

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104977; File No. 600–39]

### Paxos Securities Settlement Company, LLC; Notice of Filing of an Amendment to Application for Registration as a Clearing Agency Under Section 17A of the Securities Exchange Act of 1934

March 11, 2026.

On February 27, 2026, Paxos Securities Settlement Company, LLC (“PSSC”) filed with the Securities and Exchange Commission (“Commission”) an amendment (“Amendment”) to its application on Form CA–1 (“Application”) seeking to register as a clearing agency pursuant to Section 17A of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 17Ab2–1 thereunder.<sup>1</sup> PSSC originally filed its Application on July 14, 2025.<sup>2</sup> The filing of this Amendment serves as PSSC’s consent to extend the time for the Commission’s review of the Application to 90 days from the filing of the Amendment, or May 28, 2026.<sup>3</sup>

The Commission is publishing this notice (“Notice of Amendment”) to solicit comments on the Amendment.<sup>4</sup> A summary of the Application exhibits modified by the Amendment appears below.

#### I. Discussion

The Amendment modifies Exhibits C, E, and J of the Application, as described below.

In its amendment to Exhibit C.1,<sup>5</sup> PSSC has provided additional considerations regarding Member Directors and the requirement for fair representation set forth in Section 17A(b)(3)(C) of the Exchange Act, which state that: (i) Member Directors would not select the initial Public Directors or

the initial Chairman of the Board of Directors of PSSC;<sup>6</sup> (ii) the conflict of interest requirements prescribed in Commission Rule 17Ad–25 apply to Member Directors the same as other directors;<sup>7</sup> (iii) the role of Member Directors in the nomination of Independent Directors is consistent with the Exchange Act and rules thereunder;<sup>8</sup> and (iv) a Member Director also serving as a PSSC Corporate Officer cannot serve on a Board committee.<sup>9</sup>

In its amendment to Exhibit E.12, PSSC has provided a consolidated set of the PSSC Rules, removing Exhibits E.12 through E.36 which previously set forth Rules 1 through 15 separately. In addition to consolidating the PSSC Rules into one exhibit and making certain technical changes, PSSC has modified or added the following aspects of the PSSC Rules: Rule 2.4B regarding monitoring of credit risk ratings; Rule 2.5D regarding the termination of Counterparty Pairs or Eligible Securities; Rule 5.4B regarding the calculation of the Computed Margin Requirement; and Rule 6.1 regarding the requirement for timely settlement.<sup>10</sup> In addition, PSSC has deleted the definition of “Required Margin Deposit” and provisions of its rules related to the “Potential Adjustment to the Preliminary Computed Margin Requirement” and to the “Credit Risk Rating as a Modification Factor,” as originally set forth in Rules 5.4.1.7B and 5.4.2B respectively.

In modifying aspects of the PSSC Rules as described above, the Amendment modifies the Compliance and Risk Management Committee Charter at Exhibit E.7 to update certain cross references to the corresponding PSSC Rules.<sup>11</sup> In addition, in consolidating the PSSC Rules into one document (*i.e.*, Exhibit E.12), PSSC has revised the numbering for the Schedule of Fees from Exhibit E.37 to Exhibit E.13.<sup>12</sup>

In its amendment to Exhibit J, PSSC has made a number of technical changes, as well as the following changes: (i) under “Ongoing Monitoring of Participants,” adding discussion of its Credit Risk Rating and the Credit Risk Rating Matrix;<sup>13</sup> (ii) under “Counterparty Pairs for Settlement of Settlement Obligations,” adding discussion regarding actions PSSC may

take in response to a Participant’s outstanding Fails;<sup>14</sup> (iii) under “Margin,” in discussing “Computed Margin Requirement,” removing references to the Credit Risk Modification Factor and revising references to Fails Charges and Excessive Fails Penalties;<sup>15</sup> (iv) under “Margin,” in discussing the “Preliminary Computed Margin Requirement,” deleting discussion of the “Credit Risk Rating as a Modification Factor;” (v) under “Settlement,” in the context of a Participant’s failure to comply with PSSC Rules, adding reference to restrictions on access, disciplinary proceedings, and ceasing to act;<sup>16</sup> and (vi) at the end of Exhibit J, adding a new discussion of the “Ramp-Up Period,” during which PSSC explains that it would not commence operations sooner than ten months from the date of any approval of its Application and would limit operations in certain ways for at least the following 12 months after the initial 10-month period.<sup>17</sup> The specific elements of the Ramp Up Period are described further in the Amendment.

#### II. Request for Comment

Interested persons are invited to submit written data, views, and arguments concerning the Application as amended, including whether the Application as amended is consistent with the Exchange Act and the rules and regulations thereunder applicable to clearing agencies (*e.g.*, Exchange Act Rules 17Ad–22, 17Ad–25, 17Ad–26, and Regulation Systems Compliance and Integrity).<sup>18</sup>

Comments may be submitted by any of the following methods:

##### Electronic Comments

- Use the Commission’s internet comment form (<https://www.sec.gov/rules-regulations/how-submit-comment>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number 600–39 on the subject line.

##### Paper Comments

- Send paper comments to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

<sup>14</sup> *Id.* at 12.

<sup>15</sup> *Id.* at 18.

<sup>16</sup> *Id.* at 25.

<sup>17</sup> *Id.* at 37–39.

