

submitted on or before February 20, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-102281; File No. SR-NASDAQ-2025-007]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Repeal Nasdaq's Board Diversity Listing Requirement

January 24, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on January 21, 2025, The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Item I below, which Item has been substantially prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to change Nasdaq's Listing Rules to reflect a Federal court's vacatur of the Commission's order of August 6, 2021, approving rules related to board diversity disclosures. Nasdaq has requested that the Commission waive the operative delay to allow the proposed rule change to become effective on February 4, 2025.

The proposed rule change, including the Exchange's statement of the purpose of, and statutory basis for, the proposed rule change, is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings> and on the Commission's website at https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-NASDAQ-2025-007.

⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6)⁴ thereunder. 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; or (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 Act⁵ and Rule 19b-4(f)(6)⁶ thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)⁷ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),⁸ the Commission may designate a shorter time if such action is consistent with protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposed rule change may become operative immediately upon filing. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because it will allow the Exchange to repeal its board diversity listing requirements consistent with the effective date of the federal court's decision, which is February 4, 2025. Accordingly, the Commission designates the proposed rule change to be operative upon filing.⁹

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

³ 15 U.S.C. 78(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

⁵ 15 U.S.C. 78s(b)(3)(A).

⁶ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires the Exchange 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.

⁷ 17 CFR 240.19b-4(f)(6).

⁸ 17 CFR 240.19b-4(f)(6)(iii).

⁹ 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).

Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

III. 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.¹⁰ Comments may be submitted electronically by using the Commission's internet comment form (https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-NASDAQ-2025-007) or by sending an email to rule-comments@sec.gov. Please include file number SR-NASDAQ-2025-007 on the subject line. Alternatively, paper comments may be sent to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090. All submissions should refer to file number SR-NASDAQ-2025-007. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-NASDAQ-2025-007). 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-NASDAQ-2025-007 and should be submitted on or before February 20, 2025.

¹⁰ 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.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-102280; File Nos. SR-DTC-2024-011; SR-FICC-2024-011; SR-NSCC-2024-010]

Self-Regulatory Organizations; The Depository Trust Company; Fixed Income Clearing Corporation; National Securities Clearing Corporation; Order Approving Proposed Rule Change To Amend the Clearing Agency Investment Policy

January 24, 2025.

I. Introduction

On December 3, 2024, The Depository Trust Company (“DTC”), Fixed Income Clearing Corporation (“FICC”), and National Securities Clearing Corporation (“NSCC,” each a subsidiary of The Depository Trust & Clearing Corporation (“DTCC”) and each a “Clearing Agency,” and collectively, the “Clearing Agencies”), filed with the Securities and Exchange Commission (“Commission”) proposed rule changes SR-DTC-2024-011, SR-FICC-2024-011, and SR-NSCC-2024-010, respectively, pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) ¹ and Rule 19b-4 thereunder (“Proposed Rule Changes”).² The Proposed Rule Changes would amend the Clearing Agency Investment Policy (“Investment Policy,” or “Policy”) of the Clearing Agencies to conform the Policy to the changes made to the FICC Government Securities Division Rulebook (“GSD Rules”) by SR-FICC-2024-007.³ The Proposed Rule Changes were published for comment in the **Federal Register** on December 17, 2024.⁴ The Commission

has received no comments on the Proposed Rule Changes. For the reasons discussed below, the Commission is approving the Proposed Rule Changes.

II. Background

Each Clearing Agency established the Clearing Agency Investment Policy,⁵ which governs the management, custody, and investment of cash deposited to the DTC Participants Fund and the respective NSCC and FICC Clearing Funds,⁶ the proprietary liquid net assets (cash and cash equivalents) of the Clearing Agencies, and other funds held by the Clearing Agencies pursuant to their respective rules. The Investment Policy states that it establishes a conservative investment philosophy that places the highest priority on maximizing the liquidity and avoiding risk to the funds in the custody of the Clearing Agencies.⁷

The Investment Policy includes, generally, a glossary of key terms, the roles and responsibilities of DTCC staff in administering the Investment Policy, guiding principles for investments, sources of investable funds, allowable investments of those funds, limitations on such investments, authority required for those investments, and authority required to exceed established investment limits.⁸ In particular, the Investment Policy provides that allowable investments include bank deposits, reverse repurchase agreements, direct obligations of the U.S. government, money market mutual funds, high grade corporate debt, hedge transactions, and further specifies which particular allowable investment is permitted for different portions of the Clearing Agencies’ resources.⁹

