

anticipates that the vast majority of Members on the Exchange will not be subject to any fees under the proposed tiers. Accordingly, the Exchange believes that the proposed ADO and ADQ fees do not favor certain categories of market participants in a manner that would impose a burden on competition.

Next, the Exchange believes the proposed rule change does not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As previously discussed, the Exchange operates in a highly competitive market, including competition for order flow. Market Participants have numerous alternative venues that they may participate on, including 17 other options exchanges (including 3 other non-Cboe options exchanges), as well as off-exchange venues, where competitive products are available for trading. Indeed, participants can readily choose to submit their order flow to other exchange and off-exchange venues if they deem fee levels at those other venues to be more favorable. Moreover, the Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.” The fact that this market is competitive has also long been recognized by the courts. In *NetCoalition v. Securities and Exchange Commission*, the D.C. Circuit stated as follows: “[n]o one disputes that competition for order flow is ‘fierce.’ . . . As the SEC explained, ‘[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution’; [and] ‘no exchange can afford to take its market share percentages for granted’ because ‘no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers’. . . .” Accordingly, the Exchange does not believe its proposed change imposes any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁵² and paragraph (f) of Rule 19b-4⁵³ thereunder. 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 will 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
- Send an email to rule-comments@sec.gov. Please include file number SR-CboeBZX-2025-107 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-CboeBZX-2025-107. 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-CboeBZX-2025-107 and should be submitted on or before September 2, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵⁴

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-15261 Filed 8-11-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103654; File No. SR-CboeBZX-2025-096]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing of a Proposed Rule Change To List and Trade Shares of the BondBloxx Private Credit Trust Under BZX Rule 14.11(f), Trust Issued Receipts

August 7, 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 July 25, 2025, Cboe BZX Exchange, Inc. (“Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III 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

Cboe BZX Exchange, Inc. (“BZX” or the “Exchange”) is filing with the Securities and Exchange Commission (“Commission” or “SEC”) a proposed rule change to list and trade shares of the BondBloxx Private Credit Trust (the “Trust”), under BZX Rule 14.11(f), Trust Issued Receipts.

The text of the proposed rule change is also available on the Exchange's website (http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/) and at the Exchange's Office of the Secretary.

⁵⁴ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

⁵² 15 U.S.C. 78s(b)(3)(A).

⁵³ 17 CFR 240.19b-4(f).

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 list and trade the Shares of the Trust under BZX Rule 14.11(f)(4), which governs the listing and trading of Trust Issued Receipts³ on the Exchange.⁴ The Trust seeks to provide attractive risk-adjusted returns primarily through distributions of current income from the Trust's portfolio, as further described below. The Trust has filed a registration statement on Form S-1 under the Securities Act of 1933.⁵

³ Rule 14.11(f)(4) applies to Trust Issued Receipts that invest in "Investment Shares" or "Financial Instruments". The term "Investment Shares," as defined in Rule 14.11(f)(4)(A)(i), means a security (a) that is issued by a trust, partnership, commodity pool or other similar entity that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities, swaps or high credit quality short-term fixed income securities or other securities; and (b) issued and redeemed daily at net asset value in amounts correlating to the number of receipts created and redeemed in a specified aggregate minimum number. The term "Financial Instruments," as defined in Rule 14.11(f)(4)(A)(iv), means any combination of investments, including cash; securities; options on securities and indices; futures contracts; options on futures contracts; forward contracts; equity caps, collars and floors; and swap agreements.

⁴ The Commission approved BZX Rule 14.11(f)(4) in Securities Exchange Act Release No. 68619 (January 10, 2013), 78 FR 3489 (January 16, 2013) (SR-BZX-2012-044).

⁵ The Trust has filed an amended registration statement on Form S-1 under the Securities Act of 1933, dated May 21, 2025 (File No. 333-283852) ("Registration Statement"). The description of the Trust and the Shares contained herein are based on the Registration Statement. The Registration Statement for the Trust is not yet effective, and the Trust will not trade on the Exchange until such time that the Registration Statement is effective.

