Prep Day and the second day of the Fund/SERV pending acknowledgement process from the ACATS transfer process. The Proposed Rule Change will amend the NSCC Rules to conform to and accommodate the upcoming removal of the Settle Prep Day and the second day of the Fund/SERV pending acknowledgement process. As a result, the Proposed Rule Change should expedite the time it takes to complete a customer account transfer in ACATS, reducing the amount of time that an investor's assets would remain invested in the market without the ability for the investor to trade such assets. By reducing the amount of time that an investor's assets would remain invested in the market without the ability for the investor to trade such assets, the Proposed Rule Change should promote the prompt and accurate settlement of ACATS account transfers and assure the safeguarding of securities and funds associated with such transfers, consistent with Section 17A(b)(3)(F) of the Exchange Act.[52]

## IV. Conclusion

On the basis of the foregoing, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Exchange Act, and in particular, the requirements of Section 17A of the Exchange Act[53] and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Exchange Act,[54] that the Proposed Rule Change (SR–NSCC–2025–011) be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[55]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025–17341 Filed 9–9–25; 8:45 am]

**BILLING CODE 8011–01–P**

[52] *Id.*

[53] In approving this proposed rule change, the Commission has considered the proposed rules' impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[54] 15 U.S.C. 78s(b)(2).

[55] 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–103873; File No. SR–24X–2025–02]**

## Self-Regulatory Organizations; 24X National Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt the Initial Fees and Rebates Applicable to Members of the Exchange

September 5, 2025.

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 August 27, 2025, 24X National Exchange LLC (''24X'' or the ''Exchange'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III 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.

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

The Exchange proposes to adopt the initial fees and rebates applicable to Members[4] of the Exchange pursuant to Exchange Rule 15.1(a) and (c). The proposed rule change is available on the Exchange's website at *https://equities.24exchange.com/regulation* and at the principal office of the Exchange.

### 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.

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] *See* Exchange Rule 1.5(u).

*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 implement a fee schedule (the ''Fee Schedule'') applicable to use of the Exchange. The Exchange will commence operations as a national securities exchange on September 29, 2025, and will implement the Fee Schedule as of that date.

The Exchange first notes that upon commencement of operations as a national securities exchange, it will operate in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More specifically, the Exchange will be only one of several equities venues to which market participants may direct their order flow. Based on publicly available information, no single registered equities exchange currently has more than approximately 13% of total market share.[5] Thus, in such a diffuse and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow, and as it commences operations the Exchange anticipates representing a small percentage of the overall market.

Transaction Fees

Below is a description of the fees and rebates that the Exchange intends to impose under the initial proposed Fee Schedule, which will be applicable to transactions executed in all trading sessions. Under the proposed Fee Schedule, the Exchange will operate a ''Maker-Taker'' model whereby it provides rebates to Members that provide liquidity and charges fees to those that remove liquidity, as further described below. The Exchange does not initially propose to charge different fees or provide different rebates depending on the number of orders submitted to, or transactions executed on or through, the Exchange. Accordingly, all fees and rebates described below are applicable to all Members, regardless of the overall volume of a Member's trading activities on the Exchange.

(1) Standard Fee for Removed Volume

The Exchange proposes to charge a standard fee of $0.00295 per share for executions of orders that remove

[5] Market share percentage calculated as of July 15, 2025; *see* Cboe Global Markets, U.S. Equities Market Volume Summary, available at: *https://www.cboe.com/us/equities/market_share/.*

liquidity from the 24X Book [6] (''Removed Volume'') in all securities traded on the Exchange priced at or above $1.00 per share.

(2) Standard Rebate for Added Displayed Volume

The Exchange proposes to provide a standard rebate of $0.00295 per share in all securities traded on the Exchange priced at or above $1.00 per share and 0.075% of total dollar value for all securities traded on the Exchange priced below $1.00 per share for executions of orders that: (i) are displayed on the 24X Book and (ii) add liquidity to the Exchange (''Added Displayed Volume'').[7] The proposed standard rebate for Added Displayed Volume would apply to the Reserve Quantity [8] of an order such that any replenishment amount of the Reserve Quantity of an order that is executed against would be treated as Added Displayed Volume even though such portion of the order was not displayed on the 24X Book prior to the order being replenished in accordance with the Member's instructions and the Exchange's rules. The entire portion of the Reserve Quantity of an order would be eligible for this rebate, but a Member would only receive such rebate for any portions of the Reserve Quantity that are executed against.

