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The Exchange advises its members and member applicants of any fees charged in connection with processing of fingerprints pursuant to this Plan. The Exchange will file any such Exchange member fees with the Commission pursuant to section 19(b) of the Act.

Any copies of fingerprint reports received from the Attorney General with respect to fingerprints submitted by the Exchange pursuant to this Plan will be maintained by the Exchange in accordance with the Exchange's record retention obligations under the Act. Any maintenance of fingerprint records by the Exchange shall be for the Exchange's own administrative purposes, and the Exchange is not undertaking to maintain fingerprint records on behalf of Exchange members pursuant to Rule 17f-2(d)(2).

The Exchange shall not be liable for losses or damages of any kind in connection with the fingerprint services, as a result of a failure to properly follow the procedures described above, or as a result of lost or delayed fingerprint cards, fingerprint records, or fingerprint processing results, or as a result of any action by the Exchange or the Exchange's failure to take action in connection with this Plan.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105619; File No. SR-ICC-2026-005]

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change Relating to the Treasury Clearing Service Initial Margin Approach Model Description Document, Treasury Clearing Service Guaranty Fund and Stress Test Approach Model Description Document, and Treasury Clearing Service Risk Parameter Setting and Review Policy

June 5, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1) and Rule 19b-4, 17 CFR 240.19b-4, notice is hereby given that on May 28, 2026, ICE Clear Credit LLC ("ICC" or "ICE Clear Credit") filed with the Securities and Exchange Commission ("Commission") the proposed rule change, security-based swap submission, or advance notice as described in Items I, II and III below, which Items have been prepared by ICC. The Commission is publishing this notice to solicit comments on the proposed rule change, security-based swap submission, or advance notice from interested persons.

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

The principal purpose of the proposed rule change is to revise certain documentation governing ICC's U.S. Treasury ("Treasury") clearing service (the "Treasury Clearing Service"), including the Treasury Clearing Service Initial Margin ("IM") Approach Model Description Document ("IM Approach Model Description"), Treasury Clearing Service Guaranty Fund ("GF") and Stress Test Approach Model Description Document ("GF and Stress Test Approach Model Description"), and Treasury Clearing Service Risk Parameter Setting and Review Policy ("Risk Parameter Policy"). Such policies and procedures are collectively referred to as the "Treasury Clearing Service Risk Documentation" herein.

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

In its filing with the Commission, ICC included statements concerning the purpose of and basis for the proposed rule change, security-based swap submission, or advance notice and discussed any comments it received on the proposed rule change, security-

based swap submission, or advance notice. The text of these statements may be examined at the places specified in Item IV below. ICC 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*

(a) Purpose

ICC proposes changes to the Treasury Clearing Service Risk Documentation. As background, ICC filed an application on Form CA-1 ("Application") under Section 17A of the Securities Exchange Act of 1934 (the "Act")¹ with the Securities and Exchange Commission ("Commission") to register as a clearing agency to provide central counterparty services for transactions involving U.S. Treasury securities on August 1, 2025. Notice of ICC's Application was published in the **Federal Register** on August 21, 2025.² The Application contained the Treasury Rules³ and certain other policies and procedures governing the Treasury Clearing Service, including the GF and Stress Test Approach Model Description, IM Approach Model Description, and Risk Parameter Policy. The Commission issued an order granting ICC's Application for registration as a clearing agency to provide central counterparty services for transactions involving U.S. Treasury securities on January 30, 2026.⁴

ICC proposes to amend the Treasury Clearing Service Risk Documentation. The proposed changes generally respond to feedback received on the Treasury Clearing Service Risk Documentation and include clarifying amendments and other minor clean-up changes. ICC believes that such revisions will facilitate the prompt and accurate clearance and settlement of securities transactions. ICC proposes to make such changes effective following Commission approval of the proposed rule change. The proposed revisions are described in detail as follows.

¹ 15 U.S.C. 78q-1.

