

their own models and trading strategies to improve their overall experience on the Exchange, thereby potentially improving execution and order fill rates. This may improve the Exchange's overall market quality through increased liquidity and improved execution opportunities for resting orders, enhancing the Exchange's overall competitive position. The proposed rule change should enhance competition by promoting further initiatives and innovation among market centers and market participants as it concerns time measurements and synchronization among trading platforms.

Lastly, if the proposed Clock Service is unattractive to participants, participants will opt not to subscribe to it. Accordingly, the Exchange does not believe that the proposed change will impair the ability of participants or competing order execution venues to maintain their competitive standing in the financial market.

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

Because the foregoing proposed rule change does not:

- A. significantly affect the protection of investors or the public interest;
- B. impose any significant burden on competition; and
- C. 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) of the Act³⁰ and Rule 19b-4(f)(6)³¹ 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
- Send an email to rule-comments@sec.gov. Please include file number SR-CboeBYX-2026-007 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-CboeBYX-2026-007. 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-CboeBYX-2026-007 and should be submitted on or before April 7, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³²

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-05125 Filed 3-16-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104985; File No. SR-Phlx-2026-08]

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Options 7, Sections 5 and 9B

March 12, 2026.

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 February 27, 2026, 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 amend Options 7, Sections 5 and 9B.

While the changes proposed herein are effective upon filing, the Exchange has designated the amendments become operative on March 2, 2026.

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

Phlx proposes to modify its Pricing Schedule at Options 7, Section 4 to add:

³⁰ 15 U.S.C. 78s(b)(3)(A).

³¹ 17 CFR 240.19b-4(f)(6).

³² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

(1) a surcharge on certain Lead Market Maker³ and Market Maker⁴ floor transactions⁵ in multiply-listed Penny and non-Penny Symbols; and (2) establish a rebate payable to Floor Brokers⁶ for such trades with a Lead Market Maker or Market Maker order on floor transactions. Additionally, Phlx proposes to amend Options 7, Section 9B to delete text related to a migration. Each change will be described below.

Options 7, Section 4

The Exchange proposes to amend Options 7, Section 4, Multiply Listed Options Fees (Includes options overlying equities, ETFs, ETNs and indexes which are Multiply Listed) (Excludes SPY). Today, the Exchange assesses Options Transaction Charges in Multiply Listed options, including options overlying equities, ETFs, ETNs and indexes and excluding options in SPY.⁷ The Exchange currently assesses

³ The term "Floor Lead Market Maker" is a member who is registered as an options Lead Market Maker pursuant to Options 2, Section 12(a) and has a physical presence on the Exchange's Trading Floor. See Phlx's Pricing Schedule at Options 7, Section 1(c).

⁴ The term "Floor Market Maker" is a Market Maker who is neither an SQT or an RSQT. A Floor Market Maker may provide a quote in open outcry. See Phlx's Pricing Schedule at Options 7, Section 1(c). The term "Streaming Quote Trader" or "SQT" is defined in Options 1, Section 1(b)(54) as a Market Maker who has received permission from the Exchange to generate and submit option quotations electronically in options to which such SQT is assigned. See Phlx's Pricing Schedule at Options 7, Section 1(c). The term "Remote Streaming Quote Trader" or "RSQT" is defined in Options 1, Section 1(b)(49) as a Market Maker that is a member affiliated with an RSQTO with no physical trading floor presence who has received permission from the Exchange to generate and submit option quotations electronically in options to which such RSQT has been assigned. A Remote Streaming Quote Trader Organization or "RSQTO," which may also be referred to as a Remote Market Making Organization ("RMO"), is a member organization in good standing that satisfies the RSQTO readiness requirements in Options 2, Section 1(a). See Phlx's Pricing Schedule at Options 7, Section 1(c).

⁵ The term "floor transaction" is a transaction that is effected in open outcry on the Exchange's Trading Floor. See Phlx's Pricing Schedule at Options 7, Section 1(c).

⁶ The term "Floor Broker" means an individual who is registered with the Exchange for the purpose, while on the Options Floor, of accepting and handling options orders. See Phlx's Pricing Schedule at Options 7, Section 1(c).

