

*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–2025–035 and should be submitted on or before August 15, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>21</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025–14034 Filed 7–24–25; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 35686; File No. 812–15605]

**Audax Credit BDC Inc., et al.**

July 22, 2025.

**AGENCY:** Securities and Exchange Commission (“Commission” or “SEC”).

**ACTION:** Notice.

Notice of application for an order under sections 17(d) and 57(i) of the Investment Company Act of 1940 (the “Act”) and rule 17d–1 under the Act to permit certain joint transactions otherwise prohibited by sections 17(d) and 57(a)(4) of the Act and rule 17d–1 under the Act.

**SUMMARY OF APPLICATION:** Applicants request an order to permit certain business development companies (“BDCs”) and closed-end management investment companies to co-invest in portfolio companies with each other and with certain affiliated investment entities.

**APPLICANTS:** Audax Credit BDC Inc., Audax Private Credit Fund, LLC, Audax Management Company (NY), LLC, Audax PDB Management Company, LLC, and certain of their affiliated entities as described in Appendix A to the application.

**FILING DATES:** The application was filed on July 24, 2024, and amended on December 17, 2024, May 13, 2025, and July 15, 2025.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may

request a hearing on any application by emailing the SEC’s Secretary at *Secretarys-Office@sec.gov* and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below. Hearing requests should be received by the Commission by 5:30 p.m. on August 18, 2025, and should be accompanied by proof of service on the Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Act, hearing requests should state the nature of the writer’s interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission’s Secretary at *Secretarys-Office@sec.gov*.

**ADDRESSES:** The Commission: *Secretarys-Office@sec.gov*. Applicants: Audax Management Company (NY), LLC, Jason Scofield, *jscofield@audaxgroup.com*, and Daniel Weintraub, *dweintraub@audaxgroup.com*; Simpson Thacher & Bartlett LLP, Rajib Chanda, Esq., *rajib.chanda@stblaw.com*, Steven Grigoriou, Esq., *steven.grigoriou@stblaw.com*, and Hadley Dryland, *hadley.dryland@stblaw.com*.

**FOR FURTHER INFORMATION CONTACT:** Adam Large, Senior Special Counsel, Laura Solomon, Senior Counsel, or Daniele Marchesani, Assistant Chief Counsel, at (202) 551–6825 (Division of Investment Management, Chief Counsel’s Office).

**SUPPLEMENTARY INFORMATION:** For Applicants’ representations, legal analysis, and conditions, please refer to Applicants’ third amended application, dated July 15, 2025, which may be obtained via the Commission’s website by searching for the file number at the top of this document, or for an Applicant using the Company name search field, on the SEC’s EDGAR system.

The SEC’s EDGAR system may be searched at <https://www.sec.gov/edgar/searchedgar/companysearch.html>. You may also call the SEC’s Office of Investor Education and Advocacy at (202) 551–8090.

For the Commission, by the Division of Investment Management, under delegated authority.

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

[FR Doc. 2025–14007 Filed 7–24–25; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103531; File No. SR–NYSEARCA–2024–98]

**Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1 Thereto, To Amend NYSE Arca Rule 8.500–E (Trust Units) and To List and Trade Shares of the Bitwise 10 Crypto Index ETF Under Amended NYSE Arca Rule 8.500–E (Trust Units)**

July 22, 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, <sup>2</sup> NYSE Arca, Inc. (“NYSE Arca” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change, as modified by Amendment No. 1 (“Proposal”), to amend NYSE Arca Rule 8.500–E (Trust Units) and to list and trade shares (“Shares”) of the Bitwise 10 Crypto Index ETF (“Trust”) under amended NYSE Arca Rule 8.500–E (Trust Units). <sup>3</sup> The Proposal was subject to notice and comment. <sup>4</sup> This order approves the Proposal on an accelerated basis.

### II. Description of the Proposal

#### A. Amendments to NYSE Arca Rules 8.500–E and 5.3–E

As described in more detail in the Amendment No. 1, <sup>5</sup> the Exchange proposes to amend NYSE Arca Rule 8.500–E (Trust Units). <sup>6</sup> First, the

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> For the complete procedural history of the Proposal, see Notice of Filing of Amendment No. 1 to a Proposed Rule Change to Amend NYSE Arca Rule 8.500–E (Trust Units) and to List and Trade Shares of the Bitwise 10 Crypto Index ETF under Amended NYSE Arca Rule 8.500–E, Securities Exchange Act Release No. 103499 (July 18, 2025) (SR–NYSEARCA–2024–98) (“Amendment No. 1”), available at <https://www.sec.gov/files/rules/sro/nysearca/2025/34-103499.pdf>. Shares of the Trust currently trade over-the-counter. See Amendment No. 1 at 6 n.11.