² See Securities Exchange Act Release No. 103727 (August 18, 2025), 90 FR 40879 (August 21, 2025) (File No. 600-45).

³ ICC's Treasury Rules are available on ICC's public website: https://www.ice.com/publicdocs/clear_credit/ICE_Clear_Credit_Treasury_Clearing_Rules.pdf.

⁴ See Securities Exchange Act Release No. 104762 (January 30, 2026), 91 FR 5528 (February 6, 2026) (File No. 600-45).

Treasury Clearing Service Risk Documentation Overview

ICC's risk management practices for the Treasury Clearing Service are documented in various policies and procedures, including the IM Approach Model Description, the GF and Stress Test Approach Model Description, and Risk Parameter Policy. The IM Approach Model Description sets forth the quantitative risk models and associated methods and techniques used to estimate IM requirements for cleared portfolios of Treasury related instruments. The GF and Stress Test Approach Model Description describes the general stress testing framework for GF computations developed by ICC for the Treasury Clearing Service and used for financial resources modeling and GF design. The Risk Parameter Policy describes the process of setting and reviewing the risk management model core parameters and their underlying assumptions for the Treasury Clearing Service, as described in the IM Approach Model Description and the GF and Stress Test Approach Model Description.

IM Approach Model Description

As set out in the IM Approach Model Description, ICC's risk management modeling approach features computations of statistical IM risk measures and add-on requirements. In particular, ICC's risk management model for the Treasury Clearing Service includes a statistically calibrated U.S. interest rate ("IR") dynamics component and liquidation risk add-ons. The IR dynamics component is the main component of the total portfolio IM requirements, which provides collateralization of potential losses in response to mark-to-market changes. Moreover, this statistically calibrated component reflects fluctuations in market observed quantities and their direct profit/loss impacts. The liquidation risk add-on components capture the losses associated with the liquidation process of cleared portfolios, informed from adverse effects of market frictions encountered during major market events. ICC does not propose substantive changes to the IM approach. The proposed changes generally respond to feedback received on the IM approach, including from an independent validator, and include clarifying amendments or other clean-up changes, as further described below.

ICC proposes clarifications or clean-ups in Section I.1, which introduces the univariate distributions of IR changes used as part of ICC's IM methodology for the Treasury Clearing Service. ICC

proposes edits to equations and terminology throughout this section. For clarity, ICC proposes an amendment to equation 4 to further simplify the equation without changing its substance. ICC proposes to amend the description of equation 6 to more clearly reflect that the equation describes a "standardization" rather than a "normalization."

ICC proposes additional clarifications or clean-ups in Subsection I.1.i. With respect to parameter estimation, ICC proposes to amend equation 9 to more clearly set out the second line of the equation as well as the applicable ranges. Further edits and additional equation numbering are introduced to improve readability. In addition, ICC proposes clarifying language with respect to a specific parameter used as part of the IM methodology, namely the exponentially weighted moving average ("EWMA") factor, including to specify that it is tenor-specific and the quantity it represents.

ICC proposes additional updates to Section I.2, which describes ICC's approach to the construction, estimation, and simulation of the dependence structure among the univariate distributions introduced in Section I.1. In Subsection I.2.ii, ICC proposes to correct a typographical error that references both the "lower" and "upper" coefficient between two variables where only one is applicable. In Subsection I.2.iv, ICC proposes to more specifically identify a parameter value and correct a typographical error in the description of equation 34 (previously equation 25). ICC also proposes additional edits to reflect how the model is currently parameterized with respect to the IR level floor considered for each tenor. The current language specifies that the floor level can be set to a negative value. As amended, ICC would specify that the floor level is set to a negative value.

