

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>15</sup> and Rule 19b-4(f)(6)<sup>16</sup> thereunder.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay contained in Rule 19b-4(f)(6)(iii) so that the Exchange may amend the Stockholders' Agreement and Certificate of Incorporation to accommodate the addition of new investors in TXSE Group in order to facilitate the closing of the Transaction as soon as possible. The Commission finds that waiver of the operative delay is consistent with the protection of investors and the public interest because the proposed changes to the Stockholder's Agreement and Certificate of Incorporation to reflect the addition of new investors do not materially alter TXSE Group's governance framework or raise novel issues. Accordingly, the Commission hereby waives the operative delay and designates the proposal operative upon filing.<sup>17</sup>

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 proposal 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](mailto:rule-comments@sec.gov). Please include File No. SR-TXSE-2025-002 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 No. SR-TXSE-2025-002. 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-TXSE-2025-002 and should be submitted on or before January 12, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**Sherry R. Haywood,**  
*Assistant Secretary.*

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### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104420; File No. SR-BX-2025-032]

### Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Adopt BX Options 9, Section 25 To Codify an Options Unbundling Rule

December 17, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 11, 2025, Nasdaq BX, Inc. ("BX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to adopt BX Options 9, Section 25 to codify the Exchange's longstanding guidance that the unbundling of orders for any purpose other than best execution is considered conduct inconsistent with just and equitable principles of trade.

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

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

In its filing with the Commission, the 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.

<sup>15</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>16</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>17</sup> For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>18</sup> 17 CFR 200.30-3(a)(12), (59).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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

1. Purpose

The Exchange proposes to amend BX Options 9 by adding a new Section 25 to codify its longstanding guidance that it shall be considered conduct inconsistent with just and equitable principles of trade for any member, member organization, or person associated with or employed by a member or member organization (collectively, "member" or "members") to split an order into multiple smaller orders for any purpose other than seeking the best execution of the entire order. Members of the Exchange are not allowed to engage in conduct inconsistent with just and equitable principles of trade.<sup>3</sup>

"Unbundling," also known as "trade shredding," is the practice of breaking up an order into multiple smaller orders for some purpose other than the best execution of the order. The practice of unbundling has in the past been used for purposes such as improperly maximizing commissions and fees charged to customers, distorting trade data, or circumventing rules pertaining to maximum order size.<sup>4</sup>

The Exchange believes that the unbundling of orders generally serves no purpose to the customer that entered the order and may cause unnecessary delays in the execution of that order. This belief has been reflected in the Exchange's longstanding regulatory guidance to its members.<sup>5</sup>

The impermissibility of unbundling is a well-established principle across the U.S. securities markets. Other options exchanges have anti-unbundling rules or rule interpretations that are similar to the rule being adopted by the Exchange.<sup>6</sup> Additionally, other

exchanges have also issued regulatory guidance to their members warning them against the practice of unbundling.<sup>7</sup> Finally, the Financial Industry Regulatory Authority ("FINRA") also has its own anti-unbundling rule, FINRA Rule 5290, which specifies, in part, that "[n]o member . . . shall engage in conduct that has the intent or effect of splitting any order into multiple smaller orders for execution or any execution into multiple smaller executions for transaction reporting for the primary purpose of maximizing a monetary or in-kind amount to be received by the member . . . as a result of the execution of such orders or the transaction reporting of such executions."

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>8</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>9</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by deterring and helping to prevent the distortive practice of unbundling.

The Exchange believes that the unbundling of orders generally serves no purpose to the customer that entered the order and may cause unnecessary delays in the execution of that order. Codifying its longstanding guidance in its rulebook that unbundling is conduct inconsistent with just and equitable principles of trade is thus designed to promote just and equitable principles of trade. Additionally, by defining unbundling as the practice of splitting an order into multiple smaller orders for any purpose other than seeking the best

execution of the entire order, the proposal is designed to promote best execution and thus protect investors and the public interest.

Additionally, the Exchange reiterates that the proposed rule is substantively identical to NYSE American Rule 995NY(d) and it is consistent with the rules and regulatory guidance of other exchanges, as well as FINRA Rule 5290.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. In terms of intra-market competition, the Exchange notes that the proposed rule will apply equally to all members of the Exchange. Additionally, in terms of intermarket competition, the Exchange notes that the proposed rule is consistent with the rules of other exchanges, as well as the rules of FINRA.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>10</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>11</sup>

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

<sup>3</sup> See BX General 9, Section 1(a) ("A member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.").

<sup>4</sup> See, e.g., Securities Exchange Act Release No. 62667 (Aug. 9, 2010), 75 FR 50013 (Aug. 16, 2010) (File No. SR-NYSEAmex-2010-77) (Self-Regulatory Organizations; NYSE Amex, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Rule 995NY).

<sup>5</sup> See Options Regulatory Alert #2025-34 (Aug. 29, 2025), available at <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2025-34>; Options Regulatory Alert #2016-6 (Feb. 17, 2016), available at <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2016-6>; and Options Regulatory Alert #2016-4 (Jan. 22, 2016), available at <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2016-4>.