<sup>4</sup> Comments received on the Proposal are available at: <https://www.sec.gov/comments/sr-nysearca-2024-98/smysearca202498.htm>.

<sup>5</sup> See *supra* note 3.

<sup>6</sup> The Exchange proposed identical changes to NYSE Arca Rule 8.500–E in a prior filing. See Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1 Thereto, to Amend NYSE Arca Rule 8.500–E (Trust Units) and to List and Trade Shares of the Grayscale Digital Large Cap Fund LLC under Amended NYSE Arca Rule 8.500–E (Trust Units), Securities Exchange Act Release No. 103364 (July 1, 2025), 90 FR 29923 (July 7, 2025) (“Grayscale Order”). The Grayscale Order, which was approved pursuant to

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<sup>21</sup> 17 CFR 200.30–3(a)(12).

Exchange proposes to revise the definition of “Trust Units.” Currently, the rule provides that Trust Units are securities “issued by a trust or similar entity that is constituted as a commodity pool that holds investments comprising or otherwise based on any combination of futures contracts, options on futures contracts, forward contracts, swap contracts, commodities and/or securities.”<sup>7</sup> The Exchange proposes to amend this definition to specify that (i) Trust Units may also be issued by a limited liability company; and (ii) Trust Units may be commodity pools, “if applicable.”<sup>8</sup>

Second, the Exchange proposes to amend NYSE Arca Rule 8.500–E to specify that the Exchange may list and trade Trust Units with investments that are represented by an index or portfolio.<sup>9</sup> Currently, the rule only provides that the Exchange may list and trade Trust Units based on an underlying asset, commodity, security, or portfolio.<sup>10</sup> As revised, Trust Units may be based on an underlying asset, commodity, security, and/or portfolio, “which may be represented by an index or portfolio of any of the foregoing.”<sup>11</sup>

Third, the Exchange proposes certain conforming changes to the rule, consistent with the proposed changes described above.<sup>12</sup>

Fourth, the Exchange proposes to amend NYSE Arca Rules 5.3–E (Corporate Governance and Disclosure Policies) and 5.3–E(e) (Shareholder Annual Meetings) to include Trust Units listed pursuant to NYSE Arca Rule 8.500–E among the derivative and special purpose securities to which a limited set of corporate governance and disclosure policies would apply and to which the requirements concerning shareholder/annual meetings would not be required.<sup>13</sup>

## B. The Trust

The Exchange proposes to list and trade Shares of the Trust under amended NYSE Arca Rule 8.500–E, as described above. The investment objective of the Trust is to invest in a

delegated authority, 17 CFR 200.30–3(a)(12), is currently stayed while pending review by the Commission.

<sup>7</sup> See NYSE Arca Rule 8.500–E(b)(2).

<sup>8</sup> See Amendment No. 1 at 3–4.

<sup>9</sup> See *id.* at 4.

<sup>10</sup> See NYSE Arca Rule 8.500–E(c).

<sup>11</sup> See Amendment No. 1 at 4.

<sup>12</sup> See *id.* at 4–6 for additional details. The Exchange also proposes to amend NYSE Arca Rule 8.500–E(b)(1), which defines the term “commodity,” to update the reference to Section 1(a)(4) of the Commodity Exchange Act (“CEA”) with a reference to Section 1a(9) of the CEA. See *id.* at 3.