⁶ The Trust intends to operate its business so that it is falls outside of the definition of an investment company under the Investment Company Act of 1940 (the "1940 Act"). Section 3(a)(1)(C) of the 1940 Act generally defines an investment company as an entity primarily engaged in investing, reinvesting, or trading in securities and holds

Description of the Trust

BondBloxx Investment Management Corporation (the "Advisor") is the advisor to the Trust and is responsible for the overall management of the Trust's business activities. HCG Fund Management LP (the "Sub-Advisor") is responsible for the day-to-day management of the Trust's private credit assets. Brown Brothers Harriman & Co. serves as the administrator (the "Administrator"), custodian (the "Custodian"), and the transfer agent (the "Transfer Agent"). CSC Delaware Trust Company, a Delaware trust company, is the sole trustee of the Trust.

If the Advisor to the Trust issuing the Trust Issued Receipts is affiliated with a broker-dealer, such Advisor to the Trust shall erect and maintain a "fire wall" between the Advisor and the broker-dealer with respect to access to information concerning the composition and/or changes to the Trust's portfolio. The Advisor is not a broker-dealer or affiliated with a broker-dealer. In the event that (a) the Advisor becomes a broker-dealer or newly affiliated with a broker-dealer, or (b) any new Advisor is a broker-dealer or becomes affiliated with a broker-dealer, it will implement and maintain a fire wall with respect to its relevant personnel or such broker-dealer affiliate, as applicable, regarding access to information concerning the composition and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-

investment securities exceeding 40% of its total assets (exclusive of U.S. federal government securities and cash items) on a non-consolidated basis, which the Trust refers to as the 40% test. Excluded from the term "investment securities," among other things, are securities issued by majority-owned subsidiaries that are not themselves investment companies and are not relying on the exclusions from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the 1940 Act. The Trust intends to comply with this 40% test by primarily conducting its business through its majority-owned subsidiaries, which are not classified as investment companies and not relying on either the Section 3(c)(1) or Section 3(c)(7) exclusions from registration under the 1940 Act.

The Trust anticipates that its subsidiaries will primarily qualify for exclusions under Section 3(c)(5)(A) of the 1940 Act, which applies to issuers primarily engaged in the business of purchasing or otherwise acquiring notes, drafts, acceptances, open accounts receivable, and other obligations representing part or all of the sales price of merchandise, insurance and services, or Section 3(c)(5)(B) of the 1940 Act, which is available to entities primarily engaged in the business of making loans to manufacturers, wholesalers, and retailers of, and to prospective purchasers of, specified merchandise, insurance and services. These exceptions require that at least 55% of the subsidiaries' portfolios consist of qualifying assets that meet the requirements of the relevant exception.

public information regarding the portfolio.

The Trust seeks to provide attractive risk-adjusted returns to Shareholders primarily through distributions of current income from the Trust's portfolio. The Trust intends to achieve this objective by constructing a diversified portfolio of consumer and small business private credit assets. The Trust intends to target primarily whole loans that the Advisor believes will offer stable and predictable cash flows. The Trust generally intends to focus on loans that have short and medium terms (e.g., less than 60 months) which, through principal amortization, tend to have low duration (e.g., less than 30 months). The Trust believes that targeting assets with a combination of short duration and high cash yields will enhance the liquidity of the Trust's portfolio and provide the Trust the opportunity to earn attractive returns while managing the risk of losses in market value that can result from increases in interest rates. The Trust expects to acquire its initial portfolio of assets using the net proceeds of this offering.

Investable Instruments and Trust Liquidity

The Trust intends to hold the following instruments: personal installment loans, small business loans, student loans, point of sale loans, and asset backed securities that are backed by such loans (collectively "Private Credit Assets"), investment grade bonds, U.S. Treasuries, shares of certain exchange traded funds that invest in U.S. Treasuries or other short-term, interest bearing assets and cash and cash equivalents,⁷ including funds of an affiliated Trust for which the Advisor acts as the investment adviser.

