



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103159; File No. SR-NYSETEX-2025-14]

Self-Regulatory Organizations; NYSE Texas, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Article 22, Rule 24

May 30, 2025.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that on May 28, 2025, the NYSE Texas, Inc. (“NYSE Texas” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Article 22, Rule 24 to specify the additional requirements applicable to listed securities on the Exchange issued by Intercontinental Exchange, Inc. or its affiliates. The proposed rule change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 Statutory Basis for, the Proposed Rule Change

1. Purpose

In 2018, the Exchange became a wholly-owned subsidiary of Intercontinental Exchange, Inc. (“ICE”).⁴ In connection with the acquisition, the Exchange amended certain of its rules and adopted other new rules.⁵ Among the rules adopted by the Exchange was a new Rule 24 under Exchange Article 22 (“Rule 24”).⁶ New Rule 24 was based on NYSE Rule 497 and NYSE American Rule 497 - Equities (collectively, “Rule 497”) with certain modifications discussed below.

Rule 497 sets forth additional requirements for the listing and trading on the relevant exchange of a security issued by ICE or its affiliates (an “Affiliate Security”). Prior to the initial listing of an Affiliate Security, exchange regulatory staff are required to determine that such security meets applicable listing standards and present such findings to the exchange’s Regulatory Oversight Committee for approval.⁷ Once listed, exchange regulatory staff must prepare a quarterly report that describes (i) the Affiliate Security’s compliance with specified continued listing criteria⁸, and (ii) the exchange regulatory staff’s monitoring of the Affiliate Security’s trading.⁹ On an annual basis, Rule 497 requires that an independent accounting firm

⁴ Under the terms of the 2018 transaction, a wholly-owned subsidiary of NYSE Group, Inc. merged with the Exchange’s parent, with the Exchange’s parent surviving the merger and becoming a wholly-owned subsidiary of ICE.

⁵ See Securities Exchange Act Release No. 83635 (July 13, 2018), 83 FR 34182 (July 19, 2018) (SR-CHX-2018-004) (Notice of Filing of Amendment Nos. 2 and 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment Nos. 1, 2, and 3 thereto, in Connection with a Proposed Transaction Involving CHX Holdings, Inc. and the Intercontinental Exchange, Inc.).

⁶ Rule 24 was originally adopted as Rule 28. It was recently renumbered as Rule 24 when certain preceding rules were deleted. See Securities Exchange Act Release No. 102957 (April 29, 2025, 85 FR 19054 (May 5, 2025) (SR-NYSECHX-2025-04).

⁷ See Rule 497(b).

⁸ See Rule 497(c)(1).

⁹ See *Id.* The report must include summaries of all related surveillance alerts, complaints, regulatory referrals, adjusted trades, investigations, examinations, formal and informal disciplinary actions, exception

review the listing standards applicable to the Affiliate Security, ensure compliance with such standards, and forward its report to the exchange’s Regulatory Oversight Committee.¹⁰ Lastly, if exchange regulatory staff determine that an Affiliate Security is not in compliance with applicable listing standards, Rule 497 requires that it shall notify the issuer of such non-compliance and request a plan of compliance. In addition, within five business days of notifying the issuer of its noncompliance, the Exchange must file a report with the Securities and Exchange Commission (the “Commission”) that details the date of noncompliance, type of noncompliance, and any other material related to the noncompliance that has been conveyed to the issuer. Within five business days of receiving a plan of compliance from the issuer, the Exchange must notify the Commission of such receipt, whether the plan was accepted, or what other action was taken with respect to the compliance plan, and the time period, if any, provided to regain compliance with applicable Exchange listing standards.¹¹

At the time it was acquired by ICE, the Exchange served only as a dual-listing venue for issuers. Each issuer with a class of securities listed on the Exchange also listed the specified class of securities on another national securities exchange. Because the Exchange was not a primary listing venue in 2018, it did not anticipate that it would ever list an Affiliate Security. It did, however, contemplate that an Affiliate Security could trade on the Exchange. When adopting Rule 24, therefore, the Exchange adopted only those provisions of Rule 497 that relate to the trading of an Affiliate Security and did not adopt those provisions related to the listing of an Affiliate Security.

In 2025, the Exchange reincorporated as a Texas corporation and was renamed “NYSE Texas, Inc.”¹² Following its reincorporation and renaming, the Exchange continues to serve as a

reports and trading data used to ensure the Affiliate Security’s compliance with the exchange’s listing and trading rules.

¹⁰ See Rule 497(c)(2).

¹¹ See Rule 497(c)(3).

¹² See Securities Exchange Act Release No. 102507 (February 28, 2025), 90 FR 11445 (March 6, 2025) (SR-NYSECHX-2025-01) (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.;

dual-listing venue for a number of issuers. The Exchange proposes to amend Rule 24 to adopt the provisions of Rule 497 related to the listing of Affiliate Securities in order to permit the listing of an Affiliate Security in the future.

Specifically, the Exchange proposes to amend Rule 24(a) to correct the misnumbering reference described above in Footnote 5. The Exchange proposes to amend Rule 24(b) to specify the procedures required of exchange regulatory staff prior to listing Affiliate Security. Lastly, the Exchange proposes to amend Rule 24(c) to specify the ongoing requirements, as described above, when an Affiliate Security is listed on the Exchange. If the proposed revisions are approved, Rule 24 will be substantially identical to Rule 497.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934,¹³ in general, and furthers the objectives of Section 6(b)(5),¹⁴ 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. The Exchange believes that the proposed rule would remove impediments to and perfect the mechanism of a free and open market because it proposes to simply conform Rule 24 to the corresponding NYSE Rule 497 and ensure that an Affiliate Security listed on the Exchange is subject to the same set of rigorous regulatory oversight. The proposed rule change would therefore remove impediments to and perfect the mechanism of a free and open market and a national market system by promoting consistency across the rules of affiliated exchanges.

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.).

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

The proposed rules are also intended to serve investor protection and public interest goals by ensuring that when the Exchange lists an Affiliate Security, such security is subject to the same Exchange regulatory oversight as all other securities listed by non-affiliated issuers.

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 rule change sets forth requirements for the listing of an Affiliate Security on the Exchange, which requirements are based on rules previously approved on at least one other exchange. The Exchange believes that the proposed rule change would promote competition because it would provide another listing venue for Affiliate Securities, while ensuring that such securities remain subject to stringent regulatory oversight.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁵ and Rule 19b-4(f)(6) thereunder.¹⁶

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act¹⁷ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)¹⁸

¹⁵ 15 U.S.C. 78s(b)(3)(A).

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

¹⁷ 17 CFR 240.19b-4(f)(6).

¹⁸ 17 CFR 240.19b-4(f)(6)(iii).

permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay. The Exchange states that the proposed rule change serves the protection of investors and the public interest by ensuring that when the Exchange lists an Affiliate Security, such security is subject to the same regulatory oversight as all other securities listed by non-affiliated issuers. Additionally, the Exchange states that the proposed rule change would harmonize the rules of affiliated listing exchanges and provide an additional listing option for Affiliated Securities. The Commission believes the waiver of the operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.¹⁹

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

IV. Solicitation of Comments

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

Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or

¹⁹ For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

- Send an email to rule-comments@sec.gov. Please include file number SR-NYSETEX-2025-14 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-NYSETEX-2025-14. 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-NYSETEX-2025-14 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁰

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17 CFR 200.30-3(a)(12).

Stephanie J. Fouse,

Assistant Secretary.

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