

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

No written comments were either solicited or received.

**IV. Proceedings To Determine Whether To Approve or Disapprove SR-ISE-2025-30, as Modified by Amendment No. 1, and Grounds for Disapproval Under Consideration**

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act<sup>34</sup> to determine whether the proposed rule change, as modified by Amendment No. 1, should be approved or disapproved. Institution of such proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, as described below, the Commission seeks and encourages interested persons to provide comments on the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,<sup>35</sup> the Commission is providing notice of the grounds for disapproval under consideration. The Commission is instituting proceedings to allow for additional analysis of the proposed rule change's consistency with the Act and, in particular, with Section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and to protect investors and the public interest.<sup>36</sup>

The Commission asks that commenters address the sufficiency of the Exchange's statements in support of the proposal, in addition to any other comments they may wish to submit about the proposed rule change. In particular, the Commission seeks comment on whether the proposed initial and continued listing requirements are designed to prevent fraudulent and manipulative acts and practices and to protect investors and the public interest, or whether the proposal raises any new or novel concerns not previously contemplated by the Commission.

**V. Procedure: Request for Written Comments**

The Commission requests that interested persons provide written submissions of their views, data, and

arguments with respect to the issues identified above, as well as any other concerns they may have with the proposal, as modified by Amendment No. 1. In particular, the Commission invites the written views of interested persons concerning whether the proposal is consistent with Section 6(b)(5) or any other provision of the Act, and the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4, any request for an opportunity to make an oral presentation.<sup>37</sup>

Interested persons are invited to submit written data, views, and arguments regarding whether the proposed rule change should be approved or disapproved by January 21, 2026. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by February 4, 2026.

Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-ISE-2025-30 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-ISE-2025-30. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish

to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-ISE-2025-30 and should be submitted on or before January 21, 2026. Rebuttal comments should be submitted by February 4, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>38</sup>

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

[FR Doc. 2025-24051 Filed 12-30-25; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-104502; File No. SR-FINRA-2025-016]

**Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend FINRA Rule 6830 (Industry Member Data Reporting) Regarding the Bona Fide Market Making Exception Under SEC Regulation SHO**

December 23, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act" or "Exchange Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 12, 2025, the Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by FINRA. 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**

FINRA is proposing to amend FINRA Rule 6830 (Industry Member Data Reporting) of FINRA's compliance rule ("CAT Compliance Rule") regarding the National Market System Plan Governing the Consolidated Audit Trail (the "CAT NMS Plan" or "Plan")<sup>3</sup> to be consistent with the amendment to the CAT NMS Plan that requires broker-dealers with a

<sup>37</sup> Section 19(b)(2) of the Act, as amended by the Securities Acts Amendments of 1975, Public Law 94-29 (June 4, 1975), grants the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. See Securities Acts Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

<sup>38</sup> 17 CFR 200.30-3(a)(12), (57).

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

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

<sup>3</sup> Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the CAT Compliance Rule.

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

<sup>35</sup> *Id.*

<sup>36</sup> 15 U.S.C. 78f(b)(5).

reporting obligation to CAT to report whether an original receipt or origination of an order to sell an equity security is a short sale for which a market maker is claiming the bona fide market making exception in Rule 203(b)(2)(iii) of Regulation SHO (“BFMM Locate Exception”).<sup>4</sup>

The text of the proposed rule change is available on FINRA’s website at <http://www.finra.org> and at the principal office of FINRA.

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

In its filing with the Commission, FINRA 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. FINRA 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 purpose of this proposed rule change is to amend FINRA Rule 6830 of the CAT Compliance Rule to be consistent with the amendment to the CAT NMS Plan related to the BFMM Locate Exception. In 2023, the Commission amended the CAT NMS Plan to require the reporting to the CAT of reliance on the BFMM Locate Exception.<sup>5</sup> Specifically, the Commission added paragraph (D) to Section 6.4(d)(ii) of the CAT NMS Plan, which requires each Participant, through its Compliance Rule, to require its Industry Members to record and report to the Central Repository the following:

for the original receipt or origination of an order to sell an equity security, whether the order is for a short sale effected by a market maker in connection with bona fide market making activities in the security for which the exception in Rule 203(b)(2)(iii) of Regulation SHO is claimed.

Accordingly, FINRA proposes to amend its CAT Compliance Rule to reflect this additional CAT reporting requirement. Specifically, FINRA

proposes to add subparagraph (G) to FINRA Rule 6830(a)(2), which would require each Industry Member to record and report to the Central Repository the following:

for the original receipt or origination of an order to sell an equity security, whether the order is for a short sale effected by a market maker in connection with bona fide market making activities in the security for which the exception in Rule 203(b)(2)(iii) of SEC Regulation SHO is claimed.

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become operative for 30 days after the date of the filing, so FINRA can implement the proposed rule change immediately.

#### 2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>6</sup> which requires, among other things, that FINRA rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, and Section 15A(b)(9) of the Act,<sup>7</sup> which requires that FINRA rules not impose any burden on competition that is not necessary or appropriate.

FINRA believes that this proposed rule change is consistent with the Act because it is consistent with the amendment to the CAT NMS Plan approved by the Commission and is designed to assist FINRA and Industry Members in meeting regulatory obligations pursuant to the Plan. In approving the Plan, the SEC noted that the Plan “is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the Act.”<sup>8</sup> To the extent that this proposed rule change implements the Plan as amended, and applies specific requirements to Industry Members, FINRA believes that this proposed rule change furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Exchange Act.

