

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–105053; File No. SR–PEARL–2025–50]

Self-Regulatory Organizations; MIAx PEARL, LLC; Order Granting Approval of a Proposed Rule Change To Allow Post Only Orders in Sub-Dollar Securities

March 19, 2026.

I. Introduction

On December 10, 2025, MIAx PEARL, LLC (“MIAx Pearl” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b–4 thereunder,² a proposed rule change to allow a Post Only order instruction to be applied to displayed and non-displayed orders in securities priced below \$1.00 per share (“sub-dollar securities”). The proposed rule change was published for comment in the **Federal Register** on December 29, 2025.³ On January 28, 2026, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ This order approves the proposed rule change.

II. Description of the Proposed Rule Change⁶

An order designated as Post Only on the Exchange is a non-routable order that is designed to post to the Exchange’s Equities Book (“Equities Book”) and not remove liquidity except when the value of an execution when removing liquidity would equal or exceed the value of an execution if the order instead posted to the Equities Book and subsequently provided liquidity.⁷ Pursuant to Rule

2614(c)(2)(i), it is only for Post Only orders in securities priced at or above \$1.00 per share that the Exchange performs this economic analysis to determine whether to allow the removal of liquidity. Under Rule 2614(c)(2)(i)(A), an order designated as Post Only in a sub-dollar security may remove liquidity without regard to what the value of an execution would be if the order instead posted to the Equities Book and subsequently provided liquidity.

The Exchange proposed to amend Rule 2614(c)(2)(i) such that, as is currently the case for a Post Only order in a security priced at or above \$1.00, a Post Only order in a sub-dollar security would remove liquidity from the Equities Book only if the value of such execution would equal or exceed the value of an execution if the order instead posted to the Equities Book and subsequently provided liquidity.⁸ Broadly speaking then, as a result of this proposed rule amendment, the Exchange would apply Post Only functionality to any order so designated by an Equity Member,⁹ whether displayed or non-displayed, in any security traded on the Exchange.¹⁰ The Exchange states that other national securities exchanges already offer Post Only functionality for sub-dollar securities.¹¹

The Exchange proposed additional amendments to Rule 2614(c)(2)(i), as well as Rule 2617(a)(4), in connection with the proposed expansion of Post Only functionality to orders in sub-dollar securities. These additional amendments are designed to facilitate the use of displayed and non-displayed Post Only orders in sub-dollar securities by addressing the potential for such orders to cause internally locked or crossed markets on the Exchange.¹² The

of such execution if the order instead posted to the Equities Book and subsequently provided liquidity, the Exchange uses the highest possible fee charged and highest possible rebate paid for such executions on the Exchange. See Rule 2614(c)(2)(i)(B). Post Only orders for securities priced at or above \$1.00 per share may be displayed or non-displayed on the Exchange. See Rule 2614(c)(3)–(4).

⁸ See proposed Rule 2614(c)(2)(i). As is the case currently for Post Only orders in securities priced at or above \$1.00 per share, this economic analysis for sub-dollar securities would be based on the highest possible rebate that would be paid for providing liquidity and the highest possible fee that would be charged for removing liquidity. See proposed Rule 2614(c)(2)(i). In addition, as a technical matter, this particular rule amendment would be accomplished by the elimination of current Rule 2614(c)(2)(i)(A).

⁹ The term “Equity Member” means a member of the Exchange authorized to transact business on MIAx Pearl Equities. See Rule 1901.

¹⁰ See Notice, 90 FR at 60808, 60810, 60815.

¹¹ *Id.* at 60810.

¹² *Id.* at 60810–15.

Exchange states that there are differences between the market structure for securities priced at or above \$1.00 and the market structure for sub-dollar securities, and these differences impact how the Post Only instruction may function.¹³ Specifically, the Exchange states that, due to the different fee levels and minimum price increments for securities priced at or above \$1.00 per share compared to sub-dollar securities, a Post Only order in a sub-dollar security could cause an internally locked or crossed market on the Equities Book, whereas a Post Only order in a security priced at or above \$1.00 per share could cause an internally locked market but not an internally crossed market.¹⁴ The Exchange further states that these proposed rule amendments expand existing Exchange functionality.¹⁵