ICC proposes additional updates to Section I.3 related to risk estimations. ICC proposes to amend equation 40 (previously equation 31), which describes how for every portfolio, the profit/loss response to positive and negative discount rate changes is incorporated in the IR dynamics component of IM requirements. In particular, ICC proposes to explicitly reference anti-procyclicality ("APC") in this equation 40 and in new equation 41. The IR dynamics component is enhanced with a stress-loss APC analysis, which provides additional stability of IM requirements. The aforementioned changes are intended to enhance clarity, improve transparency, and align the documentation more

clearly with ICC's risk management methodology for the Treasury Clearing Service.

GF and Stress Test Approach

The purpose of the GF and Stress Test Approach Model Description is to describe the general stress testing framework for GF computations used for financial resources modeling and GF design for the Treasury Clearing Service. ICC establishes a separate GF for the Treasury Clearing Service designed to provide mutualization of losses associated with extreme but plausible market scenarios where the considered stress losses exceed the collateralized losses corresponding to the IR dynamics component of the computed IM requirements. ICC utilizes statistical stress testing and scenario-based stress loss analysis techniques to estimate potential stress loss over IM for every portfolio. ICC does not propose substantive changes to the approach currently set out in the GF and Stress Test Approach Model Description. The proposed changes generally respond to feedback received on the GF and stress test approach, including from an independent validator, and include clarifications or other clean-up changes, as further described below.

ICC proposes changes to Section I, which describes the GF and stress test methodology. The IR dynamics component is estimated as a function of the 99% Value-at-Risk ("VaR") portfolio measure in response to a Monte Carlo simulated scenario set. ICC proposes clarifying language to note that, by convention, such VaR risk measures are associated with negative outcomes that will only be exceeded with a probability of 1%. This section also describes the two general types of portfolios considered by ICC in developing its risk management approach: Treasury Participant ("Participant") proprietary/house portfolios and Customer Access Model portfolios, which consist of individual client-related portfolios. ICC proposes clarifying language to explain the rationale for the different approaches to the IM analyses and computations.

ICC proposes additional changes to Section I.1, which sets out general concepts for purposes of the GF and Stress Test Approach Model Description. The current language describes the creation of a correlation regime and ICC proposes additional detail to describe the related Expected Shortfall risk measures, which represent the conditional expected values over the outcomes (related to the considered dependence structures) that are expected to be realized with a

probability of less than 1%. Additional edits correct typographical errors and clarify that equation 3 relates to statistical stress testing in respect of the VaR risk measure.

ICC proposes additional edits to Section I.2, which describes certain Participant account estimations. For purposes of equation 4, ICC proposes to clarify that, if a simulated loss occurs, ICC applies the available VaR portion of the IR dynamics component, rather than IR dynamics component more broadly, to collateralize the loss. Additionally, ICC proposes to amend equation 5 and the accompanying description to indicate that the equation produces an expected value estimation. Relatedly, ICC proposes more specific language to clarify the resources that are considered to further support the conservative bias of the estimation.

Finally, ICC proposes additional changes to Section I.4 to amend the minimum GF contribution from \$20 million to \$10 million to ensure consistency with the proposed changes described in ICC Filing No. SR-ICC-2026-002.⁵

Risk Parameter Policy

The Risk Parameter Policy describes the process of setting and reviewing the risk management model core parameters and their underlying assumptions for the Treasury Clearing Service. The Risk Parameter Policy also describes the tools and methods used to estimate core parameters, determine appropriate parameter settings, and review the IM and GF model assumptions. The proposed changes generally respond to feedback received on ICC's approach and include clarifications or clean-up changes, as further described below.

ICC proposes to update Table 1 in Section 1 that lists core model parameters and parameter related information. The proposed changes specify that the EWMA factor parameter is tenor-specific and include a new tenor specific minimum rate level parameter, which is further described in proposed Section 2.7 and is associated with the IR dynamics component.

