

BILLING CODE 8011-01-C

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed Amendment is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number 4-757 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 4-757. 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 (<http://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal offices of the Members. 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 4-757 and should be submitted on or before January 21, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴²

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-24058 Filed 12-30-25; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104503; File No. SR-MEMX-2025-34]

Self-Regulatory Organizations; MEMX LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 4.7 of the Exchange's CAT Compliance Rule

December 23, 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 December 11, 2025, MEMX LLC ("MEMX" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Item II below, which Item has 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 is filing with the Commission a proposed rule change to amend Rule 4.7 of the Exchange's compliance rule ("CAT Compliance Rule") regarding the National Market System Plan Governing the Consolidated Audit Trail (the "CAT NMS Plan" or "Plan")³ to be consistent with the amendment to the CAT NMS Plan that requires broker-dealers with a reporting obligation to the Consolidated Audit Trail ("CAT") to report whether an original receipt or origination of an order to sell an equity security is a short sale for which a market maker is claiming the bona fide market making exception in Rule 203(b)(2)(iii) of Regulation SHO ("BFMM Locate Exception").⁴ The text of the proposed rule change is available at the Exchange's website at <https://info.memxtrading.com/regulation/rules-and-filings/>, and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the CAT Compliance Rule.

⁴ See Securities Exchange Act Release Nos. 98738 (October 13, 2023), 88 FR 75100 (November 1, 2023); and 98739 (October 13, 2023), 88 FR 75079 (November 1, 2023).

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

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

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

1. Purpose

The purpose of this proposed rule change is to amend Rule 4.7 of the CAT Compliance Rule to be consistent with the amendment to the CAT NMS Plan related to the BFMM Locate Exception. In 2023, the Securities and Exchange Commission (the "Commission") amended the CAT NMS Plan to require the reporting to the CAT of reliance on the BFMM Locate Exception.⁵ Specifically, the Commission added paragraph (D) to Section 6.4(d)(ii) of the CAT NMS Plan, which requires each Participant, through its Compliance Rule, to require its Industry Members to record and report to the Central Repository the following: for the original receipt or origination of an order to sell an equity security, whether the order is for a short sale effected by a market maker in connection with bona fide market making activities in the security for which the exception in Rule 203(b)(2)(iii) of Regulation SHO is claimed.

Accordingly, the Exchange proposes to amend its CAT Compliance Rule to reflect this additional CAT reporting requirement. Specifically, the Exchange proposes to add subparagraph (G) to Rule 4.7(a)(2), which would require each Industry Member to record and report to the Central Repository the following:

For the original receipt or origination of an order to sell an equity security, whether the order is for a short sale effected by a market maker in connection with bona fide market making activities in the security for which the exception in Rule 203(b)(2)(iii) of Regulation SHO is claimed.

⁵ *Id.*

⁴² 17 CFR 200.30-3(a)(85).

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁶ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁷ requirements that the rules of an 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁸ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that this proposal is consistent with the Act because it is consistent with the amendment to the CAT NMS Plan approved by the Commission and is designed to assist the Exchange and its Industry Members in meeting regulatory obligations pursuant to the Plan. In approving the Plan, the SEC noted that the Plan “is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the Act.”⁹ To the extent that this proposal implements the Plan as amended, and applies specific requirements to Industry Members, the Exchange believes that this proposal furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Exchange Act.

B. Self-Regulatory Organization’s Statement on Burden on Competition

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

The Exchange notes that the proposed rule change is consistent with the amendment to the CAT NMS Plan approved by the Commission and is designed to assist the Exchange in meeting its regulatory obligations pursuant to the Plan. The Exchange also notes that the amendment to the CAT Compliance Rule will apply equally to all Industry Members that trade equity securities. In addition, all national securities exchanges and FINRA are proposing these amendments to their CAT Compliance Rules. Therefore, this is not a competitive rule filing, and, therefore, it does not impose a burden on competition.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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 Act¹⁰ and subparagraph (f)(6) of Rule 19b–4 thereunder.¹¹

A proposed rule change filed under Rule 19b–4(f)(6)¹² normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),¹³ 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. The Commission believes that waiving 30-day operative delay is consistent with the protection of investors and the public interest because the proposal seeks to amend the Exchange’s CAT

Compliance Rule to reflect the requirement in the CAT NMS Plan that industry members report for the original receipt or origination of an order to sell an equity security, whether the order is for a short sale effected by a market maker in connection with bona fide market making activities in the security for which the exception in Rule 203(b)(2)(iii) of Regulation SHO is claimed.¹⁴ The proposal does not introduce any novel regulatory issues. Accordingly, the Commission designates the proposed rule change to be operative upon filing.¹⁵

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission’s internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR–MEMX–2025–34 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–MEMX–2025–34. 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.

¹⁴ See *supra* note 4.

¹⁵ 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).

¹⁰ 15 U.S.C. 78s(b)(3)(A)(iii).

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

¹² 17 CFR 240.19b–4(f)(6).

¹³ 17 CFR 240.19b–4(f)(6)(iii).

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

⁸ *Id.*

⁹ See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696, 84697 (November 23, 2016).

