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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2023 - * 49

Amendment No. (req. for Amendments *)

Filing by Nasdaq PHLX LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010
Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Shorten the Standard Settlement Cycle

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Angela Last Name * Dunn
Title * Principle Associate General Counsel
E-mail * Angela.Dunn@Nasdaq.com
Telephone * (215) 496-5692 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Nasdaq PHLX LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 11/14/2023 (Title *)
By John Zecca EVP and Chief Legal Officer
(Name *)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

 Date: 2023.11.14 16:58:20 -05'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

Form 19b-4 Information *

Add Remove View

SR-Phlx-2023-49 19b-4.docx

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

SR-Phlx-2023-49 Exhibit 1.docx

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

SR-Phlx-2023-49 Exhibit 5.docx

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) Nasdaq Phlx LLC (“Phlx” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “SEA”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend Phlx Rules at Equity 11, Sections 6 (Ex-dividend, Ex-rights) and Section 7 (Ex-warrants) to conform them to the Commission’s amendment to Rule 15c6-1(a) of the Act³ to shorten the standard settlement cycle for most broker-dealer transactions from two business days after the trade date (“T+2”) to one business days after the trade date (“T+1”).

A notice of the proposed rule change for publication in the Federal Register is attached as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors (the “Board”). Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change. Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 96930, Investment Advisers Act Release No. 6239 (February 15, 2023), 88 FR 13872 (March 6, 2023) (“T+1 Adopting Release”).

Questions and comments on the proposal may be directed to:

Angela Saccomandi Dunn
Principle Associate General Counsel
Nasdaq, Inc.
215-496-5692

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

a. Purpose

Effective May 5, 2023, the Commission adopted rule amendments to shorten the standard settlement cycle for most broker-dealer transactions from T+2 to T+1.⁴ In light of the recently adopted rule amendments to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1, Phlx proposes to amend its rules pertaining to securities settlement by, among other things, amending the definition of “standard” settlement as occurring on T+1.

Specifically, Phlx proposes to amend Equity 11, Sections 6 (Ex-dividend, Ex-rights) and Section 7 (Ex-warrants). The details of the proposed rule changes are described below.

Equity 11, Section 6

Equity 11, Section 6, Ex-dividend, Ex-rights, currently provides that transactions in stocks (except for those made for cash) shall be ex-dividend or ex-rights on the first business day preceding the record date fixed by the corporation or the date of the closing of transfer books thereof. It also provides that if the record date or closing of transfer books occurs on a day other than a business day, the transaction will be ex-dividend or ex-rights on the second preceding business day.

⁴ See supra note 3.

The Exchange proposes to amend Equity 11, Section 6 to shorten the time frames by one business day. With this change the ex-dividend or ex-right date would be the same business day as the record date if the record date falls on a business day, or the first business day preceding the record date if the record date falls on a day other than a business day. Additionally, transactions in stocks made for “cash” would be ex-divided or ex-rights on the same business day as the record date or date of closing of transfer books.

Equity 11, Section 7

Equity 11, Section 7, Ex-warrants, currently provides that transactions in securities which have subscription warrants attached (except those made for cash) shall be ex-warrants on the first business day preceding the date of expiration of the warrants, except that when the date of expiration occurs on a day other than a business day, the transactions will be ex-warrants on the second business day preceding the date of expiration.

The Exchange proposes to amend Equity 11, Section 7 to shorten the time frames by one business day. With this change, transactions in securities which have subscription warrants attached (except those made for “cash”) shall be ex-warrants on the same business day preceding the date of expiration of the warrants, except that when the date of expiration occurs on a day other than a business day, said transactions shall be ex-warrants on the first business day preceding said date of expiration.

Implementation

The operative date of this proposed rule change will be Tuesday, May 28, 2024, which is the compliance date specified in the Commission’s amendment to Rule 15c6-

1(a) of the Act⁵ to require standard settlement no later than T+1.⁶ With the implementation of the T+1 settlement cycle, the ex-dividend date for “normal” distributions pursuant to Equity 11, Section 6 will be the same business day as the record date. Accordingly, Phlx proposes to interpret Equity 11, Section 6 so that the first record date to which this new ex-dividend date rationale will be applied will be Wednesday, May 29, 2024. During the implementation of the T+2 settlement cycle, the “regular” ex-dividend dates will be as follows:

