

that, in the event Jeffrey LLC were to exceed the 100 beneficial owner limitation of Section 3(c)(1) of the Investment Company Act, the Applicant's relationship with Jeffrey LLC would not change the nature of the Applicant into that of a commercial advisory firm. In support of this argument, the Applicant notes that Jeffrey LLC would continue to be held entirely by Family Clients, and the Applicant would continue not to hold itself out to the public as an investment adviser. The Applicant represents that Jeffrey LLC would continue to be managed and controlled by TJC, which in turn is managed by the Board, a majority of the members of which are Family Members.

4. The Applicant states that, in requesting the order, the Applicant is not attempting to expand its operations or engage in any level of commercial activity to which the Advisers Act is designed to apply. Further, Jeffrey LLC has received from the Commission an order exempting Jeffrey LLC from all of the provisions of the Investment Company Act and all rules and regulations thereunder, under conditions that include: (a) that interests in Jeffrey LLC have not been and will not be offered or sold to the public, and that Jeffrey LLC will neither admit as a new investor, nor permit the assignment or transfer of any interest in Jeffrey LLC to, any individual or entity that is not a Family Client; (b) Jeffrey LLC at all times will be controlled by Family Members and/or "family entities" (as defined under the Family Office Rule) that are Family Clients; and (c) a majority of the board of directors of Jeffrey LLC will consist of Family Members, with limited exception.

5. The Applicant also submits that there is no public interest in requiring the Applicant to be registered under the Advisers Act. The Applicant is a private organization that was formed to be the new "family office" for the descendants of J.A. Jeffrey. If the Restructuring occurs, the Applicant's sole clients will be Jeffrey LLC, TJC and JFC; and the Applicant will have no clients other than Family Clients. The Applicant represents that such services would not change or be affected in the event Jeffrey LLC were to exceed the 100 beneficial owner limitation of Section 3(c)(1) of the Investment Company Act. In addition, the provision of the advisory services described above to the Family Clients described above does not create any public interest that would require the Applicant to be registered under the Advisers Act that is different in any manner from the considerations that apply to a "family office" that complies

in all respects with the Family Office Rule.

6. The Applicant argues that, although the Family Office Rule largely codified the exemptive orders that the Commission had previously issued before the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Commission recognized in proposing the Family Office Rule that the exact representations, conditions, or terms contained in every exemptive order could not be captured in a rule of general applicability. The Commission noted that family offices would remain free to seek a Commission exemptive order to advise an individual or entity that did not meet the proposed "family client" definition, and stated that certain issues would be more appropriately addressed through an application seeking an exemptive order than through a rule of general applicability.

7. The Applicant notes that, in addition to the exemptive orders issued to Katahdin and TJC, the Commission has issued other orders subsequent to the adoption of the Family Office Rule, and that each of those orders treated the applicant as a Family Office even though the applicant was providing advisory services to persons who did not fall within the definition of "Family Client." The Applicant states that, in this case, the Restructuring would move the locus of the principal family office to a new entity, the Applicant, without changing any of the material facts that were the subject of the order issued to Katahdin (as well as the order issued to TJC). Specifically, the Applicant will provide services to one or more Family Clients that are currently Family Clients for which Katahdin's successor, JFC, provides services, except that (a) the Applicant also will provide services to JFC (a Family Client) and (b) one of the Applicant's clients, Jeffrey LLC, relies, or may rely, on the Jeffrey LLC Order.

8. For the foregoing reasons, the Applicant requests an order declaring it to be a person not within the intent of Section 202(a)(11) of the Advisers Act. The Applicant submits that the order is necessary and appropriate, in the public interest, consistent with the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Advisers Act.

Applicant's Conditions

1. The Applicant will offer and provide services only to: (i) Jeffrey LLC, which will generally be deemed to be, and treated as if it were, a Family Client, and (ii) other Family Clients.

2. The Applicant at all times will be wholly owned by Family Clients and exclusively controlled (directly or indirectly) by one or more Family Members and/or Family Entities as defined in paragraph (d)(5) of the Family Office Rule.