ICC proposes amendments to Section 1.4, which describes the parameters associated with the IR dynamics approach. Pursuant to Subsection 1.4.1, the ICC Risk Management Department performs sensitivity analyses on certain univariate IR dynamics parameters at least monthly. The current language specifies that the sensitivity analyses are performed by introducing (1) different

parameter calibration methods for certain parameters and estimations and (2) different values for the EWMA factor. ICC proposes reversing the order of these items in Section 1.4 and Section 2. Additionally, in Subsection 1.4.3, ICC proposes to update the portfolio notation (*i.e.*, "IT" instead of "P") in equation 2 to align with such notation used throughout the Treasury Clearing Service Risk Documentation.

Section 2 explores the sensitivity of the Treasury Clearing Service risk management system's outputs to certain core parameters and alternative data analysis and model parameter estimation techniques. ICC proposes changes to Section 2.1 (previously Section 2.2), which describes the sensitivity analyses performed by introducing different values for the EWMA factor. Currently, ICC sets the EWMA factor at a defined value and re-estimates certain parameters and levels for two alternative EWMA factors. Under the amended language, ICC maintains the EWMA factors as tenor-specific parameters to address volatility clustering for each tenor and to maintain the adaptiveness of the IM requirements to market conditions while preserving the stability of those requirements. New appendix 3 contains a set of initial tenor-specific EWMA factors. The amended language states that ICC performs time series devolatilization and subsequent estimations for IR increases and decreases for two alternative sets of EWMA factors in addition to the current set of tenor-specific EWMA factors. Proposed figures illustrate initial and devolatilized IR changes to show the effect of devolatilization. Additional proposed language supports the use of such EWMA process over an alternative statistical process (*i.e.*, the Generalized Auto-Regressive Conditional Heteroscedastic or "GARCH" process) described in the following section. As noted under the current language, the impact of the alternative EWMA factors is expected to be small. ICC proposes corresponding changes to Table 2, which sets out the related sensitivity analysis scenarios, to ensure consistency across the document.

ICC proposes amendments to Section 2.2 (previously Section 2.1). ICC proposes to update the section title to more specifically reference the univariate model. This section title would be updated from "Alternative Models for Fitting Distributions to Observed Data" to "Alternative Univariate Models." The current language describes the current EWMA process used as part of the IR dynamics model and the alternative GARCH

process, along with the associated statistical techniques used for parameter estimation. ICC proposes updates to this section to clarify that such processes and parameter estimation techniques are not interchangeable, and such processes and techniques are grouped accordingly in amended Table 2. For clarity, additional language updates align with the updated section title by referring to the "alternatively estimated univariate model," rather than alternatively estimated parameters and risk scales. Further edits enhance clarity by referring to "rate changes" to clarify what ICC is deriving or estimating and discuss the utilization of alternative time series devolatilization.

ICC proposes additional edits to Sections 2 and 4. ICC proposes to update the quantile levels used for a sensitivity analysis in Section 2.4 and Table 2. ICC proposes terminology updates to replace "shifts" or "shifting" with more specific language, including "regime changes" and "switching" in Section 2.5 and Table 2. ICC proposes to define a reference to volatility shifts as certain regime changes and to add commas where appropriate in Section 2.5. ICC proposes new Section 2.7 to discuss the minimum rate levels that are considered for each Treasury constant maturity tenor, with the corresponding values documented in a new appendix to the document. Finally, ICC proposes changes to Section 5 to set out the proposed appendices mentioned above and clarifications to note which scenarios and tables are expressed in basis points.

(b) Statutory Basis

ICC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act⁶ and the regulations thereunder applicable to it, including the applicable standards under Rule 17Ad-22.⁷ In particular, Section 17A(b)(3)(F) of the Act⁸ requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, to assure the safeguarding of securities and funds in the custody or control of the clearing agency or for which it is responsible, and to protect investors and the public interest.

As described above, the proposed changes generally respond to feedback received on the Treasury Clearing Service Risk Documentation and include clarifying amendments and

⁵ See Securities Exchange Act Release No. 105526 (May 20, 2026), 91 FR 30751 (May 26, 2026) (File No. SR-ICC-2026-002).