<sup>6</sup> See, e.g., NYSE American Rule 995NY(d) ("It shall be considered conduct inconsistent with just and equitable principles of trade for an ATP Holder

to split an order into multiple smaller orders for any purpose other than seeking the best execution of the entire order."), NYSE Arca Rule 11.2(g) ("An ETP Holder may not split any order into multiple orders for any purpose other than seeking the best execution of the entire order."), and MIAX Chapter III, Rule 301, Interpretation .03 ("It shall be considered conduct inconsistent with just and equitable principles of trade and a violation of Rule 301 for a Member to split an order into multiple smaller orders for any purpose other than seeking the best execution of the entire order.").

<sup>7</sup> See, e.g., Cboe Regulatory Circular RG-15-011 (Sept. 23, 2015) ("Please note that unbundling of orders greater than 5 contracts into 1 to 5 lot increments for the purpose of achieving small order preference in favor of any [Designated Primary Market-Maker] or [Lead Market-Maker] may be a violation of CBOE Rule 4.1, Just and Equitable Principles of Trade"), available at <https://cdn.cboe.com/resources/regulation/circulars/regulatory/REG15-130.pdf>.

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>11</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-BX-2025-032 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-BX-2025-032. 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-BX-2025-032 and should be submitted on or before January 12, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>12</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104431; File No. SR-PHLX-2025-73]

#### **Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Discontinue the Good-Till-Cancelled Time-in-Force Order Attribute in Its Equities Market**

December 17, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 16, 2025, Nasdaq PHLX LLC ("PHLX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to discontinue the Good-Till-Cancelled Time-in-Force Order Attribute in its equities market.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/phlx/rulefilings>, and at the principal office of the Exchange.

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

In its filing with the Commission, the 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 discontinue the Time-in-Force of Good-Till-Cancelled from its equities market.

Participants who trade equities in the Exchange can choose among many Order Types.<sup>3</sup> Participants can also choose to apply different Order Attributes to their Orders.<sup>4</sup> One of those Order Attributes is Time-in-Force ("TIF").<sup>5</sup> The TIF assigned to an Order is the period of time that the System will hold the Order for potential execution. Participants specify an Order's TIF by designating a time at which the Order will become active and a time at which the Order will cease to be active.<sup>6</sup> Among the times available for Order deactivation is one year after Order entry.<sup>7</sup>

An Order that is designated to deactivate one year after entry may be referred to as a "Good-till-Cancelled" or "GTC" Order. If a GTC Order is designated as eligible for execution during Market Hours<sup>8</sup> only, it may be referred to as having a Time in Force of "Market Hours Good-till-Cancelled" or "MGTC."<sup>9</sup> If a GTC Order is designated as eligible for execution during System Hours,<sup>10</sup> it may be referred to as having a Time in Force of "System Hours Good-till-Cancelled" or "SGTC."<sup>11</sup> Therefore, both in the Exchange's rules and in this filing, references to the TIF of GTC include both the TIF of MGTC and the TIF of SGTC.

<sup>3</sup> The term "Order" means an instruction to trade a specified number of shares in a specified System Security submitted to the PHLX Equities Market by a Participant. An "Order Type" is a standardized set of instructions associated with an Order that define how it will behave with respect to pricing, execution, and/or posting to the PSX Book when submitted to PHLX. See PHLX Equity 1, Section 1(e). The PSX Book is a montage for quotes and orders that collects and ranks all quotes and orders submitted by Participants. See PHLX Equity 1, Section 1(a)(1).

<sup>4</sup> An "Order Attribute" is a further set of variable instructions that may be associated with an Order to further define how it will behave with respect to pricing, execution, and/or posting to the PSX Book when submitted to PHLX. The available Order Types and Order Attributes, and the Order Attributes that may be associated with particular Order Types, are described in Equity 4, Rules 3301A and 3301B. One or more Order Attributes may be assigned to a single Order; provided, however, that if the use of multiple Order Attributes would provide contradictory instructions to an Order, the System will reject the Order or remove non-conforming Order Attributes. See *id.*

<sup>5</sup> See PHLX Equity 4, Rule 3301B(a).

<sup>6</sup> See *id.*

<sup>7</sup> See *id.*

<sup>8</sup> Market Hours means the period of time beginning at 9:30 a.m. ET and ending at 4:00 p.m. ET (or such earlier time as may be designated by the Exchange on a day when the Exchange closes early). See PHLX Equity 1, Section 1(g).

<sup>9</sup> See PHLX Equity 4, Rule 3301B(a)(3).

<sup>10</sup> System Hours means the period of time beginning at 8:00 a.m. ET and ending at 8:00 p.m. ET (or such earlier time as may be designated by the Exchange on a day when the Exchange closes early). See PHLX Equity 1, Section 1(g).

<sup>11</sup> See PHLX Equity 4, Rule 3301B(a)(3).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>12</sup> 17 CFR 200.30-3(a)(12).