<sup>13</sup> See *id.* at 6.

portfolio of digital assets (each, a “Portfolio Asset” and, collectively, “Portfolio Assets”) that tracks the Bitwise 10 Large Cap Crypto Index (“Index”).<sup>14</sup> The Trust’s only assets will be the Portfolio Assets and cash.<sup>15</sup> The Trust rebalances monthly alongside the rebalance of the Index to stay current with any changes to the Index.<sup>16</sup> The Portfolio Assets, as well as their weightings, are generally expected to be the same as the Index, except that the Sponsor may determine to exclude a particular digital asset from the Portfolio Assets and/or rebalance the weighting of the Portfolio Assets in certain rules-based circumstances.<sup>17</sup> The Sponsor will ensure that, on an initial and continuing basis, as of 4:00 p.m. E.T. on every trading day, at least 85% of the Portfolio Assets will consist of commodities that are the primary investment underlying exchange-traded products (“ETPs”) that have been approved by the Commission to list and trade on a national securities exchange (“Approved Components”)<sup>18</sup> and that

<sup>14</sup> See *id.* at 7. The Trust is a Delaware statutory trust and will operate pursuant to a trust agreement between Bitwise Investment Advisers, LLC (“Sponsor”) and Delaware Trust Company, as trustee. Coinbase Custody Trust Company, LLC will maintain custody of the Trust’s assets. The Bank of New York Mellon (“Administrator”) will be the custodian for the Trust’s cash holdings, as well as the Trust’s administrator and transfer agent. See *id.*

<sup>15</sup> See *id.* at 9.

<sup>16</sup> See *id.* at 7–8. The Index is administered by Bitwise Index Services, LLC, an affiliate of the Sponsor. The Index is comprised of ten digital assets and is designed to track the performance of the ten largest digital assets that currently trade publicly on eligible digital asset trading platforms, as selected and weighted by free-float market capitalization. See *id.* at 10. The Sponsor represents that it will maintain a firewall between it and the personnel responsible for the maintenance of the Index or who have access to information concerning changes and adjustments to the Index. See *id.* at 7 n.15.

<sup>17</sup> See *id.* at 8. The weighting of the Portfolio Assets will differ slightly from the weightings of the Index components due to the need for the Trust to implement actual rebalance transactions, unlike the Index. See *id.* at 13 n.29.

<sup>18</sup> As of the filing of Amendment No. 1, more than 85% of the Portfolio Assets were bitcoin (78.72%) and ether (11.10%). The Commission approved both spot bitcoin and spot ether to underlie ETPs as primary investments. 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) (“Spot Bitcoin ETP Approval Order”); 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,

no more than 15% of the Portfolio Assets will be non-Approved Components.<sup>19</sup> As of June 30, 2025, the Trust’s Portfolio Assets and their weightings were: 78.72% bitcoin (BTC), 11.10% ether (ETH), 4.97% XRP (XRP), 3.03% Solana (SOL), 0.78% Cardano (ADA), 0.35% SUI (SUI), 0.32% Chainlink (LINK), 0.28% Avalanche (AVAX), 0.24% Litecoin (LTC), and 0.19% Polkadot (DOT).<sup>20</sup>

To determine the Trust’s net asset value (“NAV”), the Sponsor will rely on CF Benchmarks Ltd. (the “Valuation Vendor”) to calculate and publish the U.S. dollar price for each Portfolio Asset (each, a “Reference Price” and, collectively, “Reference Prices”) as of 4:00 p.m. E.T.,<sup>21</sup> and the Trust will use

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) (“Spot Ether ETP Approval Order”); 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) (“Spot Bitcoin & Ether ETP Approval Order”). The Spot Bitcoin ETP Approval Order, Spot Ether ETP Approval Order; and Spot Bitcoin & Ether ETP Approval Order each approved the listing and trading of Commodity-Based Trust Shares holding 100% of their assets in spot bitcoin and/or spot ether.

<sup>19</sup> See Amendment No. 1 at 15. The Exchange states that, to the extent the Trust’s composition is, or is anticipated to be, less than 85% Approved Components as of 4:00 p.m. E.T. on a given trading day, the Sponsor will promptly notify the Exchange. As soon as practicable and in any event by no later than the beginning of the NYSE Arca Core Trading Session on the following trading day, the Sponsor will rebalance the Trust’s portfolio according to the methodology described in the Trust’s prospectus such that at least 85% of the weightings of the Portfolio Assets will consist of Approved Components. If it is anticipated that, as of 4:00 p.m. E.T. on a given trading day, the Trust’s portfolio will not consist of at least 85% Approved Components by the start of the next NYSE Arca Core Trading Session, the Sponsor will notify the Exchange as soon as practicable (and, in any event, no later than 9:15 a.m. E.T.), and the Exchange will halt trading in the Shares until at least 85% of the weightings of the Portfolio Assets consist of Approved Components. See *id.* at 16. The Exchange also states that the Index will implement a rule that will limit the Index components and weightings thereof such that at least 85% of the weight of the Index components shall, on both an initial and a continuing basis, consist of Approved Components. See *id.* at 14.