3. Jeffrey LLC at all times will be wholly owned by Family Clients.

4. At all times the assets beneficially owned by Family Members and/or Family Entities (including assets beneficially owned by Family Members and/or Family Entities indirectly through Jeffrey LLC) will account for at least 75% of the assets for which the Applicant provides services.

5. The Applicant will comply with all the terms for exclusion from the definition of "investment adviser" under the Advisers Act set forth in the Family Office Rule except for the limited exception requested by the application.

For the Commission, by the Division of Investment Management, under delegated authority.

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-100240; File No. SR-NYSE-2024-31]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Connectivity Fee Schedule

May 29, 2024.

Pursuant to section 19(b)(1)¹ of the Securities Exchange Act of 1934 ("Act")² and Rule 19b-4 thereunder,³ notice is hereby given that on May 17, 2024, New York Stock Exchange LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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

The Exchange proposes to amend the Connectivity Fee Schedule ("Fee Schedule") to make clarifying changes with respect to the wireless connections to third party data in co-location. The proposed rule change is available on the Exchange's website at www.nyse.com, 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 self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The Exchange proposes to amend the Fee Schedule to make clarifying changes with respect to the wireless connections to third party data in co-location.

The Exchange currently provides Users⁴ with wireless connections to ten market data feeds or combinations of feeds from third-party markets (the "Existing Third Party Data").⁵

The Exchange recently filed to provide wireless connection to MEMX Memoir Depth market data feed ("MEMX Data"), noting that the wireless connection to MEMX Data would lead

⁴ For purposes of the Exchange's colocation services, a "User" means any market participant that requests to receive colocation services directly from the Exchange. See Securities Exchange Act Release No. 76008 (September 29, 2015), 80 FR 60190 (October 5, 2015) (SR-NYSE-2015-40). As specified in the Fee Schedule, a User that incurs colocation fees for a particular colocation service pursuant thereto would not be subject to colocation fees for the same colocation service charged by the Exchange's affiliates NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc., and NYSE National, Inc. (together, the "Affiliate SROs"). Each Affiliate SRO has submitted substantially the same proposed rule change to propose the changes described herein. See SR-NYSEAMER-2024-33, SR-NYSEARCA-2024-42, SR-NYSECHX-2024-19, and SR-NYSESTAT-2024-16.

⁵ See Securities Exchange Act Release No. 99806 (March 20, 2024), 89 FR 21055 (March 26, 2024) (SR-NYSE-2024-15).

to the data center pole.⁶ For all the Existing Third Party Data that leads to that pole,⁷ the monthly charge for wireless connections is subject to a 30-day testing period, during which the monthly charge per connection would be waived. Consistent with that fact, the Exchange proposes to amend the Fee Schedule to clarify that this provision is applicable to wireless connections to MEMX Data.

In addition, the Exchange proposes to make the following non-substantive changes to the Fee Schedule:

- Move the existing service for a wireless connection of NASDAQ BX-Totalview-ITCH data to place the wireless connections in alphabetical order.
- To conform to the corporate branding of Nasdaq, amend "NASDAQ" to "Nasdaq" and delete "OMX" and "Ultra" throughout the Fee Schedule.⁸
- To conform to Nasdaq's usage of the term, amend "Totalview" to "TotalView" in the Existing Third Party Services.⁹

These changes are typographical in nature and are not intended to change the substance or meaning of the Fee Schedule.

The proposed changes would not apply differently to distinct types or sizes of market participants. Rather, they would apply to all Users equally. As is currently the case, the purchase of any colocation service is completely voluntary and the Fee Schedule is applied uniformly to all Users.

The Exchange does not believe that it would obtain any new customers due to the proposed change.

The proposed change is not otherwise intended to address any other issues relating to colocation services or related fees, and the Exchange is not aware of any problems that Users would have in complying with the proposed change.

Timing and Implementation

The proposed change to the Fee Schedule to clarify the provisions regarding the MEMX Memoir Depth market feed would become operative when the wireless connection to MEMX Memoir Depth market data feed becomes operative. The Exchange expects that to be no later than the third quarter of 2024.