Proposed Rule 2614(c)(2)(i)(A), which would assume the rule provision numbering vacated by the elimination of current Rule 2614(c)(2)(i)(A),¹⁶ is designed to address the potential for internally crossed markets that could occur on the Exchange due to the usage of Post Only orders in sub-dollar securities and the above-noted, sub-dollar security market structure features that are different from the at/above dollar security context. Under this proposed rule, (1) if a non-displayed order designated as Post Only to buy (sell) does not remove liquidity, and that order, if posted at its limit price, would cross a resting displayed order to sell (buy) on the Equities Book, the non-displayed Post Only order to buy (sell) will post to the Equities Book with a working price equal to the price of the displayed order to sell (buy), and (2) if a displayed order designated as Post Only to buy (sell) does not remove liquidity and the limit price of that order would cross a non-displayed order to sell (buy) resting on the Equities Book, the non-displayed order to sell (buy) will re-price to a working price equal to the limit price of the displayed

¹³ *Id.* at 60808, 60810; see also *id.* at 60809 n. 15 and 19 (setting forth the Exchange’s different maker-taker fee structures for securities priced at or above \$1.00 versus sub-dollar securities, respectively); *id.* at 60812 n. 36 (citing Rule 2612(a), which provides that the minimum pricing increment is \$.01 for securities priced at or above \$1.00 per share, and \$.0001 for sub-dollar securities).

¹⁴ *Id.* at 60808. An internally locked or crossed market could occur on the Exchange based on the working price of non-displayed interest on one or both sides of the market. The Exchange will not display a locked or crossed market. See Rule 2617(a)(4)(iii).

¹⁵ See Notice, 90 FR at 60811.

¹⁶ In connection with this rule numbering change, current Rule 2614(c)(2)(i)(B) would be incorporated into Rule 2614(c)(2)(i) under the proposal.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 104462 (Dec. 19, 2025), 90 FR 60807 (“Notice”). The Commission has received no comment letters on the proposed rule change.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 104731, 91 FR 4652 (February 2, 2026). The Commission designated March 29, 2026, as the date by which the Commission shall approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

⁶ The Exchange sets forth additional detail and justification regarding the proposal in the Notice. See *supra* note 3.

⁷ See Exchange Rule (“Rule”) 2614(c)(2). To determine at the time of a potential execution whether the value of such execution when removing liquidity would equal or exceed the value

Post Only order to buy (sell).¹⁷ The Exchange states that this re-pricing functionality for a non-displayed order is consistent with how: (1) the Exchange currently re-prices orders with a Minimum Execution Quantity (“MEQ”) instruction in the same circumstances,¹⁸ (2) the Exchange currently re-prices a non-displayed order that crosses the Protected Quotation of an external market,¹⁹ and (3) other national securities exchanges re-price non-displayed orders in certain circumstances.²⁰

Rule 2617(a)(4)(iv) currently applies only to orders in securities priced at or above \$1.00 per share, and sets forth functionality that dictates when the Exchange would allow an Aggressing Order²¹ or incoming order to execute against locked or crossed interest resting on the Equities Book. In connection with expanding Post Only functionality to orders in sub-dollar securities, the Exchange proposes to amend Rule 2617(a)(4)(iv) such that the functionality set forth in the rule would apply to orders in securities of any price, including Post Only orders in sub-dollar securities. The Exchange states that the execution mechanism set forth in Rule 2617(a)(4)(iv) is designed to maintain intra-market price priority by governing the price at which a non-displayed order is executable when there is a contra-side displayed order at a price that results in an internally locked or crossed book.²² Under the amended rule, for a security of any price, when a non-displayed order to sell (buy) is posted on the Equities Book at a price that locks or crosses a displayed order to buy (sell), an Aggressing Order or an incoming order to buy (sell) that is priced more aggressively than the order

to buy (sell) displayed on the Equities Book will execute against the non-displayed order to sell (buy) resting on the Equities Book at one-half minimum price variation higher (lower) than the price of the resting displayed order to buy (sell).²³

III. Discussion and Commission Findings

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.²⁴ In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,²⁵ which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, 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; and not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In general, according to the Exchange, the Post Only order instruction provides Equity Members with an increased likelihood that the order will add liquidity to the order book and not remove liquidity unless certain price improvement requirements are satisfied.²⁶ The Exchange states that Post Only orders are an important tool because they allow market participants to post aggressively-priced liquidity while achieving cost control with regard to the fee or rebate associated with the potential execution of their orders.²⁷ The Exchange further states that, by

incentivizing aggressively-priced liquidity, Post Only functionality contributes to improved liquidity, market depth, and if the orders are displayed, price transparency.²⁸