⁷ Transactions in SPY originating on the Exchange floor will be subject to the Multiply Listed Options Fees (see Multiply Listed Options Fees in Options 7, Section 4). However, if one side of the transaction originates on the Exchange floor and any other side of the trade was the result of an electronically submitted order or a quote, then these fees will apply to the transactions which originated on the Exchange floor and contracts that are executed electronically on all sides of the transaction. The one side of the transaction which originates on the Exchange floor will count toward the volume which qualifies a participant for the Simple Order Rebate for Adding Liquidity for Lead Market Makers and Market Makers in SPY. See Options 7, Section 3, Part C.

the following Floor Options Transaction Charges in multiply-listed Penny and non-Penny Symbols: \$0.50 per contract for a Lead Market Maker and Market Maker, and \$0.25 per contract for a Broker-Dealer⁸ and Firm.⁹ Customers¹⁰ and Professionals¹¹ are not assessed an Options Transaction Charge in multiply-listed Penny or non-Penny Symbols.

The Exchange proposes a new note 9 which would assess a surcharge to Floor Lead Market Makers and Floor Market Makers of \$0.20 per contract on Options Transaction Charges in Penny and non-Penny Symbols when the Floor Lead Market Maker or Floor Market Maker is the counterparty to a Customer complex floor transaction executed by a Floor Broker.¹² For such a trade, the Exchange proposes to pay the Floor Broker side of the trade a \$0.20 per contract rebate. The aforementioned pricing will not apply to index options¹³ and singly listed options¹⁴ in Options 7, Section 5, strategy transactions (dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategies),¹⁵ Floor Qualified Contingent

⁸ The term "Broker-Dealer" applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category. See Phlx's Pricing Schedule at Options 7, Section 1(c).

⁹ The term "Firm" applies to any transaction that is identified by a member or member organization for clearing in the Firm range at The Options Clearing Corporation ("OCC"). See Phlx's Pricing Schedule at Options 7, Section 1(c).

¹⁰ The term "Customer" applies to any transaction that is identified by a member or member organization for clearing in the Customer range at OCC which is not for the account of a broker or dealer or for the account of a "Professional" (as that term is defined in Options 1, Section 1(b)(45)). See Phlx's Pricing Schedule at Options 7, Section 1(c).

¹¹ The term "Professional" applies to transactions for the accounts of Professionals, as defined in Options 1, Section 1(b)(45) means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). See Phlx's Pricing Schedule at Options 7, Section 1(c).

¹² Today, NYSE Arca, Inc. ("NYSE Arca") assesses a \$0.12 per contract surcharge to any Market Maker order on the trading floor that is a counterparty to a complex Manual trade executed by a Floor Broker, and the Floor Broker side of the such trade is eligible of a rebate of \$0.20. See NYSE Arca Options Fees and Charges. Additionally, NYSE American LLC ("NYSE American") assesses a \$0.12 surcharge to any Floor Market Maker order that is a counterparty to a Manual trade executed by a Floor Broker that is not a Simple Order, and the Floor Broker side of such trade will be eligible for a rebate of (\$0.20). See NYSE American Options Fee Schedule.

¹³ Index Options are subject to pricing within Options 7, Section 5A, and B. Today, Options Transaction Charges in non-Penny Options exclude NDX, NDXP and XND.

¹⁴ Singly Listed Options are subject to pricing within Options 7, Section 5C.

¹⁵ Strategy transactions include dividend, merger, short stock interest, reversal and conversion, jelly

Cross Orders¹⁶ or Customer Cross Orders.¹⁷

Although the proposed surcharge would increase certain complex fees for Floor Lead Market Makers and Floor Market Makers for open outcry transactions, the Exchange believes these participants will continue to quote actively to participate in floor transactions as they do today, thereby promoting trading opportunities and competition on the trading floor to the benefit of all market participants. The Exchange also believes that the proposed rebate would continue to incentivize Floor Brokers to participate on the trading floor, including when the counterparty to such trading is a Floor Lead Market Maker or Floor Market Maker.

Options 7, Section 9

In 2025, Phlx underwent a technology migration¹⁸ wherein member organizations maintained both legacy FIX Ports that were connected to the legacy Phlx platform and new FIX Ports that were connected to the new Phlx platform that was introduced as part of the migration. The migration was completed in December 2025 and legacy FIX Ports were sunset on February 27, 2026. The Exchange proposes to remove the obsolete rule text that states, "Phlx will sunset legacy FIX Ports on February 27, 2026. The below FIX Port Fees apply to new and legacy FIX Ports."

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,¹⁹ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,²⁰ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory

roll and box spread strategies as described within Options 7, Section 4.

¹⁶ Floor Qualified Contingent Cross ("QCC") Orders, as described within Options 8, Section 30(e), are subject to pricing noted within Options 7, Section 4. Floor QCC Orders do not qualify as floor transactions as they are not executed in open outcry.

