

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-2025-13 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-2025-13. 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-2025-13 and should be submitted on or before December 15, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-20682 Filed 11-21-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104224; File No. SR-MEMX-2025-31]

Self-Regulatory Organizations; MEMX LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Exchange's Fee Schedule Concerning Equities Transaction Pricing

November 19, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that, on September 30, 2025, MEMX LLC ("MEMX" 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 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 is filing with the Commission a proposed rule change to amend the Exchange's fee schedule applicable to Members³ (the "Fee Schedule") pursuant to Exchange Rules 15.1(a) and (c). As is further described below, the Exchange proposes to (i) increase the base rebates for executions of orders that add non-displayed liquidity to the Exchange (such orders, "Added Non-Displayed Volume") in securities priced at or above \$1.00 per share; (ii) increase the base rebates for executions of Added Non-Displayed Volume in securities priced below \$1.00 per share (such orders, "Added Non-Displayed Sub-Dollar Volume"); (iii) increase the base rebates provided for executions of orders in securities priced below \$1.00 per share that add displayed liquidity to the Exchange (such orders, "Added Displayed Sub-Dollar Volume"); (iv) modify the Non-Display Add Tiers by eliminating Non-Display Add Tiers 2 and 3; (v) adopt new standard fees for executions of orders that remove liquidity from the Exchange (such orders, "Removed Volume"), separated by Tapes A, B, and C; (vi) reduce the fee for executions of Retail Orders⁴ in securities priced at or

above \$1.00 per share that remove liquidity from the Exchange (such orders, "Removed Retail Volume"); (vii) eliminate the Sub-Dollar Rebate Tier; and (viii) modify the required criteria under the Tape A Quoting Tier. The Exchange proposes to implement the changes to the Fee Schedule pursuant to this proposal immediately. The text of the proposed rule change is provided in Exhibit 5.

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 purpose of the proposed rule change is to amend the Fee Schedule to: (i) increase the base rebates for executions of orders that add non-displayed liquidity to the Exchange (such orders, "Added Non-Displayed Volume") in securities priced at or above \$1.00 per share; (ii) increase the base rebates for executions of Added Non-Displayed Volume in securities priced below \$1.00 per share (such orders, "Added Non-Displayed Sub-Dollar Volume"); (iii) increase the base rebates provided for executions of orders in securities priced below \$1.00 per share that add displayed liquidity to the Exchange (such orders, "Added Displayed Sub-Dollar Volume"); (iv) modify the Non-Display Add Tiers by eliminating Non-Display Add Tiers 2 and 3; (v) adopt new standard fees for executions of orders that remove liquidity from the Exchange (such orders, "Removed Volume"), separated by Tapes A, B, and C; (vi) reduce the fee

Rule 5320.03 that originates from a natural person and is submitted to the Exchange by a Retail Member Organization ("RMO"), provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology. See Exchange Rule 11.21(a).

¹⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Exchange Rule 1.5(p).

⁴ A "Retail Order" means an agency or riskless principal order that meets the criteria of FINRA

for executions of Retail Orders⁵ in securities priced at or above \$1.00 per share that remove liquidity from the Exchange (such orders, “Removed Retail Volume”); (vii) eliminate the Sub-Dollar Rebate Tier; and (viii) modify the required criteria under the Tape A Quoting Tier, each as further described below.

The Exchange first notes that it operates 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 is only one of 18 registered equities exchanges, as well as a number of alternative trading systems and other off-exchange 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 14% of the total market share of executed volume of equities trading.⁶ Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow, and the Exchange currently represents approximately 2% of the overall market share.⁷ The Exchange in particular operates a “Maker-Taker” model whereby it provides rebates to Members that add liquidity to the Exchange and charges fees to Members that remove liquidity from the Exchange. The Fee Schedule sets forth the standard rebates and fees applied per share for orders that add and remove liquidity, respectively. Additionally, in response to the competitive environment, the Exchange also offers tiered pricing, which provides Members with opportunities to qualify for higher rebates or lower fees where certain volume criteria and thresholds are met. Tiered pricing provides an incremental incentive for Members to strive for higher tier levels, which provides increasingly higher benefits or discounts

⁵ A “Retail Order” means an agency or riskless principal order that meets the criteria of FINRA Rule 5320.03 that originates from a natural person and is submitted to the Exchange by a Retail Member Organization (“RMO”), provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology. See Exchange Rule 11.21(a).