Record Date May 24, 2024	Ex date May 23, 2024
Record Date May 28, 2024	Ex date May 24, 2024
Record Date May 29, 2024	Ex date May 29, 2024 ⁷

By way of explanation, a record date of Friday, May 24, 2024 would be a date prior to the effective date of the adopted T + 1 rules. Current Rule 1140(b) would apply to this record date, and, therefore, the “ex-dividend date” would be the first business day preceding the record date or Thursday, May 23, 2024. Monday, May 27, 2024 is Memorial Day is a federal holiday and not a business day; there would be no record date on a holiday. As noted above, Phlx proposes to interpret Rule 11140(b)(1) so that the first record date to which this new ex-dividend date rationale will be applied would be Wednesday, May 29, 2024. Therefore, a record date of Tuesday, May 28, 2024 would

⁵ See supra note 3.

⁶ See supra note 3. Transactions with a trade date of Friday, May 24, 2024 would settle on Wednesday, May 29, 2024 because these transactions occurred before the rule was effective and continue to settle two days after the trade date. Additionally, transactions with a trade date of Tuesday, May 28, 2024 would also settle on Wednesday, May 29, 2024 because these transactions occurred when the T + 1 rule was effective and would settle one day after the trade date. Of note, May 27, 2024 is Memorial Day and not a business day counted for purposes of settlement.

⁷ May 27, 2024 is Memorial Day and not a business day.

fall under current Rule 1140(b) and the first business day preceding the record date would be Friday, May 24, 2024. Finally, as noted above, Wednesday, May 29, 2024 is the first record date pursuant to the new T + 1 rules, therefore, proposed Rule 1140(b) applies to this date and the “ex-dividend date” would be the same business day as the record date (May, 29, 2024).

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁸ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁹ in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, and, in general, to protect investors and the public interest. The proposed rule change seeks to conform Phlx’s rules with the adopted rule amendments to shorten the standard settlement cycle for most broker-dealer transactions from T+2 to T+1.¹⁰ The proposal is consistent with the Commission’s amendment to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1. This proposal will provide Phlx members with regulatory certainty as to the settlement cycle that will be utilized to settle transactions executed on the Exchange.

As noted herein, Phlx will announce the operative date of the proposed rule change in an Equity Regulatory Alert, which date would correspond with the industry-led

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

¹⁰ See supra note 3.

transition to a T+1 standard settlement, and the compliance date of the Commission's amendment to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal amends Phlx's rules pertaining to securities settlement and is intended to facilitate the implementation of the industry-led transition to a T+1 settlement cycle. The shortened settlement cycle will apply uniformly to all contracts for the purchase or sale of a security (other than exempted securities) that provide for payment of funds and delivery of securities that occur on Phlx or other self-regulatory organizations.¹¹

Moreover, the proposal is consistent with the Commission's amendment to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1. Accordingly, Phlx believes that the proposed amendments do not impose any intra-market or inter-market burdens on competition because the amendments conform Phlx's rules with the adopted rule amendments to shorten the standard settlement cycle for most broker-dealer transactions from T+2 to T+1.¹² Specifically, the proposed amendments include changes to rules that specifically establish the settlement cycle as well as rules that establish time frames based on settlement dates, including for certain post-settlement rights and obligations.

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

¹¹ Of note, pursuant to (a) and (d) of Rule 15c6-1, the parties may expressly agree to a different settlement date at the time of the transaction.

¹² See supra note 3.

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii)¹³ of the Act and Rule 19b-4(f)(6) thereunder¹⁴ in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. Instead, the proposal is designed to protect investors by eliminating potential confusion that may result concerning proper settlement during the transition period to the new settlement cycle.

The proposed amendments do not significantly affect the protection of investors or the public interest as they conform Phlx's rules with the adopted rule amendments to shorten the standard settlement cycle for most broker-dealer transactions from T+2 to T+1.¹⁵ The proposed amendments do not impose any significant burden on competition because the shortened settlement cycle will apply uniformly to all contracts for the purchase or sale of a security (other than exempted securities) that provide for payment of

¹³ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁴ 17 CFR 240.19b-4(f)(6).

¹⁵ See supra note 3.

funds and delivery of securities that occur on Phlx or other self-regulatory organizations.¹⁶

Furthermore, Rule 19b-4(f)(6)(iii)¹⁷ requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

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.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposal is based on recently adopted rule amendments to shorten the standard settlement cycle for most broker-dealer transactions from T+2 to T+1.¹⁸

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

¹⁶ Of note, pursuant to (a) and (d) of Rule 15c6-1, the parties may expressly agree to a different settlement date at the time of the transaction.