(3) Standard Rebate for Added Non-Displayed Volume

The Exchange proposes to provide a standard rebate of $0.0025 per share for executions of orders that: (i) are not displayed on the 24X Book and (ii) add liquidity to the Exchange (''Added Non-Displayed Volume''), in all securities traded on the Exchange priced at or above $1.00 per share that do not include a Midpoint Peg instruction.[9] The proposed Fee Schedule will provide a standard rebate of $0.00295 per share for Added Non-Displayed Volume that includes a Midpoint Peg instruction.[10]

The Exchange proposes to provide a higher rebate for executions of Added Displayed Volume than for executions of Added Non-Displayed Volume to incentivize displayed liquidity over non-displayed liquidity on the Exchange, including orders with a displayed component and a non-displayed component (*i.e.,* orders with a Reserve Quantity), in order to encourage and facilitate price discovery and price formation, which the Exchange believes benefits all Members and investors. The Exchange additionally proposes to provide a higher rebate for executions of orders that include a Midpoint Peg instruction in order to encourage Members to submit liquidity-providing orders designed to execute at the midpoint to the Exchange, which the Exchange believes will deepen liquidity and increase execution opportunities at the midpoint on the Exchange, thereby improving the Exchange's market quality to the benefit of all Members and enhancing its attractiveness as a trading venue.

(4) Standard Fee for Routed Removed Volume

The Exchange proposes to charge a standard fee of $0.0030 per share for all orders routed to another market that (i) are executed on an away market and (ii) remove liquidity from the market to which it was routed (''Routed Removed Volume''), in all securities traded on the Exchange priced at or above $1.00 per share.[11] All charges by the Exchange for routing are applicable only in the event that an order is executed; there is no charge for orders that are routed away from the Exchange but are not filled. The Exchange notes that the fees for routing relate to orders routed through the Exchange's third-party broker-dealers. Routing services offered by the Exchange are completely optional and market participants can readily select between various providers of routing services, including other exchanges and broker-dealers.

(5) Securities Priced Below $1.00 per Share

The Exchange proposes to charge a standard fee of 0.28% of the total dollar value of any transaction in securities priced below $1.00 per share (''Sub-Dollar Securities'') that removes liquidity from the Exchange (''Removed Sub-Dollar Volume''). The Exchange also proposes to provide a standard rebate of 0.075% of the total dollar value of any transaction (including a Retail Order) in Sub-Dollar Securities that adds displayed liquidity or non-displayed midpoint liquidity to the Exchange (''Added Sub-Dollar Volume''). The Exchange proposes to provide a standard rebate of 0.065% of the total dollar value of any transaction that adds non-displayed liquidity to the Exchange and does not include a Midpoint Peg instruction. The Exchange proposes to charge a standard fee of 0.30% of the total dollar value of any transaction in Sub-Dollar Securities that is routed to and executed at another market center.

The proposed rebate for executions of Added Sub-Dollar Volume is intended to promote order flow in Sub-Dollar Securities to the Exchange by incentivizing Members to increase the liquidity-providing orders in Sub-Dollar Securities they submit to the Exchange, which would support price discovery on the Exchange and provide additional liquidity for incoming orders.

The proposed rule change does not include different fees or rebates for transactions in Sub-Dollar Securities that depend on the number of orders submitted to, or transactions executed on or through, the Exchange. Accordingly, all fees and rebates described above are applicable to all Members, regardless of the overall volume of a Member's trading activities on the Exchange.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b) [12] of the Act in general, and furthers the objectives of Section 6(b)(4) [13] of the Act, in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities. Additionally, the Exchange believes that the proposed fees and rebates are consistent with the objectives of Section 6(b)(5) [14] of the Act in that they are 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, to remove impediments to and perfect the mechanism of a free and open market and national market system, and, in general, to protect investors and the public interest, and, particularly, are not designed to permit unfair

[6] ''24X Book'' refers to the Exchange system's electronic file of orders. *See* Exchange Rule 1.5(a).

[7] Such executions will be indicated by a fee code of ''1'' in execution reports provided by the Exchange.

[8] ''Reserve Quantity'' refers to the portion of an order that includes a Non-Displayed instruction in which a portion of that order is also displayed on the 24X Book. *See* Exchange Rule 11.6(k).

[9] This pricing is referred to on the proposed Fee Schedule as ''Added non-displayed volume'' and indicated by fee code ''51'' in execution reports provided by the Exchange.

[10] This pricing is referred to on the proposed Fee Schedule as ''Added Midpoint'' and indicated by fee code ''52'' in execution reports provided by the Exchange.

[11] This pricing is referred to on the proposed Fee Schedule as ''Routed removed volume'' and indicated by fee code ''3'' in execution reports provided by the Exchange.