⁶ Market share percentage calculated as of September 29, 2025. The Exchange receives and processes data made available through consolidated data feeds (i.e., CTS and UTDF).

⁷ *Id.*

for satisfying increasingly more stringent criteria.

Increase Base Rebates for Added Non-Displayed Volume

The Exchange is proposing to uniformly increase the rebates provided for executions of Added Non-Displayed Volume in securities priced at or above \$1.00 per share. Added Non-Displayed Volume is comprised of the three following types of orders: (i) orders subject to Display-Price Sliding that receive price improvement when executed (such orders, “Added Price-Improved Volume”); (ii) Pegged orders⁸ with a Midpoint Peg⁹ instruction that add non-displayed liquidity to the Exchange (such orders, “Added Midpoint Volume”); and (iii) orders which are not orders subject to Display-Price Sliding that receive price improvement when executed or Midpoint Peg Orders, that add non-displayed liquidity to the Exchange (such orders, “Added Non-Midpoint Hidden Volume”).

Currently, the Exchange provides a base rebate of \$0.0008 per share for executions of Added Price-Improved Volume, Added Midpoint Volume, and Added Non-Midpoint Hidden Volume in securities priced at or above \$1.00 per share. The Exchange now proposes to increase each of these base rebates to \$0.0025 per share.¹⁰ The purpose of the rebate increase for executions of Added Non-Displayed Volume is to encourage participants to add liquidity on the Exchange. The Exchange believes it is appropriate to provide the same rebate for executions of Added Price-Improved Volume, Added Midpoint Volume, and Added Non-Midpoint Hidden Volume, as all of these orders similarly add liquidity to the Exchange and are executed at prices that are not displayed on the MEMX order book, and the Exchange notes that all of these orders

⁸ See Exchange Rule 11.6(h).

⁹ See Exchange Rule 11.6(h)(2).

¹⁰ The proposed base rebate for executions of Added Price-Improved Volume is referred to by the Exchange on the Fee Schedule under the existing description “Added volume, order subject to Display-Price Sliding that receives price improvement when executed” and such orders will continue to receive a Fee Code of “P” on execution reports. The proposed base rebate for executions of Added Midpoint Volume is referred to by the Exchange on the Fee Schedule under the existing description “Added non-displayed volume, Midpoint Peg”, and such orders will continue to receive a Fee Code of “M” on execution reports. The proposed base rebate for executions of Added Non-Midpoint Hidden Volume is referred to by the Exchange on the Fee Schedule under the existing description “Added non-displayed volume” and such orders will continue to receive a Fee Code of “H” on execution reports.

are also currently subject to same pricing today.

Increase Base Rebates for Added Non-Displayed Sub-Dollar Volume

The Exchange is also proposing to increase the rebates provided for all sub-dollar executions of Added Non-Displayed Volume. As noted above, Added Non-Displayed Volume is comprised of the three following types of orders: (i) Added Price-Improved Volume; (ii) Added Midpoint Volume; and (iii) Added Non-Midpoint Hidden Volume. Currently, the Exchange provides a rebate of 0.075% of the total dollar value for each execution of Added Non-Displayed Volume in securities priced below \$1.00 per share. This pricing structure is similarly applied to all executions of Added Non-Displayed Volume by Members that qualify for enhanced rebates in securities priced below \$1.00 per share pursuant to the Non-Display Add Tiers. The Exchange now proposes to increase the rebate for all Added Non-Displayed Volume to 0.15% of total dollar value. Specifically, the Exchange will provide a rebate of 0.15% of the total dollar value for each execution of Added Midpoint Volume, Added Non-Midpoint Hidden Volume, and Added Price-Improved Volume in securities priced below \$1.00 per share. The Exchange is similarly proposing to provide a rebate of 0.15% of the total dollar value to Members that qualify for an enhanced rebate pursuant to the Non-Display Add Tier 1¹¹ in securities priced below \$1.00 per share. Thus, all Added Non-Displayed Volume will qualify for the same rebate for executions in securities priced below \$1.00 per share.

