the covered clearing agency's participants and when practicable, other stakeholders, to participate in such testing.[9] The Commission recently approved NSCC's proposed rule change to reflect the requirements of Rule 17ad–26 in the NSCC Recovery & Wind-down Plan (the ''Plan'' or ''RWP'').[10] In its filing, NSCC described NSCC's procedures for testing its ability to implement the Plan at least every 12 months, which included describing the requirement that certain Members participate in the testing based on specified criteria and, when practicable, other stakeholders participate as well.[11] NSCC is now proposing to amend NSCC Rule 2B, as described above, for purposes of implementing this aspect of the RWP.

A. Proposal To Amend NSCC Rule 2B To Address Standards for Required Participation in Annual RWP Testing

The proposed amendments to NSCC Rule 2B would ensure that NSCC's practices with respect to RWP Testing are consistent with Rule 17ad–26(a)(8)[12] and the terms of the RWP by setting forth the standards NSCC would take into account when designating which Members, Limited Members, and Settling Banks will be required to participate in any given year. The proposed rule would provide that the terms ''Members,'' ''Limited Members,'' and ''Settling Banks'' would be defined as they are under the Wind-down Rule.[13] The participant types captured by these definitions would be the ones most directly impacted in the event of an NSCC recovery or orderly wind-down, and whose rights and obligations are governed by the Wind-down Rule in the event that the Wind-down Plan is initiated.

The proposed rule change would provide for NSCC's rights to: (i) designate Members, Limited Members and Settling Banks required to participate in RWP Testing using considerations such as, but not limited to, account structure, affiliated family structure, business model, operational details, and Member, Limited Member and Settling Bank size, trading and settlement activity; (ii) determine the scope and reporting out of the results of such RWP Testing; and (iii) require Members, Limited Members and Settling Banks to comply with such RWP Testing within specified timeframes. Additionally, the proposed rule would state that information on Member, Limited Member and Settling Bank selection as well as key elements of the testing that will be performed would be provided by NSCC to all relevant stakeholders.

B. Implementation of the Proposal

As noted above, the principal purpose of the proposed rule change is to provide that NSCC has established standards for designating those ''Members,'' ''Limited Members,'' and ''Settling Banks,'' as such terms are defined in the Wind-down Rule, who shall be required to participate in annual testing of NSCC's recovery and wind-down plan, consistent with the requirements of Rule 17ad–26(a)(8).[14] The proposed rule change would help to facilitate implementation of this aspect of the RWP in a manner consistent with SEC Rule 17ad–26 and the RWP recently approved by the Commission.[15] Based on the compliance date of SEC Rule 17ad–26 established by the Commission, the proposed rule change would become operative on December 15, 2025.[16]

2. Statutory Basis

NSCC believes that the proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. In particular, NSCC believes that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act,[17] Rule 17ad–22(e)(3)(ii) under the Act,[18] and Rule 17ad–26 under the Act,[19] for the reasons described below.

Section 17A(b)(3)(F) of the Act requires, in part, that the NSCC Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.[20] As described above, the proposed rule change would provide that NSCC has established standards regarding a requirement that Members, Limited Members and Settling Banks participate in annual RWP Testing, thereby facilitating the inclusion of participants in RWP Testing. This, in turn, would provide for effective planning by ensuring their familiarity with NSCC's processes that would be followed in a recovery or wind-down scenario. It would also allow for preparatory experience among

[8] *Id.* SEC Rule 17ad–26 identifies the elements that a covered clearing agency's plan must contain.

[9] *Id.* SEC Rule 17ad–26(a)(8) (Testing).

[10] *See* Securities Exchange Act Release No.103221 (June 10, 2025), 90 FR 25414 (June 16, 2025) (SR–NSCC–2025–007).

[11] *Id.* Specifically, NSCC stated in its proposed rule change filing that the R&R Team [Recovery & Resolution Team] would identify the Member(s) required to participate in the simulation and that considerations for the Member selection may include, but are not limited to, (i) account structure, (ii) affiliated family structure, (iii) business model, (iv) operational details, and (v) Member size in terms of trading and settlement activity.

[12] 17 CFR 240.17ad–26(a)(8).

[13] *Supra* note 5.

[14] 17 CFR 240.17ad–26(a)(8).

[15] *Supra* note 10.