¹⁷ Customer Cross Orders, as described within Options 8, Section 30(f) are subject to pricing noted within Options 7, Section 4. Customer Cross Orders do not qualify as floor transactions as they are not executed in open outcry.

¹⁸ See <https://www.nasdaqtrader.com/MicroNews.aspx?id=OTU2025-6>.

¹⁹ 15 U.S.C. 78f(b).

²⁰ 15 U.S.C. 78f(b)(4) and (5).

intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”²¹

Likewise, in *NetCoalition v. Securities and Exchange Commission*²² (“NetCoalition”) the D.C. Circuit upheld the Commission’s use of a market-based approach in evaluating the fairness of market data fees against a challenge claiming that Congress mandated a cost-based approach.²³ As the court emphasized, the Commission “intended in Regulation NMS that ‘market forces, rather than regulatory requirements’ play a role in determining the market data . . . to be made available to investors and at what cost.”²⁴

Further, “[n]o one disputes that competition for order flow is ‘fiercer.’ . . . 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’. . . .”²⁵ Although the court and the SEC were discussing the cash equities markets, the Exchange believes that these views apply with equal force to the options markets.

Options 7, Section 4

The Proposal is Reasonable

The Exchange’s proposal to assess a surcharge to Floor Lead Market Makers and Floor Market Makers of \$0.20 per contract on Options Transaction Charges in multiply-listed Penny or non-Penny Symbols when the Floor Lead Market Maker or Floor Market Maker is the counterparty to a Customer complex floor transaction executed by a Floor Broker in open outcry is

reasonable. The Exchange believes that the proposed rebate of \$0.20 per contract to be paid to Floor Brokers would incentivize Floor Brokers to direct additional Customer complex floor transactions to the Exchange, thereby creating more trading opportunities on the trading floor for all market participants, including Floor Lead Market Makers and Floor Market Makers. The Exchange thus believes that, despite the proposed surcharge on Floor Lead Market Makers and Floor Market Makers, Customer floor transactions that are counterparty to such Floor Broker orders, would not be discouraged from continuing to quote and trade actively on the Exchange.

The Exchange believes that the proposed changes are reasonably designed to incent Floor Brokers (and other participants on the trading floor) to increase the number of open outcry complex orders sent to the Exchange. Any increase in trading volume would create more trading opportunities for all market participants and would in turn attract additional order flow to the Exchange, further contributing to a deeper, more liquid market to the benefit of all market participants. The Exchange also notes that the proposed rebate is similar in structure to incentive programs for Floor Brokers offered by competing options exchanges.²⁶

The Exchange further believes the surcharge is reasonable because it is designed to offset costs associated with the proposed rebate payable to Floor Brokers when they interact with Floor Lead Market Makers and Floor Market Makers on the trading floor. To the extent this purpose is achieved, the Exchange believes that the proposed surcharge would not disincentivize market making activity on the trading floor because increased order flow from Floor Brokers seeking to earn the proposed rebate would result in more opportunities to trade for all market participants.

To the extent the proposed rule change continues to attract greater volume and liquidity by encouraging

Floor Brokers to increase their options volume on the Exchange in an effort to earn the proposed rebate, the Exchange believes the proposed changes would improve the Exchange’s overall competitiveness and strengthen its market quality for all market participants. Against the backdrop of the competitive environment in which the Exchange operates, the proposed rule change is a reasonable attempt by the Exchange to increase the depth of its market and improve its market share relative to its competitors.

The Proposal is Equitable

The Exchange believes it is equitable to apply the rebate only to Floor Brokers and not to Floor Lead Market Makers and Floor Market Makers. Floor Lead Market Makers and Floor Market Makers only represent their own interest on the trading floor and therefore do not need a similar incentive. Unlike Floor Lead Market Makers and Floor Market Makers, Floor Brokers act as agents in representing orders on the Exchange’s trading floor. Participants who desire to have a Customer order executed on Phlx’s trading floor would provide that order to a Floor Broker to be represented. Floor Lead Market Makers and Floor Market Makers may interact with orders represented by the Floor Broker in open outcry on the trading floor. Finally, Floor Lead Market Makers and Floor Market Makers may choose to conduct their business on a trading floor or in an electronic market, unlike Floor Brokers, who have a business model that is naturally tied to the physical trading space.