¹⁷ 17 CFR 240.19b-4(f)(6)(iii).

¹⁸ See supra note 3.

11. Exhibits

1. Notice of Proposed Rule Change for publication in the Federal Register.
5. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-Phlx-2023-49)

November __, 2023

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Shorten the Standard Settlement Cycle

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 November 14, 2023, Nasdaq PHLX LLC (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. 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 to amend Phlx Rules at Equity 11, Sections 6 (Ex-dividend, Ex-rights) and Section 7 (Ex-warrants) to conform them to the Commission’s amendment to Rule 15c6- 1(a) of the Act³ to shorten the standard settlement cycle for most broker-dealer transactions from two business days after the trade date (“T+2”) to one business days after the trade date (“T+1”).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 96930, Investment Advisers Act Release No. 6239 (February 15, 2023), 88 FR 13872 (March 6, 2023) (“T+1 Adopting Release”).

The text of the proposed rule change is available on the Exchange's Website at <https://listingcenter.nasdaq.com/rulebook/phlx/rules>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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 IV below. The Exchange 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

Effective May 5, 2023, the Commission adopted rule amendments to shorten the standard settlement cycle for most broker-dealer transactions from T+2 to T+1.⁴ In light of the recently adopted rule amendments to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1, Phlx proposes to amend its rules pertaining to securities settlement by, among other things, amending the definition of "standard" settlement as occurring on T+1.

Specifically, Phlx proposes to amend Equity 11, Sections 6 (Ex-dividend, Ex-rights) and Section 7 (Ex-warrants). The details of the proposed rule changes are described below.

⁴ See supra note 3.

Equity 11, Section 6

Equity 11, Section 6, Ex-dividend, Ex-rights, currently provides that transactions in stocks (except for those made for cash) shall be ex-dividend or ex-rights on the first business day preceding the record date fixed by the corporation or the date of the closing of transfer books thereof. It also provides that if the record date or closing of transfer books occurs on a day other than a business day, the transaction will be ex-dividend or ex-rights on the second preceding business day.

The Exchange proposes to amend Equity 11, Section 6 to shorten the time frames by one business day. With this change the ex-dividend or ex-right date would be the same business day as the record date if the record date falls on a business day, or the first business day preceding the record date if the record date falls on a day other than a business day. Additionally, transactions in stocks made for “cash” would be ex-dividend or ex-rights on the same business day as the record date or date of closing of transfer books.

Equity 11, Section 7

Equity 11, Section 7, Ex-warrants, currently provides that transactions in securities which have subscription warrants attached (except those made for cash) shall be ex-warrants on the first business day preceding the date of expiration of the warrants, except that when the date of expiration occurs on a day other than a business day, the transactions will be ex-warrants on the second business day preceding the date of expiration.

The Exchange proposes to amend Equity 11, Section 7 to shorten the time frames by one business day. With this change, transactions in securities which have subscription

warrants attached (except those made for “cash”) shall be ex-warrants on the same business day preceding the date of expiration of the warrants, except that when the date of expiration occurs on a day other than a business day, said transactions shall be ex-warrants on the first business day preceding said date of expiration.

Implementation

The operative date of this proposed rule change will be Tuesday, May 28, 2024, which is the compliance date specified in the Commission’s amendment to Rule 15c6-1(a) of the Act⁵ to require standard settlement no later than T+1.⁶ With the implementation of the T+1 settlement cycle, the ex-dividend date for “normal” distributions pursuant to Equity 11, Section 6 will be the same business day as the record date. Accordingly, Phlx proposes to interpret Equity 11, Section 6 so that the first record date to which this new ex-dividend date rationale will be applied will be Wednesday, May 29, 2024. During the implementation of the T+2 settlement cycle, the “regular” ex-dividend dates will be as follows:

Record Date May 24, 2024	Ex date May 23, 2024
Record Date May 28, 2024	Ex date May 24, 2024
Record Date May 29, 2024	Ex date May 29, 2024 ⁷

⁵ See supra note 3.

