

how to submit comments, available at www.sec.gov/rules-regulations/how-submit-comments. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at *tradingandmarkets@sec.gov* or 202-551-5777. FICC reserves the right not to respond to any comments received.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be 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-FICC-2025-021 on the subject line.

Paper Comments

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

All submissions should refer to File Number SR-FICC-2025-021. 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 FICC and on DTCC's website (http://markets.cboe.com/us/equities/regulation/rule_filings/edga/).

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-FICC-2025-021 and should be submitted on or before October 21, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶¹

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104043; File No. SR-CboeEDGA-2025-030]

Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Introduce a Small Retail Broker Hosted Solutions Program and To Update the Existing Eligibility Requirements for the Small Retail Brokerage Distribution Program for the Cboe One Summary Feed

September 25, 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 September 24, 2025, Cboe EDGA Exchange, Inc. (the "Exchange" or "EDGA") 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 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

Cboe EDGA Exchange, Inc. (the "Exchange" or "EDGA") proposes to introduce a Small Retail Broker Hosted Solutions Program and to update the existing eligibility requirements for the Small Retail Brokerage Distribution Program for the Cboe One Summary Feed. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (http://markets.cboe.com/us/equities/regulation/rule_filings/edga/).

⁶¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

and at the Exchange's Office of the Secretary.

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 adopt a Small Retail Broker Hosted Solutions Program (the "Program") for Cboe One Summary Data (collectively, the "Applicable Feed").³ This Program will provide fee waivers and lower data costs for both (i) Small Retail Brokers (as defined herein) that provide the Applicable Feed to other Small Retail Brokers via its hosted solutions (the "Hosting Small Retail Broker Distributor") and (ii) the Small Retail Brokers that receive this data from a Hosting Small Retail Broker Distributor as set forth herein.

Further, the Exchange proposes to increase the allowed maximum Non-Professional Data User subscriber count for the existing Small Retail Broker Program for Cboe One Summary Feed.⁴ By way of background, the Exchange currently offers the EDGA Top Data Feed, which is a data feed that offers top-of-book quotations and last sale information based on orders entered into the Exchange's System. The EDGA Top Data Feed benefits investors by facilitating their prompt access to real-time top-of-book information contained

³ The Exchange initially submitted the proposed rule change on May 8, 2025 (SR-CboeEDGA-2025-012). On May 19, 2025, the Exchange withdrew that filing and submitted SR-CboeEDGA-2025-015. On June 30, 2025, the Exchange withdrew that filing and submitted SR-CboeEDGA-2025-018. On August 28, 2025, the Exchange withdrew that filing and submitted SR-Cboe-EDGA-2025-027. On September 24, 2025, the Exchange withdrew that filing and submitted this filing.

⁴ The Exchange also notes that it is including a clarifying note to the maximum subscriber count that it is for Non-Professional Users (as opposed to the general "Users" term currently used) to align with its affiliates fee schedules (see e.g., Cboe EDGX Equities Fee Schedule).

in EDGA Top Data. The Exchange's affiliated equities exchanges (*i.e.*, Cboe BZX Exchange, Inc. ("BZX"), Cboe BYX Exchange, Inc. ("BYX"), and Cboe EDGX Exchange, Inc. ("EDGX") (collectively, "Affiliates" and together with the Exchange, "Cboe Equities Exchanges") also offer similar top-of-book data feeds. Particularly, each of the Exchange's Affiliates offer top-of-book quotation and last sale information based on their own quotation and trading activity that is substantially similar to the information provided by the Exchange through the EDGA Top Data Feed. Additionally, the Exchange also offers Cboe One Summary Data Feed that disseminates, on a real-time basis, the aggregate BBO of all displayed orders for securities traded on EDGA and its affiliated equities exchanges and also contains individual last sale information for the EDGA and its affiliated equities exchanges. The Cboe One Summary Data Feed is created using the data from the Exchange and its Affiliates' Top data feeds.

Currently, the Exchange offers a Small Retail Broker Distribution Program⁵ for the Applicable Feed. This program provides a discounted Distribution Fee of \$3,500/month for Cboe One Summary Data Feed as well as a discounted Data Consolidation Fee⁶ of \$350/month for Cboe One Summary Data for eligible participants.⁷ Participants of the existing Small Retail Broker Distribution Program must be an External Distributor that meets the following criteria: (i) Distributor is a broker-dealer distributing the Applicable Feed to Non-Professional Data Users with whom the broker-dealer has a brokerage relationship; (ii) At least 90% of the Distributor's total subscriber population must consist of Non-Professional subscribers, inclusive of any subscribers not receiving the Applicable Feed; and (iii) Distributor distributes the Applicable Feed to no more than 5,000 Non-Professional Data Users (the Exchange notes that it is proposing to increase this to 10,000 Non-Professional Data Users as described further herein).⁸ The Exchange introduced this program to allow small retail brokers that purchase top of book market data from the Exchange to benefit from discounted fees for access to such market data. The Small Retail Broker Distribution Program reduces the distribution and consolidation fees paid by small broker-

dealers that operate a retail business. In turn, the Small Retail Broker Distribution Program is intended to increase retail investor access to real-time U.S. equity quote and trade information, and allow the Exchange to better compete for this business with competitors⁹ that offer similar optional products.¹⁰