<sup>20</sup> See *id.* at 8.

<sup>21</sup> See *id.* at 8–9. Each Reference Price aggregates the trade flow of several major digital asset trading platforms during an observation window between 3:00 p.m. and 4:00 p.m. E.T. into the U.S. dollar price of one of each Portfolio Asset at 4:00 p.m. E.T. Digital asset trading platforms considered by the Valuation Vendor currently include Bitstamp, Coinbase, Gemini, iBit, LMAX, and Kraken. See *id.* at 9.

the Reference Prices to calculate its NAV.<sup>22</sup> The Trust creates and redeems Shares from time to time for cash in one or more “Creation Units,” which will initially consist of at least 10,000 Shares, but may be subject to change.<sup>23</sup>

### III. Discussion and Commission Findings

After careful review, the Commission finds that the Proposal is consistent with the Exchange Act and rules and regulations thereunder applicable to a national securities exchange.<sup>24</sup> In particular, the Commission finds that the Proposal is consistent with Section 6(b)(5) of the Exchange Act,<sup>25</sup> which requires, among other things, that the Exchange’s rules be designed to “prevent fraudulent and manipulative acts and practices” and, “in general, to protect investors and the public interest;” and with Section 11A(a)(1)(C)(iii) of the Exchange Act,<sup>26</sup> which sets forth Congress’ finding that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities.

#### A. Amendments to NYSE Arca Rule 8.500–E and 5.3–E

The Commission finds that the proposed changes to NYSE Arca Rule 8.500–E are consistent with the Exchange Act. The proposed change to the definition of Trust Units as described above simply specifies that an entity structured as a limited liability company can issue Trust Units. Moreover, by amending the rule so that Trust Units may be commodity pools “if applicable,” the Proposal no longer requires Trust Units to be commodity pools.<sup>27</sup> Although the Proposal no longer requires the entity issuing Trust Units to be a commodity pool, it does not change Trust Units’ permissible investments, which remain “any

combination of futures contracts, options on futures contracts, forward contracts, swap contracts, commodities and/or securities.”<sup>28</sup> Accordingly, the Proposal provides flexibility on Trust Units structure without changes to permissible investments. Similarly, the Proposal’s provision that Trust Units’ underlying investments may be represented by an index or portfolio of permissible investments merely adds specificity that is consistent with the current rule text. All Trust Units listed and traded on the Exchange will continue to be subject to the initial and continued listing standards set forth in NYSE Arca Rule 8.500–E and will continue to be subject to the full panoply of the Exchange’s rules and procedures that currently govern the trading of equity securities on the Exchange including, among others, rules and procedures governing trading halts, surveillance procedures, disclosures to members, customer suitability requirements, and market maker obligations.

The Commission finds that it is consistent with Section 6(b)(5) of the Exchange Act<sup>29</sup> for the Exchange to include Trust Units among the types of securities to which a limited set of corporate governance and disclosure policies would apply and to which the requirements concerning shareholder/annual meetings would not be required. Like other types of securities listed in NYSE Arca Rules 5.3–E and 5.3–E(e), Trust Units are investment vehicles where unit holders, unlike other equity holders, do not directly participate or vote in the annual election of directors or generally on the operations or policies of the listed company.<sup>30</sup> Thus,

<sup>28</sup> NYSE Arca Rule 8.500–E(b)(2).

<sup>29</sup> 15 U.S.C. 78f(b)(5).

<sup>30</sup> See Order Granting Approval of a Proposed Rule Change Amending Section 302 of the Listed Company Manual To Provide Exemptions for the Issuers of Certain Categories of Securities From the Obligation To Hold Annual Shareholders’ Meetings, Securities Exchange Act Release No. 86406 (July 18, 2019), 84 FR 35431 (July 23, 2019) (SR–NYSE–2019–20) (“The Commission believes the right of shareholders to vote at an annual meeting is an essential and important one. The Commission, however, believes that the requirement to hold an annual shareholder meeting may not be necessary for certain issuers of specific types of securities because the holders of such securities do not directly participate as equity holders and vote in the annual election of directors or generally on the operations or policies of the listed company.”); Order Granting Approval of a Proposed Rule Change and Amendment Nos. 1 and 2 Thereto and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 3 Thereto Relating to Rule 4350(e) To Amend the Annual Shareholder Meeting Requirement, Securities Exchange Act Release No. 53578 (Mar. 30, 2006), 71 FR 17532 (Apr. 4, 2006) (SR–NASDAQ–2005–073). The Exchange is reverting the previous deletion of Trust Units from NYSE Arca Rules 5.3–E and 5.3–E(e). See

the Exchange’s rules, as amended, would continue to ensure that the appropriate listed companies are required to comply with corporate governance and disclosure policies and hold annual shareholder meetings, for the benefit of investors and the public interest.

