



SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 200, 230, 232, 239, 240, 242, 249, 270, 274, 275, and 279

[Release Nos. 33-11377; 34-103247; IA-6885; IC-35635; File Nos. S7-20-22; S7-12-23; S7-04-23; S7-04-22; S7-17-22; S7-25-22; S7-32-10; S7-18-23; S7-32-22; S7-31-22; S7-07-23; S7-06-23; S7-02-22; S7-10-20]

RINs 3235-AM32; 3235-AM45; 3235-AM57; 3235-AM62; 3235-AM91; 3235-AM96; 3235-AN08; 3235-AN14; 3235-AN15; 3235-AN18; 3235-AN24; 3235-AN25; 3235-AN27; 3235-AN29

Withdrawal of Proposed Regulatory Actions

AGENCY: Securities and Exchange Commission.

ACTION: Notice of withdrawal of proposed rules.

SUMMARY: The Securities and Exchange Commission (“Commission”) is formally withdrawing certain notices of proposed rulemaking issued between March 2022 and November 2023. The Commission does not intend to issue final rules with respect to these proposals. If the Commission decides to pursue future regulatory action in any of these areas, it will issue a new proposed rule.

DATES: The Commission is withdrawing the proposed rules published at 87 FR 45052 (July 27, 2022), 88 FR 53960 (August 9, 2023), 88 FR 14672 (March 9, 2023), 87 FR 13524 (March 9, 2022), 87 FR 36654 (June 17, 2022), 87 FR 68816 (November 16, 2022), 88 FR 41338 (June 26, 2023), 88 FR 76282 (November 6, 2023), 88 FR 5440 (January 27, 2023), 88 FR 128 (January 3, 2023), 88 FR 23146 (April 14, 2023), 88 FR 20212 (April 5, 2023), 87 FR 15496 (Mar. 18, 2022), and 85 FR 65990 (Oct. 16, 2020) as of [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: *For proposals recommended by the Division of Corporation Finance, please contact:* Michael Seaman, Chief Counsel, at (202) 551-3500,

Division of Corporation Finance; *for proposals recommended by the Division of Investment Management, please contact:* Brian Johnson, Assistant Director, or Brad Gude, Acting Assistant Director, at (202) 551-6702, Office of Rulemaking, Division of Investment Management; *for proposals recommended by the Division of Trading and Markets, please contact:* Yue Ding, Assistant Director, Legal Review Office, at (202) 551-5500, Division of Trading and Markets, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION:

Background

The Commission is withdrawing the notices of proposed rulemaking described below. The Commission does not intend to issue final rules with respect to these proposals. If the Commission decides to pursue future regulatory action in any of these areas, it will issue a new proposed rule.

Substantial Implementation, Duplication, and Resubmission of Shareholder Proposals Under Exchange Act Rule 14a-8

On July 27, 2022, the Commission published a rule proposal that would have amended certain substantive bases for exclusion of shareholder proposals under the Commission’s shareholder proposal rule.¹ The proposed amendments would have amended the substantial implementation exclusion, the duplication exclusion, and the resubmission exclusion.

Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers

On August 9, 2023, the Commission published proposed new rules under the Securities Exchange Act of 1934 (“Exchange Act”) and the Investment Advisers Act of 1940 (“Advisers Act”) to, among other things, address certain interactions between broker-dealers or investment

¹ 87 FR 45052 (July 27, 2022).

advisers and investors through these firms' use of predictive data analytics.²

Safeguarding Advisory Client Assets

On March 9, 2023, the Commission published a proposed new rule under the Advisers Act to address how investment advisers safeguard client assets.³ The Commission also proposed, among other things, to amend certain provisions of the current custody rule.

Cybersecurity Risk Management for Investment Advisers, Registered Investment Companies, and Business Development Companies

On March 9, 2022, the Commission published proposed new rules and forms and amendments to existing forms under the Advisers Act and the Investment Company Act of 1940 (“Investment Company Act”) to require registered investment advisers and investment companies to adopt and implement written cybersecurity policies and procedures reasonably designed to address cybersecurity risks, disclose information about cybersecurity risks and incidents, report information confidentially to the Commission about certain cybersecurity incidents, and maintain related records.⁴

Enhanced Disclosures by Certain Investment Advisers and Investment Companies About Environmental, Social and Governance Investment Practices

On June 17, 2022, the Commission published proposed amendments to rules and forms under both the Advisers Act and the Investment Company Act to require, among other things, registered investment advisers, certain advisers that are exempt from registration, registered

² 88 FR 53960 (Aug. 9, 2023). When issued, this rule proposal was associated with RINs 3235-AN00 and 3235-AN14; RIN 3235-AN00 has subsequently been merged with RIN 3235-AN14. In addition, the Commission published a release making a correction to this rule proposal on Mar. 18, 2024. *Conflicts of Interest Associated With the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers; Correction*, 89 FR 19292 (Mar. 18, 2024).