The Exchange now proposes to create a new Program based on the proposed eligibility criteria for Small Retail Brokers to specifically support Small Retail Brokers who are operating platforms on behalf of other Small Retail Brokers. Based on customer feedback, there are Small Retail Brokers who would like to provide this data via a hosted solution as a White Label Service¹¹ to other Small Retail Brokers, who then provide this data to their retail clients (an "External Hosted Subscriber").¹² Unfortunately, under the existing structure, while the Small Retail Broker may be eligible for the discounted Distribution Fee and the discounted Data Consolidation Fee, the External Hosted Subscriber must also pay the Distribution Fee and the Data Consolidation Fee, in addition to the standard Professional and Non-Professional User fees. Therefore, the existing fee structure does not allow for any additional benefits for Hosting Small Retail Broker Distributors for providing the valuable service of operating platforms that External Hosted Subscribers may use for their clients.

Of further note, the Hosting Small Retail Broker is responsible for reporting its External Hosted Subscribers and their users, and ultimately the Hosting Small Retail Broker is responsible for payment of all data fees for both its External Subscribers and itself. While the Exchange is not privy to pass-

⁵ Such as NYSE Arca BBO feed or Nasdaq Basic.

⁶ See Securities Exchange Act Release No. 85 FR 9912 (February 20, 2020) (SR-CboeEDGA-2020-004); and 88219 (February 14, 2020).

⁷ A "White Label Service" is a type of hosted display solution in which an External Distributor hosts or maintains a website or platform on behalf of the External Hosted Subscriber. The service allows the External Distributor to make the applicable data (*i.e.*, Cboe One Summary Data) available on a platform that is branded with the External Hosted Subscriber, or co-branded with the External Hosted Subscriber and the External Distributor. The External Distributor maintains control of the application's data, entitlements and display.

⁸ An External Hosted Subscriber of an Exchange Market Data product is a Distributor that receives the Exchange Market Data product from an External Distributor through a hosted display solution where the External Hosted Subscriber's Users are hosted by the External Distributor and data is distributed for display use only to one or more Users outside the External Hosted Subscriber's own entity. The Exchange proposes to add this definition into its Fee Schedule.

through costs between Hosting Small Retail Broker Distributor and the External Hosted Subscribers, the Hosting Small Retail Broker is ultimately charged Distribution Fees (in addition to the other applicable fees) for the (i) Applicable Feed to the External Hosted Subscriber and (ii) Applicable Feed to the External Hosted Subscriber's end users, despite the Hosting Small Retail Broker managing the application for the External Hosted Subscriber's users. This proposed Program is intended to provide relief for the overall charges that a Hosting Small Retail Broker incurs based on operating a platform that allows an External Hosted Subscriber's retail users to receive data.

Additionally, given that External Hosted Subscribers are smaller relative to other Small Retail Brokers currently participating in the existing Small Retail Broker Distribution Program, their ability to subscribe to the Applicable Feed as Hosting Small Retail Broker Distributors is likely not feasible. Specifically, the costs of the Applicable Feed may themselves make access to this data impractical. Additionally, the costs associated with building and maintaining the technological infrastructure to receive and disseminate data, may make access to such data impractical. Generally speaking, technology, infrastructure, and connectivity costs are a significant monetary investment and require significant human expertise and resources to maintain. As such, the totality of costs can make access to data difficult. The Exchange believes, though, that the proposed fees and the ability to subscribe to the Applicable Feed as External Hosted Subscribers will make access to data more feasible. Indeed, the Exchange anticipates that the retail broker-dealers that would seek to become External Hosted Subscribers are broker-dealers that do not have the technological infrastructure in place to ingest and disseminate data as a Hosting Small Retail Broker, and that are likely to have smaller client bases and business models not as conducive to making the investments necessary to become a Hosting Small Retail Broker Distributor.

In these regards, the Exchange believes that the proposed program will incentivize Hosting Small Retail Broker Distributors to offer the Applicable Feed to External Hosted Subscribers, thereby making data accessible to a larger number of broker-dealers and their clients, at an affordable cost. Specifically, under the proposed program, a Hosting Small Retail Broker Distributor providing the data to at least one External Hosted Subscriber would

⁵ See Cboe EDGA Equities Fee Schedule.

