



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-102957; File No. SR-NYSECHX-2025-04]

Self-Regulatory Organizations; NYSE Chicago, Inc.; Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, to Amend Exchange Rules 1.1, 5, 7.18, 8 and Exchange Article 22, Rules 24-27

April 29, 2025.

I. Introduction

On March 10, 2025, the NYSE Chicago, Inc. (now known as NYSE Texas, Inc., “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to: (a) amend Exchange Rules 5, 7.18, and 8 to permit the listing and trading of shares of certain exchange-traded products on the Exchange; (b) amend Exchange Rule 1.1 to change the definition of “Exchange-Traded Product” to “Derivative Securities Product” and include Exchange-Traded Fund Shares in the definition; and (c) delete redundant listing rules set forth in Exchange Article 22, Rules 24-27. The proposed rule change was published for comment in the Federal Register on March 18, 2025.³ On April 23, 2025, the Exchange filed Amendment No. 1, which amends and replaces the proposed rule change in its entirety.⁴ The Commission has received no comments on the proposed rule change. The

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 102617 (March 12, 2025), 90 FR 12578.

⁴ In Amendment No. 1, the Exchange: (a) corrected typographical errors in proposed rule text references; (b) referred to certain changes applicable to Market Makers made in a separate proposed rule change (see Securities Exchange Act Release No. 102874 (April 16, 2025), 90 FR 16896 (April 22, 2025) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 1.1, Reinstate Article 16, Rules 1 through 4 and Relocate Them) (SR-NYSETEX-2025-05)); (c) furnished a representation regarding the prohibition on the misuse of non-public information (see infra note 20); and (d) made changes to reflect the new name of the Exchange (see Securities Exchange Act Release No. 102507 (February 28, 2025), 90

Commission is publishing this notice to solicit comments on Amendment No. 1 to the proposed rule change from interested persons, and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

II. Exchange's Description of the Proposed Rule Change, as Modified by Amendment No. 1

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

The Exchange proposes amendments to (1) Rules 5, 7.18, and 8 to permit the listing and trading of certain Exchange Traded Products (“ETPs”) on the Exchange,⁵ and (2) Rule 1.1 to conform the definition of “Exchange Traded Product” to “Derivative Securities Product” in NYSE Arca Rule 1.1 and include Exchange-Traded Fund Shares in the definition. The proposed rule changes would adopt the initial and continued listing standards for these products based on the rules of the Exchange's affiliate NYSE Arca, Inc (“NYSE Arca”) without substantive change. The Exchange also proposes to delete redundant listing rules in Article 22, Rules 24-27.

Background

FR 11445 (March 6, 2025) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Repeal the Exchange's Certificate of Incorporation; Adopt the Certificate of Formation of NYSE Texas, Inc.; Amend the Exchange's By-Laws, Rules, and Certain Fee Schedules; and Amend the Certificate of Incorporation and By-Laws of the Exchange's Holding Company To Reflect the Conversion of the Exchange to a Texas Corporation and the Renaming of NYSE Chicago Holdings, Inc.) (SR-NYSECHX-2025-01)). In addition, Amendment No. 1 requests accelerated approval of the proposal pursuant to Section 19(b)(2) of the Act. Amendment No. 1 to the proposed rule change is available on the Commission's website at: <https://www.sec.gov/comments/sr-nysechx-2025-04/srnysechx202504-593435-1721362.pdf>.

⁵ Rule 1.1(k) defines “Exchange Traded Product” as a security that meets the definition of “derivative securities product” in Rule 19b-4(e) under the Securities and Exchange Act of 1934 (the “Act”).

Current rules permit the trading on the Exchange of securities, including certain ETPs, on an unlisted trading privileges (“UTP”) basis. Rule 1.1(k) defines “UTP Exchange Traded Product” to mean one of the following ETPs that trades on the Exchange on a UTP basis:

- Equity Linked Notes, Investment Company Units listed pursuant to NYSE Arca Rule 5.2- E(j)(3) and Index Fund Shares listed pursuant to Cboe BZX Exchange, Inc. (“Cboe BZX”) Rule 14.11(c) or Nasdaq Stock Exchange LLC (“Nasdaq”) Rule 5705(b);
- Index-Linked Exchangeable Notes;
- Equity Gold Shares;
- Equity Index-Linked Securities;
- Commodity-Linked Securities;
- Currency-Linked Securities;
- Fixed-Income Index-Linked Securities;
- Futures-Linked Securities;
- Multifactor-Index-Linked Securities;
- Trust Certificates;
- Currency and Index Warrants;
- Portfolio Depository Receipts;
- Trust Issued Receipts;
- Commodity-Based Trust Shares;
- Currency Trust Shares;
- Commodity Index Trust Shares;
- Commodity Futures Trust Shares;
- Partnership Units;
- Paired Trust Shares;

- Trust Units, Managed Fund Shares;
- Managed Trust Securities;
- Managed Portfolio Shares; and
- Active Proxy Portfolio Shares listed pursuant to NYSE Arca, Inc. Rule 8.601-E, Tracking Fund Shares listed pursuant to Cboe BZX Rule 14.11(m), and Proxy Portfolio Shares listed pursuant to Nasdaq Rule 5750.

The Exchange proposes substantially identical rules to those of NYSE Arca for the qualification and listing of ETPs on the Exchange. Each proposed rule corresponds to the same rule number as the NYSE Arca rule on which it is based and each is being adopted in substantially the same form.

Proposed Rule Change

The Exchange proposes certain non-substantive, technical and conforming changes throughout the proposed rules, as follows. In addition to minor spelling, grammatical and other similar changes and edits, the Exchange proposes to use:

- “Exchange” rather than “NYSE Arca” or “NYSE Arca Marketplace”;
- “will” rather than “shall”;
- “Participant” rather than “ETP Holder” to reflect the Exchange’s membership structure; and
- “Core Trading Hours” rather than “NYSE Arca Marketplace trading hours.”

Further, as discussed below, the Exchange proposes to amend Rule 7.18 (Halts) to add a new section (c)(2) governing trading halts for listed ETPs based on the corresponding NYSE Arca rule. The proposed rules would accordingly reference Rule 7.18.

Rule 1.1

The Exchange proposes to amend Rule 1.1, which sets forth definitions of terms used in Exchange rules, including the terms “Exchange Traded Product” and “UTP Exchange Traded Product.” Specifically, the Exchange proposes to conform these terms with NYSE Arca Rule 1.1,

which uses the terms “Derivative Securities Product” and “UTP Derivative Securities Product.” In addition, the Exchange would amend the definition of “Derivative Securities Product” to include Exchange-Traded Fund Shares listed pursuant to NYSE Arca Rule 5.2-E(j)(8), Exchange-Traded Fund Shares listed pursuant to New York Stock Exchange LLC (“NYSE”) Rule 5.2(j)(8), Exchange-Traded Fund Shares listed pursuant to Cboe BZX Rule 14.11(l), and Exchange Traded Fund Shares listed pursuant to Nasdaq Rule 5704 as additional types of ETPs that may trade on the Exchange.

