

performed for a post-issuance change of a transfer agent and 90% compliance should be considered a “passing” score; and (iii) that Rule 17Ad-16 applies only to securities which are made eligible at issuance with a recognized depository or, alternatively, does not apply to privately placed securities unless they are made eligible at issuance with a recognized depository.<sup>11</sup> We appreciate the request for guidance; however, we are not addressing it in this PRA submission as it relates to an interpretation of the rule and not to the existing collection of information requirements.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-009](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-009) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by September 2, 2025.

Dated: July 29, 2025.

**Sherry R. Haywood,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103578; File No. SR-ISE-2025-21]

### Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to SQF Ports

July 29, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on July 22, 2025, Nasdaq ISE, LLC (“ISE” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II, below, which Items have been 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 amend the Exchange’s Pricing Schedule at Options 7, Section 7, C, Ports and Other Services, to propose a limit to the number of Specialized Quote Feed (“SQF”)<sup>3</sup> Ports a Market Maker<sup>4</sup> may subscribe to in a month.

The text of the proposed rule change is available on the Exchange’s website at <https://listingcenter.nasdaq.com/rulebook/ise/rulefilings> and at the principal office of the Exchange.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

###### 1. Purpose

The Exchange proposes to amend its Pricing Schedule at Options 7, Section 7, C, Ports and Other Services, to propose a limit on the number of SQF

<sup>3</sup> “Specialized Quote Feed” or “SQF” is an interface that allows Market Makers to connect, send, and receive messages related to quotes, Immediate-or-Cancel Orders, and auction responses to the Exchange. Features include the following: (1) options symbol directory messages (e.g., underlying and complex instruments); (2) System event messages (e.g., start of trading hours messages and start of opening); (3) trading action messages (e.g., halts and resumes); (4) execution messages; (5) quote messages; (6) Immediate-or-Cancel Order messages; (7) risk protection triggers and purge notifications; (8) opening imbalance messages; (9) auction notifications; and (10) auction responses. The SQF Purge Interface only receives and notifies of purge requests from the Market Maker. Market Makers may only enter interest into SQF in their assigned options series. Immediate-or-Cancel Orders entered into SQF are not subject to the (i) Order Price Protection, Market Order Spread Protection, and Size Limitation Protection in Options 3, Section 15(a)(1)(A), (1)(B), and (2)(B) respectively, for single leg orders, or (ii) Complex Order Price Protection as defined in Options 3, Section 16(c)(1) for Complex Orders. See ISE Supplementary Material .03 (c) to Options 3, Section 7.

<sup>4</sup> The term “Market Makers” refers to “Competitive Market Makers” and “Primary Market Makers” collectively. See ISE Options 1, Section 1(a)(21).

Ports a Market Maker may subscribe to in a month.

Currently, an ISE Market Maker is assessed an SQF Port Fee of \$1,185 per port, per month. Currently, the Exchange has no limits in place on the number of SQF Ports a Market Maker may acquire in a month.

At this time, the Exchange proposes to limit a Market Maker to no more than 250 SQF Ports per month.<sup>5</sup> A Market Maker requires only one SQF Port to submit quotes in its assigned options series into ISE. While a Market Maker may elect to obtain multiple SQF Ports to organize its business,<sup>6</sup> only one SQF Port is necessary for a Market Maker to fulfill its regulatory quoting obligations.<sup>7</sup> The Exchange utilizes ports as a secure method for Members to submit quotes into the Exchange’s match engine and for the Exchange to send messages related to those quotes to Members. In order to properly regulate its Members and secure the trading environment, the Exchange has taken measures to ensure access is monitored and maintained with various controls. The Exchange believes that the proposed limit of 250 SQF Ports per month will permit the Exchange to obtain greater efficiencies by placing this overall limit on SQF Ports. The Exchange believes a limit of 250 SQF Ports provides it with the appropriate bandwidth to support future growth and new Market Makers entrants.<sup>8</sup>

The Exchange proposes to implement the 250 SQF Ports per month limit on August 1, 2025.

###### 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>9</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>10</sup> in particular, in that it is designed 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

<sup>5</sup> The Exchange issued Options Technical Alert #2025-12 to announce the limitation.

<sup>6</sup> For example, a Market Maker may desire to utilize multiple SQF Ports for accounting purposes, to measure performance, for regulatory reasons or other determinations that are specific to that Member.

