

requirements.⁴² The confidential backtesting data that OCC provided to the Commission has shown that during instances of market volatility where OCC has employed either the idiosyncratic control settings or the global control settings, the control settings have limited Clearing Member margin requirements to be commensurate with market risk by countering procyclicality effects, while still ensuring that OCC is collecting appropriate margin to cover its exposure to relevant products, portfolios, and markets.⁴³ Ensuring that OCC maintains processes to counter procyclicality, in turn, allows for reduced margin requirements that, as described above, do not degrade backtesting coverage. Therefore, OCC is still able to calculate sufficient margin, while limiting the need for “destabilizing, procyclical changes.”⁴⁴ Further, including such high-volatility parameter control settings reduces the likelihood that Clearing Members would be required to provide additional financial resources unnecessarily, which, in turn, could reduce the strain on such Clearing Members during stressed market conditions.

Accordingly, the Proposed Rule Change is consistent with Rule 17Ad-22(e)(6) under the Exchange Act.⁴⁵

IV. Conclusion

On the basis of the foregoing, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Exchange Act, and in particular, the requirements of Section 17A of the Exchange Act⁴⁶ and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Exchange Act,⁴⁷ that the proposed rule change, as modified by Partial Amendment No. 1 (SR-OCC-2024-014), be, and hereby is, approved.

⁴² For example, OCC’s 2018 model would have increased aggregate margin requirements by 80 percent overnight in response to increased volatility observed on February 5, 2018. OCC stated that it believed that these margin requirements were unreasonable and procyclical. See Notice of Filing, 89 FR 81960; Securities Exchange Act Release No. 84879, at 83 FR 67392, 67393.

⁴³ OCC has provided responses to Commission requests for backtesting data and analysis as part of its confidential Exhibit 3C to File No. SR-OCC-2024-014. See Notice of Filing, 89 FR 81962, note 43.

⁴⁴ See Standards for Covered Clearing Agencies, 81 FR 70819.

⁴⁵ 17 CFR 240.17Ad-22(e)(6).

⁴⁶ In approving the Proposed Rule Change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁴⁷ 15 U.S.C. 78s(b)(2).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁸

Stephanie J. Fouse,

Assistant Secretary.

[FR Doc. 2024-31610 Filed 1-3-25; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-102054; File No. SR-LTSE-2024-11]

Self-Regulatory Organizations; Long-Term Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Establish Fees for Industry Members Related to Reasonably Budgeted CAT Costs of the National Market System Plan Governing the Consolidated Audit Trail for 2025

December 30, 2024.

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 December 20, 2024, Long-Term Stock Exchange, Inc. (“Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Item I below, which Item has been substantially prepared by the Exchange. The Exchange has designated this proposal for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes a rule change to establish fees for Industry Members⁵

⁴⁸ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f). 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.

⁵ An “Industry Member” is defined as “a member of a national securities exchange or a member of a national securities association.” See LTSE Rule 11.610(u). See also Section 1.1 of the CAT NMS Plan. Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the CAT NMS Plan and/or the CAT Compliance Rule. See Exchange Rule Series 11.600.

related to reasonably budgeted CAT costs of the National Market System Plan Governing the Consolidated Audit Trail for 2025.

The proposed rule change, including the Exchange’s statement of the purpose of, and statutory basis for, the proposed rule change, is available on the Exchange’s website at <https://longtermstockexchange.com/>, at the principal office of the Exchange, and on the Commission’s website at https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-LTSE-2024-11.

II. 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.⁶ Comments may be submitted electronically by using the Commission’s internet comment form (https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-LTSE-2024-11) or by sending an email to rule-comments@sec.gov. Please include file number SR-LTSE-2024-11 on the subject line. Alternatively, paper comments may be sent to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090. All submissions should refer to file number SR-LTSE-2024-11. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s internet website (https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-LTSE-2024-11). 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

⁶ Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission’s Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of SRO.

to file number SR–LTSE–2024–11 and should be submitted on or before January 27, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Stephanie J. Fouse,
Assistant Secretary.

[FR Doc. 2024–31613 Filed 1–3–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–102061; File No. SR–MEMX–2024–49]

Self-Regulatory Organizations; MEMX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Establish Fees for Industry Members Related to Reasonably Budgeted CAT Costs of the National Market System Plan Governing the Consolidated Audit Trail for 2025

December 31, 2024.

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 December 20, 2024, MEMX LLC (“Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Item I below, which Item has been substantially prepared by the Exchange. The Exchange has designated this proposal for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b–4(f) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is filing with the Commission a proposed rule change to establish fees for Industry Members⁵

related to reasonably budgeted CAT costs of the National Market System Plan Governing the Consolidated Audit Trail (the “CAT NMS Plan” or “Plan”) for 2025. These fees would be payable to Consolidated Audit Trail, LLC (“CAT LLC” or the “Company”) and referred to as CAT Fee 2025–1, and would be described in a section of the Exchange’s fee schedule entitled “Consolidated Audit Trail Funding Fees.” The fee rate for CAT Fee 2025–1 would be \$0.000022 per executed equivalent share. CAT Executing Brokers will receive their first monthly invoice for CAT Fee 2025–1 in February 2025 calculated based on their transactions as CAT Executing Brokers for the Buyer (“CEBB”) and/or CAT Executing Brokers for the Seller (“CEBS”) in January 2025. CAT Fee 2025–1 is anticipated to be in place for six months, and is anticipated to recover approximately one-half of the costs set forth in the reasonably budgeted CAT costs for 2025. CAT LLC intends for CAT Fee 2025–1 to replace CAT Fee 2024–1 (which has a fee rate of \$0.000035). The text of the proposed rule change is attached as Exhibit 5.

The proposed rule change, including the Exchange’s statement of the purpose of, and statutory basis for, the proposed rule change, is available at the principal office of the Exchange, and on the Commission’s website at https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-MEMX-2024-49.

II. 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.⁶ Comments may be submitted electronically by using the Commission’s internet comment form (<https://www.sec.gov/rules-regulations/self-regulatory-organization>

See also Section 1.1 of the CAT NMS Plan. Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the CAT NMS Plan and/or the CAT Compliance Rule. See Rule 4.5.

⁶ Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission’s Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of SRO.

[rulemaking/national-securities-exchanges?file_number=SR-MEMX-2024-49](https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-MEMX-2024-49)) or by sending an email to rule-comments@sec.gov. Please include file number SR–MEMX–2024–49 on the subject line. Alternatively, paper comments may be sent to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090. All submissions should refer to file number SR–MEMX–2024–49. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s internet website (https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking/national-securities-exchanges?file_number=SR-MEMX-2024-49). 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–MEMX–2024–49 and should be submitted on or before January 27, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Stephanie J. Fouse,
Assistant Secretary.

[FR Doc. 2024–31767 Filed 1–3–25; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–102069; File No. SR–CboeEDGX–2024–088]

Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Establish Fees for Industry Members Related to Reasonably Budgeted CAT Costs of the National Market System Plan Governing the Consolidated Audit Trail for 2025

December 31, 2024.

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 December 20, 2024, Cboe EDGX Exchange, Inc. (“Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Item I below,

⁷ 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

⁷ 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b–4(f). 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.

⁵ An “Industry Member” is defined as “a member of a national securities exchange or a member of a national securities association.” See Rule 4.5(u).