

or favor any particular Member in relationship to another Member or unfairly inhibit access to NSCC's services. NSCC therefore does not believe the proposed rule change would have any impact, or impose any burden, on competition.

*(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, NSCC will amend this filing to publicly file such comments 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](http://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](mailto:tradingandmarkets@sec.gov) or 202-551-5777.

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

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) <sup>27</sup> of the Act and paragraph (f) <sup>28</sup> of Rule 19b-4 thereunder. 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](mailto:rule-comments@sec.gov). Please include file number SR-NSCC-2025-017 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-2025-017. 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 ([www.dtcc.com/legal/sec-rule-filings](http://www.dtcc.com/legal/sec-rule-filings)). 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-2025-017 and should be submitted on or before January 7, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>29</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-23068 Filed 12-16-25; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release 34-104384; File No. SR-NASDAQ-2025-072]

### Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Amend the Exchange's Rules To Enable the Trading of Securities on the Exchange in Tokenized Form

December 12, 2025.

#### I. Introduction

On September 8, 2025, The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") <sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to amend the Exchange's rules to enable the trading of securities on the Exchange in tokenized form. The proposed rule change was published for comment in the **Federal Register** on September 22, 2025.<sup>3</sup> On November 3, 2025, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> This order institutes proceedings under Section 19(b)(2)(B) of the Act<sup>6</sup> to determine whether to approve or disapprove the proposed rule change.

#### II. Summary of the Proposal

As described in more detail in the Notice,<sup>7</sup> the Exchange is proposing to amend its rules to enable the trading of equity securities and exchange traded products on the Exchange in tokenized form.<sup>8</sup> Specifically, proposed rules Equity 1, Section 1, and Equity 4, Rules 4756, 4757, and 4758 would specify

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

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

<sup>3</sup> See Securities Exchange Act Release No. 103989 (September 16, 2025), 90 FR 45426 ("Notice"). Comments received on the proposed rule change are available at: <https://www.sec.gov/comments/sr-nasdaq-2025-072/srnasdaq2025072.htm>.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 104173, 90 FR 51424 (November 17, 2025). The Commission designated December 21, 2025, as the date by which the Commission shall approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

<sup>6</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>7</sup> See Notice, *supra* note 3. Capitalized terms not defined in this order are defined in the Exchange's rules.

<sup>8</sup> See *id.* at 45427.

<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f).

<sup>29</sup> 17 CFR 200.30-3(a)(12).

how Nasdaq proposes to trade tokenized securities.

First, the Exchange is proposing to amend its definition of a security, at Equity 1, Section 1, to include tokenized securities.<sup>9</sup> The proposed rule change specifies that the term “tokenized” in this instance refers to digital representations of paper securities that utilize digital ledger or blockchain technology, as opposed to “traditional” securities, which are also digital representations of paper securities, but do not utilize blockchain technology.<sup>10</sup> According to the Exchange, as long as tokenized securities are fungible with, have the same CUSIP number as, and afford their holders the same material rights and privileges as do traditional securities of an equivalent class, the Exchange would trade tokenized securities together with traditional securities on the same Order Book and according to the same execution priority rules.<sup>11</sup> A tokenized equity security would be deemed to provide the same material rights and privileges as a traditional security if, among other things, it conveys an equity interest in an underlying company, a right to receive any dividends that the company issues to its shareholders, a right to exercise any voting rights that shareholders are due, and a right to receive a share of the residual assets of the company upon liquidation.<sup>12</sup> The Exchange would not treat tokenized instruments to be equivalent to their traditional counterparts if they do not convey such rights, in whole or in material part, or share the same CUSIP, but instead the Exchange would treat these instruments as distinct (*e.g.*, derivative securities or ADRs).<sup>13</sup>