The Exchange believes the proposed rule change is equitable because the proposed rebate is based on the amount and type of business transacted on the Exchange, and Floor Brokers may elect to earn the proposed rebate if they choose. The Exchange also believes that the proposed surcharge is equitable because it is designed to balance costs associated with encouraging increased execution opportunities on the trading floor, and an increase in such orders would in turn enhance trading opportunities for all market participants. The Exchange also believes that the proposed rebate to Floor Brokers is equitable because it is intended to support Floor Brokers’ role in facilitating the execution of open outcry orders, which function benefits all market participants on the trading floor.

Moreover, the proposal is designed to incent participation on the trading floor in an effort to make the Exchange a primary execution venue and to attract more open outcry transactions to the

²¹ Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

²² *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010).

²³ See *NetCoalition*, at 534–535.

²⁴ *Id.* at 537.

²⁵ *Id.* at 539 (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782–83 (December 9, 2008) (SR–NYSEArca-2006–21)).

²⁶ See, e.g., BOX Exchange Fee Schedule, Section V. Manual Transaction Fees, available at <https://boxexchange.com/assets/BOX-Fee-Schedule-as-of-January-22-2026.pdf> (offering Floor Brokers that submit QOO and FOO Orders a \$0.20 per contract enhanced rebate for executions that trade with a Floor Market Maker, in lieu of lesser per contract rebates also available to Floor Brokers); MIAX Sapphire Options Exchange, Section 1) c) Trading Floor Transactions, available at https://www.miaxglobal.com/sites/default/files/fee-schedule-files/MIAX_Sapphire_Fee_Schedule_01212026_b.pdf (providing for the “Floor Broker Breakup Credit,” a \$0.20 credit applicable to Floor Brokers that submit a QFO or cQFO for executions that trade with a Floor Market Maker, instead of the \$0.10 Floor Broker rebate otherwise available).

Exchange. To the extent that the proposed change attracts more Floor Broker orders to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for, among other things, order execution. Thus, the Exchange believes the proposed rule change would improve market quality for all market participants on the Exchange and, as a consequence, attract more order flow to the Exchange thereby improving market-wide quality and price discovery. The Exchange also notes that the proposed rebate is similar in structure to an incentive program for Floor Brokers offered by NYSE Arca and NYSE American.²⁷

The Proposal Is Not Unfairly Discriminatory

The Exchange believes it is not unfairly discriminatory to impose a surcharge on Floor Lead Market Maker and Floor Market Maker orders on the trading floor that are a counterparty to a Customer complex floor transaction executed by a Floor Broker because the proposed change would apply to all Floor Lead Market Maker and Floor Market Maker orders equally, and as discussed above, the Exchange believes it is not unfairly discriminatory to incent order flow to the Exchange, which would enhance liquidity on the Exchange to the benefit of all market participants. The Exchange also believes that the proposed rebate payable to Floor Brokers for a Customer complex floor transactions that trade with a Floor Lead Market Maker or Floor Market Maker is not unfairly discriminatory because it would be available to all similarly-situated market participants on an equal and non-discriminatory basis. The Exchange further believes that the proposed rebate available to Floor Brokers is not unfairly discriminatory to other market participants because it is intended to encourage the role performed by Floor Brokers in facilitating the execution of orders via open outcry, a function which the Exchange wishes to support for the benefit of all market participants. In addition, although the proposed change would apply a surcharge to Floor Lead Market Maker or Floor Market Maker orders that trade with Floor Broker Customer complex floor transactions, the Exchange believes that Floor Lead Market Makers and Floor Market Makers would not be discouraged from continuing to participate actively on the trading floor and would benefit from increased Floor Broker order flow as a result of the

proposed change. To the extent that this increased order flow attracts order flow from other market participants to the trading floor, the proposed rule change would improve market quality and promote additional trading opportunities for all market participants on the Exchange.

Finally, the Exchange believes that it is subject to significant competitive forces, as described below in the Exchange's statement regarding the burden on competition.

The Exchange's proposal to exclude index options, singly listed options, strategy transactions, Floor Qualified Contingent Cross Orders and Customer Cross Orders is reasonable, equitable and not unfairly discriminatory. The Exchange notes that index options and singly listed options have their own separate pricing in Options 7, Section 5. These types of options are not multi-list options. The Exchange notes that strategy transactions are not assessed Options Transactions Charges in Options 7, Section 4 for Penny and Non-Penny Symbols and have their own pricing model. Floor Qualified Contingent Cross Orders and Customer Cross Orders are not transacted in open outcry. The Exchange would apply the exclusions to note 9 in a uniform manner to all Phlx member organizations.