The purpose of the rebate increase for sub-dollar executions of Added Non-Displayed Volume is to encourage participants to add sub-dollar liquidity on the Exchange. The proposed new rebate of 0.15% of the total dollar value will be the same rebate that is being proposed to be provided for sub-dollar executions which add displayed liquidity on the Exchange, as discussed further below. The Exchange believes by offering the same rebate for sub-dollar non-displayed liquidity as for displayed liquidity, the resulting pricing structure will encourage the provision of sub-dollar liquidity on the Exchange.

¹¹ The Exchange currently offers Non-Display Add Tiers 1, 2, and 3, however, as discussed further below, it is proposing to eliminate Non-Display Add Tiers 2 and 3, and as such, Non-Display Add Tier 1 will be the only Non-Display Add Tier remaining.

Additionally, the Exchange believes it is appropriate to provide the same rebate for sub-dollar executions of Added Price-Improved Volume and Added Midpoint Volume as for Added Non-Midpoint Hidden Volume, as all of these orders similarly add liquidity to the Exchange and are executed at prices that are not displayed on the Exchange's order book, and the Exchange notes that all of these orders are also currently subject to the same sub-dollar rebate and pricing structure today.

Increase Base Rebates for Added Displayed Sub-Dollar Volume

The Exchange is also proposing to increase the rebates provided for all executions of Added Displayed Sub-Dollar Volume. Currently, the Exchange provides a rebate of 0.075% of the total dollar value for each execution of Added Displayed Volume in securities priced below \$1.00 per share. This pricing structure is similarly applied to all executions of Added Displayed Volume by Members that qualify for enhanced rebates in securities priced below \$1.00 per share pursuant to Liquidity Provision Tiers 1–5, DLI Tiers 1–2, and Cross Asset Tier 1. The Exchange now proposes to increase the rebate for all Added Displayed Sub-Dollar Volume to 0.15% of the total dollar value. Specifically, the Exchange will provide a rebate of 0.15% of the total dollar value for each of execution of Added Displayed Volume in securities priced below \$1.00 per share. The Exchange is similarly proposing to provide a rebate of 0.15% of total dollar value to Members that qualify for an enhanced rebate pursuant to the Liquidity Provision Tiers, the DLI Tiers, and Cross Asset Tier 1 in securities priced below \$1.00 per share. Thus, all Added Displayed Volume will qualify for the same rebate for executions in securities priced below \$1.00 per share.¹²

The purpose of the rebate increase for executions of Added Displayed Sub-Dollar Volume is to encourage participants to add sub-dollar liquidity on the Exchange. The proposed new rebate of 0.15% of the total dollar value will be the same rebate that is being proposed for sub-dollar executions which provide non-displayed liquidity on the Exchange, as discussed above. The Exchange believes by offering the

¹² The Exchange notes that executions of Added Displayed Volume in Retail Orders in securities priced below \$1.00 per share are currently provided a base rebate of 0.15% of the total dollar value of the Exchange. This sub-dollar rebate also applies to executions of Added Displayed Volume in Retail Orders in sub-dollar securities that meet the required criteria under Retail Tier 1.

same rebate for sub-dollar non-displayed liquidity as for displayed liquidity, the resulting pricing structure will encourage the provision of sub-dollar liquidity on the Exchange.

Non-Display Add Tiers

The Exchange currently offers Non-Display Add Tiers 1–3 under which a Member may receive an enhanced rebate for executions of Added Non-Displayed Volume by achieving the corresponding required volume criteria for each such tier. The Exchange now proposes to modify the Non-Display Add Tiers by eliminating Non-Display Add Tiers 2 and 3.