<sup>7</sup> ISE Market Makers have various regulatory requirements as provided for in Options 2, Section 4. Additionally, ISE Market Makers have certain quoting requirements with respect to their assigned options series as provided in Options 2, Section 5. SQF Ports are the only quoting protocol available on ISE and only Market Makers may utilize SQF Ports.

<sup>8</sup> The Exchange will periodically review the SQF Port limit. If the Exchange elects to amend the limit it will file a rule proposal with the Commission.

<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(5).

<sup>11</sup> See ABA at 2 and 4; see also UMB at 1-2 and Zions Bank at 1-2.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

system, and, in general to protect investors and the public interest.

The Exchange's proposal to limit a Market Maker to no more than 250 SQF Ports per month is consistent with the Act because it will allow the Exchange to obtain greater efficiencies in its overall connectivity management. The Exchange utilizes ports as a secure method for Members to submit quotes into the Exchange's match engine and for the Exchange to send messages related to those quotes to Members. Only ISE Members who are approved as Market Makers may utilize an SQF Port. Once approved, ISE Market Makers may subscribe to SQF Ports to submit quotes into the Exchange. While a Market Maker may elect to obtain multiple SQF Ports to organize its business,<sup>11</sup> only one SQF Port is necessary for a Market Maker to fulfill its regulatory quoting obligations.<sup>12</sup> Today, most Market Makers are in possession of several SQF Ports, and amend the number of SQF Ports from time to time. In fact, not all SQF Ports are actively used by Market Makers. In order to properly regulate its Members and secure the trading environment, the Exchange has taken measures to ensure access is monitored and maintained with various controls that will protect investors and the public interest. Specifically, the Exchange ensures that information security safeguards, upgrades, and general port management are in effect for all SQF Ports regardless of whether the SQF Port is actively in use. As a result of these efforts, the Exchange incurs costs to manage and maintain its SQF Ports and the secure environment surrounding its platform.

The Exchange's proposal is intended to permit it to govern its connectivity management in a reasonable manner while protecting investors and the general public by obtaining greater efficiencies with the limit on SQF Ports. The Exchange believes that its proposal is consistent with the Act in that it will provide the Exchange the ability to maintain the appropriate bandwidth to support future growth and new Market Makers entrants thereby removing impediments to and perfect the mechanism of a free and open market.

#### *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 not necessary or appropriate in furtherance of the purposes of the Act.

In terms of intra-market competition, the Exchange does not believe that its proposal will place any category of market participant at a competitive disadvantage because all Market Makers will uniformly be permitted to subscribe to no more than 250 SQF Ports per month. Today, no Market Maker has exceeded 250 SQF Ports.

The Exchange does not believe that its proposal will place an undue burden on intra-market competition because any exchange may elect to adopt a similar limit.

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

No written comments were either solicited or received.

### **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)(iii) of the Act<sup>13</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>14</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>15</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>16</sup> the Commission may designate a shorter time if such action is consistent with the 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 Exchange requests that the Commission waive the 30-day operative delay contained in Rule 19b-4(f)(6)(iii) so that the Exchange may implement the proposal on August 1, 2025. The Exchange notes that ISE does not prorate SQF Port Fees and, therefore, the Exchange requests that the Commission waive the operative delay so that the 250 SQF Port

Fee limit may be in place at the beginning of the month so that the Exchange can manage billing for its Participants.

The Commission believes that waiver of the operative delay is consistent with the protection of investors and the public interest. The Exchange issued an Options Technical Alert to announce the limitation. The Exchange states that the proposed rule change is intended to permit it to govern its connectivity management in a reasonable manner while protecting investors and the general public by obtaining greater efficiencies with the limit on SQF Ports and will provide the Exchange the ability to maintain the appropriate bandwidth to support future growth and new Market Makers entrants. In addition, the Exchange notes that it does not prorate SQF Port Fees and a waiver of the operative delay will allow the 250 SQF Port Fee limit to be in place at the beginning of the month so that the Exchange can manage billing for its Participants. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change operative upon filing.<sup>17</sup>

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 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
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-ISE-2025-21 on the subject line.

<sup>17</sup> For purposes only of waiver the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>11</sup> See *supra* note 6.

<sup>12</sup> See *supra* note 7.

<sup>13</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>14</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file 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.

<sup>15</sup> 17 CFR 240.19b-4(f)(6).

<sup>16</sup> 17 CFR 240.19b-4(f)(6)(iii).