#### B. The Trust

##### 1. Exchange Act Section 6(b)(5)

The Commission finds that the listing and trading of the Trust is consistent with the Exchange Act. The structure of the Trust, the terms of its operation and the trading of its Shares, and the representations in the Proposal are substantially similar to those of other proposals approved in prior Commission orders. On an initial basis, and on a continuing basis reflecting subsequent ETP approvals, at least 85% of the Trust’s holdings will consist of commodities that the Commission has approved to underlie an ETP as primary investments, with no more than 15% of the Trust’s investments in other assets, which could include other types of commodities as well as securities.<sup>31</sup> The Commission has previously found that the risks associated with fraud and manipulation are sufficiently mitigated if an ETP holds at least 80% of the investments in assets that do not raise concerns relating to fraud and manipulation.<sup>32</sup> In approving an ETP

Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend NYSE Arca Rule 5.3–E To Exclude Certain Categories of Issuers From the Exchange’s Annual Meeting Requirement, Securities Exchange Act Release No. 83324 (May 24, 2018), 83 FR 25076 (May 31, 2018) (SR–NYSEARCA–2018–31) (stating that the Exchange is removing Trust Units from those derivative and special purpose securities that are excluded from certain corporate governance requirements because “the Exchange does not presently list any security under the . . . Trust Units standards” and that “[s]hould the Exchange list securities under the . . . Trust Units standards in the future, it may consider whether to amend its rules at that time to allow for certain corporate governance exclusions applicable to such classes of securities.”). See *id.* at 25077–78 and n.10.

<sup>31</sup> See Amendment No. 1 at 15. See also *supra* notes 18–19 and accompanying text.

<sup>32</sup> See, e.g., Notice of Filing of Amendment No. 2, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 2, To List and Trade Shares of the SPDR DoubleLine Short Duration Total Return Tactical ETF of the SSgA Active Trust, Securities Exchange Act Release No. 77499 (Apr. 1, 2016), 81 FR 20428 (Apr. 7, 2016) (SR–BATS–2016–04) (approving the listing and trading of a series of Managed Fund Shares that would hold up to at least 80% of its net assets in a diversified portfolio of fixed income securities, with 20% limitations on certain holdings such as junior bank loans); Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Allow the JPMorgan Core Plus Bond ETF of the J.P. Morgan Exchange-Traded Fund Trust To Hold Certain Instruments in a

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<sup>22</sup> See *id.* at 24. The Trust’s NAV will be determined by the Administrator once each Exchange trading day as of 4:00 p.m. E.T., or as soon thereafter as practicable. The Administrator will calculate the NAV by multiplying the Portfolio Assets held by the Trust by their respective Reference Prices for such day, adding any additional receivables and subtracting the accrued but unpaid liabilities of the Trust. See *id.* at 25.

<sup>23</sup> See *id.* at 26.

<sup>24</sup> In approving the Proposal, the Commission has considered the Proposal’s impacts on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>25</sup> 15 U.S.C. 78f(b)(5).

<sup>26</sup> 15 U.S.C. 78k–1(a)(1)(C)(iii).

<sup>27</sup> See Section 1a(10) of the CEA for the definition of “commodity pool.”

with a commodity as a primary investment, the Commission must find under Section 6(b)(5) that there are sufficient means to prevent fraud and manipulation.<sup>33</sup> Accordingly, the Commission finds that the requirement that the Trust will hold at least 85% of its investments in assets approved by the Commission to underlie an ETP as primary investments will enable adequate surveillance of the Shares on the Exchange.