³ 88 FR 14672 (Mar. 9, 2023). The Commission published a release reopening the comment period for this rule proposal on Aug. 30, 2023. *Safeguarding Advisory Client Assets; Reopening of Comment Period*, 88 FR 59818 (Aug. 30, 2023).

⁴ 87 FR 13524 (Mar. 9, 2022). The Commission published a release reopening the comment period for this rule proposal on Mar. 21, 2023. *Cybersecurity Risk Management for Investment Advisers, Registered Investment Companies, and Business Development Companies; Reopening of Comment Period*, 88 FR 16921 (Mar. 21, 2023).

investment companies, and business development companies, to provide additional information regarding their environmental, social, and governance investment practices.⁵

Outsourcing by Investment Advisers

On November 16, 2022, the Commission published a proposed new rule under the Advisers Act to prohibit advisers from outsourcing certain services or functions without first meeting certain requirements.⁶ The Commission also proposed related form amendments to collect information about the service providers defined in the proposed rule.

Position Reporting of Large Security-Based Swap Positions

On February 4, 2022, the Commission published a release proposing new rules 9j-1 and 10B-1 under the Exchange Act, as well as amendments to rule 15Fh-4 (later redesignated rule 15fh-4) under the Exchange Act.⁷ The Commission published a release adopting new rule 9j-1 and amendments to rule 15fh-4 on June 30, 2023.⁸ On June 26, 2023, the Commission published a release reopening the comment period for new rule 10B-1, which would have required any person with a security-based swap position that exceeds a certain threshold to promptly file with the Commission a schedule disclosing certain information related to its security-based swap position.⁹ We are now formally withdrawing proposed rule 10B-1 concerning position reporting of large security-based swap positions that was the subject of the June 26, 2023 comment period reopening.¹⁰

Volume-Based Exchange Transaction Pricing for NMS Stocks

⁵ 87 FR 36654 (June 17, 2022). The Commission published a release reopening the comment period for this rule proposal on Oct. 18, 2022. *Resubmission of Comments and Reopening of Comment Periods for Several Rulemaking Releases Due to a Technological Error in Receiving Certain Comments*, 87 FR 63016 (Oct. 18, 2022).

⁶ 87 FR 68816 (Nov. 16, 2022).

⁷ *Prohibition Against Fraud, Manipulation, or Deception in Connection With Security-Based Swaps; Prohibition Against Undue Influence Over Chief Compliance Officers; Position Reporting of Large Security-Based Swap Positions*, 87 FR 6652 (Feb. 4, 2022).

⁸ *Prohibition Against Fraud, Manipulation, and Deception in Connection With Security-Based Swaps; Prohibition against Undue Influence over Chief Compliance Officers*, 88 FR 42546 (June 30, 2023).

⁹ *Reopening of Comment Period for Position Reporting of Large Security-Based Swap Positions*, 88 FR 41338 (June 26, 2023).

¹⁰ *Id.*

On November 6, 2023, the Commission published a proposed new rule under the Exchange Act to prohibit national securities exchanges from offering volume-based transaction pricing in connection with the execution of agency-related orders in NMS stocks.¹¹ In addition, if exchanges offer such pricing for their members' proprietary orders, the proposal would have required the exchanges to adopt anti-evasion rules and written policies and procedures related to compliance with the prohibition, as well as disclose certain information.

Regulation Best Execution

On January 27, 2023, the Commission published proposed new rules under the Exchange Act relating to a broker-dealer's duty of best execution.¹² Proposed Regulation Best Execution would have changed the existing regulatory framework concerning the duty of best execution by requiring detailed policies and procedures for all broker-dealers and additional policies and procedures for broker-dealers engaging in certain transactions with retail customers, as well as related review and documentation requirements.