[16] *Supra* note 7. As set forth in the Adopting Release, ''[. . .] (2) the proposed rule changes and the Advance Notices must be effective by December 15, 2025. These compliance dates provide sufficient time for CCAs to consider changes to their rules, policies, and procedures necessary to ensure consistency with the rules amended and adopted in this release [. . .].''

[17] 15 U.S.C. 78q–1(b)(3)(F).

[18] 17 CFR 240.17ad–22(e)(3)(ii).

[19] 17 CFR 240.17ad–26.

[20] 15 U.S.C. 78q–1(b)(3)(F).

NSCC and participants to enable NSCC to consider whether improvements need to be made to the RWP or RWP Testing going forward. By providing effective planning for recovery and orderly wind-down scenarios, the proposed rule change would help ensure the continuity of NSCC's core services and for the markets served by NSCC and thereby promote the prompt and accurate clearance and settlement of securities transactions. As such, NSCC believes the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act.[21]

Rule 17ad–22(e)(3)(ii) under the Act requires NSCC to establish, implement, maintain and enforce written policies and procedures reasonably designed to maintain a sound risk management framework for comprehensively managing legal, credit, liquidity, operational, general business, investment, custody, and other risks that arise in or are borne by the covered clearing agency, which includes plans for the recovery and orderly wind-down of the covered clearing agency necessitated by credit losses, liquidity shortfalls, losses from general business risk, or any other losses.[22] By ensuring that RWP Testing is consistent with the requirements of Rule 17ad–26 and how they are described in the RWP, NSCC believes that the proposed rule change is designed to support the maintenance of the RWP and, as such, meets the requirements of Rule 17ad–22(e)(3)(ii) under the Act. Therefore, the proposed changes would help NSCC to maintain the RWP in a way that continues to be consistent with the requirements of Rule 17ad–22(e)(3)(ii).[23]

Rule 17ad–26 requires the plans for recovery and orderly wind-down of covered clearing agencies, such as NSCC, to identify and address certain information that is pertinent to the RWP.[24] This includes procedures for testing the covered clearing agency's ability to implement its recovery and orderly wind-down plan at least every 12 months and requiring the covered clearing agency's participants and, when practicable, other stakeholders, to participate in such testing. The proposed rule change would provide in the NSCC Rules the details regarding a requirement for "Members," "Limited Members," and "Settling Banks," as defined under the Wind-down Rule, to take part in the annual RWP Testing, thereby strengthening NSCC's compliance with Rule 17ad–26. As such, NSCC believes the proposed rule change is consistent with Rule 17ad–26.[25]

(B) Clearing Agency's Statement on Burden on Competition

NSCC does not believe that the proposed rule change would impose any burden on competition because the proposed rule change would apply to those NSCC participants that are already subject to similar types of testing requirements as part of their ongoing memberships and provides additional opportunities for participants to test their readiness under the Wind-down Rule in the event an NSCC recovery or orderly wind-down event were to occur.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

NSCC has not received or solicited any written comments relating to this proposal. If any written comments are received, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b–4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b–4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, *available at www.sec.gov/rules-regulations/how-submit-comment.* General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at *tradingandmarkets@sec.gov* or 202–551–5777.

NSCC reserves the right to not respond to any comments received.

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

NSCC has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act[26] and Rule 19b–4(f)(6)[27] 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[28] and Rule 19b–4(f)(6)[29] thereunder.

A proposed rule change filed under Rule 19b–4(f)(6)[30] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[31] the Commission may designate a shorter time if such action is consistent with protection of investors and the public interest. NSCC has asked the Commission to waive the 30-day operative delay so that the proposed rule change may become operative immediately upon filing.

Delay of the operation of the proposed rule change, through the 30-day delayed operative date, could impede NSCC's timely compliance with Rule 17ad–26[32] and thereby defer the intended benefits and objectives of such regulatory requirements. This, in turn, could disrupt market expectations that NSCC will implement the proposed rule change by the December 15, 2025 compliance date, which may adversely affect NSCC's ability to ensure participant preparedness for recovery and orderly wind-down scenarios, evaluate and improve its recovery and wind-down procedures, and maintain continuity of core services in the event of a disruption. Therefore, waiving the 30-day operative delay should facilitate NSCC's timely compliance with Rule 17ad–26 and avert any potential adverse consequences if such compliance were delayed. Moreover, the Commission believes the proposed rule change would not impose any significant burden on competition because it would apply to those NSCC participants that are already subject to similar types of testing requirements as part of their

[21] *Id.*

[22] 17 CFR 240.17ad–22(e)(3)(ii). NSCC is a "covered clearing agency" as defined in Rule 17ad–22(a)(5) under the Act and must comply with paragraph (e) of Rule 17ad–22. In 2012, NSCC was designated a systemically important financial market utility by the Financial Stability Oversight Council.

