

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105722; File No. SR-DTC-2026-008]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend the Settlement Service Guide

June 17, 2026.

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 June 10, 2026, The Depository Trust Company (“DTC”) 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 clearing agency. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(4) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change of DTC consists of amendments to its Settlement Service Guide (“Settlement Guide”)⁵ to clarify the language and update the use around

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)(4).

⁵ Available at www.dtcc.com/-/media/Files/Downloads/legal/service-guides/Settlement.pdf. The Settlement Guide is a Procedure of DTC. Pursuant to the DTC Rules, By-laws, Organization Certificate (“DTC Rules”), the term “Procedures” means the Procedures, service guides, and

premium payment orders (“PPOs”), securities payment orders (“SPOs”), and settlement progress payments (“SPPs”) at DTC.⁶

II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency 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 clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

DTC proposes to amend the Settlement Guide to clarify the language and update the use around PPOs, SPOs, and SPPs at DTC.

Background

The Settlement Guide describes how payments can be made through DTC using PPOs, SPOs, and SPPs.⁷ However, DTC has determined that the current language in the Settlement Guide regarding PPOs, SPOs, and SPPs is unintentionally limiting and,

regulations of DTC adopted pursuant to DTC Rule 27 (Procedures), as amended from time to time. DTC Rule 1 (Definitions; Governing Law), Section 1, [available at www.dtcc.com/-/media/Files/Downloads/legal/rules/dtc_rules.pdf](http://www.dtcc.com/-/media/Files/Downloads/legal/rules/dtc_rules.pdf). DTC’s Procedures are filed with the Commission. They are binding on DTC and each Participant in the same manner as they are bound by the DTC Rules. DTC Rule 27 (Procedures), id.

⁶ Capitalized terms not defined herein shall have the meaning assigned to such terms in the Settlement Guide or DTC Rules, id.

⁷ Settlement Guide, id. at 56-57, 66.

generally, could be clearer. For example, in the *Payment Orders* section of the Settlement Guide,⁸ the language explaining the use of PPOs and SPOs suggests that the described and bulleted use cases are the only use cases available to Participants, which is not the case as DTC is not in a position to know the exact reasons why Participants use those payment functions. Similarly, in the *Settlement Progress Payments* section of the Settlement Guide,⁹ the language describing the use of SPPs does not allow for a Participant to withdraw SPP funds unless they were the Participant that submitted the SPP, notwithstanding a situation where the Participants and DTC would agree otherwise.

To address these points and to improve the overall clarity of the Settlement Guide around PPOs, SPOs, and SPPs, DTC is proposing several changes described below.

Proposed Changes Regarding Payment Orders

DTC proposes to update the *Payment Orders* section of the Settlement Guide to (i) more clearly describe what a payment order authorizes DTC to do, (ii) no longer suggest that the described use cases are the only use cases, and (iii) add a new sample use case.

Specifically, DTC would update the *About the Product* subsection to more simply explain that a Participant's payment order authorizes DTC to "credit and debit corresponding payee and payor accounts at DTC based on Participant instructions and satisfaction of all applicable DTC risk management controls before the order is processed." Although the existing language covers the same idea, the language is less clear and more process oriented.

⁸ Id. at 56-57.

⁹ Id. at 66.

In the *How the Product Works* subsection regarding PPOs and SPOs, DTC would add the words “typically,” “sample,” and “could,” to indicate that the described use cases are not the only use cases but, instead, are just that – typical and sample use cases. Additionally, DTC would add another sample SPO use case to the subsection.

The new use case would facilitate the capability of a Participant delivering securities for value (the payee Participant) to make an intraday withdrawal of funds that the Participant receiving the securities for value (the payor Participant) would choose to fund with an SPP, as separately agreed between the Participants and DTC. To effectuate this capability, (i) the payor Participant would direct an SPP to credit a DTC designated account (the conduit account) instead of its own settlement account; (ii) the payor Participant then would initiate an SPO to debit the conduit account and credit its settlement account the same value as the SPP (as though the payor Participant had directed the SPP to credit its own account); then (iii) the payee Participant would have DTC process an SPO to debit the payee Participant’s settlement account and credit the conduit account an amount not to exceed the lesser of (A) the payee Participant’s net credit balance and (B) the payor Participant’s SPP; and finally (iv) the payee Participant would have DTC facilitate an SPP Returns/P&I Withdrawal Request to withdraw the corresponding SPP amount from the conduit account, as though it were withdrawing an SPP from its own account.

Proposed Changes Regarding Settlement Progress Payments

DTC proposes to update the *Settlement Progress Payments* section of the Settlement Guide to (i) clarify where SPPs are wired and the time by which SPPs need to be received; (ii) more clearly and simply state that the withdrawal of an SPP is subject to

DTC risk management controls; (iii) note that Participants can designate a bank other than their DTC Settlement Bank for delivery of funds subject to a withdrawal request; and (iv) clarify the steps DTC would take to process at withdrawal request.