To effect these changes, the Exchange proposes to amend the heading of the definition and the text of the Rule to replace “Exchange Traded” with “Derivative Securities” in conformity with NYSE Arca Rule 1.1 and add the following clause from that definition which reads “With respect to cash equity securities traded on the Exchange,” to the first sentence of the Rule. In addition, the Exchange would add a bullet point listing “Exchange Traded Fund Shares listed pursuant to NYSE Arca, Inc. Rule 5.2-E(j)(8), New York Stock Exchange LLC (“NYSE”) Rule 5.2(j)(8), or Cboe BZX Rule 14.11(l) and Exchange Traded Fund Shares listed pursuant to Nasdaq Stock Market LLC Rule 5704” at the end of Rule 1.1 to include them in the enumerated list of Derivative Securities Products that may trade on the Exchange. The Exchange also proposes non-substantive changes to accommodate the addition of this bullet point as the final item in the bulleted list in Rule 1.1.

The Exchange believes that the proposed change would ensure that the amended definition of “Derivative Securities Product” in Rule 1.1 reflects a complete list of Derivative Securities Products that may trade on the Exchange, thereby improving the clarity and transparency of Exchange Rules.

Proposed Rule 5 – Exchange Traded Products Listing Requirements

The Exchange proposes to amend Rule 5, titled “Trading on an Unlisted Trading Privileges Basis,”⁶ to add listing (proposed Rule 5.2) and continued listing (proposed Rule 5.5) rules, as follows.

Proposed Rules 5.2(j)(2) – (j)(8)

Proposed Rules 5.2(j)(2) – (j)(8) would permit the Exchange to list and trade the following ETPs:

- Equity Linked Notes that (proposed Rule 5.2(j)(2));
- Investment Company Units (proposed Rule 5.2(j)(3));
- Index-Linked Exchangeable Notes (proposed Rule 5.2(j)(4));
- Equity Gold Shares (proposed Rule 5.2(j)(5));
- Equity Index Linked Securities, Commodity-Linked Securities, Currency-Linked Securities, Fixed Income Index-Linked Securities, Futures-Linked Securities, and Multifactor Index-Linked Securities (proposed Rule 5.2(j)(6));
- Trust Certificates (proposed Rule 5.2(j)(7)); and
- Exchange-Traded Securities (proposed Rule 5.2(j)(8)).

The text of these proposed rules is identical to NYSE Arca Rules 5.2-E(j)(2)-5.2(j)(8), other than certain non-substantive and technical differences explained below.

In order to maintain the same rule numbers as the NYSE Arca rules, the Exchange proposes to mark paragraphs 5.2(a)-(i)⁷ and (j)(1)⁸ as “Reserved.”

⁶ Exchange Rule 5 would be re-named “Exchange Traded Products Listing Requirements.”

⁷ NYSE Arca Rules 5.2-E(a) and (b) relate to certain requirements and structures unique to NYSE Arca, while NYSE Arca Rules 5.2-E(c)-(g) relate to listing standards for securities that are not ETPs. Finally, NYSE Arca Rule 5.2-E(h) pertains to Unit Investment Trusts (“UITs”) that the Exchange proposes to list and trade pursuant to proposed Rule 5.2(j)(3) (Investment Company Units) or proposed Rule 8.100 (Portfolio Depository Receipts). In addition, the Exchange does not propose to adopt a rule comparable to NYSE Arca Rule 5.2-E(i), which relates to securities issued in a limited partnership rollup transaction as defined by Section 14(h) of the Act.

⁸ NYSE Arca Rule 5.2-E(j)(1) pertains to “Other Securities” not otherwise covered by the requirements contained in the other listing rules of NYSE Arca. Article 22, Rule 13 is the Exchange’s comparable rule. See the discussion, *infra*.

Proposed Rule 5.2(j)(2) – Equity Linked Notes (“ELNs”)

Proposed Rule 5.2(j)(2) would provide rules for the listing and trading of ELNs. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no substantive differences between the proposed rule and NYSE Arca Rule 5.2-E(j)(2).

Proposed Rule 5.2(j)(3) – Investment Company Units

Proposed Rule 5.2(j)(3) would provide rules for the listing and trading of investment company units, a security that represents an interest in a registered investment company that could be organized as a unit investment trust, an open-end management investment company, or similar entity. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no substantive differences between the proposed rule and NYSE Arca Rule 5.2-E(j)(3).

Proposed Rule 5.2(j)(4) – Index-Linked Exchangeable Notes

Proposed Rule 5.2(j)(4) would provide rules for the listing and trading of index-linked exchangeable notes, which are debt securities exchangeable at the option of the holder (subject to certain requirements). In addition to certain non-substantive, technical and conforming changes described above, the Exchange proposes the following additional non-substantive differences between the proposed rule and NYSE Arca Rule 5.2-E(j)(4):⁹

- To qualify for listing and trading under NYSE Arca Rule 5.2-E(j)(4), an index-linked exchangeable note and its issuer must meet the criteria set forth in NYSE Arca Rule 5.2-E(j)(1) (Other Securities), except that the minimum public distribution would be 150,000 notes with a minimum of 400 public note-holders unless traded in thousand dollar denominations, in which case there is no

⁹ The changes are similar to those made by the Exchange’s affiliate NYSE when it adopted NYSE Arca Rule 5.2-E(j)(4). See NYSE Rule 5.2(j)(4).

minimum public distribution and number of holders. The Exchange proposes to reference Article 22, Rule 13 (Tier 1 Listing Requirements for Other Securities), the Exchange’s rule that is comparable to NYSE Arca Rule 5.2-E(j)(1), in subparagraphs (a) and (c) of proposed Rule 5.2(j)(4) in order to establish the criteria an issuer and issue must satisfy.

- To qualify for listing and trading under NYSE Arca Rule 5.2-E(j)(4), an index to which an exchangeable note is linked and its underlying securities must meet (1) the procedures in NYSE Arca Rules 5.13-O(b)-(c); or (2) the criteria set forth in subsections (C) and (D) of NYSE Arca Rule 5.2-E(j)(2), the index concentration limits set forth in NYSE Arca Rule 5.13-O(b)(6), and Rule 5.13-O(b)(12) insofar as it relates to Rule 5.13-O(b)(6).¹⁰

The Exchange does not have and is not proposing a rule for listing of index option contracts comparable to NYSE Arca Rule 5.13-O. The Exchange hence proposes to retain the reference to NYSE Arca Rule 5.13-O in paragraph (d) of proposed Rule 5.2(j)(4) and apply the criteria set forth in NYSE Arca Rule 5.13-O in determining whether an index underlying an index-linked exchangeable note satisfies the requirements of proposed Rule 5.2(j)(4)(d).

- Replace “further dealings of the Exchange” in NYSE Arca Rule 5.2-E(j)(4)(f)(v) with “further dealings on the Exchange” in proposed Rule 5.2(j)(4)(f)(v).
- Finally, the Exchange proposes to reference its delisting rule contained in Article 22, Rule 4 in subsections (f) and (g) for NYSE Arca’s delisting rule.