Pursuant to Section 19(b)(2) of the Exchange Act, the Commission must approve a proposed rule change filed by a national securities exchange if it finds that the proposed rule change is

Manner That May Not Comply With Rule 14.11(i), Managed Fund Shares, Securities Exchange Act Release No. 85701 (Apr. 22, 2019), 84 FR 17902 (Apr. 26, 2019) (SR-CboeBZX-2019-016) (approving the listing and trading of a series of Managed Fund Shares that could hold up to 20% of the weight of the fixed income portion of its portfolio in asset-backed securities and mortgage-backed securities issued by private issuers); Order Granting Approval of Proposed Rule Change, as Modified by Amendment No. 2 Thereto Relating to the Use of Derivative Instruments by PIMCO Total Return Exchange Traded Fund, Securities Exchange Act Release No. 72666 (July 3, 2014), 79 FR 44224 (July 30, 2014) (SR-NYSEARCA-2013-122) (approving the listing and trading of a series of Managed Fund Shares that would invest under normal market circumstances at least 65% of its total assets in a diversified portfolio of fixed income derivatives, including over-the-counter derivatives); Order Granting Approval of Proposed Rule Change, as Modified by Amendment No. 7 Thereto, Amending NYSE Arca Equities Rule 8.600 To Adopt Generic Listing Standards for Managed Fund Shares, Securities Exchange Act Release No. 78397 (July 22, 2016), 81 FR 49320 (July 27, 2016) (SR-NYSEARCA-2015-110) (approving generic listing standards for Managed Fund Shares allowing for up to 10% of the equity weight of the portfolio to consist of non-exchange-traded ADRs; up to 20% of the weight of the fixed income portion of the portfolio to consist of non-agency, non-government-sponsored entity, and privately-issued mortgage-related and other asset-backed securities components; up to 10% of the weight of holdings invested in futures, exchange-traded options, and listed swaps to consist of futures, options, and swaps which trade on markets that are not members of ISG or with which the Exchange does not have in place a comprehensive surveillance sharing agreement; and up to 20% of the assets in the portfolio to be invested in OTC derivatives) (“Managed Fund Shares Order”). In the Managed Fund Shares Order, the Commission found that the 20% limitation on OTC derivatives “is sufficient to mitigate the risks associated with price manipulation because at least 80% of a Managed Fund Shares portfolio would consist of: Cash and cash equivalents; listed derivatives, of which 90% by portfolio weight would be traded on a principal market that is a member of ISG; and equity securities or fixed income instruments subject to numerous restrictions designed to prevent manipulation and ensure pricing transparency.” See Managed Fund Shares Order at 49326.

<sup>33</sup> For example, as of the filing of Amendment No. 1, more than 85% of the Trust’s holdings would be in bitcoin and ether. In approving the ETPs with primary investments in bitcoin and ether, the Commission found that there were sufficient means to prevent fraud and manipulation of bitcoin and ether ETPs under Section 6(b)(5) of the Exchange Act. See *supra* note 18.

consistent with the applicable requirements of the Exchange Act.<sup>34</sup> As such, based on the record before the Commission, the Commission finds that the Proposal is consistent with the requirements of the Exchange Act, including the requirement in Section 6(b)(5)<sup>35</sup> that the Exchange’s rules be designed to “prevent fraudulent and manipulative acts and practices.”<sup>36</sup>

## 2. Exchange Act Section 11A(a)(1)(C)(iii)

The Proposal sets forth aspects of the Trust, including the availability of pricing information, transparency of portfolio holdings, and types of surveillance procedures, that are consistent with other ETPs that the Commission has approved.<sup>37</sup> This includes commitments regarding: the availability of quotation and last-sale information for the Shares; the availability on the Trust’s website of certain information related to the Trust, including NAV; the dissemination of an intra-day indicative value by one or more major market data vendors, updated every 15 seconds throughout the Exchange’s core trading session; the Exchange’s surveillance procedures and ability to obtain information regarding trading in the Shares; the conditions under which the Exchange would implement trading halts and suspensions; and the requirements of

<sup>34</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>35</sup> 15 U.S.C. 78f(b)(5).

