

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-100031; File No. SR-FICC-2024-005)

April 25, 2024

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Designation of Longer Period for Commission Action on Proposed Rule Change, as Modified by Partial Amendment No. 1, to Modify the GSD Rules to Facilitate Access to Clearance and Settlement of All Eligible Secondary Market Transactions in U.S. Treasury Securities

On March 11, 2024, Fixed Income Clearing Corporation (“FICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change SR-FICC-2024-005 pursuant to Section 19(b) of the Securities Exchange Act of 1934 (“Exchange Act”)¹ and Rule 19b-4² thereunder to modify FICC’s Government Securities Division (“GSD”) Rulebook (“GSD Rules”) to facilitate access to clearance and settlement services of all eligible secondary market transactions in U.S. Treasury securities.³ On March 19, 2024, FICC filed Partial Amendment No. 1 to make clarifications and corrections⁴ to the proposed rule change. The proposed rule change, as modified by Partial Amendment No. 1, is referred to herein as the “Proposed Rule

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Notice of Filing infra note 5, at 89 FR 21363.

⁴ Partial Amendment No. 1 made clarifications and corrections to the description of the proposed rule change and Exhibit 5. Specifically, as originally filed, the description of the proposed rule change made a reference to an incorrect section of the GSD Rules. Partial Amendment No. 1 corrects that reference. Additionally, as originally filed, the description of the proposed rule change and Exhibit 5 contained inconsistent references regarding whether FICC or its Board would be responsible for approving membership applications and related membership matters. Partial Amendment No. 1 clarifies and corrects those references. These clarifications and corrections have been incorporated, as appropriate, into the description of the proposed rule change.

Change.” The Proposed Rule Change was published for public comment in the Federal Register on March 27, 2024.⁵ The Commission has received comments regarding the substance of the changes proposed in the Proposed Rule Change.⁶

Section 19(b)(2)(i) of the Exchange Act⁷ provides that, within 45 days of the publication of notice of the filing of a proposed rule change, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved unless the Commission extends the period within which it must act as provided in Section 19(b)(2)(ii) of the Exchange Act.⁸ Section 19(b)(2)(ii) of the Exchange Act allows the Commission to designate a longer period for review (up to 90 days from the publication of notice of the filing of a proposed rule change) if the Commission finds such longer period to be appropriate and publishes its reasons for so finding, or as to which the self-regulatory organization consents.⁹

The 45th day after publication of the Notice of Filing is May 11, 2024. In order to provide the Commission with sufficient time to consider the Proposed Rule Change, the Commission finds that it is appropriate to designate a longer period within which to

⁵ Securities Exchange Act Release No. 99817 (March 21, 2024), 89 FR 21362 (March 27, 2024) (File No. SR-FICC-2024-005) (“Notice of Filing”).

⁶ Comments on the Proposed Rule Change are available at <https://www.sec.gov/comments/sr-ficc-2024-005/srficc2024005.htm>.

⁷ 15 U.S.C. 78s(b)(2)(i).

⁸ 15 U.S.C. 78 s(b)(2)(ii).

⁹ Id.

take action on the Proposed Rule Change and therefore is extending this 45-day time period.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Exchange Act,¹⁰ designates June 25, 2024, as the date by which the Commission shall either approve, disapprove, or institute proceedings to determine whether to disapprove proposed rule change SR-FICC-2024-005.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,
Assistant Secretary.

¹⁰ Id.

¹¹ 17 CFR 200.30-3(a)(12).