Proposed Rule 5.2(j)(5) – Equity Gold Shares

Proposed Rule 5.2(j)(5) would provide rules for the listing and trading of equity gold shares, which represent units of fractional undivided beneficial interest in and ownership of the

¹⁰ NYSE Arca Rule 5.13-O sets forth criteria for narrow-based and micro narrow-based indexes on which an options contract may be listed without a rule filing under Section 19(b) of the Act. The NYSE Arca rules incorrectly refer to NYSE Arca Rule 5.13-E(b) & (c). The correct reference should be to NYSE Arca’s options rules.

Equity Gold Trust. Other than certain non-substantive, technical and conforming changes described above, there are no differences between the proposed rule and NYSE Arca Rule 5.2-E(j)(5).

Proposed Rule 5.2(j)(6) – Index-Linked Securities

Proposed Rule 5.2(j)(6) would provide rules for the listing and trading of index-linked securities, which are certificates representing an interest in a special purpose trust created pursuant to a trust agreement. In addition to certain non-substantive, technical and conforming changes described above, the Exchange proposes the following additional non-substantive differences between the proposed rule and NYSE Arca Rule 5.2-E(j)(6):¹¹

- To qualify for listing and trading under NYSE Arca Rule 5.2-E(j)(6), both the issue and issuer of an index-linked security must meet the criteria in NYSE Arca Rule 5.2-E(j)(1) (Other Securities), with certain specified exceptions. The Exchange proposes to reference Article 22, Rule 13 (Tier 1 Listing Requirements for Other Securities), the Exchange’s rule that is comparable to NYSE Arca Rule 5.2-E(j)(1), in proposed Rule 5.2(j)(6) in order to establish the criteria an issue and issuer must satisfy.
- The listing standards for Equity Index-Linked Securities in NYSE Arca Rule 5.2-E(j)(6) reference NYSE Arca Rule 5.3-O in describing the criteria for securities that compose 90% of an index’s numerical value and at least 80% of the total number of components. Since the Exchange does not have and is not proposing a rule comparable to NYSE Arca Rule 5.3-O, the Exchange proposes to reference to NYSE Arca Rule 5.3-O in paragraph (B)(I)(1)(b)(2)(iv) of proposed Rule 5.2(j)(6) establishing the initial listing criteria that an index must meet to trade on the Exchange.

¹¹ The changes are similar to those made by the Exchange’s affiliate NYSE when it adopted this rule. See NYSE Rule 5.2(j)(6).

- Finally, the Exchange proposes to reference its delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule.

Proposed Rule 5.2(j)(7) – Trust Certificates

Proposed Rule 5.2(j)(7) would provide rules for the listing and trading of trust certificates, which are securities representing an interest in a special purpose trust created pursuant to a trust agreement.

In addition to certain non-substantive, technical and conforming changes described above, the Exchange proposes the following additional non-substantive difference between the proposed rule and NYSE Arca Rule 5.2-E(j)(7).

- Commentary .08 to NYSE Arca Rule 5.2-E(j)(7) provides that, in the event that the Trust Certificates are exchangeable at the option of the holder and contains an Index Warrant, then the ETP Holder must ensure that the holder’s account is approved for options trading in accordance with NYSE Arca Rule 9.2-E¹² in order to exercise such rights. The Exchange does not currently have and is not proposing to add rules that pertain to the opening of accounts that are approved for options trading. The Exchange thus proposes to require a Participant to ensure that the account of a holder of a Trust Certificate that is exchangeable, at the holder’s option, into securities that participate in the return of the applicable underlying asset is approved for options trading in accordance with NYSE Arca Rule 9.18-O.
- The Exchange proposes to reference its delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule.

Proposed Rule 5.2(j)(8) – Exchange-Traded Fund Shares

¹² NYSE Arca Rule 5.2-E(j)(7) incorrectly cites NYSE Arca Rule 9.2-E. The correct reference should be to NYSE Arca Rule 9.18-O, which the Exchange proposes to adopt.

Proposed Rule 5.2(j)(8) would establish “generic” listing standards for listing and trading ETPs that are permitted to operate in reliance on Rule 6c-11 under the Investment Company Act of 1940 (the “1940 Act”). Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 5.2-E(j)(8).

Proposed Rule 5.5

Proposed Rule 5.5 would set forth additional continued listing standards and procedures that the Exchange would undertake for non-compliant ETPs. The text of these proposed rules is identical to NYSE Arca Rules 5.5-E(g)(2), (i)-1, and (j)-1, other than certain non-substantive and technical differences described above. In order to maintain the same rule numbers as the NYSE Arca rules with respect to rules that the Exchange does not propose to adopt, the Exchange would mark paragraphs 5.5(a)-(g),¹³ (h)-(i),¹⁴ (j),¹⁵ and (k)-(m)¹⁶ as “Reserved.”

Proposed Rule 5.5(g)(2)

Proposed Rule 5.5(g)(2) would set forth continued listing criteria, halt parameters and delisting criteria for investment company units listed under proposed Rule 5.2(j)(3). Other than certain non-substantive, technical and conforming changes described above and substitution of

¹³ NYSE Arca Rule 5.5-E(a) relates to continued listing (i.e., maintenance) requirements and delisting procedures generally. NYSE Arca Rule 5.5-E(b) through (g)(1) specify continuing listing requirements for common stock (select market companies, equity securities and similar issues); preferred stock and similar issues; bonds and debentures; warrants; contingent value rights; and unit investment trusts, respectively.

¹⁴ NYSE Arca Rule 5.5-E(h) specifies continued listing requirements for the common stock of development stage companies. NYSE Arca Rule 5.5-E(i) specifies continued listing requirements for the preferred stock and similar issues.

¹⁵ NYSE Arca Rule 5.5-E(j) sets forth continued listing requirements for bonds and debentures.

¹⁶ NYSE Arca Rule 5.5-E(k) specifies continuing listing requirements for warrants. NYSE Arca Rules 5.5-E(l) and (m) set forth delisting criteria and procedures, respectively.

the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no substantive differences between the proposed rule and NYSE Arca Rule 5.5-E(g)(2).

Proposed Rule 5.5(i)-1¹⁷

Proposed Rule 5.5(i)-1 would set forth continued listing criteria and delisting criteria for securities listed pursuant to Article 22, Rule 13. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no substantive differences between the proposed rule and NYSE Arca Rule 5.5-E(g)(2).

Proposed Rule 5.5(j)-1

Proposed Rule 5.5(j)-1 would set forth continued listing criteria and delisting criteria for ELNs listed under proposed Rule 5.2(j)(2). Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no substantive differences between the proposed rule and NYSE Arca Rule 5.5-E(j)-1.

Proposed Rule 7.18(c)(2) –Trading Halts for Listed ETPs

The Exchange proposes new Rule 7.18(c)(2) modeled on NYSE Arca Rule 7.18-E(d)(2) that would govern trading halts for listed ETPs for which a Net Asset Value (“NAV”) (and, in the case of Managed Fund Shares under proposed Rule 8.600 and Managed Trust Securities under proposed Rule 8.700, a Disclosed Portfolio), is disseminated. Under the proposed rule, if the Exchange becomes aware that the NAV (or in the case of Managed Fund Shares or Managed Trust Securities, the Disclosed Portfolio) is not being disseminated to all market participants at the same time, it will halt trading in the affected ETP on the Exchange until such time as the NAV (or in the case of Managed Fund Shares or Managed Trust Securities, the Disclosed Portfolio, as applicable) is available to all market participants.