Specifically, DTC would update the *About the Product* subsection to (i) replace a reference to “your DTC account” with just “DTC” regarding where SPPs are wired because SPPs are not technically wired to the Participant’s DTC account, as the language currently suggests; rather, they are wired to DTC (i.e., a DTC account at the Federal Reserve) and then onward credited by DTC to the applicable account; and (ii) restructure the sentence about when SPPs should be received to clarify that they should be received prior to DTC’s valued recycle cutoff time, which normally occurs at 3:10 p.m., and not that 3:10 p.m. itself is the deadline to avoid valued transactions dropping, as the language currently suggests.

DTC also would update the *Returning an SPP* subsection to (i) improve the language, generally; (ii) replace language about how SPPs submitted earlier in a day can be withdrawn down to a zero balance and, instead, simply state that the withdrawal of an SPP is subject to DTC’s risk management controls, as such controls would not allow the return of funds to put the account in a debit balance, as already noted in the subsection; (iii) permit Participants to designate a bank other than their Settlement Bank to receive withdrawn funds, if agreed with DTC; and (iv) remove language about DTC debiting withdrawn SPP funds, as that would clearly be the case if DTC subsequently wires the funds, and, instead, more clearly explain how DTC reviews the withdrawal request against DTC’s risk management controls and, if sufficient, will then wire the funds.

It should be noted that none of the proposed changes in this filing change or affect DTC's end-of-day settlement process or settlement finality, or bypass any DTC risk management controls, nor do the changes create any new obligations on Participants as nothing proposed is required. More specifically, with respect to the sample SPO use case to be added regarding earlier access to SPP funds, delivering or withdrawing SPPs does not change when or how DTC completes its end-of-day settlement process, nor does it change when a Participant's settlement obligations are considered complete (which, for value transactions, is not until the successful completion of DTC's end-of-day settlement). Rather, delivering and withdrawing SPPs simply changes the number of credits a Participant has for end-of-day settlement. If SPPs are delivered, then the applicable Participant will have more settlement credits. If they are withdrawn, then the applicable Participant will have less. Additionally, the described conduit account can never be in a debit balance as it is subject to DTC's risk management controls. Ultimately, the proposed use case is merely describing an operational process available through DTC, using existing payment order functions as agreed by the parties.

2. Statutory Basis

Section 17A(b)(3)(F) of the Act requires, in part, that the DTC Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions and, in general, to protect investors and the public interest.¹⁰ DTC believes this proposed rule change is consistent with Section 17A(b)(3)(F) of the Act.

As described above, DTC proposes to update the Settlement Guide to (i) clarify the use of PPOs and SPOs, generally; (ii) add another sample use case for SPOs (and

¹⁰ 15 U.S.C. 78q-1(b)(3)(F).

SPPs); (iii) clarify the use and function around SPPs; and (iv) allow SPPs to be withdrawn intraday as agreed between the Participants and DTC. By improving the overall clarity of the language on the use and function of PPOs, SPOs, and SPPs, including the broader use cases of PPOs and SPOs, Participants will be better informed when using the payments for their securities transactions. Similarly, by adding a new use case and greater functionality, Participants will be better equipped to clear and settle their securities transactions at DTC, which not only benefits DTC and its Participants, but also the market more broadly. For these reasons, DTC believes that the proposed changes are consistent with Section 17A(b)(3)(F) of the Act, cited above.

(B) Clearing Agency's Statement on Burden on Competition

DTC does not believe that the proposed rule change would impose a burden or otherwise have a significant impact on competition. Aside from simply clarifying the language in the Settlement Guide around PPOs, SPOs, and SPPs, the proposed changes would create greater flexibility for Participants, without creating any risk for DTC. As described above, the proposed changes do not affect DTC's end-of-day settlement process or settlement finality, or bypass any DTC risk management controls, nor do the changes create any new obligations on Participants as nothing proposed is required. Therefore, DTC believes the proposed rule change would not impose any burden on competition.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

DTC has not received or solicited any written comments relating to this proposal. If any written comments are received, DTC will amend this filing to publicly file such

comments as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, available at www.sec.gov/rules-regulations/how-submit-comment. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the SEC's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

DTC reserves the right to not respond to any comments received.

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 Act¹¹ and paragraph (f) of Rule 19b-4 thereunder.¹² 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

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 240.19b-4(f).

appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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 e-mail to rule-comments@sec.gov. Please include File Number SR-DTC-2026-008 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-DTC-2026-008. This file number should be included on the subject line if e-mail 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 DTC and on DTCC's website (<https://www.dtcc.com/legal/sec-rule-filings>). 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-DTC-2026-008 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Vanessa A. Countryman,

Secretary.

¹³ 17 CFR 200.30-3(a)(12).