⁶ See supra note 3. Transactions with a trade date of Friday, May 24, 2024 would settle on Wednesday, May 29, 2024 because these transactions occurred before the rule was effective and continue to settle two days after the trade date. Additionally, transactions with a trade date of Tuesday, May 28, 2024 would also settle on Wednesday, May 29, 2024 because these transactions occurred when the T + 1 rule was effective and would settle one day after the trade date. Of note, May 27, 2024 is Memorial Day and not a business day counted for purposes of settlement.

⁷ May 27, 2024 is Memorial Day and not a business day.

By way of explanation, a record date of Friday, May 24, 2024 would be a date prior to the effective date of the adopted T + 1 rules. Current Rule 1140(b) would apply to this record date, and, therefore, the “ex-dividend date” would be the first business day preceding the record date or Thursday, May 23, 2024. Monday, May 27, 2024 is Memorial Day is a federal holiday and not a business day; there would be no record date on a holiday. As noted above, Phlx proposes to interpret Rule 1140(b)(1) so that the first record date to which this new ex-dividend date rationale will be applied would be Wednesday, May 29, 2024. Therefore, a record date of Tuesday, May 28, 2024 would fall under current Rule 1140(b) and the first business day preceding the record date would be Friday, May 24, 2024. Finally, as noted above, Wednesday, May 29, 2024 is the first record date pursuant to the new T + 1 rules, therefore, proposed Rule 1140(b) applies to this date and the “ex-dividend date” would be the same business day as the record date (May, 29, 2024).

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁸ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁹ in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, and, in general, to protect investors and the public interest. The proposed rule change seeks to conform Phlx’s rules with the adopted rule amendments to shorten the standard

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

settlement cycle for most broker-dealer transactions from T+2 to T+1.¹⁰ The proposal is consistent with the Commission's amendment to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1. This proposal will provide Phlx members with regulatory certainty as to the settlement cycle that will be utilized to settle transactions executed on the Exchange.

As noted herein, Phlx will announce the operative date of the proposed rule change in an Equity Regulatory Alert, which date would correspond with the industry-led transition to a T+1 standard settlement, and the compliance date of the Commission's amendment to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal amends Phlx's rules pertaining to securities settlement and is intended to facilitate the implementation of the industry-led transition to a T+1 settlement cycle. The shortened settlement cycle will apply uniformly to all contracts for the purchase or sale of a security (other than exempted securities) that provide for payment of funds and delivery of securities that occur on Phlx or other self-regulatory organizations.¹¹ Moreover, the proposal is consistent with the Commission's amendment to Rule 15c6-1(a) of the Act to require standard settlement no later than T+1. Accordingly, Phlx believes that the proposed amendments do not impose any intra-market or inter-market burdens on competition because the amendments conform Phlx's rules with the adopted

¹⁰ See supra note 3.

¹¹ Of note, pursuant to (a) and (d) of Rule 15c6-1, the parties may expressly agree to a different settlement date at the time of the transaction.

rule amendments to shorten the standard settlement cycle for most broker-dealer transactions from T+2 to T+1.¹² Specifically, the proposed amendments include changes to rules that specifically establish the settlement cycle as well as rules that establish time frames based on settlement dates, including for certain post-settlement rights and obligations.

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.

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 Act¹³ and subparagraph (f)(6) of Rule 19b-4 thereunder.¹⁴

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

¹² See supra note 3.

¹³ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁴ 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 Exchange has satisfied this requirement.

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-Phlx-2023-49 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-Phlx-2023-49. 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 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 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-Phlx-2023-49 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.¹⁵

Sherry R. Haywood,

Assistant Secretary.

¹⁵ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined; deleted text is in brackets.

Nasdaq Phlx LLC Rules

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Equity Rules

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Equity 11 Uniform Practice Code

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Section 6. Ex-dividend, Ex-rights

Transactions in stocks (except those made for “cash”) shall be ex-dividend or ex-rights as the case may be on the [first]same business day [preceding]as the record date fixed by the corporation or the date of the closing of transfer books therefor. Should such record date or such closing of transfer books occur upon a day other than a business day, such transactions shall be ex-dividend or ex-rights on the [second]first preceding business day.

Transactions in stocks made for “cash” shall be ex-dividend or ex-rights on the same business day [following said]as the record date or date of closing of transfer books.

* * * * *

Section 7. Ex-warrants

Transactions in securities which have subscription warrants attached (except those made for “cash”) shall be ex-warrants on the [first]same business day preceding the date of expiration of the warrants, except that when the date of expiration occurs on a day other than a business day, said transactions shall be ex-warrants on the [second]first business day preceding said date of expiration.

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