With respect to Non-Display Add Tier 2, the Exchange provides an enhanced rebate of \$0.0025 per share for executions of Added Non-Displayed Volume in securities priced at or above \$1.00 per share for Members that qualify for such tier by achieving a Non-Displayed ADAV¹³ that is equal to or greater than 2,00,000 shares. Under Non-Display Add Tier 3, the Exchange provides an enhanced rebate of \$0.0018 per share for executions of Added Non-Displayed Volume in securities priced at or above \$1.00 per share for Members that qualify for such tier by achieving a Non-Displayed ADAV that is equal to or greater than 1,000,000 shares. The Exchange now proposes to eliminate Non-Display Add Tiers 2 and 3, as the Exchange no longer wishes to, nor is it required to, maintain such tiers. With respect to the current Non-Display Add Tier 1, the Exchange is not proposing to make any changes to the rebate provided or the required criteria under such tier, however, as noted above, the Exchange has proposed to increase the rebate provided for all executions of Added Non-Displayed Sub-Dollar Volume, and as such, the Exchange is proposing to provide a rebate of 0.15% of the total value of executions of Added Non-Displayed Sub-Dollar volume for Members that qualify for an enhanced rebate pursuant to the Non-Display Add Tier 1.¹⁴

Fees for Removed Volume

The Exchange currently charges a standard fee of \$0.0030 per share for

¹³ As set forth on the Fee Schedule, “ADAV” means the average daily added volume calculated as the number of shares added per day, which is calculated on a monthly basis, and “Non-Displayed ADAV” means ADAV with respect to non-displayed orders.

¹⁴ The pricing for Non-Display Add Tier 1 is referred to by the Exchange on the Fee Schedule under the existing description “Added non-displayed volume, Non-Display Add Tier 1” with a Fee Code of “H1”, “M1”, or “P1”, as applicable, to be provided by the Exchange on the monthly invoices provided to Members.

executions of Removed Volume.¹⁵ The Exchange now wishes to modify the pricing for executions of Removed Volume by charging separate fees for Removed Volume based on whether the execution occurs in a Tape A, B, or C security, respectively. Specifically, the Exchange is proposing to charge a standard fee of \$0.0029 per share for executions of Removed Volume in Tape A securities (such orders, “Tape A Removed Volume”),¹⁶ a standard fee of \$0.0030 per share for executions of Removed Volume in Tape B securities (such orders, “Tape B Removed Volume”),¹⁷ and a standard fee of \$0.0030 per share for executions of Removed Volume in Tape C securities (such orders, “Tape C Removed Volume”).¹⁸ The Exchange is proposing to continue to charge a fee of 0.28% of the total dollar value for all three categories of Removed Volume in securities priced below \$1.00 per share, which is the current fee charged for such executions.

The purpose of creating separate fees for Removed Volume by Tape and effectively charging a reduced fee of \$0.0029 per share for executions of Tape A Removed Volume and maintaining a fee of \$0.0030 per share for executions of Tape B and Tape C Removed Volume is for business and competitive reasons, as the Exchange believes that such changes would incentivize Members to submit additional order flow in Tape A securities, thereby promoting price discovery and market quality on the Exchange with regard to such Tape A securities. Further, other exchanges similarly separate out their fee structure by Tape, and currently or have historically charged separate fees or provided separate rebates for executions based on Tape.¹⁹ The Exchange believes

¹⁵ The standard fee for Removed Volume is referred to the Exchange on the Fee Schedule under the description, “Removed volume from the MEMX Book” with a Fee Code of “R” assigned by the Exchange.

¹⁶ The proposed standard fee for executions of Tape A Removed Volume will be referred to by the Exchange on the Fee Schedule under the description “Removed volume from MEMX Book, Tape A” with a Fee Code of “Ra” on execution reports.

¹⁷ The proposed standard fee for executions of Tape B Removed Volume will be referred to by the Exchange on the Fee Schedule under the description “Removed volume from MEMX Book, Tape B” with a Fee Code of “Rb” on execution reports.

¹⁸ The proposed standard fee for executions of Tape C Removed Volume will be referred to by the Exchange on the Fee Schedule under the description “Removed volume from MEMX Book, Tape C” with a Fee Code of “Rc” on execution reports.

¹⁹ See, e.g., the NYSE Price List, available at: <https://www.nyse.com/publicdocs/nyse/markets/>

Continued

that the proposed fee structure to charge separate fees by Tape is aligned with and comparable to such other national securities' exchanges.