### 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–ISE–2025–21. 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 filing 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–ISE–2025–21 and should be submitted on or before August 22, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2025–14568 Filed 7–31–25; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103571; File Nos. SR–NASDAQ–2025–008; SR–NASDAQ–2025–038; SR–CboeBZX–2025–010; SR–CboeBZX–2025–023; SR–CboeBZX–2025–031; SR–CboeBZX–2025–033; SR–CboeBZX–2025–035; SR–CboeBZX–2025–050; SR–NYSEARCA–2025–38]

### Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Cboe BZX Exchange, Inc.; NYSE Arca, Inc.; Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, To Amend Certain Bitcoin and Ether-Based Commodity-Based Trust Shares To Permit In-Kind Creations and Redemptions

July 29, 2025.

#### I. Introduction

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”) <sup>1</sup> and Rule 19b–4 thereunder (“Rule 19b–4”),<sup>2</sup> The

Nasdaq Stock Market LLC (“Nasdaq”), Cboe BZX Exchange, Inc. (“BZX”), and NYSE Arca, Inc. (“NYSE Arca,” and together with Nasdaq and BZX, the “Exchanges”), each of which lists and trades bitcoin- and ether-based Commodity Based Trust Shares,<sup>3</sup> filed with the Securities and Exchange Commission (“Commission”) the respective proposed rule changes to permit the following trusts (each a “Trust,” and collectively, “Trusts”) to engage in creations and redemptions of their shares with authorized participants on an in-kind basis: (i) iShares Bitcoin Trust <sup>4</sup> and iShares Ethereum Trust,<sup>5</sup> listed under Nasdaq

<sup>3</sup> Commodity-Based Trust Shares are securities that are issued by a trust that holds a specified commodity deposited with the trust, or a specified commodity and, in addition to such specified commodity, cash; that are issued by such trust in a specified aggregate minimum number in return for a deposit of a quantity of the underlying commodity and/or cash; and that, when aggregated in the same specified minimum number, may be redeemed at a holder's request by such trust which will deliver to the redeeming holder the quantity of the underlying commodity and/or cash. See Nasdaq Rule 5711(d)(iv)(a), BZX Rule 14.11(e)(4)(C)(i), and NYSE Arca Rule 8.201–E(c)(1). The Commission previously approved the listing and trading of Commodity-Based Trust Shares issued by the Trusts. See Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, To List and Trade Bitcoin-Based Commodity-Based Trust Shares and Trust Units, Securities Exchange Act Release No. 99306 (Jan. 10, 2024), 89 FR 3008 (Jan. 17, 2024) (SR–NYSEARCA–2021–90; SR–NYSEARCA–2023–44; SR–NYSEARCA–2023–58; SR–NASDAQ–2023–016; SR–NASDAQ–2023–019; SR–CboeBZX–2023–028; SR–CboeBZX–2023–038; SR–CboeBZX–2023–040; SR–CboeBZX–2023–042; SR–CboeBZX–2023–044; SR–CboeBZX–2023–072); Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, To List and Trade Shares of Ether-Based Exchange-Traded Products, Securities Exchange Act Release No. 100224 (May 23, 2024), 89 FR 46937 (May 30, 2024) (SR–NYSEARCA–2023–70; SR–NYSEARCA–2024–31; SR–NASDAQ–2023–045; SR–CboeBZX–2023–069; SR–CboeBZX–2023–070; SR–CboeBZX–2023–087; SR–CboeBZX–2023–095; SR–CboeBZX–2024–018); Order Granting Approval of a Proposed Rule Change, as Modified by Amendment No. 1, to List and Trade Shares of the Hashdex Nasdaq Crypto Index US ETF and Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, to List and Trade Shares of the Franklin Crypto Index ETF, a Series of the Franklin Crypto Trust, Securities Exchange Act Release No. 101998 (Dec. 19, 2024), 89 FR 106707 (Dec. 30, 2024) (SR–NASDAQ–2024–028; SR–CboeBZX–2024–091).

<sup>4</sup> See Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 2, to Amend the Rules Governing the Listing and Trading of the Shares of the iShares Bitcoin Trust to Permit In-Kind Creations and Redemptions (SR–NASDAQ–2025–008), Securities Exchange Act Release No. 103406 (July 9, 2025), 90 FR 31386 (July 14, 2025) (“iShares BTC Amendment”).