[23] *Id.*

[24] 17 CFR 240.17ad–26.

[25] *Id.*

[26] 15 U.S.C. 78(b)(3)(A).

[27] 17 CFR 240.19b–4(f)(6).

[28] 15 U.S.C. 78s(b)(3)(A).

[29] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6)(iii) requires the Clearing Agency 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 Clearing Agency has satisfied this requirement.

[30] 17 CFR 240.19b–4(f)(6).

[31] 17 CFR 240.19b–4(f)(6)(iii).

[32] *Supra* note 16.

ongoing memberships. Thus, the proposed rule change, and waiving the 30-day operative delay, should not (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; or (iii) affect the safeguarding of funds or securities in the custody or control of NSCC or for which it is responsible. Therefore, the Commission waives the 30-day operative delay, and designates the proposed rule change as operative upon filing.[33]

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.

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–NSCC–2025–016 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to file number SR–NSCC–2025–016. 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 NSCC and on DTCC's website (*https://dtcc.com/legal/sec-rule-filings.aspx*). 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–NSCC–2025–016 and should be submitted on or before December 30, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[34]

Sherry R. Haywood,

Assistant Secretary.

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

[34] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104308; File No. SR–ISE–2025–36]

Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange's Pricing Schedule at Options 7, Sections 3 and 4

December 4, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on November 21, 2025, Nasdaq ISE, LLC (''ISE'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend the Exchange's Pricing Schedule at Options 7, Section 3, Regular Order Fees and Rebates, and Options 7, Section 4, Complex Order Fees and Rebates.[3]

This fee change shall be effective on November 13, 2025.

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

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

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

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

1. Purpose

ISE proposes to amend the Pricing Schedule at Options 7, Section 3, Regular Order Fees and Rebates, to amend note 15 of Options 7, Section 3. Further, the Exchange proposes to amend Options 7, Section 4, Complex Order Fees and Rebates, to amend: (1) Priority Customer[4] Complex Tiers 8–10 for Select Symbols;[5] and (2) note 17 of Options 7, Section 4. Each change is described below.

Priority Customer Rebates

The Exchange proposes to amend Options 7, Section 4, Complex Order Fees and Rebates. Today, the Exchange offers tiered complex order Priority Customer rebates for Select Symbols and Non-Select Symbols[6] based on the Priority Customer Complex Tier achieved.[7] The tiered complex order

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

[2] 17 CFR 240.19b–4.

[3] On November 13, 2025, the Exchange filed SR–ISE–2025–33. On November 20, 2025, the Exchange withdrew SR–ISE–2025–33 and filed SR–ISE–2025–35. Subsequently, on November 21, 2025, the Exchange withdrew SR–ISE–2025–35 and filed this proposal.

[4] A ''Priority Customer'' is a person or entity that is not a broker/dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s), as defined in Nasdaq ISE Options 1, Section 1(a)(37). Unless otherwise noted, when used in this Pricing Schedule the term ''Priority Customer'' includes ''Retail'' as defined below. *See* Options 7, Section 1(c).

[5] ''Select Symbols'' are options overlying all symbols listed on the Nasdaq ISE that are in the Penny Interval Program. *See* Options 7, Section 1(c).

[6] ''Non-Select Symbols'' are options overlying all symbols excluding Select Symbols. *See* Options 7, Section 1(c).

[7] Priority Customer Complex Tiers are based on Total Affiliated Member or Affiliated Entity Complex Order Volume (Excluding Crossing Orders and Responses to Crossing Orders) Calculated as a Percentage of Customer Total Consolidated Volume. All Complex Order volume executed on the Exchange, including volume executed by Affiliated Members, is included in the volume calculation, except for volume executed as Crossing Orders and Responses to Crossing Orders. Affiliated Entities may aggregate their Complex Order volume for purposes of calculating Priority Customer Rebates.

Continued