<sup>18</sup> See 17 CFR 240.17ad–22 (“Rule 17Ad–22”), 240.17ad–25 (“Rule 17Ad–25”), and 240.17ad–26 (“Rule 17Ad–26”); 17 CFR 242.1000 through 242.1007 (“Regulation Systems Compliance and Integrity”).

<sup>1</sup> 15 U.S.C. 78q–1; 17 CFR 240.17ab2–1.

<sup>2</sup> Notice of filing of the Application was published for comment in the *Federal Register* on August 6, 2025. Release No. 34–103624 (Aug. 1, 2025), 90 FR 37940 (Aug. 6, 2025). On November 4, 2025, the Commission instituted proceedings pursuant to Section 19(a)(1)(B) of the Exchange Act to determine whether to grant or deny the Application. Release No. 34–104174 (Nov. 4, 2025), 90 FR 51416 (Nov. 17, 2025) (“OIP”). On January 30, 2026, the Commission designated a longer period for Commission action on the OIP. Release No. 34–104757 (Jan. 30, 2026), 91 FR 4974 (Feb. 3, 2026).

<sup>3</sup> 15 U.S.C. 78s(a)(1)(B). See also 17 CFR 240.17Ab2–1(d).

<sup>4</sup> Non-confidential aspects of the Application exhibits modified by the Amendment, including any exhibits cited in this Notice of Amendment, are available on the Commission’s website together with the previously filed Application at: <https://www.sec.gov/rules-regulations/other-commission-orders-notices-information/pssc-form-ca-1>.

<sup>5</sup> Capitalized terms not defined in this Notice of Amendment are defined in the Application.

<sup>6</sup> Amendment, Exhibit C.1 at 9–10.

<sup>7</sup> *Id.* at 10.

<sup>8</sup> *Id.* at 10–12.

<sup>9</sup> *Id.* at 12.

<sup>10</sup> See Amendment, Exhibit E.12 (“PSSC Rules”).

<sup>11</sup> See Amendment, Exhibit E.7.

<sup>12</sup> See Amendment, Exhibit E.13.

<sup>13</sup> Amendment, Exhibit J at 7–9.

All submissions should refer to file number 600–39. 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-regulations/commission-orders-notices/other-commission-orders-notices-information>).

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 600–39 and should be submitted on or before April 6, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>19</sup>

**Vanessa A. Countryman,**  
Secretary.

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**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34–104965; File No. SR–ISE–2026–10]

**Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange’s Rules at Options 7, Section 4—Complex Order Fees and Rebates**

March 11, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on March 3, 2026, 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 Rules at Options 7, Section 4—Complex Order Fees and Rebates. Specifically, the Exchange proposes to modify the schedule of Priority Customer complex order rebates.<sup>3</sup>

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**

The purpose of the proposed rule change is to amend the complex order rebates in the Exchange’s Pricing Schedule (Options 7). Specifically, the Exchange proposes to amend its Pricing Schedule at Section 4—Complex Order Fees and Rebates.

Currently, the Exchange offers tiered complex order rebates for Select Symbols<sup>5</sup> and Non-Select Symbols<sup>6</sup> based on the Priority Customer<sup>7</sup> Complex Tier achieved.<sup>8</sup> The schedule of tiered complex order Priority Customer rebates for Select Symbols and Non-Select Symbols is currently as follows:

Priority customer complex tier	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	Rebate for select symbols	Rebate for non-select symbols
Tier 1 .....	0.000%–0.200% .....	(\$0.25)	(\$0.50)
Tier 2 .....	Above 0.200%–0.400% .....	(0.30)	(0.60)
Tier 3 .....	Above 0.400%–0.550% .....	(0.40)	(0.80)
Tier 4 .....	Above 0.550%–0.750% .....	(0.45)	(0.85)

<sup>19</sup> 17 CFR 200.30–3(a)(16).

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> The Exchange initially filed this proposal on February 27, 2026, with a designated operative date of March 2, 2026 (SR–ISE–2026–06). On March 3, 2026, the Exchange withdrew SR–ISE–2026–06 and submitted this filing.

<sup>4</sup> A “Complex Order” is any order involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, as provided in Options 3, Section 14, as well as Stock-Option Orders, as that term is defined in Options 3, Section 14(a)(2). See Options 7, Section 1(c).

<sup>5</sup> “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).

<sup>6</sup> “Non-Select Symbols” are options overlying all symbols excluding Select Symbols. No Priority Customer complex order rebates will be paid for

orders in NDX, XND or MNX. See Options 7, Section 4, note 4.

<sup>7</sup> The term “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 Options 1, Section 1(a)(38). Unless otherwise noted, when used in the Pricing Schedule, the term “Priority Customer” includes “Retail”. See Options 7, Section 1(c). A “Retail” order is a Priority Customer order that originates from a natural person, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology. See *id.*

<sup>8</sup> 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.

“Customer Total Consolidated Volume” means the total national volume cleared at The Options Clearing Corporation in the Customer range in equity and ETF options in that month. See Options 7, Section 1(c). 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. An “Appointed OFP” would receive the rebate associated with the qualifying volume tier based on aggregated volume. See Options 7, Section 4, note 16. As set forth in Options 7, Section 1(c), an Appointed OFP is an Order Flow Provider who has been appointed by a Market Maker for purposes of qualifying as an Affiliated Entity, and an Order Flow Provider is any Member, other than a Market Maker, that submits orders, as agent or principal, to the Exchange.