Reduce Standard Fee for Removed Retail Volume

Currently, the Exchange charges a standard fee of \$0.0030 per share for executions of Removed Retail Volume. The Exchange now proposes to reduce the standard fee for executions of Removed Retail Volume to \$0.0029 per share.²⁰ The purpose of reducing the fee for executions of Removed Retail Volume is to incentivize Members to submit additional Retail orders to the Exchange. Additionally, the Exchange believes by offering the same reduced fee for Removed Retail Volume as the best priced fee for Removed (non-Retail Volume),²¹ the resulting pricing structure will encourage the provision of Retail orders on the Exchange.

Sub-Dollar Rebate Tier

Currently, the Exchange offers a Sub-Dollar Rebate Tier under which a Member may receive an enhanced rebate of 0.15% of the total dollar value of the transaction for executions of orders in securities priced below \$1.00 per share that add liquidity to the Exchange (such orders, "Added Sub-Dollar Volume") for Members that qualify for such tier by achieving a Sub-Dollar ADAV²² that is equal to or greater than 5,000,000 shares. The Exchange now proposes to eliminate this tier, as the Exchange's above-described proposal to increase the base rebate for all Added Sub-Dollar Volume to 0.15% of the total dollar value of the transaction renders the enhanced rebate provided under this tier obsolete.

Tape A Quoting Tier

The Exchange currently offers the Tape A Quoting Tier under which a Member may receive an additive rebate

²⁰ The proposed standard fee for executions of Removed Retail Volume is referred to by the Exchange on the Fee Schedule under the existing description "Removed volume from MEMX Book, Retail Order" with a Fee Code of "RrA" on execution reports.

²¹ As noted previously, the lowest fee for Removed Volume proposed herein is similarly \$0.0029 per share, for Tape A Removed Volume.

²² "Sub-Dollar ADAV" means ADAV with respect to orders in securities priced below \$1.00 per share. "ADAV" means average daily added volume calculated as the number of shares added per day, calculated on a monthly basis.

of \$0.0002 per share for a qualifying Member's executions of Added Displayed Volume (other than Retail Orders) in Tape A securities priced over \$1.00 per share by achieving an NBBO Time²³ of at least 50% in an average of at least 500 Tape A securities per trading day during the month. Now, the Exchange proposes to modify the required criteria under the Tape A Quoting Tier such that a Member would now qualify for such tier by achieving an NBBO time of at least 25% in an average of at least 100 Tape A securities per trading day during the month.²⁴ Thus, such proposed change would reduce the NBBO quoting time as well as the number of Tape A securities in which a Member is required to quote at the NBBO. The Exchange is not proposing to change the amount of the additive rebate provided under the Tape A Quoting Tier.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,²⁵ in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,²⁶ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As discussed above, the Exchange operates in a highly fragmented and 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, and the Exchange represents only a small percentage of the overall market. 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, the Commission highlighted the importance of market forces in determining prices and SRO revenues

²³ As set forth on the Fee Schedule, "NBBO Time" means the aggregate of the percentage of time during regular trading hours during which one of a Member's MPIDs has a displayed order of at least one round lot at the national best bid or the national best offer.

²⁴ The pricing for the Tape A Quoting Tier is referred to by the Exchange on the Fee Schedule under the existing description "Tape A Quoting" Tier with a Fee Code of "a" to be appended to the otherwise applicable Fee Code assigned by the Exchange on the monthly invoices for qualifying executions.

²⁵ 15 U.S.C. 78f.

²⁶ 15 U.S.C. 78f(b)(4) and (5).

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."²⁷

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 discontinue 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. The Exchange believes the proposal reflects a reasonable and competitive pricing structure designed to incentivize market participants to direct additional order flow, including displayed, non-displayed, liquidity-adding and/or liquidity-removing orders to the Exchange, in both securities priced at or above \$1.00 per share and in Sub-Dollar securities, which the Exchange believes would promote price discovery and enhance liquidity and market quality on the Exchange to the benefit of all Members and market participants.