The Exchange states that this proposal is not intended to encourage an increase in the overall volume or order flow in sub-dollar securities.²⁹ According to the Exchange, average daily sub-dollar trading volume comprised approximately 9% of overall daily volume in September 2025, and the majority of sub-dollar trading volume occurs off-exchange.³⁰ In addition, the Exchange states that other exchanges already allow Post Only functionality for orders in sub-dollar securities.³¹ Therefore, according to the Exchange, this proposal is designed to allow the Exchange to better compete with other exchanges and off-exchange venues for sub-dollar security order flow, as well as encourage market participants to send such order flow to an exchange-level pool of liquidity.³²

The Commission agrees that an exchange providing Post Only functionality for orders in sub-dollar securities is not novel, as the Commission understands, consistent with what the Exchange has stated, that other exchanges already provide Post Only functionality for sub-dollar securities.³³ To the extent the Exchange’s proposed Post Only functionality for orders in sub-dollar securities differs from how other exchanges handle Post Only orders in sub-dollar securities, these differences may manifest in the order interaction scenarios that the Exchange has contemplated and addressed in the proposal, in the Commission’s view. Specifically, the proposal addresses the potential for the Exchange to experience an internally crossed order book in a sub-dollar security as a result of the interaction of non-displayed Post Only orders with contra-side displayed orders, or the interaction of displayed Post Only orders with contra-side non-displayed orders, by re-pricing the non-displayed order to the locking price in those scenarios.³⁴ Likewise, the proposal expands to sub-dollar securities order handling functionality that already exists for securities priced

¹⁷ See proposed Rule 2614(c)(2)(i)(A). The Exchange has provided examples of how the proposed re-pricing functionality would work. See Notice, 90 FR at 60811–12. Proposed Rule 2614(c)(2)(i)(A) would apply when the potential cross would involve non-displayed interest on one side of the market and displayed interest on the other side of the market, and would not apply when the potential cross would involve non-displayed interest on both sides of the market. Pursuant to Rule 2617(a)(4)(iii), a non-displayed Post Only order that does not remove liquidity may post and rest on the Equities Book at a price that crosses (or locks) contra-side non-displayed interest.

¹⁸ See Notice, 90 FR at 60811; see also Rule 2614(c)(7)(ii)(B).

¹⁹ See Notice, 90 FR at 60811; see also Rule 2614(g).

²⁰ See Notice, 90 FR at 60811.

²¹ The term “Aggressing Order” means an order to buy (sell) that is or becomes marketable against sell (buy) interest on the MIAx Pearl Equities Book. A resting order may become an Aggressing Order if its working price changes, if the PBBO or NBBO is updated, because of changes to other orders on the MIAx Pearl Equities Book, or when processing inbound messages. See Rule 1901.

²² See Notice, 90 FR at 60812.

²³ See proposed Rule 2617(a)(4)(iv). The Exchange has provided examples of the operation of this order handling functionality for securities priced at, above or below \$1.00 per share, for scenarios involving an incoming Post Only order as well as an Aggressing Order executing against contra-side interest when there is a re-evaluation of the Equities Book. See Notice, 90 FR at 60813–14. Since proposed Rule 2617(a)(4)(iv) would apply when there is non-displayed interest on one side of the market and displayed interest on the other side of the market, and since proposed Rule 2614(c)(2)(i)(A) would not permit an internal cross involving a Post Only order in that scenario, the application of proposed Rule 2617(a)(4)(iv) to Post Only orders is with regard to the potential occurrence of an internally locked market.

²⁴ 15 U.S.C. 78f(b). In approving this proposed rule change, the Commission has considered the proposed rule change’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁵ 15 U.S.C. 78f(b)(5).

²⁶ See Notice, 90 FR at 60809.

²⁷ *Id.* at 60815.

²⁸ *Id.* at 60810, 60815.

²⁹ *Id.* at 60808, 60816.

³⁰ *Id.*

³¹ See *supra* note 11 and accompanying text.

³² See Notice, 90 FR at 60807–08, 60815.

³³ See *supra* note 11 and accompanying text.

³⁴ See proposed Rule 2614(c)(2)(i). The Exchange states that internally locked or crossed markets on the Exchange are rare events and should continue to be rare under this proposal. See Notice, 90 FR at 60808.

at or above \$1.00 and is designed to alleviate, insofar as Post Only orders are concerned, any internal locks on the Equities Book involving contra side displayed and non-displayed interest.³⁵

VI. Conclusion

For the reasons set forth above, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, the requirements of Section 6(b)(5) of the Act.³⁶

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,³⁷ that the proposed rule change (SR-PEARL-2025-50) be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁸

Vanessa A. Countryman,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104567; File No. SR-CBOE-2026-001]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Fee Schedule To Reflect Adjustments to Certain FINRA Fees

January 9, 2026.