[12] 15 U.S.C. 78f.

[13] 15 U.S.C. 78f(b)(4).

[14] 15 U.S.C. 78f(b)(5).

discrimination between customers, issuers, brokers, or dealers.

Upon its commencement of operations as a national securities exchange, the Exchange will operate in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that the proposed Fee Schedule reflects a simple and competitive pricing structure designed to incentivize market participants to add aggressively priced displayed liquidity and direct their order flow to the Exchange, which the Exchange believes would promote price discovery and price formation and deepen liquidity that is subject to the Exchange's transparency, regulation, and oversight as an exchange, thereby enhancing market quality to the benefit of all Members and investors.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues, and also recognized that current regulation of the market system "has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies."[15]

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to charge a standard fee of $0.00295 per share for Removed Volume, and a standard fee of 0.28% of the total dollar value for Removed Sub-Dollar Volume, because they are comparable to the transaction fees charged by other exchanges for removing liquidity.[16] The Exchange further believes that these fees are equitably allocated and not unfairly discriminatory because they apply equally to all Members and, when coupled with higher rebates for adding liquidity, as described below, are designed to facilitate increased activity on the Exchange to the benefit of all Members by providing more trading opportunities and promoting price discovery.

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to provide a standard rebate of $0.00295 per share for Added Displayed Volume, and a standard rebate of 0.075% of the total dollar value for Added Sub-Dollar Volume, because these rebates are consistent with transaction rebates provided by other exchanges.[17] The Exchange further believes that this rebate structure is equitably allocated and not unfairly discriminatory because it applies equally to all Members.

The Exchange believes that charging a fee to the liquidity remover, and providing a rebate to the liquidity adder, is reasonable, equitable, and not unfairly discriminatory because it incentivizes liquidity provision on the Exchange. The Exchange also notes that several other exchanges charge fees for removing liquidity and provide rebates for adding liquidity, and that this aspect of the Exchange's proposed Fee Schedule does not raise any new or novel issues that have not previously been considered by the Commission in connection with the fees and rebates of other exchanges.

The Exchange also believes that it is reasonable, equitable, and not unfairly discriminatory to provide a higher rebate for executions of Added Displayed Volume than for executions of Added Non-Displayed Volume as this rebate structure is designed to incentivize Members to send the Exchange displayable orders, thereby contributing to price discovery and price formation, consistent with the overall goal of enhancing market quality. Moreover, the Exchange notes that there are precedents for exchanges to provide rebates that distinguish between displayed and non-displayed volume to incentivize displayed orders and facilitate price discovery.[18]

The Exchange notes that under the initial proposed Fee Schedule it will pay the same rebate for Added Displayed Volume as the fee it charges for removing such volume for transactions priced at or above $1.00 per share, and as such the Exchange will have no net capture (*i.e.,* will not make money) with respect to such transactions. As noted above, the Exchange will operate in a highly competitive market, and the Exchange believes this initial pricing structure will enable it to effectively compete with other exchanges by attracting Members and order flow to the Exchange, which will help the Exchange to gain market share for executions. The Exchange may determine to modify its pricing structure after it has gained sufficient participation from market participants to instead be profitable with respect to such transactions. The Exchange believes the initial pricing structure, including the zero net capture for Added Displayed Volume transactions priced at or above $1.00 per share, is designed to incentivize market participants to add aggressively priced displayed liquidity and direct their order flow to the Exchange, which the Exchange believes would promote price discovery and price formation and deepen liquidity that is subject to the Exchange's transparency, regulation, and oversight as an exchange, thereby enhancing market quality to the benefit of all Members and investors. The Exchange does not believe that the zero net capture with respect to Added Displayed Volume transactions priced at or above $1.00 per share will materially impact the capitalization of the Exchange or otherwise impair the Exchange's ability to operate or regulate itself. The Exchange is well-capitalized and the Exchange's parent company, 24X US Holdings LLC, has agreed to provide adequate funding for the Exchange's operations, including the regulation of the Exchange.

With respect to orders routed to other markets, the Exchange also believes that it is appropriate, reasonable, and consistent with the Act to charge a standard fee of $0.0030 for Routed Removed Volume because this fee is similar to the fees charged by other exchanges for routed orders that remove liquidity from the destination market.[19] The Exchange's initial fee for routing is intended to be a simple and transparent fee for Members that wish to use routing services provided by the Exchange. The Exchange reiterates that the routing services offered by the Exchange are completely optional and that the Exchange operates in a highly competitive market in which market participants can readily select between various providers of routing services with different product offerings and different pricing. The Exchange believes that its flat fee structure for orders routed to all away venues is a fair and equitable approach to pricing, as it will provide certainty with respect to execution fees. The Exchange also believes the standard fee for Routed

[15] Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) ("Regulation NMS Adopting Release").