⁶ This fee reflects the value of the aggregation and consolidation function the Exchange performs in creating the Cboe One Summary Feed.

⁷ See Cboe EDGA Equities Fee Schedule.

⁸ *Id.*

be eligible for a credit of its Distribution Fee (a credit of \$3,500/month for Cboe One Summary Feed) that it is normally responsible for under the existing Small Retail Broker Program. Additionally, the External Hosted Subscriber shall also receive a waiver of the Distribution Fee (a credit of \$3,500/month for Cboe One Summary Feed). The External Hosted Subscriber will also receive a waiver of the Data Consolidation Fee for the Cboe One Summary Data (a credit of \$350/month), and in lieu of paying the Non-Professional User fees, it shall be a set monthly fee \$850 for Cboe One Summary Data.¹³ The Professional User fees shall remain the same. Once an External Hosted Subscriber exceeds the Non-Professional Data User maximum (no more than 10,000 Non-Professional Data Users for Cboe One Summary Data), the External Hosted Subscriber shall no longer be eligible for the program and will be required to directly license with the Exchange for the Applicable Feed.¹⁴

In addition to the changes set forth above, the Exchange also proposes to modify the existing Small Retail Broker Program for Cboe One Summary Feed to increase the number of Non-Professional Data User maximum from 5,000 to 10,000 to be consistent with the proposed threshold for External Hosted Subscribers. As previously discussed, the Exchange proposes to also use the cap of 10,000 Non-Professional Data Users for the proposed Program. The Exchange proposes to increase this in support of increased participation across both retail and investor markets in order to facilitate the growth of smaller retail brokers on a global scale.

As mentioned above, the existing fee structure makes it costly for both Hosting Small Retail Broker Distributors and its External Hosted Subscribers to provide data to the External Hosted Subscribers' retail clients as Distribution Fees are assessed on both Small Retail Brokers. Overall, the Exchange believes that this fee proposal will help to make its data more widely accessible for retail users who receive their data from External Hosted Subscribers.

Specifically, the Exchange believes that that this proposal will (i) further

¹³ As the Program is capped at 10,000 users for Cboe One Summary Feed this equates to a maximum, savings of \$1,650 (10,000 Users \times 0.25/Non-Professional = \$2,500 and \$2,500 – 850 = \$1,650) for Cboe One Summary Feed.

¹⁴ The Exchange notes that it will include a clarifying note in its Fee Schedule to specify that in the event a Hosting Small Retail Broker Distributor joins this program mid-month, that its fees shall be prorated for the month based on the initial date of the subscription; however, the External Hosted Subscriber's fees shall not be prorated.

increase the competitiveness of the Exchange's top of book market data products compared to competitor offerings that may currently be cheaper for firms with a limited subscriber base that do not yet have the scale to take advantage of the lower subscriber fees offered by the Exchange; and will (ii) provide additional incentives for Hosting Small Retail Broker Distributors to provide hosted solution services for other Small Retail Brokers in order to make data more widely available to retail investors. In turn, the Exchange believes that this change may benefit market participants and investors by spurring additional competition and increasing the accessibility of the Exchange's top of book data.

The Exchange notes that at least one other exchange has a similar offering. For example, the New York Stock Exchange has a Redistribution Fee Waiver for NYSE Trades, for which redistributors of data may have their redistribution fee waived so long as they provide the data to at least one data feed recipient and reports such data feed recipient or recipients to the Exchange.¹⁵

Without the proposed pricing discounts, the Exchange believes that (i) prospective customers may not be interested in purchasing top of book data from the Exchange, and may instead purchase such data from other national securities exchanges or the Securities Information Processors ("SIPs"), potentially at a higher cost than would be available pursuant to the proposed program and (ii) that Hosting Small Retail Broker Distributors are not incentivized to make the Applicable Feed available via a hosted solution for retail investors of its External Hosted Subscribers. Similar to the existing Small Retail Broker Program previously introduced, the Exchange believes that the proposed Program will continue to increase competition for such market data, and that enhanced competition could help to further reduce data fees as providers compete for subscribers, as well as help diversify the availability and quality of data offerings available to retail investors through their Hosting Small Retail Broker Distributors.

Ultimately, the Exchange believes that it is critical that it be allowed to compete by offering attractive pricing to customers as increasing the availability of such products ensures continued competition with alternative offerings. Such competition may be constrained when competitors are impeded from

offering alternative and cost-effective solutions to customers.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,¹⁶ in general, and furthers the objectives of Section 6(b)(4),¹⁷ in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members and other recipients of Exchange data.