¹⁷ The heading of both NYSE Arca Rule 5.5-E(i)-1 and 5.5-E(j)-1 states “The Exchange will commence.” The Exchange does not propose to adopt the same heading for either rule.

Except for certain non-substantive, technical and conforming changes described above, there are no differences between proposed Rule 7.18(c)(2) and NYSE Arca Rule 7.18-E(d)(2).

Proposed Rule 8 – Trading of Certain Exchange Traded Products

The Exchange proposes rules to permit the Exchange to list and trade the following securities:

- Currency and Index Warrants (proposed Rules 8.1-8.13);
- Portfolio Depositary Receipts (proposed Rule 8.100);
- Trust Issued Receipts (proposed Rule 8.200);
- Commodity Based Trust Shares (proposed Rule 8.201);
- Currency Trust Shares (proposed Rule 8.202);
- Commodity Index Trust Shares (proposed Rule 8.203);
- Commodity Futures Trust Shares (proposed Rule 8.204);
- Partnership Units (proposed Rule 8.300);
- Paired Trust Shares (proposed Rule 8.400);
- Trust Units (proposed Rule 8.500);
- Managed Fund Shares (proposed Rule 8.600);
- Active Proxy Portfolio Shares (proposed Rule 8.601);
- Managed Trust Securities (proposed Rule 8.700); and
- Managed Portfolio Shares (proposed Rule 8.900).

The Exchange proposes to reserve Rule 8.100(g) to maintain the same numbering as the NYSE Arca rules. Once again, except for the non-substantive and technical differences described above, the rules are being adopted in substantially the same form as the NYSE Arca rules.

Proposed Rules 8.1 – 8.13 – Currency and Index Warrants

Proposed Rules 8.1-8.13 would provide rules for the listing and trading (including sales-practice rules such as those relating to suitability and supervision of accounts) of currency and index warrants. In addition to certain non-substantive, technical and conforming changes

described above and the additional non-substantive differences with respect to specific rules described below, there are no substantive differences between the proposed rules and NYSE Arca Rules 8.1-E through 8.13-E.

- **Proposed Rule 8.1 – General.** No substantive differences are proposed between the proposed rule and NYSE Arca Rule 8.1-E other than certain non-substantive, technical and conforming changes described above.
- **Proposed Rule 8.2 – Definitions.** No substantive differences are proposed between the proposed rule and NYSE Arca Rule 8.2-E other than certain non-substantive, technical and conforming changes described above.
- **Proposed Rule 8.3 – Listing of Currency and Index Warrants.** NYSE Arca Rule 8.3-E references the size and earnings requirements for a warrant issuer set forth in NYSE Arca Rule 5.2-E(c) (Common Stock-Select Market Companies). The Exchange does not currently have and is not proposing a rule comparable to NYSE Arca Rule 5.2-E(c), and thus proposes to reference the requirements of NYSE Arca Rule 5.2-E(c) in proposed Rule 8.3(b)(1). In addition, the Exchange would substitute its delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule in proposed Rule 8.3.
- **Proposed Rule 8.4 – Account Approval.** NYSE Arca Rule 8.4-E references the requirements of NYSE Arca 9.18-E(b) (Doing a Public Business in Options) regarding the opening and approval of a customer accounts for options trading. The Exchange does not trade options and does not have or intend to adopt a rule comparable rule to NYSE Arca Rule 9.18-E(b). The Exchange thus proposes to reference the requirements of NYSE Arca Rule 9.18-E(b) in proposed Rule 8.4.
- **Proposed Rule 8.5 – Suitability.** NYSE Arca Rule 8.5-E provides that the suitability requirement of NYSE Arca Rule 9.18-E(c) (Suitability) apply to recommendations made in stock index, currency index and currency warrants and

that the term “option” as used therein shall be deemed for purposes of this Rule to include warrants. Once again, the Exchange does not trade options and does not have or intend to adopt a rule comparable rule to NYSE Arca Equities Rule 9.18(c). The Exchange would reference the requirements of NYSE Arca Rule 9.18-E(b) in proposed Rule 8.4.

- **Proposed Rule 8.6 – Discretionary Accounts.** NYSE Arca Rule 8.6-E provides that NYSE Arca Rule 9.6-E(a), which prohibits discretion as to customers’ accounts, shall not apply to customer accounts insofar as an ETP Holder exercises discretion to trade in stock index, currency index and currency warrants, and that any such customer account shall instead be subject to NYSE Arca Rule 9.18-E(e). Article 9, Rule 21 is the Exchange’s equivalent rule to NYSE Arca Rule 9.6-E(a), which the Exchange would reference in proposed Rule 8.6. The Exchange would retain references to NYSE Arca Rule 9.18-E(e), which governs the exercise of discretion with respect to trading in option contracts, currency warrants, or index warrants in a customer's account.
- **Proposed Rule 8.7 – Supervision of Accounts.** NYSE Arca Rule 8.7-E provides that NYSE Arca Rule 9.18-E (d) shall apply to all customer accounts of an ETP Holder in which transactions in stock index, currency index or currency warrants are effected. NYSE Arca Rule 9.18-E(d) provides supervisory guidelines for operating an options business. The Exchange does not trade options and does not have or intend to adopt a rule comparable rule to NYSE Arca Rule 9.18-E(d). The Exchange thus proposes to reference the requirements of NYSE Arca Rule 9.18-E(e) in proposed Rule 8.7.
- **Proposed Rule 8.8 – Customer Complaints.** NYSE Arca Rule 8.8-E provides that NYSE Arca Rule 9.18-E(l) shall apply to all customer complaints received by an ETP Holder regarding stock index, currency index or currency warrants. The

Exchange does not trade options and does not have or intend to adopt a rule comparable rule to NYSE Arca Rule 9.18-E(l). The Exchange thus proposes to reference the requirements of NYSE Arca Rule 9.18-E(l) in proposed Rule 8.8.