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 January 2, 2026, Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) 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.

³⁵ See proposed Rule 2617(a)(4)(iv). The Exchange states that, based on its observations and experience with MEQ orders, an internally locked or crossed book is typically alleviated almost immediately or within an extremely short period of time after the initial occurrence. See Notice, 90 FR at 60808.

³⁶ 15 U.S.C. 78f(b)(5).

³⁷ 15 U.S.C. 78s(b)(2).

³⁸ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

The text of the proposed rule change is also available on the Commission’s website (<https://www.sec.gov/rules/sro.shtml>), the Exchange’s website (https://www.cboe.com/us/options/regulation/rule_filings/bzx/), 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 amend its Fee Schedule regarding Regulatory Fees to reflect updates to the FINRA Annual System Processing Fee Assessed only during Renewals (“FINRA Annual System Processing Fee”) and Continuing Education Fee.³ By way of background, FINRA proposed, and the Commission approved, a proposed rule change to increase fees related to FINRA’s core regulatory functions and use of its programs and services.⁴ The proposed rule change will occur through phased implementation over several years between 2025 and 2029.⁵ Beginning in 2026, FINRA will assess amended fees for Annual System Processing and Continuing Education.⁶ The Exchange proposes to amend its Fee Schedule to mirror the amended FINRA fees. The applicable fees are collected and retained by FINRA via Web CRD⁷

³ See Securities Exchange Act Release No. 34-101696 (November 8, 2024), 85 FR 66592 (November 27, 2024) (SR-FINRA-2024-019) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Adjust FINRA Fees to Provide Sustainable Funding for FINRA’s Regulatory Mission).

⁴ See *id.*

⁵ See *id.*

⁶ See *id.*

⁷ FINRA operates Web CRD, the central licensing and registration system for the U.S. securities industry. FINRA uses Web CRD to maintain the qualification, employment, and disciplinary

for the registration of associated persons of the Exchange Trading Permit Holder⁸ (“TPH”) and TPH organizations that are not also FINRA members (“Non-FINRA members”). The Exchange merely lists these fees on its Fee Schedule and does not collect or retain the fees.

Specifically, the Exchange proposes to amend the current \$70 FINRA Annual System Processing Fee to create a tiered fee structure based on the total number of securities regulators with which each registered person of a TPH is registered, excluding registration as an investment advisor representative. Under the current fee structure, as of January 2, 2024, a flat \$70 fee applies to each registered person of a TPH that is not also a FINRA member.⁹ FINRA’s costs and resources allocated to processing information for TPHs’ registered persons depends, in part, on the number of securities regulators with which each registered person is registered.¹⁰ To account for the variability in costs incurred, FINRA will replace the current flat fee structure with the tiered rate structure described above beginning in 2026.¹¹ This change to the Exchange’s Fee Schedule is proposed in accordance with the FINRA rule change adjusting its Annual System Processing Fee.¹²

The proposed fee structure is as follows: a \$70 fee for registered persons of a TPH with 1–5 securities regulators, a \$95 fee for registered persons of a TPH with 6–20 securities regulators; a \$110 fee for associated [sic] persons of a TPH with 21–40 securities regulators; and a \$125 fee for associated [sic] persons of a TPH with 41 or more securities regulators. Thus, the Annual System Processing Fee for Non-FINRA members will be calculated based on the total number of securities regulators with which each registered person of a TPH is registered.

Additionally, the Exchange proposes to amend the Continuing Education Fee for all registration from the current \$18 to \$25. FINRA, in conjunction with other Self-Regulatory Organizations and the Securities Industry/Regulatory

histories of registered associated persons of broker-dealers.

⁸ See Bylaws of Cboe Exchange, Inc. Section 1.1 Definitions. “The term “Trading Permit Holder” means any individual, corporation, partnership, limited liability company or other entity authorized by the Rules that holds a Trading Permit. . . . A Trading Permit Holder is a “member” solely for purposes of the Act; however, one’s status as a Trading Permit Holder does not confer on that Person any ownership interest in the Exchange.”

⁹ As part of the proposed change, the Exchange also proposes to remove reference to the \$45 fee that was in effect through December 21, 2023.

¹⁰ *Supra* note 3.

¹¹ *Supra* note 3.

¹² *Supra* note 3.