⁶ 15 U.S.C. 78q-1.

⁷ 17 CFR 240.17Ad-22.

⁸ 15 U.S.C. 78q-1(b)(3)(F).

other minor clean-up changes. Such changes promote readability and clarity with respect to ICC's risk management modeling approach; general stress testing framework for GF computations, financial resources modeling and GF design; and the process for setting and reviewing the risk management model core parameters and their underlying assumptions to ensure that the documentation remains up-to-date, clear and transparent to support the effectiveness of ICC's risk management for the Treasury Clearing Service. For example, among other changes, ICC proposes to simplify or clarify equations, more specifically identify a parameter value, and update language describing how the model is currently parameterized in the IM Approach Model Description. Additional proposed language in the GF and Stress Test Approach Model Description describes the rationale for different approaches to the IM analyses and computations and clarifies which portion of the IR dynamics component is applied to collateralize a loss. The updates to the Risk Parameter Policy revise the descriptions of the sensitivity analyses performed by ICC, including to introduce a new appendix containing a set of initial tenor-specific EWMA factors, provide support for the use of ICC's EWMA process, and clarify that certain processes and parameter estimation techniques are not interchangeable. Moreover, as described above, the proposed changes address independent validation recommendations and enhance the readability and transparency of the Treasury Clearing Service Risk Documentation, which would strengthen the methodology and risk management practices, which would in turn strengthen ICC's ability to maintain its financial resources and withstand the pressures of defaults. Accordingly, in ICC's view, the proposed rule change is designed to promote the prompt and accurate clearance and settlement of the contracts cleared at ICC, to assure the safeguarding of securities and funds in the custody or control of ICC or for which it is responsible, and to protect investors and the public interest, within the meaning of Section 17A(b)(3)(F) of the Act.⁹

Rule 17Ad-22(e)(2)(i) and (v)¹⁰ requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to provide for governance arrangements that are clear and transparent and specify clear and

direct lines of responsibility. The Treasury Clearing Service Risk Documentation clearly assigns and documents responsibility and accountability for key risk management functions to relevant departments or groups, including the estimation and review of the model core parameters and the performance of sensitivity analysis. The proposed changes more clearly set out such key risk management functions to ensure that responsible parties appropriately carry out their assigned duties. As such, in ICC's view, the proposed rule change continues to ensure that ICC maintains policies and procedures that are reasonably designed to provide for clear and transparent governance arrangements and specify clear and direct lines of responsibility, consistent with Rule 17Ad-22(e)(2)(i) and (v).¹¹

Rule 17Ad-22(e)(4)(iii) and (vi)¹² requires each covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes, including by maintaining additional financial resources at the minimum to enable it to cover a wide range of foreseeable stress scenarios that include, but are not limited to, the default of the participant family that would potentially cause the largest aggregate credit exposure for the covered clearing agency in extreme but plausible market conditions, and by testing the sufficiency of its total financial resources available to meet the minimum financial resource requirements, including by conducting stress testing of its total financial resources once each day using standard predetermined parameters and assumptions; conducting a comprehensive analysis on at least a monthly basis of the existing stress testing scenarios, models, and underlying parameters and assumptions; and reporting the results of its analyses to appropriate decision makers at ICC. The proposed changes promote the soundness of ICC's risk management approach for the Treasury Clearing Service by more clearly setting forth the quantitative risk models and associated methods and techniques used to estimate IM requirements for cleared portfolios of Treasury related instruments. As amended, the GF and Stress Test Approach Model Description more clearly describes the general stress testing framework for GF computations.