- **Proposed Rule 8.9 – Prior Approval of Certain Communications to Customers.** NYSE Arca Rule 8.9-E provides that all advertisements, sales literature and educational material issued by an ETP Holder to any customer or member of the public pertaining to stock index, currency index or currency warrants shall comply with the requirements set forth in the Commentaries to NYSE Arca Rule 9.28-E. NYSE Arca Rule 9.28-E governs advertisements, Market Letters and Sales Literature Relating to Options. The Exchange does not trade options and thus does not have a comparable rule. The Exchange accordingly proposes to retain the reference to the Commentaries to NYSE Arca Rule 9.28-E in proposed Rule 8.9.
- **Proposed Rule 8.10 – Position Limits.** No substantive differences are proposed between the proposed rule and NYSE Arca Rule 8.10-E other than certain non-substantive, technical and conforming changes described above.
- **Proposed Rule 8.11 – Exercise Limits.** No substantive differences are proposed between the proposed rule and NYSE Arca Rule 8.11-E other than certain non-substantive, technical and conforming changes described above.
- **Proposed Rule 8.12 – Trading Halts or Suspensions.** No substantive differences are proposed between the proposed rule and NYSE Arca Rule 8.12-E other than certain non-substantive, technical and conforming changes described above. In addition, the Exchange would substitute its delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule in proposed Rule 8.12.
- **Proposed Rule 8.13 – Reporting of Warrant Positions.** No substantive differences are proposed between the proposed rule and NYSE Arca Rule 8.13-E

other than certain non-substantive, technical and conforming changes described above. The Exchange would correct a typographical error in subsection (a) and substitute the phrase “the ETP Holder filing the same file with the Exchange such additional periodic reports with respect to such account as the Exchange may from time to time prescribe” with “the Participant filing the report will file with the Exchange such additional periodic reports with respect to such account as the Exchange may from time to time prescribe.”

Proposed Rule 8.100 – Portfolio Depositary Receipts

Proposed Rule 8.100 would establish rules to list and trade portfolio depositary receipts, a security based on a unit investment trust that holds securities comprising an index or portfolio underlying a series of portfolio depositary receipts. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.100-E.

Proposed Rule 8.200 – Trust Issued Receipts

Proposed Rule 8.200 would establish rules to list and trade trust issued receipts, a security issued by a trust that holds specific securities deposited with the Trust. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article 22, Rule 4 for NYSE Arca’s delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.200-E.

Proposed Rule 8.201 – Commodity-Based Trust Shares

Proposed Rule 8.201 would establish rules to list and trade commodity-based trust shares, a security issued by a trust that holds a specified commodity deposited with the trust or a specified commodity and cash. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange’s delisting rule contained in Article

22, Rule 4 for NYSE Arca's delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.201-E.

Proposed Rule 8.202 – Currency Trust Shares

Proposed Rule 8.202 would establish rules to list and trade currency trust shares, a security issued by a trust that holds a specified non-U.S. currency or currencies deposited with the Trust. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.202-E.

Proposed Rule 8.203 – Commodity Index Trust Shares

Proposed Rule 8.203 would establish rules to list and trade commodity index trust shares, a security that is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and that holds long positions in futures contracts on a specified commodity index, or interests in a commodity pool which, in turn, holds such long positions. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.203-E. The Exchange proposes to correct a typographical error in the first sentence of subsection (d) to replace "one more more" with "one or more."

Proposed Rule 8.204 – Commodity Futures Trust Shares

Proposed Rule 8.204 would establish rules to list and trade commodity futures trust shares, a security issued by a trust that is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and that holds positions in futures contracts that track the performance of a specified commodity, or interests in a commodity pool

which, in turn, holds such positions. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule and the Exchange's books and records rule in Article 11, Rule 2 for NYSE Arca's rule, there are no differences between the proposed rule and NYSE Arca Rule 8.204-E.

Proposed Rule 8.300 – Partnership Units

Proposed Rule 8.300 would establish rules to list and trade partnership units, a security issued by a partnership that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities and/or securities and that is issued and redeemed daily in specified aggregate amounts at net asset value. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule and the Exchange's books and records rule in Article 11, Rule 2 for NYSE Arca's rule, there are no differences between the proposed rule and NYSE Arca Rule 8.300-E.

Proposed Rule 8.400 – Paired Trust Shares

Proposed Rule 8.400 would establish rules to list and trade paired trust shares, which can be of a "holding" or "tradeable" variety. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule and the Exchange's books and records rule in Article 11, Rule 2 for NYSE Arca's rule, there are no differences between the proposed rule and NYSE Arca Rule 8.400-E.

Proposed Rule 8.500 – Trust Units

Proposed Rule 8.500 would establish rules to list and trade trust units, a security issued by a trust or similar entity constituted as a commodity pool that holds investments comprising or otherwise based on any combination of futures contracts, options on futures contracts, forward contracts, swap contracts, commodities and/or securities. Other than certain non-substantive,

technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.500-E.

Proposed Rule 8.600 – Managed Fund Shares

Proposed Rule 8.600 would establish rules to list and trade managed fund shares, a security that represents an interest in a registered investment company organized as an open-end management investment company or similar entity that invests in a portfolio of securities selected by the investment company's investment adviser consistent with its investment objectives and policies. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.600-E.

Proposed Rule 8.601 – Active Proxy Portfolio Shares

Proposed Rule 8.601 would establish rules to list and trade active proxy portfolio shares, a security issued by a registered investment company organized as an open-end management investment company or similar entity that invests in a portfolio of securities selected by the investment company's investment adviser consistent with its investment objectives and policies. Other than certain non-substantive, technical and conforming changes described above, deletion of "pursuant to unlisted trading privileges" and the reference to subsection (d)(1) of NYSE Arca Rule 7.18 in proposed Rule 8.601(d)(2)(D)(ii), and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.601-E.

Proposed Rule 8.700 – Managed Trust Securities

Proposed Rule 8.700 would establish rules to list and trade managed trust securities, a security registered under the Securities Act of 1933, as amended, and issued by a trust that is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, is not

registered or required to be registered as an investment company under the Investment Company Act of 1940, as amended, and managed by a commodity pool operator registered with the Commodity Futures Trading Commission that holds long and/or short positions in exchange-traded futures contracts and/or certain currency forward contracts and/or swaps. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule and the Exchange's books and records rule in Article 11, Rule 2 for NYSE Arca's rule, there are no differences between the proposed rule and NYSE Arca Rule 8.700-E.

Proposed Rule 8.900 – Managed Portfolio Shares

Proposed Rule 8.900 would establish rules to list and trade managed portfolio shares, a security registered under the Investment Company Act of 1940 and organized as an open-end management investment company that invests in a portfolio of securities selected by the investment company's investment adviser. Other than certain non-substantive, technical and conforming changes described above and substitution of the Exchange's delisting rule contained in Article 22, Rule 4 for NYSE Arca's delisting rule, there are no differences between the proposed rule and NYSE Arca Rule 8.900-E.¹⁸

Deletion of Obsolete Listing Rules – Article 22, Rules 24-27

The Exchange's listing rules are set forth in Article 22. The Exchange proposes to delete the following listing rule that would be superseded by the ETP listing and trading rules in proposed Rules 5 and 8:

- Article 22, Rule 24 (Investment Company Units);
- Article 22, Rule 25 (Portfolio Depository Receipts);
- Article 22, Rule 26 (Equity-Linked Debt Securities); and
- Article 22, Rule 27 (Trust Issued Receipts).

¹⁸ The Exchange would adopt NYSE Arca's numbering and skip 8.800.

The remaining Article 22 rules would be re-numbered. Article 22, Rule 28 (Additional Requirements for Listed Securities Issued by Intercontinental Exchange, Inc. or its Affiliates) would become Article 22, Rule 24 and Article 22, Rule 29 (Erroneously Awarded Compensation) would become Article 22, Rule 25.

The Exchange believes that the proposed change would make the Exchange's rules more accessible and add clarity and transparency to its rule by removing superseded text.