⁶ See *id.*

⁷ See Securities Exchange Act Release No. 76748 (December 23, 2015), 80 FR 81609 (December 30, 2015) (SR-NYSE-2015-52).

⁸ See Securities Exchange Act Release No. 801917 (October 23, 2017), 82 FR 49879 (October 27, 2017) (SR-NASDAQ-2017-111). See also <https://www.nasdaq.com/solutions/nasdaq-canada>, and <https://www.nasdaq.com/solutions/nasdaq-ise>.

⁹ See <https://www.nasdaqtrader.com/Trader.aspx?id=DPUSdata>.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act,¹⁰ in general, and furthers the objectives of section 6(b)(5) of the Act,¹¹ in particular, because it is designed to prevent fraudulent and manipulative acts and practices, 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, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest and because it is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange further believes that the proposed rule change is consistent with section 6(b)(4) of the Act,¹² because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed changes would remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest. With respect to the wireless connection to MEMX Memoir Depth data, the proposed change simply would clarify that the terms on which it is offered are the same as those of the Existing Third Party Data feeds that also connect to the data center pole. With respect to the other changes, putting the existing services in alphabetical order and conforming the descriptions to Nasdaq's usage would make the Fee Schedule easier to read, understand, and administer, alleviating any possible market participant confusion.

The Exchange believes that its proposed rule change provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers, and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers. The proposed rule change would clarify that the terms under which the wireless connection to the MEMX Memoir Depth data is offered are the same as those of the Existing Third Party Data feeds that also connect to the data center pole.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

¹² 15 U.S.C. 78f(b)(4).

With respect to the other changes, putting the existing services in alphabetical order and conforming the descriptions to Nasdaq's usage would make the Fee Schedule easier to read, understand, and administer, alleviating any possible market participant confusion. The proposed changes would not alter any of the fees charged.

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

The Exchange believes that the proposal will not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of section 6(b)(8) of the Act.¹³

The proposed change would not affect competition among national securities exchanges or among members of the Exchange. The proposed rule change is not designed to address any competitive issues but rather to enhance the clarity and transparency of the Fee Schedule and alleviate possible customer confusion that may arise. The proposed rule change would have no impact on pricing or existing services. Rather, the changes would clarify the Fee Schedule, making it easier to understand and alleviating any possible market participant confusion.

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

No written comments were solicited or received with respect to the proposed rule change.

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

The Exchange has filed the proposed rule change pursuant to section 19(b)(3)(A)(iii) of the Act¹⁴ and Rule 19b-4(f)(6) thereunder.¹⁵ Because the 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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to section 19(b)(3)(A)

of the Act and Rule 19b-4(f)(6)(iii) thereunder.¹⁶

A proposed rule change filed under Rule 19b-4(f)(6)¹⁷ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),¹⁸ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing.

The Commission agrees with the Exchange that waiver of the 30-day operative delay would be consistent with the protection of investors and the public interest because it would allow the Exchange to implement this proposed change immediately, ensuring that Users could benefit from the 30-day testing period for the existing service for a wireless connection of MEMX Memoir Depth data. Investors and the public interest would also benefit from the increased clarity and transparency the other amendments would provide to the Fee Schedule. The Commission therefore believes that waiver of the 30-day operative delay is appropriate.

At any time within 60 days of the filing of such 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 under section 19(b)(2)(B)¹⁹ of the Act to determine whether the proposed rule change 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:

¹⁶ 17 CFR 240.19b-4(f)(6)(iii). 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.

¹⁷ 17 CFR 240.19b-4(f)(6).

¹⁸ 17 CFR 240.19b-4(f)(6)(iii).

¹⁹ 15 U.S.C. 78s(b)(2)(B).

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-NYSE-2024-31 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-NYSE-2024-31. 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-NYSE-2024-31 and should be submitted on or before June 25, 2024.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁰

Sherry R. Haywood,
Assistant Secretary.

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²⁰ 17 CFR 200.30-3(a)(12).

¹³ 15 U.S.C. 78f(b)(8).

¹⁴ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁵ 17 CFR 240.19b-4(f)(6).