On December 13, 2023, the Commission adopted amendments to the standards applicable to covered

clearing agencies that clear transactions in U.S. Treasury securities (“Treasury CCAs”), such as FICC.¹⁰ These amendments require Treasury CCAs to establish, implement, maintain, and enforce written policies and procedures reasonably designed to, among other things, calculate, collect, and hold margin for direct participants’ proprietary positions separately and independently from margin calculated, collected, and held for indirect participants that rely on the services provided by the direct participant to access the Treasury CCA’s payment, clearing, or settlement facilities.¹¹ The Commission also amended its broker-dealer customer protection rule (“Rule 15c3-3”)¹² and the customer and proprietary accounts of broker-dealer (“PAB”) reserve formulas thereunder (“Rule 15c3-3a”)¹³ to permit margin required and on deposit with Treasury CCAs to be included under certain conditions as a debit in the reserve formulas.¹⁴

On November 21, 2024, the Commission issued an order approving a proposed rule change filed by FICC to modify the GSD Rules to calculate, collect, and hold margin for transactions that a direct GSD participant enters into for its own benefit (“proprietary transactions”) separately from margin a direct participant submits to FICC on behalf of indirect participants and to address conditions of Note H to Rule 15c3-3a under the Exchange Act.¹⁵ Such changes are expected to be implemented by FICC in the GSD Rules by no later than March 31, 2025.

The proposed changes to the Investment Policy would conform the Policy to the changes made to the GSD Rules pursuant to the Account Segregation Filing.

III. Description of the Proposed Rule Change

The Clearing Agencies propose to modify the Investment Policy to (i) conform the Policy to the changes made to GSD Rules to calculate, collect, and hold margin for proprietary transactions of GSD Netting Members separately from transactions submitted on behalf of individual participants; (ii) implement changes to comply with SEC rules (specifically Rule 15c3-3 and 15c3-3a)

¹⁰ See Securities Exchange Act Release No. 99149 (Dec. 13, 2023), 89 FR 2714 (Jan. 16, 2024) (S7-23-22) (“Adopting Release,” and the rules adopted therein as “Treasury Clearing Rules”). See also 17 CFR 240.15c3-3a.

¹¹ 17 CFR 240.17ad-22(e)(6)(i).

¹² 17 CFR 240.15c3-3.

¹³ 17 CFR 240.15c3-3a.

¹⁴ See *supra* note 10.

¹⁵ See *supra* note 3.

Securities Exchange Act Release No. 101885 (Dec. 11, 2024), 89 FR 102211 (Dec. 17, 2024) (File No. SR-NSCC-2024-010) (“NSCC Notice of Filing”).

⁵ See Securities Exchange Act Release No. 79528 (December 12, 2016), 81 FR 91232 (December 16, 2016) (SR-DTC-2016-007; SR-FICC-2016-005; SR-NSCC-2016-003) (“2016 Framework Order”).

⁶ The DTC Participants Fund and the respective Clearing Funds of NSCC and FICC are described further in DTC Rules, NSCC Rules, MBS Rules, GSD Rules, respectively. See DTC Rules, Rule 4 (Participants Fund and Participants Investment); NSCC Rules, Rule 4 (Clearing Fund); GSD Rules Rule 4 (Clearing Fund and Loss Allocation); MBS Rules, Rule 4 (Clearing Fund and Loss Allocation).

⁷ See 2016 Framework Order, 81 FR at 91233.

⁸ See 2016 Framework Order, 81 FR at 91232-33.

⁹ See Securities Exchange Act Release Nos. 91291 (March 10, 2021), 86 FR 14500, 14501 (March 16, 2021) (SR-DTC-2021-002); Securities Exchange Act Release Nos. 91292 (March 10, 2021), 86 FR 14503, 14504 (March 16, 2021) (SR-FICC-2021-001); and Securities Exchange Act Release Nos. 91293 (March 10, 2021), 86 FR 14506, 14507 (March 16, 2021) (SR-NSCC-2021-003).

¹¹ 17 CFR 200.30-3(a)(12) and (59).

¹² 15 U.S.C. 78s(b)(1).

¹³ 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 101695 (Nov. 21, 2024), 89 FR 93763 (Nov. 27, 2024) (SR-FICC-2024-007) (“Account Segregation Filing”). The changes proposed in the Account Segregation Filing are expected to be implemented by no later than March 31, 2025. Terms not defined herein are defined in the GSD Rules, available at www.dtcc.com/-/media/Files/Downloads/legal/rules/ficc_gov_rules.pdf.

⁴ See Securities Exchange Act Release No. 101883 (Dec. 11, 2024), 89 FR 102195 (Dec. 17, 2024) (File No. SR-DTC-2024-011) (“DTC Notice of Filing”); Securities Exchange Act Release No. 101882 (Dec. 11, 2024), 89 FR 102234 (Dec. 17, 2024) (File No. SR-FICC2024-011) (“FICC Notice of Filing”);