Surveillance

The Exchange represents that listed ETPs would be subject to the existing trading surveillances administered by the Exchange, as well as cross-market surveillances administered by the Financial Industry Regulatory Authority ("FINRA") on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws. The Exchange represents that these procedures are adequate to properly monitor the Exchange's listing and trading of ETPs in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.¹⁹

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of relevant parties for relevant trading violations. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, with other markets and other entities that are members of the Intermarket Surveillance Group ("ISG"). The Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in ETPs and financial instruments from such markets and other

¹⁹ FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

entities. In addition, the Exchange may obtain information regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, from markets and other entities with which the Exchange has in place a comprehensive surveillance sharing agreement (“CSSA”). Further, the Exchange’s affiliates, the NYSE and NYSE Arca, currently list ETPs pursuant to rules that are substantially identical to the rules proposed by the Exchange in this filing. NYSE Regulation conducts initial and continued listing reviews for ETPs listed on the NYSE and NYSE Arca. The Exchange represents that NYSE Regulation will conduct initial and continued listing reviews of ETPs listed on the Exchange in the same manner as it does for the NYSE and NYSE Arca.

Participant Duties and Responsibilities

The Exchange notes that Participants, including Market Makers,²⁰ would be subject to all Exchange rules applicable to equities trading and the duties and responsibilities of Exchange Participants. Specifically, Participants would continue to be subject to the requirement to make and preserve books and records pursuant to Article 11, Rule 2 and to provide those books and records to the Exchange upon demand under Article 11, Rule 1. Market Makers in particular would be subject to the requirements set forth in Rule 7, Section 2, including Market Maker registration and obligations, such as the responsibility to engage in a course of dealings for their own account to assist in the maintenance, insofar as reasonably practicable, of fair and orderly markets on the Exchange as well as minimum performance standards for Designated Market Makers. All Participants would further be subject to the requirements of Rule 11.3110 to

²⁰ The Exchange recently deleted the preamble to Article 16 that rendered the rules relating to the registration and obligation of Market Makers therein inapplicable to trading on the Pillar trading platform, and reinstated and relocated those rules under Rule 7, Section 2 as Rules 7.20 through 7.24, with changes to harmonize them with rules governing Market Makers on its affiliated exchanges. See Securities Exchange Act Release No. 102874 (April 16, 2025), 90 FR 16896 (April 22, 2025) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 1.1, Reinstate Article 16, Rules 1 through 4 and Relocate Them). The Exchange will be submitting a rule filing to adopt a rule substantially similar to NYSE Arca Rule 11.3 governing the prevention of the misuse of material, nonpublic information. The Exchange represents that it will not list or trade any ETPs until the rule modeled on NYSE Arca Rule 11.3 is operative.

establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable Exchange rules, and sets forth the minimum requirements for such supervisory system. Under Rule 11.3110, final responsibility for proper supervision rests with the Participant.

Firewalls

Commentary .01(b)(1) and Commentary .02(b) to proposed Rule 5.2(j)(3) (applicable to Investment Company Units) and Commentary .06 to proposed Rule 8.600 (applicable to Managed Fund Shares) require the establishment and maintenance of a “firewall” around personnel who have access to information concerning changes to an index or the composition and/or changes to a fund’s portfolio; and that specified persons or entities be subject to procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index or portfolio.

In the Rule 6c-11 Release, the Commission, in the context of index-based ETFs with affiliated index providers (“self-indexed ETFs”), noted the federal securities law provisions that currently relate to implementation by funds of appropriate measures to deal with misuse of non-public information.²¹ The Exchange notes that these federal securities law requirements will continue to apply to issues of index and actively-managed ETFs and the proposed generic listing rules for Exchange-Traded Fund Shares are consistent with such requirements.

²¹ See Release Nos. 33-10695; IC-33646; File No. S7-15-18 (ETFs) (September 25, 2019), 84 FR 57162, 57168-57169 (October 24, 2019) (the “Rule 6c-11 Release”). See also 17 CFR 270.38a-1 (Rule 38a-1 under the 1940 Act) (requiring funds to adopt policies and procedures reasonably designed to prevent violation of federal securities laws); 17 CFR 270.17j-1(c)(1) (Rule 17j-1(c)(1) under the Investment Company Act) (requiring funds to adopt a code of ethics containing provisions designed to prevent certain fund personnel (“access persons”) from misusing information regarding fund transactions); section 204A of the Investment Advisers Act of 1940 (“Advisers Act”) (15 U.S.C. 80b-204A) (requiring an adviser to adopt policies and procedures that are reasonably designed, taking into account the nature of its business, to prevent the misuse of material, non-public information by the adviser or any associated person, in violation of the Advisers Act or the Exchange Act, or the rules or regulations thereunder); section 15(g) of the Exchange Act (15 U.S.C. 78o(f)) (requiring a registered broker or dealer to adopt policies and procedures reasonably designed, taking into account the nature of the broker’s or dealer’s business, to prevent the misuse of material, nonpublic information by the broker or dealer or any person associated with the broker or dealer, in violation of the Exchange Act or the rules or regulations thereunder).

The Exchange notes that proposed Commentary .02(a) to Rule 5.2(j)(8) provides that, with respect to series of Exchange-Traded Fund Shares that are based on an index, if the underlying index is maintained by a broker-dealer or fund adviser, the broker-dealer or fund adviser will erect and maintain a “fire wall” around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor. In addition, proposed Commentary .02(b) to Rule 5.2(j)(8) provides that, with respect to series of Exchange-Traded Fund Shares that are actively managed if, the investment adviser to the Exchange-Traded Fund issuing Exchange-Traded Fund Shares is affiliated with a broker-dealer, such investment adviser will erect and maintain a “fire wall” between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such Exchange-Traded Fund portfolio. Personnel who make decisions on the applicable Exchange-Traded Fund’s portfolio composition must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Exchange-Traded Fund portfolio.²² Proposed Commentary .02(a) to Rule 5.2(j)(8)(k) is based on Commentary .02(a) to NYSE Arca Rule 5.2-E(j)(8) without any differences.

As noted, proposed Rule is based on NYSE Arca Rule 5.2- E(j)(8). The Exchange believes that adopting the same generic standards for Exchange-Traded Fund Shares would facilitate efficient procedures for ETFs that are permitted to operate in reliance on Rule 6c-11. The Exchange further believes that the proposed rule is, like its NYSE Arca counterpart, fully consistent with, and will further, the Commission’s goals in adopting Rule 6c-11.

For all of the reasons stated above, the proposal is therefore consistent with the requirements of the Act.

²² As noted above, the Exchange will be submitting a rule filing to adopt a rule substantially similar to NYSE Arca Rule 11.3 governing the prevention of the misuse of material, nonpublic information. See note 20, supra. The Exchange represents that it will not list or trade any ETPs until the rule modeled on NYSE Arca Rule 11.3 is operative.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act,²³ in general, and furthers the objectives of Sections 6(b)(5) of the Act,²⁴ in particular, because it is 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 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. In addition, the Exchange believes that the proposed changes would promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and protect investors and the public interest because the proposed rules are based on rules of the Exchange's affiliated market, NYSE Arca. Accordingly, the proposed rule changes promote continuity across affiliated exchanges, permitting ETPs to list and trade on the Exchange by meeting the same listing standards as on the Exchange's affiliated market.