The Exchange also believes that the proposed rule change is consistent with Section 11(A) of the Act.¹⁸ Specifically, the proposed rule change supports (i) fair competition among brokers and dealers, among exchange markets, and between exchange markets and markets other than exchange markets, and (ii) the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities. In addition, the proposed rule change is consistent with Rule 603 of Regulation NMS,¹⁹ which provides that any national securities exchange that distributes information with respect to quotations for or transactions in an NMS stock do so on terms that are not unreasonably discriminatory.

In adopting Regulation NMS, the Commission granted SROs and broker-dealers increased authority and flexibility to offer new and unique market data to the public. It was believed that this authority would expand the amount of data available to consumers, and also spur innovation and competition for the provision of market data. The Exchange believes that the proposed fee change would further broaden the availability of U.S. equity market data to investors, and in particular retail investors, consistent with the principles of Regulation NMS.

The Exchange operates in a highly competitive environment. Indeed, there are sixteen registered national securities exchanges that trade U.S. equities and offer associated top of book market data products to their customers. The national securities exchanges also compete with the SIPs for market data customers. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues

¹⁶ 15 U.S.C. 78f.

¹⁷ 15 U.S.C. 78f(b)(4).

¹⁸ 15 U.S.C. 78k-1.

¹⁹ See 17 CFR 242.603.

¹⁵ See Securities Exchange Act Release No. 90407 (November 12, 2020), 85 FR 73570 (November 18, 2020) (SR-NYSE-2020-91).

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.”²⁰ The proposed fee change is a result of the competitive environment, as the Exchange seeks to amend its fees to attract additional subscribers for its proprietary top of book data offerings.

Making alternative data products available to market participants ultimately ensures increased competition in the marketplace and constrains the ability of exchanges to charge prohibitive fees. If a market participant views one exchange’s top of book data fees as more or less attractive than the competition they can, and frequently do, switch between competing products. In fact, the competitiveness of the market for such top of book data products is one of the primary factors animating this proposed rule change, which is designed to allow the Exchange to further compete for this business. As mentioned above, at least one other Exchange provides a similar waiver for redistribution of market data.

The Exchange notes that the Applicable Feed is distributed and purchased on a voluntary basis, in that neither the Exchange nor market data distributors are required by any rule or regulation to make these data products available. Distributors (including vendors) and Users can therefore discontinue use at any time and for any reason, including due to an assessment of the reasonableness of fees charged. Further, the Exchange is not required to make any proprietary data products available or to offer any specific pricing alternatives to any customers.

The Commission has long stressed the need to ensure that the equities markets are structured in a way that meets the needs of ordinary investors. For example, the Commission’s strategic plan for fiscal years 2018–2022 touts “focus on the long-term interests of our Main Street investors” as the Commission’s number one strategic goal.²¹ The Program would be consistent with the Commission’s stated goal of improving the retail investor experience in the public markets. Furthermore, national securities exchanges commonly charge reduced fees and offer market structure benefits to retail investors, and the Commission

has consistently held that such incentives are consistent with the Act. The Exchange believes that the Program is consistent with longstanding precedent indicating that it is consistent with the Act to provide reasonable incentives to retail investors that rely on the public markets for their investment needs.

The Exchange notes that the proposed waivers for the Applicable Feed only apply to Hosting Small Retail Broker Distributors and its External Hosted Subscribers for three reasons. The first is that the Hosting Small Retail Broker Distributors undertake the operation of the platform of which the ultimate retail investors view the data provided by the External Hosted Subscriber. The Hosting Small Retail Broker Distributor maintains control of the application’s data, entitlements and display. In comparison, to the existing Small Retail Broker Program, eligible participants have no such obligations and are eligible for this only by meeting the requirements and externally distributing the data (which may be directly to retail investors). In order to incentivize the Hosting Small Retail Broker Distributors to undergo this challenge, the Exchange believes it is not unfairly discriminatory to provide a waiver of the Distribution Fee for the Hosting Small Retail Broker, as opposed to the standard discounted Distribution Fee normally paid under the current Small Retail Broker Distribution Program.

Second, by creating this program, the Exchange is further able to reach additional retail investors. By waiving Distribution Fees for both the Hosting Small Retail Broker Distributor and its External Hosted Subscriber, both parties are incentivized to work together to provide data to retail investors. Finally, as mentioned previously, the Hosting Small Retail Broker Distributor is responsible for the fees and reporting for both its activity and its External Hosted Subscriber. This means that under the existing program, if a Hosting Small Retail Broker has one External Hosted Subscriber, the Hosting Small Retail Broker is receiving a bill for two Distribution Fees, two Data Consolidation fees and the cost of both its and its External Hosted Subscriber’s Professional Users and Non-Professional Users. Through this Program, the fees will not be a deterrent for Hosting Small Retail Broker Distributors and External Hosted Subscribers to establish platforms that reach a wider scope of retail investors.