Order Competition Rule

On January 3, 2023, the Commission published a rule proposal to, among other things, amend the regulation governing the national market system under the Exchange Act to add a new rule prohibiting a "restricted competition trading center" from internally executing certain orders of individual investors at a price unless the orders are first exposed to competition at that price in a qualified auction operated by an open "competition trading center," subject to limited exceptions.¹³

Regulation Systems Compliance and Integrity

On April 14, 2023, the Commission published proposed amendments to Regulation Systems Compliance and Integrity ("Regulation SCI") under the Exchange Act.¹⁴ The proposed

¹¹ 88 FR 76282 (Nov. 6, 2023).

¹² 88 FR 5440 (Jan. 27, 2023).

¹³ 88 FR 128 (Jan. 3, 2023).

¹⁴ 88 FR 23146 (Apr. 14, 2023).

amendments, among other things, would have expanded the definition of “SCI entity” to include a broader range of key market participants in the U.S. securities market infrastructure and amended certain provisions of Regulation SCI.

Cybersecurity Risk Management Rule for Broker-Dealers, Clearing Agencies, Major Security-Based Swap Participants, the Municipal Securities Rulemaking Board, National Securities Associations, National Securities Exchanges, Security-Based Swap Data Repositories, Security-Based Swap Dealers, and Transfer Agents

On April 5, 2023, the Commission published a proposed new rule and form and amendments to existing rules to, among other things, require broker-dealers, clearing agencies, major security-based swap participants, the Municipal Securities Rulemaking Board, national securities associations, national securities exchanges, security-based swap data repositories, security-based swap dealers, and transfer agents to address cybersecurity risks through policies and procedures, immediate notification to the Commission of the occurrence of a significant cybersecurity incident and, as applicable, reporting detailed information to the Commission about a significant cybersecurity incident, and public disclosures.¹⁵

Amendments Regarding the Definition of “Exchange” and Alternative Trading Systems (ATSs) That Trade U.S. Treasury and Agency Securities, National Market System (NMS) Stocks, and Other Securities

On March 18, 2022, the Commission published proposed amendments to rule 3b-16 under the Exchange Act, which defines certain terms used in the statutory definition of “exchange” under section 3(a)(1) of the Exchange Act to include systems that offer the use of non-firm trading interest and communication protocols to bring together buyers and sellers of securities.¹⁶ The Commission, among other things, also published certain proposed or repropo-

¹⁵ 88 FR 20212 (Apr. 5, 2023).

¹⁶ 87 FR 15496 (Mar. 18, 2022). The Mar. 18, 2022 rule proposal repropoed, in part, certain proposed rules published by the Commission on Dec. 31, 2020. *Regulation ATS for ATSs That Trade U.S. Government Securities, NMS Stock, and Other Securities; Regulation SCI for ATSs That Trade U.S. Treasury Securities and Agency*

amendments to the Commission’s regulations relating to ATSSs, including regulations for ATSSs that trade government securities as defined under section 3(a)(42) of the Exchange Act (“government securities”) or repurchase and reverse repurchase agreements on government securities, as well as certain other rule and form amendments.

*Amendments to the National Market System Plan Governing the Consolidated Audit Trail
To Enhance Data Security*

On October 16, 2020, the Commission published proposed amendments to the national market system plan governing the consolidated audit trail relating to the security of the consolidated audit trail.¹⁷

Withdrawal of Proposed Rules

We are withdrawing these proposals because, as noted above, we no longer intend to issue final rules with respect to these proposals. If the Commission decides to pursue future regulatory action in any of these areas, it will do so by publishing a new proposed rule or other issuance consistent with the requirements of the Administrative Procedure Act, as applicable.

By the Commission.

Dated: June 12, 2025.

Sherry R. Haywood,

Assistant Secretary.

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Securities; and Electronic Corporate Bond and Municipal Securities Markets, 85 FR 87106 (Dec. 31, 2020). The Commission subsequently published releases reopening the comment period for the Mar. 18, 2022 rule proposal on May 12, 2022, *Reopening of Comment Periods for “Private Fund Advisers; Documentation of Registered Investment Adviser Compliance Reviews” and “Amendments Regarding the Definition of ‘Exchange’ and Alternative Trading Systems (ATSS) That Trade U.S. Treasury and Agency Securities, National Market System (NMS) Stocks, and Other Securities,”* 87 FR 29059 (May 12, 2022), and May 5, 2023, *Supplemental Information and Reopening of Comment Period for Amendments Regarding the Definition of “Exchange,”* 88 FR 29448 (May 5, 2023).

¹⁷ 85 FR 65990 (Oct. 16, 2020).