The Trust plans to participate in the rapidly growing market for small balance, short duration, amortizing loans enabled by Fintech lending platforms. The Advisor believes consumer and small business loans sourced through Fintech lending platforms offer investors attractive value propositions that have primarily been available to institutional investors. However, there is limited sell-side liquidity available in the market for Private Credit Assets. As such, the

⁷ Cash equivalents are short-term instruments with maturities of less than 3 months, specifically including U.S. Government securities, certificates of deposit, bankers' acceptances, repurchase and reverse repurchase agreements, bank time deposits, commercial paper, and money market funds. This definition is consistent with the definition of cash and cash equivalents in Exchange Rule 14.11(i)(4)(C)(iii).

Advisor is proposing to utilize the following strategy to facilitate redemptions in the Trust:

1. The Trust will maintain a portion of the portfolio in cash and cash equivalents (the "Liquidity Sleeve"). Under normal circumstances, the Trust expects to hold approximately 20% of the portfolio in these liquid assets. The Advisor expects that it will generally be able to fulfill redemption orders using this position. The Advisor may also strategically increase the size of the Liquidity Sleeve in order to better facilitate anticipated redemptions by retaining, rather than distributing the paydowns from Private Credit Assets as further described below.

2. The remaining 80% of the Trust's holdings will consist of Private Credit Assets. These are short duration, high yielding products that are underwritten to pay a weighted average of 8% of the total Trust AUM per month or 10% of the private credit AUM per month. The underwritten yields are currently 10% and at origination typically have an underwritten average duration limit of 3 years, with a target for the initial portfolio of less than 1 year. The monthly cash flows, which are received throughout the month, may be reinvested to the extent necessary to maintain the approximate 20/80 allocation between the Liquidity Sleeve and Private Credit Assets described above. The Trust will consider the current level of the Liquidity Sleeve, among other factors, in determining its distribution policy, and may determine to use accumulated cash received from payments of interest and principal on its Private Credit Assets as well as cash proceeds from loan repayments to replenish or increase the Liquidity Sleeve before distributing such amounts to shareholders.

3. In the event that the cash and cash equivalents required to accommodate a series of redemptions or a single large redemption approaches the size of the Trust's Liquidity Sleeve, the Trust may:

- a. Sell Private Credit Assets in the secondary market to raise cash;
- b. Arrange a line of credit or other financing facility with a bank or broker dealer, using the portfolio of Private Credit Assets as collateral.

These options will likely come at a cost to the Trust or may not be available to the Trust depending on market conditions.

4. In the event that items 1–3 above do not provide sufficient cash and cash equivalents to the Liquidity Sleeve to accommodate redemptions in the Trust, redemptions may be suspended until the Trust accumulates enough cash to facilitate additional redemptions, which

the Advisor does not expect to last for longer than approximately 2.5 months. In the event that the Advisor implements a restriction on redemptions, the Shares on the secondary market may trade at deep discount. The discount could potentially serve to prompt investors to buy shares and potentially trigger primary market activity.

The Advisor believes that the liquidity strategy laid out above will be sufficient to address concerns that may arise from the relative illiquidity of the secondary market for selling Private Credit Assets. Specifically, the Advisor believes that the 20% Liquidity Sleeve (with the flexibility to increase the sleeve during times of potentially high redemptions) will provide the Trust with sufficient liquidity to manage redemptions under the vast majority of market conditions. Additionally, because the Trust will target shorter duration loans that are underwritten to generate cash payments of interest and principal amortization of approximately 8% of the Trust's AUM per month, even in the event that the Trust's Liquidity Sleeve is exhausted, it is expected to be replenished by the cash payments generated by the Private Credit Assets. In the event that the cash generated by the Private Credit Assets is insufficient to satisfy incoming redemptions the Trust would then have the ability to facilitate additional redemptions by selling certain of the Private Credit Assets and/or using the Private Credit Assets as collateral for a cash loan from a bank or broker dealer. In a worst case scenario, the Trust would temporarily suspend redemptions. However, as noted above, the Advisor does not expect such a suspension to last for longer than approximately 2.5 months because of the cash expected to be generated by the Private Credit Assets.