### B. Self-Regulatory Organization’s Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden

on competition that is not necessary or appropriate in furtherance of the purposes of the Act. FINRA notes that the proposed rule change is consistent with the amendment to the CAT NMS Plan approved by the Commission and is designed to assist FINRA in meeting its regulatory obligations pursuant to the Plan. FINRA also notes that the amendment to the CAT Compliance Rule will apply equally to all Industry Members that trade equity securities. In addition, all national securities exchanges and FINRA are proposing these amendments to their CAT Compliance Rules. Therefore, this is not a competitive rule filing, and, therefore, it does not impose a burden on competition.

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

Written comments were neither solicited nor received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>9</sup> and subparagraph (f)(6) of Rule 19b–4 thereunder.<sup>10</sup>

A proposed rule change filed under Rule 19b–4(f)(6)<sup>11</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),<sup>12</sup> the Commission may designate a shorter time if such action is consistent with protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposed

<sup>9</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>10</sup> 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Commission is waiving this requirement.

<sup>11</sup> 17 CFR 240.19b–4(f)(6).

<sup>12</sup> 17 CFR 240.19b–4(f)(6)(iii).

<sup>4</sup> See Securities Exchange Act Release No. 98738 (October 13, 2023), 88 FR 75100 (November 1, 2023); Securities Exchange Act Release No. 98739 (October 13, 2023), 88 FR 75079 (November 1, 2023).

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

<sup>6</sup> 15 U.S.C. 78o–3(b)(6).

<sup>7</sup> 15 U.S.C. 78o–3(b)(9).

<sup>8</sup> See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696, 84697 (November 23, 2016).

rule change may become operative immediately upon filing. The Commission believes that waiving 30-day operative delay is consistent with the protection of investors and the public interest because the proposal seeks to amend the Exchange's CAT Compliance Rule to reflect the requirement in the CAT NMS Plan that industry members report for the original receipt or origination of an order to sell an equity security, whether the order is for a short sale effected by a market maker in connection with bona fide market making activities in the security for which the exception in Rule 203(b)(2)(iii) of Regulation SHO is claimed.<sup>13</sup> The proposal does not introduce any novel regulatory issues. Accordingly, the Commission designates the proposed rule change to be operative upon filing.<sup>14</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### *Electronic Comments*

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-FINRA-2025-016 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-FINRA-2025-016. 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 (<http://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of FINRA. 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-FINRA-2025-016 and should be submitted on or before January 21, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104508; File No. SR-CBOE-2025-075]

### Self-Regulatory Organizations; Cboe Exchange, Inc.; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Amend Exchange Rule 5.4

December 23, 2025.

#### I. Introduction

On September 30, 2025, Cboe Exchange, Inc. ("Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") or "Exchange Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to amend Exchange Rule 5.4(a) to change the minimum increment for options on the Cboe Mini Bitcoin U.S. ETF Index ("MBTX") to \$0.01 for series trading lower than \$3.00 and \$0.05 for series trading at \$3.00 or higher. The proposed rule change was published for comment in the **Federal Register** on October 3, 2025.<sup>3</sup> The Commission has received no comments regarding the proposal.

On November 3, 2025, pursuant to Section 19(b)(2) of the Exchange 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> This order institutes proceedings under Section 19(b)(2)(B) of the Act<sup>6</sup> to determine whether to approve or disapprove the proposed rule change.

#### II. Description of the Proposed Rule Change

As described more fully in the Notice,<sup>7</sup> the Exchange proposes to amend Exchange Rule 5.4(a) to establish a minimum increment of \$0.01 for series of MBTX options trading lower than \$3.00 and \$0.05 for series of MBTX options trading at \$3.00 or higher. The Exchange states that market demand, including from retail investors who, according to the Exchange, generally prefer lower trading increments, supports a lower trading increment for MBTX.<sup>8</sup> The Exchange states that options overlying the components of the MBTX (and the underlying exchange-traded funds) ("ETFs") are actively traded.<sup>9</sup> The Exchange further states that it expects that more granular pricing will lead to narrowing of the bid-ask spread for MBTX options and an increase in the possible number of price points available to investors for these series.<sup>10</sup> The Exchange states that tighter spreads will increase order flow in MBTX options, providing additional liquidity that will ultimately benefit all investors.<sup>11</sup> In addition, the Exchange states that finer increments permit more precise pricing in line with the theoretical value of the options.<sup>12</sup>

The Exchange states that it has analyzed its system capacity and represents that the Exchange and the Options Price Reporting Authority have the necessary systems capacity to handle any potential additional traffic

<sup>5</sup> See Securities Exchange Act Release No. 104173 (Nov. 3, 2025), 90 FR 51424 (Nov. 17, 2025) (designating January 1, 2026, 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).

<sup>7</sup> See *supra* note 3.

<sup>8</sup> See Notice, 90 FR at 48071.

<sup>9</sup> See Notice, 90 FR at 48071 (citing [https://cdn.cboe.com/api/global/us\\_indices/governance/Cboe\\_Bitcoin\\_US ETF\\_Index\\_Methodology.pdf](https://cdn.cboe.com/api/global/us_indices/governance/Cboe_Bitcoin_US ETF_Index_Methodology.pdf) (which requires each constituent to have monthly consolidated trading volume of at least 500,000 shares for each month within the immediately preceding six-month period, an average consolidated trading volume of at least 1,000,000 shares over the immediately preceding six months, and a market capitalization of at least \$75 million)).

<sup>10</sup> See Notice, 90 FR at 48071.

<sup>11</sup> See Notice, 90 FR at 48071.

<sup>12</sup> See Notice, 90 FR at 48071.

<sup>13</sup> See *supra* note 4.

<sup>14</sup> For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>15</sup> 17 CFR 200.30-3(a)(12) and (59).

<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. 104157 (Sept. 30, 2025), 90 FR 48071 (Oct. 3, 2025) ("Notice").

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