Furthermore, while this Program would be effectively limited to smaller firms in accordance with the proposed eligibility requirements, the Exchange

does not believe that this limitation makes the fees inequitable or unfairly discriminatory. The Exchange notes that large broker-dealers and/or vendors that distribute the Exchange’s data products to a sizeable number of investors benefit from the current fee structure, which includes lower subscriber fees and Enterprise licenses. Due to lower subscriber fees, distributors that provide the Applicable Data Feed to more than the proposed capped amounts of Users permitted under either the Small Retail Broker Program or this Program already enjoy cost savings compared to competitor products. The Program, in addition to the existing Small Retail Broker Program, would therefore continue to ensure that small retail brokers that distribute top of book data to their retail investor customers could also benefit from reduced pricing, and would aid in increasing the competitiveness of the Exchange’s data products for this key segment of the market.

Moreover, the Exchange does not believe that the proposed fees unfairly discriminate between Hosting Small Retail Broker Distributors and External Hosted Subscribers. While the proposal provides additional benefits to External Hosted Subscribers that would not otherwise accrue to them under the current program, the Exchange notes that such benefits are designed only to make access to market data more accessible to smaller retail broker-dealers that either do not possess the financial and technological resources necessary to receive data as a Small Retail Broker, or simply choose not commit such resources based on their business models. In turn, to continue to incentivize the provision of the Applicable Feed by Hosting Small Retail Broker Distributors, the Exchange has sought to provide appropriate incentives to these brokers as well. Collectively, the fee structure provides benefits to both Hosting Small Retail Broker Distributors and External Hosted Subscribers.

While External Hosted Subscribers would receive benefits they would not accrue under the current program, these are not benefits that today’s Small Retail Brokers would choose to avail themselves of under the new fee structure, because it is highly unlikely that today’s Small Retail Brokers would choose to instead become External Hosted Subscribers. The Exchange notes that today’s Small Retail Brokers that qualify under the current program, have already committed significant capital in terms of time, technology, and finances towards building out and maintaining the technological infrastructure and

²⁰ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

²¹ See U.S. Securities and Exchange Commission, Strategic Plan, Fiscal Years 2018–2022, available at https://www.sec.gov/files/SEC_Strategic_Plan_FY18-FY22_FINAL_0.pdf.

staffing needed to receive and distribute the Applicable Feed to their end users. To forego such financial and technological commitments simply to avail themselves of additional benefits afforded to External Hosted Subscribers under this proposal, would very likely require an existing Small Retail Broker to drastically change their current business model simply to avail themselves of the additional benefits provided to External Hosted Subscribers. Moreover, today's existing Small Retail Brokers are likely to be providing services to their subscribers other than the Additional Feeds, such as market access, order management systems, and other trading tools. To cease providing such a full suite of services—which required significant time and cost contributions—is unlikely and, again, would require a significant reversal in a Small Retail Broker's business model.

Rather, the Exchange believes that the more likely case is that the proposed fee structure will attract a new population of Small Retail Brokers who will seek to access the Applicable Feed as Hosted External Subscribers, at a cost-effective price point, thereby providing even more investors with access to top of book market data for U.S. equities. Another likely use case is that the proposed fee structure may incentivize more Small Retail Brokers to subscribe to the Applicable Feed as External Hosted Subscribers and, as they build their own business models and attract subscribers of their own, eventually commit time and resources to building their own infrastructure to evolve into a Hosting Small Retail Broker.

Furthermore, the Exchange acknowledges that under the proposed fee schedule that a Hosting Small Retail Broker Distributor is eligible for a waiver of its Distribution Fee once its first External Hosted Subscriber is subscribed, whereas under current program a Small Retail Broker is not eligible for such a waiver. However, the Exchange does not believe that this proposed fee structure unfairly discriminates between existing Small Retail Brokers and Hosting Small Retail Brokers, because the application of these fees is based on meaningful differences between existing Small Retail Brokers and potential Hosting Small Retail Broker Distributors.