Options 7, Section 9B

The Exchange's proposal to remove rule text in Options 7, Section 9B related to a prior migration is reasonable because the migration is complete and the Exchange has sunset all FIX legacy ports as of February 27, 2026. Further, the proposal is equitable and not unfairly discriminatory because no Phlx member organization has access to a FIX legacy port.

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.

Inter-market Competition

The proposal does not impose an undue burden on inter-market competition. The Exchange believes its proposal remains competitive with other options markets and will offer market participants with another choice of where to transact options. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be

excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

Options 7, Section 4

The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange's fees in a manner designed to continue to incent participants on the trading floor to direct trading interest to the Exchange, to provide liquidity and to attract additional order flow. To the extent that Floor Brokers are encouraged to utilize the Exchange as a primary trading venue for all transactions, all Exchange market participants stand to benefit from the improved market quality and increased opportunities for price improvement. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

Intra-market Competition

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for all market participants. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes "more efficient pricing

²⁷ See *supra* note 12.

of individual stocks for all types of orders, large and small.”²⁸

The proposed change is designed to attract additional order flow to the Exchange. The Exchange believes that the proposed surcharge on Floor Lead Market Maker and Floor Market Maker orders on the trading floor that are a counterparty to open outcry Customer complex floor transactions executed by a Floor Broker, and the proposed rebate payable to the Floor Broker side of such trades would encourage Floor Broker open outcry order flow and would not disincentivize Floor Lead Market Maker and Floor Market Maker activity on the trading floor. Greater liquidity benefits all market participants on the Exchange and increased order flow would increase opportunities for execution of other trading interest. The proposed modifications would apply and be available to all similarly-situated market participants that execute open outcry on the trading floor, and, accordingly, the proposed changes would not impose a disparate burden on competition among market participants on the Exchange.

Finally, the Exchange would apply the exclusions to note 9 in a uniform manner to all Phlx member organizations.

Options 7, Section 9B

The Exchange’s proposal to remove rule text in Options 7, Section 9B related to a prior migration does not impose an undue burden on competition because no Phlx member organization has access to a FIX legacy port.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.²⁹

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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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 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-Phlx-2026-08 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-Phlx-2026-08. 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-Phlx-2026-08 and should be submitted on or before April 7, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁰

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-05132 Filed 3-16-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104981; File No. SR-NSCC-2026-001]

Self-Regulatory Organizations; National Securities Clearing Corporation; Order Approving Proposed Rule Change Concerning the Clearing of Exchange-Traded Funds With Options as Underlying Components

March 12, 2026.

I. Introduction

On January 16, 2026, National Securities Clearing Corporation (“NSCC”) filed with the Securities and Exchange Commission (“Commission”) proposed rule change SR-NSCC-2026-001, pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder.² The proposed rule change would amend the NSCC Rules & Procedures (“NSCC Rules”) to facilitate clearing for the primary market creation and redemption of exchange-traded funds (“ETFs”) that have options as underlying components by implementing new messaging connectivity between NSCC and The Options Clearing Corporation (“OCC”) and allowing NSCC to submit instructions to OCC on behalf of their participants.³ The proposed rule change was published for comment in the **Federal Register** on January 29, 2026.⁴ The Commission has received one comment on the changes proposed.⁵

For the reasons discussed below, the Commission is approving the proposed rule change.

II. Background

ETFs (referred to as “index receipts” in the NSCC Rules) are marketable securities that track stock indices, commodities, bonds, or baskets of assets. Shares of ETFs are created and redeemed in the primary market and are traded on listed exchanges in the secondary market. Each share of an ETF represents an undivided interest in the underlying assets of the ETF.

NSCC facilitates central counterparty (“CCP”) clearing and settlement of the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Capitalized terms not defined herein shall have the meaning assigned to such terms in the NSCC Rules, available at www.dtcc.com/legal/rules-and-procedures.

⁴ See Securities Exchange Act Release No. 104687 (Jan. 26, 2026), 91 FR 3938 (Jan. 29, 2026) (File No. SR-NSCC-2026-001) (“Notice of Filing”).

⁵ Comment on the proposed rule change is available at <https://www.sec.gov/rules-regulations/public-comments/sr-nsc-2026-001>.

²⁸ See Reg NMS Adopting Release, supra note 8, at 37499.

²⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

³⁰ 17 CFR 200.30-3(a)(12).