In addition to the specific liquidity strategy described above, the Advisor also notes that the small size of loans sourced through Fintech lending platforms will enable the Trust to hold a portfolio that is diversified by sector, source, vintage, count and geography, which will help to manage idiosyncratic risk and ensure a diverse universe of lenders. Further to this point, the small loan size means that the Trust will need to hold a significant number of Private Credit Assets, further ensuring diversity and minimizing the risk that any single Private Credit Assets would have on the portfolio. The Advisor further believes that the cash yields and short duration through regular principal amortization will, in addition to enhancing the liquidity of the Trust, help manage volatility of returns.

Purchases and Redemptions of Creation Units

The Trust will create and redeem Shares from time to time only in large blocks of a specified number of Shares or multiples thereof ("Creation Units"). A Creation Unit is a block of at least 50,000 Shares. Except when aggregated in Creation Units, the Shares are not redeemable securities. Creation Units are only redeemable by authorized participants.

On any Business Day, an authorized participant may place an order with the Advisor to create one or more Creation Units.⁸ The total cash payment required to create each Creation Unit is the NAV of at least 50,000 Shares on the purchase order date plus the applicable transaction fee.

The procedures by which an authorized participant can redeem one or more Creation Units mirror the procedures for the purchase of Creation Units. On any Business Day, an authorized participant may place an order with the Transfer Agent to redeem one or more Creation Units. The redemption proceeds from the Trust consist of the cash redemption amount. The cash redemption amount is equal to the NAV of the number of Creation Unit(s) of the Trust requested in the authorized participant's redemption order on the business day the redemption order is received by the Transfer Agent, less transaction fees.

Availability of Information

The NAV for the Trust will be calculated by an independent third party once each Business Day and will be disseminated daily to all market participants at the same time.⁹ Pricing information will be available on the Advisor's website including: (1) the prior Business Day's reported NAV, the closing market price or the bid/ask price, daily trading volume, and a calculation of the premium and discount of the closing market price or bid/ask price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily closing price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. The Trust will also

⁸ Authorized participants have a cut-off time of 2:00 p.m. ET to place creation and redemption orders and orders received after 2:00 p.m. will not be deemed to be received until the following business day.

⁹ NAV means the total assets of the Trust including, but not limited to, all cash and cash equivalents and private credit assets, less any liabilities, divided by the total number of Shares outstanding. The Trust's NAV is generally calculated at 4 p.m. ET.

disclose its portfolio holdings on a daily basis on its website. The aforementioned information will be published as of the close of business and available on the Advisor's website at www.bondbloxxtf.com.

Generally, the Trust values its assets using market quotations when they are readily available. Whole loans, asset backed securities and certain other types of private credit assets that Trust may hold may not have readily available market quotations. In accordance with the Advisor's valuation policies and procedures, the Sub-Advisor will fair value the Trust's private credit assets based on a discounted cash flow ("DCF") analysis of the loan portfolio's expected future net cash flows over the lifetime of the loan, discounted by the expected return. The difference between the calculated net present value and carrying value of the loan portfolio reflects the valuation adjustment that will be updated daily. In accordance with the valuation policy and procedures, and independent third-party pricing service will provide the inputs for the DCF model, including daily loan tapes (e.g., loan balances, payment history, interest rates, and FICO scores) along with forward outlook on the portfolio (e.g., loss expectation). Additionally, the model may incorporate any publicly available information such as pricing from recent deals or information specific to the Fintech lending platform. The model will be updated for daily changes to reflect any new information regarding the borrower or loan. Further, daily cash balances will reflect ending account balances per the Trust's bank account interest receivable will reflect accrued interest balances for the loan portfolio per the loan servicer's statement and prepaid and other assets will reflect ending accrued balances per the general ledger. The Sub-Advisor will review for reasonableness the fair values of the private credit assets provided by the independent third-party pricing services. There is no single standard for determining the fair value of an asset. Rather, fair value calculations will involve significant professional judgment in the application of both observable and unobservable attributes, and as a result, the calculated NAV of the Trust's assets may differ from their actual realizable value or future fair value.