Second, the Exchange is proposing to amend its Order Entry Rule, at Equity 4, Rule 4756, to describe how a Participant<sup>14</sup> can communicate its desire to clear and settle a security in tokenized form.<sup>15</sup> The proposed amended Rule states that a Participant that wishes for its order to clear and

settle in tokenized form must notate its preference upon entry of the order in the System<sup>16</sup> by selecting a flag that the Exchange designates for this purpose, in accordance with the Exchange’s procedures.<sup>17</sup> When a Participant enters an order with the tokenization flag selected, the Exchange will communicate the Participant’s order handling instruction to The Depository Trust Company (“DTC”) on a post-trade basis.<sup>18</sup> DTC would then carry out the Participant’s instruction in accordance with DTC’s rules, policies, and procedures, or if it is unable to do so, it would make alternative clearing and settlement arrangements with the Participant.<sup>19</sup>

Third, the Exchange is proposing to amend its Book Processing Rule, at Equity 4, Rule 4757, to specify that if an order contains tokenized securities or indicates a preference to clear and settle securities in token form, it would not affect the priority in which the Exchange executes that order.<sup>20</sup>

Fourth, the Exchange is proposing to amend its Order Routing Rule, at Equity 4, Rule 4758, to state that when the Exchange routes orders that Participants have designated for clearing and settlement in token form, in accordance with the Exchange’s order entry rules and procedures, then the Exchange will communicate this tokenization instruction to DTC upon receiving an execution for an order that was routed to another trading venue.<sup>21</sup>

Nasdaq represents that apart from the above, as far as Nasdaq’s systems and matching engine are concerned, the Exchange’s trading procedures and behavior will be the same regardless of whether a member opts to trade tokenized or traditional shares of a stock.<sup>22</sup> The proposed rule change to offer trading in tokenized securities would become effective once the requisite infrastructure and post-trade settlement services have been established by DTC, with any required regulatory approvals having been obtained.<sup>23</sup> It is Nasdaq’s understanding that DTC is working to develop the necessary infrastructure, services, and procedures to facilitate such tokenization and the related post-trade settlement infrastructure and services.<sup>24</sup>

The post-trade settlement services, including the eligibility of a member’s orders to be settled in tokenized form, would be determined by DTC’s policies and procedures.<sup>25</sup>

### III. Proceedings To Determine Whether To Approve or Disapprove SR–NASDAQ–2025–072 and Grounds for Disapproval Under Consideration

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act<sup>26</sup> to determine whether the proposed rule change should be approved or disapproved. Institution of proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, the Commission seeks and encourages interested persons to provide comments on the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,<sup>27</sup> the Commission is providing notice of the grounds for disapproval under consideration. The Commission is instituting proceedings to allow for additional analysis of the proposed rule change’s consistency with the Act and, in particular, with (1) Section 6(b)(5) of the Act,<sup>28</sup> which requires, among other things, that the rules of a national securities exchange be 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, and (2) Section 6(b)(8) of the Act, which requires that the Exchange’s rules do not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.<sup>29</sup>

The Commission asks that commenters address the sufficiency of the Exchange’s statements in support of the proposal, which are set forth in the Notice, in addition to any other comments they may wish to submit about the proposed rule change. In particular, the Commission seeks comment on whether the proposal to

<sup>9</sup> See *id.* at 45429.

<sup>10</sup> See *id.*

<sup>11</sup> See *id.*

<sup>12</sup> See *id.* Nasdaq believes that tokenizing securities should not occur in a manner that deprives issuers of their ability to determine where and how their shares trade. However, according to Nasdaq, it is limited in its ability to afford issuers a choice as to whether their shares are or become tokenized by other markets. Nevertheless, Nasdaq encourage the Commission to consider the issue as it develops a new regulatory regime for tokenized securities. See *id.* at 45428 n. 8.

<sup>13</sup> See *id.* at 45429. The rule proposal does not address whether and how Nasdaq may choose to trade these non-fungible tokenized instruments in the future.

<sup>14</sup> Nasdaq Rules Equity 1, Section 1(a)(5).

<sup>15</sup> See Notice, *supra* note 3, at 45429.

<sup>16</sup> Nasdaq Rules Equity 1, Section 1(a)(3).

<sup>17</sup> See Notice, *supra* note 3, at 45429.

<sup>18</sup> See *id.*

<sup>19</sup> See *id.*

<sup>20</sup> See *id.*

<sup>21</sup> See *id.*

<sup>22</sup> See *id.* Nasdaq’s pricing structure and rates will not vary depending upon whether a transaction involves a share of a tokenized stock.