Specifically, existing Small Retail Brokers are brokers that distribute the Applicable Feed to their own customers. These Small Retail Brokers typically operate their own retail trading businesses, and the provision of the Applicable Feed is part of the package of services provided to their own

customers. Comparatively, similar to certain subscribers²² of NYSE's BQT proprietary data product (discussed above), the Exchange believes that Hosting Small Retail Broker Distributors are more akin to that of a traditional vendor, or a redistributor of data, whose typical business model is to collect and process data from other sources (e.g., the Applicable Feed), and redistribute such data to other businesses or individuals for their own use. As such, the proposed fees are narrowly tailored to a specific subset of the market data consumer base—*i.e.*, vendors/redistributors that subscribe to competitively priced market data and, in turn, redistribute such data downstream to their customers. In performing this service, the Hosting Small Retail Broker Distributors are offering a White Label Service where they are technologically hosting or maintaining a website or platform on behalf of their External Hosted Subscribers, and are responsible for maintaining control of the platform's data, entitlements, and display, for the Applicable Feeds, and any other comparable data products to which they subscribe. In this regard, the proposed fees are designed to account for the additional technological and capital costs a Hosting Small Retail Broker Distributor may need to expend in order to host and redistribute market data downstream to its customers.

Relatedly, the proposed fees are based on the competitive environment for market data products such as the Applicable Feed. In response to competition from other market data feeds such as NYSE BQT, the Exchange's proposed fees are merely intended to provide a financial incentive for vendors/redistributors that do not currently subscribe to any Exchange market data products to subscribe to the Applicable Feed. By focusing on this segment of the market, the Exchange believes that the proposed fees will make the Applicable Feed more competitive and attractive for vendors/redistributors to subscribe to, thereby increasing the availability of the Exchange's data products, expanding the options available to firms making data purchasing decisions on their business needs, and generally increasing competition. In this regard, the

²² In a 2020 fee filing, NYSE sought to reduce certain of its market data fees for Redistributors that subscribed only to NYSE BBO and NYSE Trades, and did not subscribe to any other market data product listed on the NYSE fee schedule, other than NYSE BQT. In that filing, NYSE defined a redistributor as, “a vendor or any other person that provides a NYSE data product to a data recipient or to any system that a data recipient uses, irrespective of the means of transmission or access.” *Supra* note 15, 7357.

Exchange believes that the proposed fees—particularly the waiver of the Distribution Fee—will incentivize Hosting Small Broker Distributors (*i.e.*, vendors/redistributors) to subscribe to the Applicable Feed and make them available to their end customers. Indeed, as discussed above, NYSE BQT offers redistributors a similar waiver, which NYSE noted²³ was necessary in order to enable them to better compete with Nasdaq Basic and Cboe One. Similarly, the Exchange believes that the proposed fees would also better enable the Exchange to compete more effectively with similar products such as NYSE BQT and Nasdaq Basic, thereby expanding the number of vendors/redistributors that would subscribe to the Applicable Feeds as Hosting Small Retail Broker Distributors, and therefore make the product available to data subscribers interested in the Applicable Feeds. Without a similar waiver, the Exchange notes that its ability to compete would be drastically impaired.

Moreover, the Exchange believes that the proposed change to provide a waiver of the Distribution Fee to a Hosting Small Retail Broker Distributor (*i.e.*, vendor/distributor) is not unfairly discriminatory because the proposed waiver applies equally to all Hosting Small Retail Broker Distributors that are eligible for such waiver and choose to redistribute the Applicable Feeds, and would serve as an incentive for Hosting Small Retail Broker Distributors that do not currently subscribe to the Applicable Feeds to start doing so, and then make the Applicable Feeds available to their customers.

Finally, the Exchange notes that nothing in the current proposal prevents an existing Small Retail Broker from choosing to instead subscribe to the Applicable Feed as an External Hosted Subscriber. However, the Exchange does not believe that this makes the proposal unfairly discriminatory between Hosting Small Retail Broker Distributors and External Hosted Subscribers, as broker-dealers are free to operate their businesses however they may choose in response to a host of a reasons, only one of which are associated costs.

The Exchange believes that the proposed cap of 10,000 for the Cboe One Summary Data Feed for this Program, as

²³ *Supra* note 15, 73573. (“The proposed rule change is intended to encourage greater use of NYSE BQT by making it more affordable for Redistributors that have customers interested in subscribing to NYSE BQT. . . . The proposed fee reduction would allow the Exchange to compete more effectively with Nasdaq Basic and Cboe One Feed by expanding the number of Redistributors that would subscribe to NYSE BQT, and therefore make the product available to data subscribers interested in NYSE BQT.”).

well as increasing this cap to 10,0000 for the Cboe One Summary Data Feed for the Small Retail Broker Program is reasonable and not unfairly discriminatory as the Exchange believes it is in the best interest of all market participants to more broadly expand this in support of inclusion for more retail investors by participation in both programs by small retail brokers on a global scale.