Quotation and last-sale information regarding the Shares will be disseminated through the facilities of the Consolidated Tape Association ("CTA"). Pricing information regarding cash equivalents in which the Trust will invest is generally available through

nationally recognized data services providers, such as Reuters and Bloomberg, through subscription agreements.

Additional information regarding the Trust and the Shares, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings, disclosure policies, distributions and taxes will be included in the registration statement.

The Intraday Indicative Value ("IIV") will be updated during Regular Trading Hours to reflect changes in the value of the Trust's holdings during the trading day. The IIV disseminated during Regular Trading Hours should not be viewed as an actual real-time update of the NAV, which will be calculated only once at the end of each trading day. The IIV will be updated every 15 seconds, as calculated by the Exchange or a third-party financial data provider during the Exchange's Regular Trading Hours (9:30 a.m. to 4:00 p.m. Eastern time). The IIV will be widely disseminated on a per Share basis every 15 seconds during the Exchange's Regular Trading Hours through the facilities of the consolidated tape association (CTA) and Consolidated Quotation System (CQS) high speed lines. In addition, the IIV will be available through on-line information services such as Bloomberg and Reuters.

Initial and Continued Listing

The Shares will conform to the initial and continued listing criteria under BZX Rule 14.11(f)(4). A minimum of 100,000 Shares will be outstanding at the commencement of trading on the Exchange. The Exchange will obtain a representation from the Advisor of the Shares that the NAV per Share for the Trust will be calculated daily and will be made available to all market participants at the same time.

Trading Halts

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares. The Exchange will halt trading in the Shares under the conditions specified in BZX Rule 11.18. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) the extent to which trading is not occurring in the securities and/or the financial instruments composing the daily disclosed portfolio of the Trust; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

Trading Rules

The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities. The Exchange will allow trading in the Shares from 8:00 a.m. until 8:00 p.m. ET and has the appropriate rules to facilitate transactions in the Shares during all trading sessions. As provided in BZX Rule 11.11(a), the minimum price variation for quoting and entry of orders in securities traded on the Exchange is \$0.01, with the exception of securities that are priced less than \$1.00, for which the minimum price variation for order entry is \$0.0001.

Surveillance

Trading of the Shares through the Exchange will be subject to the Exchange's existing surveillance for securities traded on the Exchange. The Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

All statements and representations made in this filing regarding (a) the description of the portfolio, reference assets, and index, (b) limitations on portfolio holdings or reference assets, or (c) the applicability of Exchange rules shall constitute continued listing requirements for listing the Shares on the Exchange. The issuer has represented to the Exchange that it will advise the Exchange of any failure by the Trust or the Shares to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will surveil for compliance with the continued listing requirements. If the Trust or the Shares are not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under Exchange Rule 14.12.

Information Circular

Prior to the commencement of trading, the Exchange will inform its members in an Information Circular of the special characteristics and risks associated with trading the Shares. Specifically, the Information Circular will discuss the following: (1) the procedures for purchases and redemptions of Shares in Creation Units (and that Shares are not individually redeemable); (2) BZX Rule 3.7, which imposes suitability obligations on Exchange members with respect to recommending transactions in the Shares to customers; (3) Interpretation and Policy .01 of BZX Rule 3.7 which

imposes a duty of due diligence on its Members to learn the essential facts relating to every customer prior to trading the Shares;¹⁰ (4) how information regarding the IIV and the Trust's holdings is disseminated; (5) the risks involved in trading the Shares during the Pre-Opening¹¹ and After Hours Trading Sessions¹² when an updated IIV will not be calculated or publicly disseminated; (6) the requirement that members deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (7) trading information.