The Exchange believes that the proposed changes to increase the base rebates provided for all Added Non-Displayed Volume (both Sub-Dollar and above \$1.00 per share), to increase the base rebates provided for all executions of Added Displayed Sub-Dollar Volume, and to eliminate the now obsolete Sub-Dollar Rebate Tier as a result, are reasonable because, as described above, such changes are designed to encourage Members to submit additional liquidity adding orders to the Exchange, promoting price discovery and enhancing liquidity on the Exchange to the benefit of all Member and market participants. Additionally, the Exchange believes that the proposed base rebates provided for executions of Added Non-Displayed Volume, Added Non-Displayed Sub-Dollar Volume and Added Displayed Sub-Dollar Volume are equitable and not unfairly discriminatory, as such base rebates will apply equally to all Members.

The Exchange similarly believes that the proposed changes to separate the fees for Removed Volume out by Tape, thus charging a reduced fee for executions of Tape A Removed Volume and continuing to charge the same fee

²⁷ Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

for executions of Tape B and C Removed Volume, as well as the proposed change to reduce the fee for Removed Retail Volume, are reasonable because such changes are designed to encourage Members to submit additional liquidity removing orders to the Exchange, particularly in Tape A securities, as well as Retail Removing orders, and the proposed fees are equitable and unfairly discriminatory as such fees will apply equally to all Members. Further, other exchanges have historically and currently charge separate fees and provide separate rebates based on the Tape of a security, and as such, the Exchange's proposed Tape A, B and C Remove Volume fee structure is consistent with that of other market centers.²⁸

The Exchange believes the proposed change to eliminate Non-Display Add Tiers 2 and 3 while maintaining Non-Display Add Tier 1 is reasonable because, as noted above, the Exchange is not required to maintain such tiers and the opportunity to qualify for Non-Display Add Tier 1 continues to be equally available to all Members, and continues to provide Members with an incremental incentive to achieve certain volume thresholds on the Exchange thereby contributing to a deeper, more liquid and well balanced market ecosystem on the Exchange to the benefit of all Members and market participants.

The Exchange notes that volume and quoting-based incentives (such as tiers) have been widely adopted by exchanges, including the Exchange, and are reasonable, equitable and not unfairly discriminatory because they are open to all members on an equal basis and provide additional benefits that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and the introduction of higher volumes of orders into the price and volume discovery process. The Exchange believes that the Tape A Quoting Tier, as modified by the proposed changes to the required criteria under such tier, is reasonable, equitable and not unfairly discriminatory for these same reasons, as such tier will continue to provide Members with an incremental incentive to achieve certain volume thresholds on the Exchange, is available to all Members on an equal basis, and, as described above, is designed to encourage Members to maintain or increase their order flow, including in the form of displayed, liquidity-adding,

orders to the Exchange in Tape A securities in order to qualify for an additive rebate for executions of Added Displayed Volume in Tape A securities, thereby contributing to a deeper, more liquid and well balanced market ecosystem on the Exchange to the benefit of all Members and market participants. The Exchange also believes that the proposed changes to such tier reflects a reasonable and equitable allocation of fees and rebates, because, as noted above, the Exchange believes that the additive rebate under the Tape A Quoting Tier remains commensurate with the corresponding required criteria under such tier, and is reasonably related to the market quality benefits that the tier is designed to achieve.

For the reasons discussed above, the Exchange submits that the proposal satisfies the requirements of Sections 6(b)(4) and 6(b)(5) of the Act²⁹ in that it provides for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities and is not designed to unfairly discriminate between customers, issuers, brokers, or dealers. As described more fully below in the Exchange's statement regarding the burden on competition, the Exchange believes that its transaction pricing is subject to significant competitive forces, and that the proposed rebates described herein are appropriate to address such forces.

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

The Exchange does not believe that the proposal will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the proposal is intended to incentivize market participants to direct additional order flow to the Exchange, thereby enhancing liquidity and market quality on the Exchange to the benefit of all Members and market participants. As a result, the Exchange believes the proposal would enhance its competitiveness as a market that attracts actionable orders, thereby making it a more desirable destination venue for its customers. For these reasons, the Exchange believes that the proposal 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."³⁰

Intramarket Competition

As discussed above, the Exchange believes that the proposal would incentivize Members to submit additional order flow, including displayed, non-displayed, liquidity-adding and removing orders to the Exchange, in both Sub-Dollar securities as well as securities over \$1.00 per share, thereby enhancing liquidity and market quality on the Exchange to the benefit of all Members, as well as enhancing the attractiveness of the Exchange as a trading venue, which the Exchange believes, in turn, would continue to encourage market participants to direct additional order flow to the Exchange. Greater liquidity benefits all Members by providing more trading opportunities and encourages Members to send additional orders to the Exchange, thereby contributing to robust levels of liquidity, which benefits all market participants.