The amended Risk Parameter Policy more clearly describes the process of setting and reviewing the risk management model core parameters and their underlying assumptions for the Treasury Clearing Service and the performance the sensitivity analyses, including the sensitivity of the Treasury Clearing Service risk management system's outputs to certain core parameters and alternative data analysis and model parameter estimation techniques. Moreover, under the changes, the GF would continue to provide adequate funds to cover losses in accordance with regulatory requirements and would continue to support a significant liquidity pool in case of liquidity events. ICC will continue to size the GF to provide financial resources based on Cover-2 regulatory standards. ICC believes that the proposed rule change addresses independent validation recommendations and enhances the readability and transparency of the Treasury Clearing Service Risk Documentation, which would strengthen the methodology and documentation and ensure it remains up-to-date, clear and transparent. As such, the proposed amendments would strengthen ICC's ability to maintain its financial resources and withstand the pressures of defaults. ICC thus believes the proposed rule change meets the requirements of Rule 17Ad-22(e)(4)(iii) and (vi).¹³

Rule 17Ad-22(e)(6)(i)¹⁴ requires ICC to establish, implement, maintain, and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market. The proposed clarifications would further promote clarity and transparency in the Treasury Clearing Service Risk Documentation, including in the Risk Parameter Policy. In ICC's view, the proposed changes thus enhance and strengthen ICC's process for reviewing and setting the model core parameters, which in turn serves to promote the soundness of ICC's risk management model and system, which will continue to consider and produce margin levels commensurate with the risks and particular attributes of each relevant product, portfolio, and market,

⁹ *Id.*

¹⁰ 17 CFR 240.17Ad-22(e)(2)(i) and (v).

¹¹ *Id.*

¹² 17 CFR 240.17Ad-22(e)(4)(iii) and (vi).

¹³ *Id.*

¹⁴ 17 CFR 240.17Ad-22(e)(6)(i).

consistent with the requirements of Rule 17Ad-22(e)(6)(i).¹⁵

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

ICC does not believe the proposed rule change would have any impact, or impose any burden, on competition. The proposed changes to the Treasury Clearing Service Risk Documentation will apply uniformly across all market participants. ICC does not believe these amendments would affect the costs of clearing or the ability of market participants to access clearing. Therefore, ICC does not believe the proposed rule change would impose any burden on competition that is inappropriate in furtherance of the purposes of the Act.

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

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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 (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-ICC-2026-005 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-ICC-2026-005. 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 such filings will be available for inspection and copying at the principal office of ICE Clear Credit and on ICE Clear Credit's website at <https://www.ice.com/clear-credit/regulation>.

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-ICC-2026-005 and should be submitted on or before July 1, 2026.

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

Sherry R. Haywood,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105621; File No. SR-ISE-2026-31]

Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Adopt Non-Conforming Ratios

June 5, 2026.

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 May 29, 2026, Nasdaq ISE, LLC ("ISE" or "Exchange") filed with the Securities and Exchange Commission ("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

¹⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 permit Complex Orders to trade in non-conforming and conforming ratios both on the Complex Order Book and in various auctions.

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 Exchange proposes to permit Complex Orders to trade in non-conforming and conforming ratios³ both on the Complex Order Book and in various auctions. This proposed rule change is substantially similar to SR-MIAX-2023-01.⁴

Background

The Exchange currently permits only a Complex Options Strategy where the ratio between the sizes of the options

³ The term "conforming ratio" is where the ratio between the sizes of the options components of a Complex Order is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00). For example, a one-to-two (.5) ratio, a two-to-three (.667) ratio, or a two-to-one (2.00) ratio is a conforming ratio, whereas a one-to-four (.25) ratio or a four-to-one (4.0) ratio is not; where one component of the Complex Order is the underlying security, the ratio between any options component and the underlying security component must be less than or equal to eight contracts to 100 shares of the underlying security. Only a Complex Order with a conforming ratio is accepted into the Exchange. See Options 1, Section 1(a)(13).

⁴ See Securities Exchange Act Release No. 96752 (January 26, 2023), 88 FR 6795 (January 26, 2023) (SR-MIAX-2023-01) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 518, Complex Orders).

¹⁵ *Id.*