In addition, the Information Circular will advise members, prior to the commencement of trading, of the prospectus delivery requirements applicable to the Trust. Members purchasing Shares from the Trust for resale to investors will deliver a prospectus to such investors. The Information Circular will also discuss any exemptive, no-action and interpretive relief granted by the Commission from any rules under the Act. In addition, the Information Circular will reference that the Trust is subject to various fees and expenses described in the Trust's registration statement. The Information Circular will also disclose the trading hours of the Shares and the applicable NAV calculation time for the Shares. The Information Circular will disclose that information about the Shares will be publicly available on the Advisor's website.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁴ requirements that the rules of an exchange be 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 regulating, clearing, settling, processing information with respect to, and 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁵ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange notes that the Commission has approved numerous series of Trust Issued Receipts¹⁶ to be listed on U.S. national securities exchanges and several other vehicles holding private credit instruments have recently launched.¹⁷

Trust Issued Receipts

Trading of the Shares through the Exchange will be subject to the Exchange's existing surveillance for securities traded on the Exchange. The Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees. All statements and representations made in this filing regarding (a) the description of the portfolio, reference assets, and index, (b) limitations on portfolio holdings or reference assets, or (c) the applicability of Exchange rules shall constitute continued listing requirements for listing the Shares on the Exchange. The issuer has represented to the Exchange that it will advise the Exchange of any failure by the Trust or the Shares to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will surveil for compliance with the continued listing requirements. If the Trust or the Shares are not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under Exchange Rule 14.12.

The Sponsor has represented to the Exchange that it will advise the Exchange of any failure by the Trust or the Shares to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Exchange Act, the Exchange will surveil for compliance

with the continued listing requirements. If the Trust or the Shares are not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under Exchange Rule 14.12.

Investable Instruments and Trust Liquidity

The Trust intends to hold Private Credit Assets, investment grade bonds, U.S. Treasuries, shares of certain exchange traded funds that invest in U.S. Treasuries or other short-term, interest bearing assets and cash and cash equivalents, including funds of an affiliated Trust for which the Advisor acts as the investment adviser.

The Trust plans to participate in the rapidly growing market for small balance, short duration, amortizing loans enabled by Fintech lending platforms. The Advisor believes consumer and small business loans sourced through Fintech lending platforms offer investors attractive value propositions that have primarily been available to institutional investors. However, there is limited sell-side liquidity available in the market for Private Credit Assets. As such, the Advisor is proposing to utilize the following strategy to facilitate redemptions in the Trust:

1. The Trust will maintain a portion of the portfolio in its Liquidity Sleeve. Under normal circumstances, the Trust expects to hold approximately 20% of the portfolio in these liquid assets. The Advisor expects that it will generally be able to fulfill redemption orders using this position. The Advisor may also strategically increase the size of the Liquidity Sleeve in order to better facilitate anticipated redemptions by retaining, rather than distributing the paydowns from Private Credit Assets as further described below.

2. The remaining 80% of the Trust's holdings will consist of Private Credit Assets. These are short duration, high yielding products that are underwritten to pay a weighted average of 8% of the total Trust AUM per month or 10% of the private credit AUM per month. The underwritten yields are currently 10% and at origination typically have an underwritten average duration limit of 3 years, with a target for the initial portfolio of less than 1 year. The monthly cash flows, which are received throughout the month, may be reinvested to the extent necessary to maintain the approximate 20/80 allocation between the Liquidity Sleeve and Private Credit Assets described above. The Trust will consider the current level of the Liquidity Sleeve, among other factors, in determining its

¹⁰ Specifically, in part, Interpretation and Policy .01 of Rule 3.7 states "[n]o Member shall recommend to a customer a transaction in any such product unless the Member has a reasonable basis for believing at the time of making the recommendation that the customer has such knowledge and experience in financial matters that he may reasonably be expected to be capable of evaluating the risks of the recommended transaction and is financially able to bear the risks of the recommended position."

¹¹ The Pre-Opening Session is from 8:00 a.m. to 9:30 a.m. ET.