[16] *See* MEMX Equities Fee Schedule, available at: *https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/.*

[17] *Id.*

[18] *See, e.g.,* Long-Term Stock Exchange Inc. fee schedule, available at: *https://ltse.com/trading/fee-schedules;* MIAX PEARL LLC fee schedule, available at: *https://www.miaxglobal.com/sites/default/files/fee_schedule-files/MIAX_Pearl_Equities_Fee_Schedule_08012025.pdf.*

[19] For example, the New York Stock Exchange trading fee schedule on its public website reflects a standard fee for routing of $0.0035, with a tier that provides a member firm the ability to pay a reduced routing fee of $0.0030; *see https://www.nyse.com/markets/nyse/trading-info/fees.*

Removed Volume is an equitable and not an unfairly discriminatory allocation of fees because it applies equally to all Members.

In conclusion, the Exchange submits that its proposed fee structure satisfies the requirements of Sections 6(b)(4) and 6(b)(5) of the Act for the reasons discussed above in that it provides for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities, does not permit unfair discrimination between customers, issuers, brokers, or dealers, and is designed to promote just and equitable principles of trade, 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, particularly as the proposal neither targets nor will it have a disparate impact on any particular category of market participant. As described more fully below in the Exchange's statement regarding the burden on competition, the Exchange believes that it is subject to significant competitive forces, and that its proposed fee and rebate structure is an appropriate effort to address such forces.

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

The Exchange 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. Rather, as discussed above, the Exchange believes that the proposed change would encourage the submission of additional order flow to a public exchange, thereby promoting market depth, execution incentives, and enhanced execution opportunities, as well as price discovery and transparency for all Members. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes ''more efficient pricing of individual stocks for all types of orders, large and small.'' [20]

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the Exchange believes that the proposed pricing structure will increase competition and is intended to draw volume to the Exchange as it commences operations. The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow or reduce use of certain categories of products in response to new or different pricing structures being introduced into the market. Accordingly, competitive forces constrain the Exchange's transaction fees and rebates, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. As a new exchange, the Exchange expects to face intense competition from existing exchanges and other non-exchange venues that provide markets for equities trading. With respect to the Exchange's initial pricing whereby it will operate with no net capture with respect to transactions involving Added Displayed Volume priced at or above $1.00 per share, the Exchange is proposing this pricing initially upon its launch and for a limited time thereafter in an effort to encourage market participants to join, connect to, and participate on the Exchange. The Exchange expects to modify its pricing structure after it has gained sufficient participation from market participants to eliminate the negative net capture and instead be profitable with respect to such transactions.

Although this pricing incentive is intended to attract liquidity to the Exchange, most other exchanges in operation today already offer multiple incentives to their participants, including tiered pricing that provides higher rebates or discounted executions, and other exchanges will be able to modify such incentives in order to compete with the Exchange. With respect to the specific pricing resulting in the negative net capture, the Exchange also notes that the proposed fee for Removed Volume is neither the lowest fee in the market today, nor is the proposed rebate provided to Added Displayed Volume the highest rebate in the market today.[21] Accordingly, with respect to a market participant deciding to either submit an order to add or remove liquidity, there are multiple exchanges that will continue to be competitively priced for such orders when compared to the Exchange's pricing. Further, while pricing incentives do cause shifts of liquidity between trading centers, market participants make determinations on where to provide liquidity or route orders to take liquidity based on factors other than pricing, including technology, functionality, and other considerations. Consequently, the Exchange believes that the degree to which its fees and rebates could impose any burden on competition is extremely limited, and does not believe that such fees would burden competition of Members or competing venues in a manner that is not necessary or appropriate in furtherance of the purposes of the Act.

The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed fees and rebates apply equally to all Members. The proposed pricing structure is intended to encourage market participants to add displayed and non-displayed liquidity to the Exchange by providing rebates that are comparable to those offered by other exchanges as well as to provide a competitive rate charged for removing liquidity, which the Exchange believes will help to encourage Members to send orders to the Exchange to the benefit of all Exchange participants. As the proposed rates are equally applicable to all market participants, the Exchange does not believe there is any burden on intramarket competition.

*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**

Pursuant to Section 19(b)(3)(A)(ii) of the Act [22] and Rule 19b–4(f)(2) [23] thereunder, the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing. At any time within 60 days of the filing of such proposed rule change, the Commission summarily may

[20] Regulation NMS Adopting Release at 37499.