The Exchange believes that the proposed rule change is consistent with the above principles. By providing rules for the listing and trading of ETPs, the Exchange believes its proposal would lead to the addition of liquidity to the broader market and to increased competition among the existing group of liquidity providers. The Exchange also believes that, by so doing, the proposed rule change would encourage the additional utilization of, and interaction with, the exchange market, and provide market participants with improved price discovery, increased liquidity, more competitive quotes and greater price improvement for listed ETPs.

The Exchange further believes that listing ETPs on the Exchange would help raise investors' confidence in the fairness of the market, generally, and their transactions in particular. As such, the listing of ETPs would foster cooperation and coordination with persons engaged in

²³ 15 U.S.C. 78f(b).

²⁴ 15 U.S.C. 78f(b)(5).

facilitating securities transactions, enhance the mechanism of a free and open market, and promote fair and orderly markets in securities on the Exchange.

The proposal is also designed to promote just and equitable principles of trade by way of initial and continued listing standards which, if not maintained, would result in the discontinuation of trading in the affected products. These requirements, together with the applicable Exchange trading rules (which apply to the proposed products), ensure that no investor would have an unfair advantage over another respecting the trading of the subject products. On the contrary, all investors would have the same access to, and use of, information concerning the specific products and trading in the specific products, all to the benefit of public customers and the marketplace as a whole. The proposal is intended to ensure that investors receive up-to-date information on the value of certain underlying securities and indices in the products in which they invest, and protect investors and the public interest, enabling investors to: (i) respond quickly to market changes through intra-day trading opportunities; (ii) engage in hedging strategies; and (iii) reduce transaction costs. Consequently, the proposed rule change is consistent with the protection of investors and the public interest.

Furthermore, the proposal is designed to remove impediments to and perfect the mechanism of a free and open market and a national market system by adopting rules that would lead ultimately to the listing and trading of new products on the Exchange. The proposed changes do nothing more than match Exchange rules with what is currently available on other exchanges for the listing of ETPs. The Exchange believes that by allowing for listing opportunities on the Exchange that are already allowed by rule on another market, the proposal would offer another venue for listing ETPs and thereby promote broader competition among exchanges. The Exchange believes that individuals and entities permitted to list ETPs on the Exchange should enhance competition within the mechanism of a free and open market and a national market system, and customers and other investors in the national market system should benefit from more depth and liquidity in the market for the ETPs.

Additionally, the proposal is designed to prevent fraudulent and manipulative acts and practices, as trading would be subject to existing Exchange trading rules, together with specific requirements for registered market makers, books and record production, surveillance procedures, suitability and prospectus requirements, and requisite Exchange approvals, all set forth above. The proposed rule changes accomplish these objectives by enhancing Exchange rules by clarifying that most initial listing standards, as well as certain representations included in Exchange rule filings to list an ETP, are considered continued listing standards. Additionally, the ETP rules will also require that issuers of securities listed under proposed rule must notify the Exchange regarding instances of non-compliance and to clarify that deficiencies will be subject to the delisting process in Article 22, Rule 4. The Exchange believes that these proposed rules will enhance the Exchange's rules, thereby serving to improve the national market system and protect investors and the public interest. In addition, as noted, under the proposal Participants would be subject to the Exchange's structure for trading listed securities, including supervision and books and records requirements, and Market Makers would be subject to the more specific obligations and limitations of Market Makers set forth in Exchange Rules 7.20 through 7.24, including Market Maker registration and obligations, such as the responsibility to engage in a course of dealings for their own account to assist in the maintenance, insofar as reasonably practicable, of fair and orderly markets on the Exchange as well as minimum performance standards for Designated Market Makers.²⁵

With respect to the deletion of superseded listing rules in Article 22, the Exchange believes that the proposed change would remove impediments to and perfect the mechanisms of a free and open market by eliminating rules that would be superseded, thereby improving the clarity of the Exchange's rules and enabling market participants to more easily navigate the

²⁵ The Exchange reiterates that it will be submitting a rule filing to adopt a rule substantially similar to NYSE Arca Rule 11.3 governing the prevention of the misuse of material, nonpublic information by Participants, which includes Market Makers. *See* note 20, *supra*. The Exchange represents that it will not list or trade any ETPs until the rule modeled on NYSE Arca Rule 11.3 is operative.

Exchange's rules. The Exchange also believes that the proposed change would protect investors and the public interest because the deletion of obsolete text would make the Exchange's rules more accessible and transparent.

Finally, the proposed change is not designed to address any competitive issue, but rather to adopt new rules that allow the Exchange to list and trade ETPs. The proposed rules are identical to the rules of NYSE Arca (other than with respect to certain non-substantive and technical changes described above), which currently lists ETPs pursuant to the same rule set. These proposed rules support competition by allowing for ETP listings on the Exchange.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed change is not designed to address any competitive issue, but rather to adopt new rules that allow the Exchange to list and trade ETPs. The proposed rules are identical to the rules of NYSE Arca (other than with respect to certain non-substantive and technical changes described above), which currently lists ETPs pursuant to the same rule set. The proposed rules in fact support competition by allowing for ETP listings on the Exchange. Limiting trading of ETPs on the Exchange solely to UTP securities limits competition in that there are certain products that the Exchange cannot list, while other exchanges, with identical listing rules, can list such products. The proposed rule change would thus promote competition by allowing the Exchange to compete with other national securities exchanges for the listing and trading of ETPs. With respect to the proposed deletion of obsolete listing rules, the proposed changes would not have any impact on competition, because they are solely designed to eliminate obsolete text.

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

No written comments were solicited or received with respect to the proposed rule change.

III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with the Act and rules and regulations thereunder applicable to a national securities exchange.²⁶ In particular, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(5) of the Act,²⁷ which requires, among other things, that the Exchange's rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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.

The Exchange proposes to: (1) amend Exchange Rules 5, 7.18, and 8 to permit the listing and trading of shares of certain ETPs on the Exchange; (2) amend Exchange Rule 1.1 to change the definition of "Exchange-Traded Product" to "Derivative Securities Product" and include Exchange-Traded Fund Shares in the definition; and (3) delete the existing rules in Exchange Article 22, Rules 24-27 that would become redundant as a result of the proposed rule change. Under the proposal, the Exchange seeks to adopt the initial and continued listing standards for certain ETPs directly based on the rules of NYSE Arca. The Exchange represents that the proposed rules are identical to the rules of NYSE Arca (other than with respect to certain non-substantive and technical changes described above),²⁸ which currently lists ETPs pursuant to substantially similar rules.

The Exchange states that the proposal is consistent with Section 6(b)(5) of the Act because it is 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 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

²⁶ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁷ 15 U.S.C. 78f(b)(5).