<sup>36</sup> The Commission received one comment letter supporting the Proposal and stating that approving the Proposal would provide clear benefits to investors while promoting fair, orderly, and efficient markets. See Letter from Gregory E. Xethalis, General Counsel, Daniel A. Leonardo, Chief Compliance Officer & Deputy General Counsel, and Jay B. Stolkin, Deputy General Counsel, Multicoin Capital Management, LLC, dated Apr. 29, 2025. Another commenter contends that the Proposal should be disapproved because the Trust would hold XRP and Solana and details a number of arguments in favor of disapproval, including, among other things: neither XRP nor Solana has an established futures market; each of XRP and Solana has been allegedly classified as an unregistered security by the Commission; neither XRP nor Solana is truly decentralized; and reliable on-chain analytics are not widely available for either XRP or Solana. See Letter from Anonymous, dated Feb. 10, 2025. As discussed above, the Trust will limit the amount of assets that are not the primary investment underlying ETPs approved by the Commission, such as XRP and Solana, to 15% of the weight of the Trust’s portfolio, and this limitation is consistent with similar limitations approved by the Commission with respect to ETP investments. See *supra* notes 31–32. In addition, although this commenter states that neither XRP nor Solana has an established futures market, the Chicago Mercantile Exchange currently lists and trades both XRP and Solana futures contracts. See <https://www.cmegroup.com/markets/cryptocurrencies/xrp/xrp.html>. See also <https://www.cmegroup.com/markets/cryptocurrencies/solana.html>.

<sup>37</sup> See, e.g., Spot Bitcoin & Ether ETP Approval Order at 106709.

registered market makers in the Shares.<sup>38</sup> In addition, 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.<sup>39</sup> Further, the listing rules of the Exchange require that all statements and representations made in its filing regarding, among others, the description of the Trust’s holdings, limitations on such holdings, and the applicability of the Exchange’s listing rules specified in the filing, will constitute continued listing requirements.<sup>40</sup> Moreover, the Proposal states that: the Trust’s Sponsor has represented to the Exchange that it will advise the Exchange of any failure by the Trust to comply with the continued listing requirements; pursuant to obligations under Section 19(g)(1) of the Exchange Act, the Exchange will monitor for compliance with the continued listing requirements; and if the Trust is not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures.<sup>41</sup>

The Commission therefore finds that the Proposal, as with other ETPs that the Commission has approved,<sup>42</sup> is reasonably designed to promote fair disclosure of information that may be necessary to price the Shares appropriately, to prevent trading when a reasonable degree of transparency cannot be assured, to safeguard material non-public information relating to the Trust’s portfolio, and to ensure fair and orderly markets for the Shares.<sup>43</sup>

<sup>38</sup> See Amendment No. 1 at 43–50.

<sup>39</sup> See *id.* at 46.

<sup>40</sup> See NYSE Arca Rule 8.500–E, Commentary .03.

<sup>41</sup> See Amendment No. 1 at 49–50.

<sup>42</sup> See Spot Bitcoin ETP Approval Order, Spot Ether ETP Approval Order, and Spot Bitcoin & Ether ETP Approval Order.

<sup>43</sup> A commenter states that recent events, such as the hack of crypto exchange Bybit, have exposed the risk that investors will suffer losses due to crypto hacks as well as to crypto assets’ extreme volatility. Accordingly, this commenter believes that approving the Proposal would endanger investors. See Letter from Benjamin L. Schiffrin, Director of Securities Policy, Better Markets, Inc., dated Mar. 28, 2025. While the Commission acknowledges concerns relating to hacking and volatility, pursuant to Section 19(b)(2) of the Exchange Act, the Commission must approve a proposed rule change filed by a national securities exchange if it finds that the proposed rule change is consistent with the applicable requirements of the Exchange Act. See Exchange Act Section 19(b)(2)(C), 15 U.S.C. 78s(b)(2)(C). The Commission does not apply a “cannot be manipulated” standard; rather, the Commission examines whether a proposal meets the requirements of the Exchange Act. See, e.g., Spot Bitcoin ETP Approval Order at 3013 n.61. The Commission does not understand the Exchange Act to require that a particular product or market be immune from manipulation. Rather, the inquiry into whether the rules of an exchange are designed to prevent fraudulent and manipulative acts and practices and, in general, to

#### IV. Accelerated Approval

The Commission finds good cause to approve the Proposal prior to the 30th day after the date of publication of Amendment No. 1<sup>44</sup> in the **Federal Register**. Amendment No. 1 proposed modifications to NYSE Arca Rule 8.500–E (Trust Units), which modifications are either consistent with the current rule text or do not raise any novel regulatory issues. In addition, Amendment No. 1 clarified the description of the Trust, further described the terms of the Trust, and conformed various representations in the amended filing to the Exchange's listing standard for Trust Units and to representations that exchanges have made for other ETPs that the Commission has approved.<sup>45</sup> These changes do not raise any novel regulatory issues. The changes assist the Commission in evaluating the Proposal and in determining that it is consistent with the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange, as discussed above. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Exchange Act,<sup>46</sup> to approve the Proposal on an accelerated basis.