Distribution Fee Waiver

The Exchange believes that the Distribution Fee Waivers for both the External Hosted Subscriber and the Hosting Small Retail Broker Distributor are reasonable as they represent a significant cost reduction for the Hosting Small Retail Broker Distributor to provide a hosted solution for the External Hosted Subscriber, to ultimately provide the data to the External Hosted Subscriber's retail investors. By targeting the Distribution Fee waiver to vendors/redistributors that provide external distribution of the Applicable Feeds, the Exchange believes that this would provide an incentive for redistributors to make the Applicable Feeds available to its customers. Specifically, if a data recipient is interested in subscribing to the Applicable Feeds and relies on a vendor/redistributor to obtain market data products from the Exchange, that data customer would need the vendor/redistributor to first subscribe to and distribute the Applicable Feeds. In this regard, the Exchange believes the proposed waiver would provide an incentive for vendors/redistributors to make the Applicable Feeds available to their customers, which will increase the availability of the Applicable Feeds to a larger potential population of retail investors.

While the existing fee structure does provide a benefit of a discounted waiver for Small Retail Brokers that externally distribute the data, these discounted Distribution Fees are still incurred by both the external Hosted Subscriber and the Hosting Small Retail Broker Distributor. In an attempt to alleviate these costs, and make this data more available to retail investors, the Exchange proposes to waive the Distribution Fees for both the Hosting Small Retail Broker Distributor and the External Hosted Subscriber. With this Program, the Exchange believes it will increase market accessibility and data to investors on a global scale. Exchange Hosted Subscribers may not have the infrastructure or technical capabilities to offer market data and/or execution services to its retail investors. Through waiving these fees for the External

Hosted Subscriber, the Exchange hopes to reach a broader scale of retail investors globally. Further, as discussed above, the Exchange also believes it is appropriate and not unfairly discriminatory to limit this specific credit to the External Hosted Subscriber and the Hosting Small Retail Broker Distributor given the development and maintenance the Hosting Small Retail Broker Distributor undergoes to provide this data to the External Hosted Subscriber's end users.

Data Consolidation Fee Waiver

The Exchange believes it is reasonable to not charge the External Hosted Subscriber the Data Consolidation Fee for Cboe One Summary Data for the duration of the time that they are eligible for this program. As previously discussed, the waiver of fees for the External Hosted Subscriber is intended to make this data more available to retail investors. The Exchange also believes it is appropriate and not unfairly discriminatory to limit this specific credit to the External Hosted Subscriber because, as described above, the Exchange believes by alleviating some of the barriers to entry, that Exchange Hosted Subscribers are able to bring this data and execution services to their retail investors. Of further note, the Exchange believes it is reasonable to maintain this cost for the Hosting Small Retail Broker Distributor as the Hosting Small Retail Broker Distributor is the party receiving this data from the Exchange where it is consolidated for the benefit of the Hosting Small Retail Broker Distributor.

Fixed Cost of Non-Professional Users

The Exchange believes it is reasonable to set a fixed cost for Non-Professional Users fees for External Hosted Subscribers by charging a flat, fixed cost instead of charging per user to allow for additional savings. Under this structure, the External Hosted Subscriber shall still be responsible by paying the standard per User fee of a Professional Users under the Applicable Feed. The Exchange does not believe this is unfairly discriminatory as the program is based around making the Applicable Feed available for Non-Professional Users. The Exchange also notes that it has taken a similar approach here to the NYSE Per User Access Fee, which sets a fixed cost where the data is used only for display purposes.²⁴

²⁴ See NYSE Proprietary Market Data Pricing Guide, April 1, 2025.

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

The Exchange does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange operates in a highly competitive environment, and its ability to price these data products is constrained by: (i) Competition among exchanges that offer similar data products to their customers; and (ii) the existence of inexpensive real-time consolidated data disseminated by the SIPs. Top of book data is disseminated by both the SIPs and the sixteen equities exchanges. There are therefore a number of alternative products available to market participants and investors. In this competitive environment potential subscribers are free to choose which competing product to purchase to satisfy their need for market information. Often, the choice comes down to price, as broker-dealers or vendors look to purchase the cheapest top of book data product, or quality, as market participants seek to purchase data that represents significant market liquidity. In order to better compete for this segment of the market, the Exchange is proposing to reduce the cost of top of book data provided by Hosting Small Retail Broker Distributors to its External Hosted Subscribers, and in turn, their retail investors. The Exchange believes that this would facilitate greater access to such data, ultimately benefiting the retail investors that are provided access to such market data.