²⁸ See Amendment No. 1, supra note 4.

public interest by, among other things, adding liquidity to the broader market and increasing competition among existing liquidity providers, as well as promoting continuity across the listing standards of the NYSE exchanges. The Exchange's ETP listing rules, as proposed to be amended, are substantially similar to the equivalent rules of NYSE Arca, and do not present any novel or unique regulatory issues.²⁹ In addition, the proposed deletion of certain existing Exchange rules (Exchange Article 22, Rules 24-27) is reasonable as they would be redundant to the new listing rules proposed to be adopted. Accordingly, the Commission finds that this proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(5) of the Act³⁰ and the rules and regulations thereunder applicable to a national securities exchange.³¹

This approval order is based on all the Exchange's representations, including the representations relating to the Exchange's surveillance procedures. Specifically, the Exchange represents that listed ETPs would be subject to the existing trading surveillances administered by the Exchange, as well as cross-market surveillances administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.³² The Exchange represents that these procedures are adequate to properly monitor the Exchange's listing and trading of ETPs in all trading sessions and to deter and detect

²⁹ See, e.g., Securities Exchange Act Release Nos. 89185 (June 29, 2020), 85 FR 40328 (July 6, 2020) (Notice of Filing of Amendment No. 6 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 6, To Adopt NYSE Arca Rule 8.601-E To Permit the Listing and Trading of Active Proxy Portfolio Shares and To List and Trade Shares of the Natixis U.S. Equity Opportunities ETF Under Proposed NYSE Arca Rule 8.601-E), 88648 (April 15, 2020), 85 FR 22200 (April 21, 2020) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a New NYSE Arca Rule 8.900-E); and 78397 (July 22, 2016), 81 FR 49320 (July 27, 2016) (Order Granting Approval of Proposed Rule Change, as Modified by Amendment No. 7 Thereto, Amending NYSE Arca Equities Rule 8.600 To Adopt Generic Listing Standards for Managed Fund Shares).

³⁰ 15 U.S.C. 78f(b)(5).

³¹ With respect to the listing and trading of certain ETPs pursuant to the listing rules, as proposed to be amended, when relying on Rule 19b-4(e) under the Act to list and trade a new derivative securities product, as the case may be, the Exchange must comply with all the requirements of Rule 19b-4(e). See 17 CFR 240.19b-4(e). See also 17 CFR 240.19b-4(e)(2)(i) (setting forth a self-regulatory organization's recordkeeping requirements relating to all relevant records and information pertaining to each new derivative securities product traded pursuant to Rule 19b-4(e)).

³² See *supra* note 20 and accompanying text.

violations of Exchange rules and federal securities laws applicable to trading on the Exchange.³³ The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, with other markets and other entities that are members of the Intermarket Surveillance Group, and the Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in ETPs and financial instruments from such markets and other entities.³⁴ In addition, the Exchange may obtain information regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, from markets and other entities with which the Exchange has in place a comprehensive surveillance sharing agreement.³⁵ Further, the Exchange's affiliates, the NYSE and NYSE Arca, currently list ETPs pursuant to rules that are substantially similar to the rules proposed by the Exchange in this filing.³⁶ The Exchange states that NYSE Regulation conducts initial and continued listing reviews for ETPs listed on NYSE and NYSE Arca.³⁷ The Exchange represents that NYSE Regulation will conduct initial and continued listing reviews of ETPs listed on the Exchange in the same manner as it does for NYSE and NYSE Arca.³⁸

In addition, the Exchange represents that Participants, including Market Makers,³⁹ would be subject to all Exchange rules applicable to equities trading and the duties and responsibilities

³³ According to the Exchange, FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement. See Amendment No. 1, supra note 4.

³⁴ See id.

³⁵ See id.

³⁶ See id.

³⁷ See id.

³⁸ See 17 CFR 240.19b-4(e)(1) (with respect to the listing and trading of certain ETPs pursuant to Rule 19b-4(e), requiring the self-regulatory organization to have a surveillance program for the product class of a new derivative securities product). See Amendment No. 1, supra note 4.

³⁹ See supra note 20 and accompanying text. See also Securities Exchange Act Release No. 102874 (April 16, 2025), 90 FR 16896 (April 22, 2025) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 1.1, Reinstate Article 16, Rules 1 through 4 and Relocate Them).

of Exchange Participants.⁴⁰ Specifically, Participants would continue to be subject to the requirement to make and preserve books and records pursuant to Exchange Article 11, Rule 2 and to provide those books and records to the Exchange upon demand under Exchange Article 11, Rule 1.⁴¹ Market Makers in particular would be subject to the obligations set forth in Exchange Rule 7, Section 2.⁴² In addition, the Exchange states that it will be submitting a rule filing to adopt a rule substantially similar to NYSE Arca Rule 11.3 governing the prevention of the misuse of material, nonpublic information. The Exchange represents that it will not list or trade any ETPs until the rule modeled on NYSE Arca Rule 11.3 is operative.⁴³ All Participants would further be subject to the requirements of Exchange Rule 11.3110, which requires each Participant firm to establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable Exchange rules, and sets forth the minimum requirements for such supervisory system.⁴⁴ Under Exchange Rule 11.3110, final responsibility for proper supervision rests with the Participant.⁴⁵

For the foregoing reasons, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(5) of the Act⁴⁶ and the rules and regulations thereunder applicable to a national securities exchange.

IV. Solicitation of Comments on Amendment No. 1 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning whether Amendment No. 1 is consistent with the Act. Comments may be submitted by any of

⁴⁰ See Amendment No. 1, supra note 4. See also Exchange Article 3 (Participants and Participant Firms).

⁴¹ See Amendment No. 1, supra note 4.

⁴² See supra note 20 and accompanying text.

⁴³ See id.

⁴⁴ See Amendment No. 1, supra note 4.

⁴⁵ See id.

⁴⁶ 15 U.S.C. 78f(b)(5).

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-NYSECHX-2025-04 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-NYSECHX-2025-04. 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 submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also 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-NYSECHX-2025-04 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

V. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 1

The Commission finds good cause, pursuant to Section 19(b)(2) of the Act,⁴⁷ to approve the proposed rule change, as modified by Amendment No. 1, prior to the thirtieth day after the date of publication of notice of Amendment No. 1 in the Federal Register. As described in greater detail above, in Amendment No. 1, the Exchange: (a) corrected typographical errors in proposed rule text references; (b) referred to certain changes applicable to Market Makers made in a separate proposed rule change; (c) furnished a representation regarding the prohibition on the misuse of non-public information; and (d) made changes to reflect the new name of the Exchange. The changes and additional representations in Amendment No. 1 assist the Commission in evaluating the Exchange's proposal and in determining that it is consistent with the Act. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,⁴⁸ to approve the proposed rule change, as modified by Amendment No. 1 on an accelerated basis.

VI. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,⁴⁹ that the proposed rule change (SR-NYSECHX-2025-04), as modified by Amendment No. 1, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵⁰

Sherry R. Haywood,

Assistant Secretary.

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⁴⁷ 15 U.S.C. 78s(b)(2).

⁴⁸ Id.

⁴⁹ Id.

⁵⁰ 17 CFR 200.30-3(a)(12).