<sup>23</sup> See *id.* at 45430.

<sup>24</sup> See *id.*

<sup>25</sup> See *id.*

<sup>26</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>27</sup> *Id.*

<sup>28</sup> 15 U.S.C. 78f(b)(5).

<sup>29</sup> 15 U.S.C. 78f(b)(8).

trade securities in tokenized form is designed to be consistent with the Act or raises any new or novel concerns not previously contemplated by the Commission.

#### IV. Procedure: Request for Written Comments

The Commission requests that interested persons provide written submissions of their views, data and arguments with respect to the issues identified above, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposal is consistent with Sections 6(b)(5) and 6(b)(8) or any other provision of the Act, and the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4,<sup>30</sup> any request for an opportunity to make an oral presentation.<sup>31</sup>

Interested persons are invited to submit written data, views, and arguments regarding whether the proposed rule change should be approved or disapproved by January 7, 2026. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by January 21, 2026.

Comments may be submitted by any of the following methods:

##### Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-NASDAQ-2025-072 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-NASDAQ-2025-072. 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-NASDAQ-2025-072 and should be submitted on or before January 7, 2026. Rebuttal comments should be submitted by January 21, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>32</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-23073 Filed 12-16-25; 8:45 am]

**BILLING CODE 8011-01-P**

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104386; File No. SR-NYSEAMER-2025-72]

#### Self-Regulatory Organizations; NYSE American LLC; Notice of Filing of Proposed Rule Change To Amend Section 1003 of the NYSE American Company Guide

December 12, 2025.

Pursuant to Section 19(b)(1) <sup>1</sup> of the Securities Exchange Act of 1934 ("Act") <sup>2</sup> and Rule 19b-4 thereunder, <sup>3</sup> notice is hereby given that, on December 3, 2025, NYSE American LLC ("NYSE American" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III 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

The Exchange proposes to amend Section 1003 of the NYSE American Company Guide (the "Company Guide") to establish that an issuer must maintain

a certain global market capitalization and trading price per share in order to remain listed on the Exchange. The proposed rule change is available on the Exchange's website at [www.nyse.com](http://www.nyse.com), 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 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 those 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 parts of such statements.

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

###### 1. Purpose

Section 1003 of the Company Guide sets forth minimum quantitative and qualitative continued listing standards for securities listed on the Exchange. Issuers of common stock are required to maintain certain quantitative minimum standards related to stockholders' equity, <sup>4</sup> publicly held shares, <sup>5</sup> public shareholders <sup>6</sup> and aggregate market value of publicly held shares. <sup>7</sup> In addition, Section 1003 also sets forth qualitative continued listing standards related to, among other things, operations contrary to public interest <sup>8</sup> and reduction of operations. <sup>9</sup>

While the Exchange believes that its existing rules provide meaningful assurance that only financially sound and quality issuers remain listed on the Exchange, it has noticed a recent increase in companies that have either a (i) very small market capitalization, or (ii) very low trading price per share. The Exchange believes that an issuer having one or both of these characteristics is potentially susceptible to manipulation and more likely to experience trading volatility in its shares. As such, the Exchange now proposes to amend Section 1003 to specify that an issuer must maintain a certain global market capitalization and trading price per

<sup>4</sup> See Section 1003(a) of the Company Guide.

<sup>5</sup> See Section 1003(b)(i)(A) of the Company Guide.

<sup>6</sup> See Section 1003(b)(i)(B) of the Company Guide.

<sup>7</sup> See Section 1003(b)(i)(C) of the Company Guide.

<sup>8</sup> See Section 1003(f)(iii) of the Company Guide.

<sup>9</sup> See Section 1003(c) of the Company Guide.

<sup>30</sup> 17 CFR 240.19b-4.

<sup>31</sup> Section 19(b)(2) of the Act, as amended by the Securities Acts Amendments of 1975, Pub. L. 94-29 (June 4, 1975), grants the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. See Securities Acts Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

<sup>32</sup> 17 CFR 200.30-3(a)(57).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.