The Exchange also believes the proposed fee changes will better enable it to compete in the Asia Pacific region, which is an area of increasing interest and growth within the U.S. equities markets, generally. As the Asia Pacific investor base seeks access to the liquidity and efficient price discovery processes that exist in the U.S. equities markets, various broker-dealers have begun offering trading in this region, and exchanges have begun to contemplate 24-hour trading solutions designed to capture the increased demand from the Asia Pacific investor base.²⁵ Naturally, U.S. equities market

²⁵ See "Cboe Announces Plans to Launch 24x5 U.S. Equities Trading," February 3, 2025, available at: <https://ir.cboe.com/news/news-details/2025/Cboe-Announces-Plans-to-Launch-24x5-U.S.-Equities-Trading-2025-NwujmKvsxb/default.aspx>, "[Cboe] continue[s] to hear from market participants globally—particularly those in Asia Pacific markets like Hong Kong, Japan, Korea, Singapore and Australia—that they want greater access to U.S. equities trading and need trusted venues that can offer transparency, robust liquidity

data will be in demand as Asia Pacific trading increases in the U.S. markets. Indeed, in formulating its current pricing, the Exchange has considered the growth in the Asia Pacific region and has sought to propose fees that would continue to appeal to the existing Small Retail Brokers in this region, and that would incentivize additional smaller retail broker-dealers in this region to subscribe to the Applicable Feed as External Hosted Subscribers. In this regard, the Exchange believes its proposed fees will better enable it to compete in Asia Pacific, thereby offering competitively priced data products to more and more investors, at attractive price points.

The Exchange does not believe that this price reduction would cause any unnecessary or inappropriate burden on intermarket competition as other exchanges and data vendors are free to lower their prices to better compete with the Exchange's offering. Indeed, as explained in the basis section of this proposed rule change, the Exchange's decision to (i) waive the Distribution Fee for the Hosting Small Retail Broker Distributor and the External Hosted Subscriber and (ii) waiving the Consolidation Fee (when applicable) for the External Hosted Subscriber and (iii) setting a fixed cost for the Non-Professional Users for the External Hosted Subscriber is itself a competitive response to different fee structures available on competing markets. The Exchange therefore believes that the proposed rule change is pro-competitive as it seeks to offer pricing incentives to customers to better position the Exchange as it competes to attract additional market data subscribers. The Exchange also believes that the proposed reduction in fees the Hosting Small Retail Broker Distributor and the External Hosted Subscriber would not cause any unnecessary or inappropriate burden on intramarket competition.

and efficient price discovery," said Oliver Sung, Head of North American Equities at Cboe Global Markets. "As the world's largest global exchange operator, Cboe is uniquely positioned to meet that demand. By leveraging our global infrastructure, leading-edge technology, and proven experience facilitating around-the-clock trading in global markets, we believe we can seamlessly support a 24x5 trading model for U.S. equities."; see also "Nasdaq's View: The Road to 24 Hour Trading," June 16, 2025, available at: <https://www.nasdaq.com/newsroom/nasdaqs-view-road-24-hour-trading>; see also "The New York Stock Exchange Plans to Extend Weekday Trading on its NYSE Arca Equities Exchange to 22 Hours a Day," October 25, 2024, available at: <https://ir.theice.com/press/news-details/2024/The-New-York-Stock-Exchange-Plans-to-Extend-Weekday-Trading-on-its-NYSE-Arca-Equities-Exchange-to-22-Hours-a-Day/default.aspx>; see also "Robinhood 24 Hour Market," available at: <https://robinhood.com/us/en/support/articles/24hour-market/>.

Although the proposed fee discount would be largely limited to small retail broker subscribers, larger broker-dealers and vendors can already purchase top of book data from the Exchange at prices that represent a significant cost savings when compared to competitor products that combine higher subscriber fees with lower fees for distribution. In light of the benefits already provided to this group of subscribers, the Exchange believes that additional discounts to small retail brokers would increase rather than decrease competition among broker-dealers that participate on the Exchange. Furthermore, as discussed earlier in this proposed rule change, the Exchange believes that offering pricing benefits to brokers that represent retail investors facilitates the Commission's mission of protecting ordinary investors, and is therefore consistent with the Act.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act²⁶ and paragraph (f) of Rule 19b-4²⁷ thereunder. 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 will institute proceedings 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

²⁶ 15 U.S.C. 78s(b)(3)(A).

²⁷ 17 CFR 240.19b-4(f).

- Send an email to rule-comments@sec.gov. Please include file number SR-CboeEDGA-2025-030 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-CboeEDGA-2025-030. 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-CboeEDGA-2025-030 and should be submitted on or before October 21, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁸

Sherry R. Haywood,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104093; File No. SR-GEMX-2025-26]

Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend NDX Pricing

September 26, 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 September 24, 2025, Nasdaq GEMX, LLC ("GEMX" 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

²⁸ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.