¹² The After Hours Trading Session is from 4 p.m. to 8:00 p.m. ET.

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ *Id.*

¹⁶ See Exchange Rule 14.11(f).

¹⁷ See "First Private-Credit ETFs Launch," December 3, 2024, <https://www.wsj.com/livecoverage/stock-market-today-dow-sp500-nasdaq-live-12-03-2024/card/first-private-credit-etfs-launch-s0032D60wa2zg12uy7pY>.

distribution policy, and may determine to use accumulated cash received from payments of interest and principal on its Private Credit Assets as well as cash proceeds from loan repayments to replenish or increase the Liquidity Sleeve before distributing such amounts to shareholders.

3. In the event that the cash and cash equivalents required to accommodate a series of redemptions or a single large redemption approaches the size of the Trust's Liquidity Sleeve, the Trust may:

a. Sell Private Credit Assets in the secondary market to raise cash;

b. Arrange a line of credit or other financing facility with a bank or broker dealer, using the portfolio of Private Credit Assets as collateral.

These options will likely come at a cost to the Trust or may not be available to the Trust depending on market conditions.

4. In the event that items 1–3 above do not provide sufficient cash and cash equivalents to the Liquidity Sleeve to accommodate redemptions in the Trust, redemptions may be suspended until the Trust accumulates enough cash to facilitate additional redemptions, which the Advisor does not expect to last for longer than approximately 2.5 months. In the event that the Advisor implements a restriction on redemptions, the Shares on the secondary market may trade at deep discount. The discount could potentially serve to prompt investors to buy shares and potentially trigger primary market activity.

The Advisor believes that the liquidity strategy laid out above will be sufficient to address concerns that may arise from the relative illiquidity of the secondary market for selling Private Credit Assets. Specifically, the Advisor believes that the 20% Liquidity Sleeve (with the flexibility to increase the sleeve during times of potentially high redemptions) will provide the Trust with sufficient liquidity to manage redemptions under the vast majority of market conditions. Additionally, because the Trust will target shorter duration loans that are underwritten to generate cash payments of interest and principal amortization of approximately 8% of the Trust's AUM per month, even in the event that the Trust's Liquidity Sleeve is exhausted, it is expected to be replenished by the cash payments generated by the Private Credit Assets. In the event that the cash generated by the Private Credit Assets is insufficient to satisfy incoming redemptions the Trust would then have the ability to facilitate additional redemptions by selling certain of the Private Credit Assets and/or using the Private Credit

Assets as collateral for a cash loan from a bank or broker dealer. In a worst case scenario, the Trust would temporarily suspend redemptions. However, as noted above, the Advisor does not expect such a suspension to last for longer than approximately 2.5 months because of the cash expected to be generated by the Private Credit Assets.

In addition to the specific liquidity strategy described above, the Advisor also notes that the small size of loans sourced through Fintech lending platforms will enable the Trust to hold a portfolio that is diversified by sector, source, vintage, count and geography, which will help to manage idiosyncratic risk and ensure a diverse universe of lenders. Further to this point, the small loan size means that the Trust will need to hold a significant number of Private Credit Assets, further ensuring diversity and minimizing the risk that any single Private Credit Assets would have on the portfolio. The Advisor further believes that the cash yields and short duration through regular principal amortization will, in addition to enhancing the liquidity of the Trust, help manage volatility of returns.

Availability of Information

The NAV for the Trust will be calculated by an independent third party once each Business Day and will be disseminated daily to all market participants at the same time. Pricing information will be available on the Advisor's website including: (1) the prior Business Day's reported NAV, the closing market price or the bid/ask price, daily trading volume, and a calculation of the premium and discount of the closing market price or bid/ask price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily closing price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. The Trust will also disclose its portfolio holdings on a daily basis on its website. The aforementioned information will be published as of the close of business and available on the Advisor's website at www.bondbloxxtf.com.