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–MEMX–2025–34 and should be submitted on or before January 21, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁶

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–24049 Filed 12–30–25; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104510; File No. SR–OCC–2025–020]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by The Options Clearing Corporation Concerning a Change in the Maximum Contingent Operational Loss Fee Listed in OCC’s Schedule of Fees in Accordance With OCC’s Capital Management Policy

December 23, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on December 19, 2025, The Options Clearing Corporation (“OCC”) 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 primarily by OCC.

OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)³ of the Act and paragraph (f) or Rule 19b–4⁴ thereunder, such that the proposed rule change was immediately effective upon filing with the Commission. 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

This proposed rule change would implement a change in the maximum contingent Operational Loss Fee listed in OCC’s schedule of fees in accordance with OCC’s Capital Management Policy. OCC included proposed changes to its schedule of fees in Exhibit 5 [sic] to File No. SR–OCC–2025–020. Material proposed to be added to OCC’s schedule of fees as currently in effect is underlined and material proposed to be deleted is marked in strikethrough text. All capitalized terms not defined herein have the same meaning as set forth in the OCC By-Laws and Rules.⁵

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

In its filing with the Commission, OCC 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. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

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

(1) Purpose

The purpose of this proposed rule change is to revise OCC’s schedule of fees to update the maximum aggregate Operational Loss Fee that OCC would charge Clearing Members in equal shares in the unlikely event that OCC’s Liquid Net Assets Funded by Equity (“LNAFBE”)⁶ falls below certain

⁵ OCC’s By-Laws and Rules can be found on OCC’s public website: <https://www.theocc.com/Company-Information/Documents-and-Archives/By-Laws-and-Rules>.

⁶ While the relevant rules under the Exchange Act do not define the term, the Commission-approved Capital Management Policy defines LNAFBE as the level of cash and cash equivalents, no greater than shareholders’ equity, less any approved adjustments. These approved adjustments exclude cash that would not be available to cover general business expenses, including (1) cash collected by OCC in an agency-related capacity, including the Section 31 fees that OCC collects monthly and transmits to the Commission bi-annually on behalf of the options exchanges, and (2) OCC’s Minimum Corporate Contribution, which is the minimum level of OCC funds maintained exclusively to cover credit losses or liquidity shortfalls arising from a Clearing Member default, often referred to as “skin-in-the-game.” See Exchange Act Release Nos. 92038 (May 27, 2021), 86 FR 29861, 29862 (June 3, 2021) (SR–OCC–2021–003); 88029 (Jan. 24, 2020), 85 FR 5500 (Jan. 30, 2020) (SR–OCC–2019–007) (“Order Approving OCC’s Capital Management Policy”).

thresholds defined in OCC’s Capital Management Policy.

The proposed fee change is designed to enable OCC to replenish capital to comply with Rule 17Ad–22(e)(15) under the Exchange Act, which requires OCC, in pertinent part, to hold LNAFBE “to the greater of either (x) six months . . . current operating expenses, or (y) the amount determined by the board of directors to be sufficient to ensure a recovery or orderly wind-down of critical operations and services”⁷ and maintain “a viable plan, approved by the board of directors and updated at least annually, for raising additional equity should its equity fall close to or below the amount required.”⁸ The proposed rule change would implement a change in the maximum contingent Operational Loss Fee listed in OCC’s schedule of fees in accordance with OCC’s Capital Management Policy.

OCC’s Capital Management Policy includes OCC’s replenishment plan. Pursuant to the Capital Management Policy, OCC would charge an Operational Loss Fee in equal shares to Clearing Members to raise additional capital should OCC’s LNAFBE fall below certain defined thresholds relative to OCC’s Target Capital Requirement (*i.e.*, a “Trigger Event”), after first applying the unvested balance held in respect of OCC’s Executive Deferred Compensation Program.⁹ Specifically, a Trigger Event is when LNAFBE: (i) remains below the Target Capital Requirement for 90 consecutive calendar days; or (ii) falls below 90% of the Target Capital Requirement. Based on the Board-approved Target Capital Requirement for 2026 of \$323 million, a Trigger Event would occur if OCC’s LNAFBE falls below \$290.7 million at any time or below \$323 million for a period of 90 consecutive calendar days.

In the unlikely event those thresholds are breached, OCC would charge an Operational Loss Fee in an amount to raise LNAFBE to 110% of OCC’s Target Capital Requirement, up to the maximum Operational Loss Fee identified in OCC’s schedule of fees less the amount of any Operational Loss Fees previously charged and not refunded.¹⁰ OCC calculates the maximum aggregate Operational Loss Fee based on the amount determined by the Board to be sufficient for a recovery

⁷ See 17 CFR 240.17Ad–22(e)(15)(ii).

⁸ See 17 CFR 240.17Ad–22(e)(15)(iii).

⁹ See Exchange Act Release No. 101151 (Sept. 24, 2024), 89 FR 79668, 79669 (Sept. 30, 2024) (SR–OCC–2024–012) (amending OCC’s replenishment plan to measure the Trigger Event against OCC’s LNAFBE, rather than shareholders’ equity).

¹⁰ See Order Approving OCC’s Capital Management Policy, 85 FR at 5503.

¹⁶ 17 CFR 200.30–3(a)(12) and (59).

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).