#### V. Conclusion

This approval order is based on all of the Exchange's representations and descriptions in the Proposal, which the Commission has evaluated as discussed above.<sup>47</sup> For the reasons set forth above, the Commission finds, pursuant to Section 19(b)(2) of the Exchange Act,<sup>48</sup> that the Proposal is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange, and in particular, with Section 6(b)(5) and Section 11A(a)(1)(C)(iii) of the Exchange Act.<sup>49</sup>

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Exchange Act,<sup>50</sup> that the proposed rule change, as

protect investors and the public interest, has long focused on the mechanisms in place for the detection and deterrence of fraud and manipulation. For the reasons described above, the Commission finds that the Proposal satisfies the requirements of the Exchange Act, including the requirement in Section 6(b)(5) that the Exchange's rules be designed to "prevent fraudulent and manipulative acts and practices."

<sup>44</sup> See *supra* note 3.

<sup>45</sup> See *supra* Item III.B.2.

<sup>46</sup> 15 U.S.C. 78s(b)(2).

<sup>47</sup> In addition, the Shares of the Trust must comply with the requirements of NYSE Arca Rule 8.500–E (Trust Units), as amended, to be listed and traded on the Exchange on an initial and a continuing basis.

<sup>48</sup> 15 U.S.C. 78s(b)(2).

<sup>49</sup> 15 U.S.C. 78f(b)(5); 15 U.S.C. 78k–1(a)(1)(C)(iii).

<sup>50</sup> 15 U.S.C. 78s(b)(2).

modified by Amendment No. 1 (SR–NYSEARCA–2024–98) be, and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>51</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103530; File No. SR–CboeBZX–2025–050]

#### Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; 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

July 22, 2025.

On April 2, 2025, Cboe BZX Exchange, Inc. (the "Exchange" or "BZX") filed with the Securities and Exchange Commission ("SEC" or "Commission"), 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> a proposed rule change to amend the rules governing the listing and trading of shares of the Franklin Bitcoin ETF, the Franklin Ethereum ETF, and the Franklin Crypto Index ETF under BZX Rule 14.11(e)(4). The proposed rule change was published for comment in the **Federal Register** on April 11, 2025.<sup>3</sup>

On May 22, 2025, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> On June 25, 2025, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act,<sup>6</sup> to determine whether to approve or

disapprove the proposed rule change.<sup>7</sup> On July 21, 2025, pursuant to Section 19(b)(2) of the Act,<sup>8</sup> the Exchange filed Amendment No. 1 to the proposed rule change, which replaced and superseded the original filing in its entirety. The proposed rule change, as modified by Amendment No. 1, is described in Items I and II below, which Items have been substantially prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 1, 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 amend the rule governing the Franklin Bitcoin ETF (the "Bitcoin Fund"), the Franklin Ethereum ETF (the "Eth Fund"), and the Franklin Crypto Index ETF (the "Crypto Index Fund" and, collectively with the Bitcoin Fund and the Eth Fund, the "Funds"),<sup>9</sup> shares of which have been approved by the Commission to list and trade on the Exchange pursuant to BZX Rule 14.11(e)(4), to permit in-kind creations and redemptions.

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/](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 places specified in Item III below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

<sup>7</sup> See Securities Exchange Act Release No. 103326, 90 FR 27893 (June 30, 2025).

<sup>8</sup> 15 U.S.C. 78s(b)(2).

<sup>9</sup> The Bitcoin Fund is a series of the Franklin Templeton Digital Holdings Trust (the "Bitcoin Trust"), the Eth Fund is a series of the Franklin Ethereum Trust (the "Eth Trust"), and the Crypto Index Fund is a series of the Franklin Crypto Trust (the "Crypto Trust").

<sup>51</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.

<sup>3</sup> See Securities Exchange Act Release No. 102776 (Apr. 7, 2025), 90 FR 15499.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 103107, 90 FR 22803 (May 29, 2025) (designating July 10, 2025, as the date by which the Commission shall either approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change).

<sup>6</sup> 15 U.S.C. 78s(b)(2)(B).