Generally, the Trust values its assets using market quotations when they are readily available. Whole loans, asset backed securities and certain other types of private credit assets that Trust may hold may not have readily available market quotations. In accordance with the Advisor's valuation policies and procedures, the Sub-Advisor will fair value the Trust's private credit assets based on a DCF analysis of the loan portfolio's expected future net cash

flows over the lifetime of the loan, discounted by the expected return. The difference between the calculated net present value and carrying value of the loan portfolio reflects the valuation adjustment that will be updated daily. In accordance with the valuation policy and procedures, and independent third-party pricing service will provide the inputs for the DCF model, including daily loan tapes (e.g., loan balances, payment history, interest rates, and FICO scores) along with forward outlook on the portfolio (e.g., loss expectation). Additionally, the model may incorporate any publicly available information such as pricing from recent deals or information specific to the Fintech lending platform. The model will be updated for daily changes to reflect any new information regarding the borrower or loan. Further, daily cash balances will reflect ending account balances per the Trust's bank account interest receivable will reflect accrued interest balances for the loan portfolio per the loan servicer's statement and prepaid and other assets will reflect ending accrued balances per the general ledger. The Sub-Advisor will review for reasonableness the fair values of the private credit assets provided by the independent third-party pricing services. There is no single standard for determining the fair value of an asset. Rather, fair value calculations will involve significant professional judgment in the application of both observable and unobservable attributes, and as a result, the calculated NAV of the Trust's assets may differ from their actual realizable value or future fair value. Quotation and last-sale information regarding the Shares will be disseminated through the facilities of the CTA. Pricing information regarding cash equivalents in which the Trust will invest is generally available through nationally recognized data services providers, such as Reuters and Bloomberg, through subscription agreements.

Additional information regarding the Trust and the Shares, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings, disclosure policies, distributions and taxes will be included in the registration statement.

The IIV will be updated during Regular Trading Hours to reflect changes in the value of the Trust's holdings during the trading day. The IIV disseminated during Regular Trading Hours should not be viewed as an actual real-time update of the NAV, which will be calculated only once at the end of each trading day. The IIV will be updated every 15 seconds, as calculated

by the Exchange or a third-party financial data provider during the Exchange's Regular Trading Hours (9:30 a.m. to 4:00 p.m. Eastern time). The IIV will be widely disseminated on a per Share basis every 15 seconds during the Exchange's Regular Trading Hours through the facilities of the consolidated tape association (CTA) and Consolidated Quotation System (CQS) high speed lines. In addition, the IIV will be available through on-line information services such as Bloomberg and Reuters.

The proposed rule change is designed to perfect the mechanism of a free and open market, and, in general, to protect investors and the public interest in that it will facilitate the listing and trading of an additional type of exchange-traded product that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Shares and may obtain information via ISG from other exchanges that are members of ISG or with which the Exchange has entered into a surveillance sharing agreement. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares. The Exchange may obtain information regarding trading in the Shares from other exchanges who are members or affiliates of the ISG,¹⁸ or with which the Exchange has entered into a comprehensive surveillance sharing agreement.

For the above reasons, the Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.

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 Exchange notes that the proposed rule change, rather will facilitate the listing and trading of an additional exchange-traded product that will enhance competition among both market participants and listing venues, to the benefit of investors and the marketplace.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

- A. by order approve or disapprove such proposed rule change, or
- B. institute proceedings to determine whether the proposed rule change should be 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. Please include file number SR-CboeBZX-2025-096 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-CboeBZX-2025-096. 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-CboeBZX-2025-096 and should be submitted on or before September 2, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-15255 Filed 8-11-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103655; File No. SR-CboeBZX-2025-111]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 19.3

August 7, 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 August 4, 2024, Cboe BZX Exchange, Inc. (the "Exchange" or "BZX") filed with the Securities and Exchange Commission ("Commission") a 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

Cboe BZX Exchange, Inc. (the "Exchange" or "BZX Options") proposes to amend Rule 19.3. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/), and at the Exchange's Office of the Secretary.

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

¹⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹⁸ For a list of the current members and affiliate members of ISG, see www.isgportal.com.