The Exchange does not believe that the proposed changes to increase the base rebates for executions of Added Displayed Sub-Dollar Volume, Added Non-Displayed Volume, and Added Non-Displayed Sub-Dollar Volume, the proposal to separate the Remove Volume fees by Tape and thus reduce the standard fee for Tape A Volume, or the proposal to reduce the standard fee for Removed Retail Volume would impose any burden on intramarket competition because such changes will apply to all Members uniformly in that the proposed base rebates and fee for such executions would be the base rebates and fees applicable to all Members, and the opportunity to qualify for enhanced rebates or discounted fees, as applicable, is available to all Members. Further, the opportunity to qualify for Non-Display Add Tier 1, and thus receive the proposed enhanced rebate for executions of Added Non-Displayed Volume under such tier, and the opportunity to qualify for the modified Tape A Quoting Tier and thus receive the proposed additive rebate for executions of Tape A Volume, would be available to all Members that meet the associated volume or quoting requirements in any month. For the foregoing reasons, the Exchange believes the proposed changes would not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Intermarket Competition

As noted above, the Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a

²⁸ See *supra* note 19.

²⁹ 15 U.S.C. 78f(b)(4) and (5).

³⁰ See *supra* note 27.

particular venue to be excessive or incentives to be insufficient. Members have numerous alternative venues that they may participate on and direct their order flow to, including 17 other equities exchanges and numerous alternative trading systems and other off-exchange venues. As noted above, no single registered equities exchange currently has more than approximately 14% of the total market share of executed volume of equities trading. Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. Moreover, 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, including with respect to Added, Removed, Displayed, Non-Displayed, Sub-Dollar, and Tape A Volume, and market participants can readily choose to send their orders to other exchange and off-exchange venues if they deem fee levels at those other venues to be more favorable. As described above, the proposed changes represent a competitive proposal through which the Exchange is seeking to generate additional revenue with respect to its transaction pricing and to encourage the submission of additional order flow to the Exchange through volume and quoting-based tiers, which have been widely adopted by exchanges, including the Exchange. Accordingly, the Exchange believes the proposal would not burden, but rather promote, intermarket competition by enabling it to better compete with other exchanges that offer similar pricing incentives to market participants.

Additionally, 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 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."³¹ The fact that this market is competitive has

also long been recognized by the courts. In *NetCoalition v. SEC*, the D.C. Circuit stated as follows: "[n]o one disputes that competition for order flow is 'fierce.' . . . As the SEC explained, '[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution'; [and] 'no exchange can afford to take its market share percentages for granted' because 'no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers'. . . ."³² Accordingly, the Exchange does not believe its proposed pricing changes impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of 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)(ii) of the Act³³ and Rule 19b-4(f)(2)³⁴ 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 shall 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:

³² *NetCoalition v. SEC*, 615 F.3d 525, 539 (D.C. Cir. 2010) (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782-83 (December 9, 2008) (SR-NYSE-2006-21)).

³³ 15 U.S.C. 78s(b)(3)(A)(ii).

³⁴ 17 CFR 240.19b-4(f)(2).

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-MEMX-2025-31 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-MEMX-2025-31. 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 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-MEMX-2025-31 and should be submitted on or before December 15, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁵

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-20693 Filed 11-21-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 35792; File No. 812-15845]

Willow Tree Capital Corporation, et al.

November 19, 2025.

AGENCY: Securities and Exchange Commission ("Commission" or "SEC").

ACTION: Notice.

Notice of application for an order under sections 17(d) and 57(i) of the Investment Company Act of 1940 (the "Act") and rule 17d-1 under the Act to permit certain joint transactions otherwise prohibited by sections 17(d) and 57(a)(4) of the Act and rule 17d-1 under the Act.

³⁵ 17 CFR 200.30-3(a)(12).

³¹ *Id.*