[21] For example, the Investors Exchange fee schedule reflects standard fees for matched liquidity of $0.0010 for shares executed at or above $1.00, which would apply to all orders removing liquidity; *see https://iextrading.com/trading/fees/.* Other markets offering ''taker/maker'' pricing provide rebates to provide liquidity; *see, e.g.,* Nasdaq BX fee schedule, available at: *https://www.nasdaqtrader.com/trader.aspx?id=bx_pricing;* Cboe BYX fee schedule, available at: *https://markets.cboe.com/us/equities/membership/fee_schedule/byx/.*

[22] 15 U.S.C. 78s(b)(3)(A)(ii).

[23] 17 CFR 240.19b–4(f)(2).

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) [24] 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:

*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–24X–2025–02 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–24X–2025–02. 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–24X–2025–02 and should be submitted on or before October 1, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[25]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025–17332 Filed 9–9–25; 8:45 am]

**BILLING CODE 8011–01–P**

[24] 15 U.S.C. 78s(b)(2)(B).

[25] 17 CFR 200.30–3(a)(12).

# SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–103888; File No. SR–BX–2025–016]**

## Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Options 7, Section 3

September 5, 2025.

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 August 26, 2025, Nasdaq BX, Inc. (''BX'' or ''Exchange'') 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 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 its Specialized Quote Feed [3] or ''SQF'' Port and SQF Purge Port [4] pricing at Options 7, Section 3, BX Options Market—Ports and other Services.

While the changes proposed herein are effective upon filing, the Exchange has designated the amendments become operative on January 1, 2026.

The text of the proposed rule change is available on the Exchange's website at *https://listingcenter.nasdaq.com/rulebook/bx/rulefilings,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] ''Specialized Quote Feed'' or ''SQF'' is an interface that allows Market Makers to connect, send, and receive messages related to quotes, Immediate-or-Cancel Orders, and auction responses into and from the Exchange. Features include the following: (1) options symbol directory messages (*e.g.,* underlying instruments); (2) system event messages (*e.g.,* start of trading hours messages and start of opening); (3) trading action messages (*e.g.,* halts and resumes); (4) execution messages; (5) quote messages; (6) Immediate-or-Cancel Order messages; (7) risk protection triggers and purge notifications; (8) opening imbalance messages; (9) auction notifications; and (10) auction responses. The SQF Purge Interface only receives and notifies of purge requests from the Market Maker. Market Makers may only enter interest into SQF in their assigned options series. Immediate-or-Cancel Orders entered into SQF are not subject to the Order Price Protection, Market Order Spread Protection, or Size Limitation Protection in Options 3, Section 15(a)(1), (a)(2), and (b)(2) respectively. *See* Options 3, Section 7(e)(1)(B).

[4] The SQF Purge Interface only receives and notifies of purge requests from the Market Maker.

## 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

The Exchange proposes to amend Options 7, Section 3, BX Options Market—Ports and other Services. Specifically, BX proposes to amend its current SQF Port Fee of $550 per port, per month, and its SQF Purge Port fee of $540 per port, per month.

BX proposes to amend the SQF Port Fee and the SQF Purge Port Fee as follows: The first 5 ports (1–5) would be assessed $1,620 per port, per month; the next 15 ports (6–20) would be assessed $1,080 per port, per month; and all ports over 20 ports (21 and above) would be assessed $540 per port, per month. The Nasdaq Options Market LLC (''NOM'') has identical SQF Port fees and identical SQF Purge Port fees.[5]

Only Market Makers [6] utilize SQF Ports and SQF Purge Ports for quoting purposes. A BX Market Maker requires only one SQF Port to submit quotes in its assigned options series into BX. While a Market Maker may elect to obtain multiple SQF Ports and SQF Purge Ports to organize its business,[7] only one SQF Port and SQF Purge Port is necessary for a Market Maker to fulfill its regulatory quoting obligations.[8]

[5] *See* NOM Options 7, Section 3(i).

[6] A:Market Maker'' means a Streaming Quote Trader or a Remote Streaming Quote Trader who enters quotations for his own account electronically into the System. *See* Options 1, Section 1(a)(28).

[7] For example, a Market Maker may desire to utilize multiple SQF Ports for accounting purposes, to measure performance, for regulatory reasons or other determinations that are specific to that Member.

[8] BX Market Makers have various regulatory requirements as provided for in Options 2, Section 4. Additionally, BX Market Makers have certain quoting requirements with respect to their assigned options series as provided in Options 2, Section 5. SQF Ports are the only quoting protocol available on BX and only Market Makers may utilize SQF Ports. The same is true for SQF Purge Ports.