<sup>5</sup> See Notice of Filing of Amendment No. 1 and Designation of a Longer Period for Commission Action on a Proposed Rule Change, as Modified by Amendment No. 1, to Amend the Rules Governing the Listing and Trading of Shares of the iShares Ethereum Trust to Permit In-Kind Creations and Redemptions (SR–NASDAQ–2025–038), Securities

Rule 5711(d) (Commodity-Based Trust Shares); (ii) ARK 21Shares Bitcoin ETF and 21Shares Core Ethereum ETF,<sup>6</sup> Fidelity Wise Origin Bitcoin Fund and Fidelity Ethereum Fund,<sup>7</sup> VanEck Bitcoin ETF and VanEck Ethereum ETF,<sup>8</sup> WisdomTree Bitcoin Fund,<sup>9</sup> Invesco Galaxy Bitcoin ETF and Invesco Galaxy Ethereum ETF,<sup>10</sup> and Franklin Bitcoin ETF, Franklin Ethereum ETF, and Franklin Crypto Index ETF,<sup>11</sup> each listed under BZX Rule 14.11(e)(4) (Commodity-Based Trust Shares); and (iii) Bitwise Bitcoin ETF Trust and Bitwise Ethereum ETF,<sup>12</sup> listed under NYSE Arca Rule 8.201–E (Commodity-Based Trust Shares). Each of the

Exchange Act Release No. 103416 (July 9, 2025), 90 FR 31507 (July 14, 2025) (“iShares ETH Amendment”).

<sup>6</sup> See Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 3, to Amend the Rule Governing the Listing and Trading of the ARK 21Shares Bitcoin ETF and the 21Shares Core Ethereum ETF to Permit In-Kind Creations and Redemptions (SR–CboeBZX–2025–010), Securities Exchange Act Release No. 103524 (July 22, 2025), 90 FR 35331 (July 25, 2025) (“21Shares Amendment”).

<sup>7</sup> See Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 1, to Amend the Rule Governing the Listing and Trading of the Fidelity Wise Origin Bitcoin Fund and the Fidelity Ethereum Fund to Permit In-Kind Creations and Redemptions (SR–CboeBZX–2025–023), Securities Exchange Act Release No. 103525 (July 22, 2025), 90 FR 35355 (July 25, 2025) (“Fidelity Amendment”).

<sup>8</sup> See Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 1, to Amend the Rule Governing the Listing and Trading of the VanEck Bitcoin ETF and the VanEck Ethereum ETF to Permit In-Kind Creations and Redemptions (SR–CboeBZX–2025–031), Securities Exchange Act Release No. 103526 (July 22, 2025), 90 FR 35348 (July 25, 2025) (“VanEck Amendment”).

<sup>9</sup> See Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 1, to Amend the Rule Governing the Listing and Trading of the WisdomTree Bitcoin Fund to Permit In-Kind Creations and Redemptions (SR–CboeBZX–2025–033), Securities Exchange Act Release No. 103527 (July 22, 2025), 90 FR 35351 (July 25, 2025) (“WisdomTree Amendment”).

<sup>10</sup> See Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 1, to Amend the Rule Governing the Listing and Trading of the Invesco Galaxy Bitcoin ETF and the Invesco Galaxy Ethereum ETF to Permit In-Kind Creations and Redemptions (SR–CboeBZX–2025–035), Securities Exchange Act Release No. 103529 (July 22, 2025), 90 FR 35335 (July 25, 2025) (“Invesco Amendment”).

<sup>11</sup> See Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 1, to Amend the Rule Governing the Listing and Trading of the Franklin Bitcoin ETF, the Franklin Ethereum ETF, and the Franklin Crypto Index ETF, to Permit In-Kind Creations and Redemptions (SR–CboeBZX–2025–050), Securities Exchange Act Release No. 103530 (July 22, 2025), 90 FR 35343 (July 25, 2025) (“Franklin Amendment”).

<sup>12</sup> See Notice of Filing of Amendment No. 2 to Proposed Rule Change to Amend the Bitwise Bitcoin ETF Trust and the Bitwise Ethereum ETF in Order to Permit In-Kind Creations and Redemptions (SR–NYSEARCA–2025–38), Securities Exchange Act Release No. 103407 (July 9, 2025), 90 FR 31390 (July 14, 2025) (“Bitwise Amendment”).

<sup>18</sup> 17 CFR 200.30–3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.