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Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–100575; File No. SR–MRX–2024–25]

Self-Regulatory Organizations; Nasdaq MRX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend MRX's Options 7

July 23, 2024.

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 July 15, 2024, Nasdaq MRX, LLC (''MRX'' 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 the Exchange's Pricing Schedule at Options 7.[3]

The text of the proposed rule change is available on the Exchange's website at *https://listingcenter.nasdaq.com/rulebook/mrx/rules,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

MRX proposes to amend the Exchange's Pricing Schedule at Options 7 to make various changes. Specifically, the Exchange proposes to amend Options 7: Section 1, General Provisions; Section 3, Regular Order Fees and Rebates; and Section 4, Complex Order Fees. Each change will be described below.

Options 7, Section 3—Table 1

Today, MRX offers Regular Order Maker Fees/Rebates and Taker Fees in Penny and Non-Penny Symbols in Options 7, Section 3, Table 1. Specifically, with respect to Penny Symbols, the Exchange assesses/pays Market Makers[4] a Tier 1 Maker Fee of $0.10 per contract, no Tier 2 Maker Fee, a Tier 3 Maker Rebate of $0.05 per contract and a Tier 4 Maker Rebate of $0.10 per contract in Penny Symbols. Today, the Exchange assesses Market Maker Tier 1 through Tier 4 Penny Symbol Taker Fees of $0.50 per contract. Today, the Exchange assesses Non-Nasdaq MRX Market Makers (FarMM),[5] Firm Proprietary/Broker-Dealer[6] and Professional Customers[7] a Tier 1 through Tier 4 Maker Fee of $0.47 per contract and a Tier 1 through Tier 4 Taker Fee of $0.50 per contract in Penny Symbols. Finally, today, the Exchange assesses a Priority Customer[8] no Maker Fees and pays no Maker Rebates and assesses a $0.20 per contract Tier 1 through Tier 4 Taker Fee in Penny Symbols.

With respect to Non-Penny Symbols, today, the Exchange assesses Market Makers a Tier 1 Maker Fee of $0.35 per contract, a Tier 2 Maker Fee of $0.20 per contract, a Tier 3 Maker Fee of $0.15 per contract and a Tier 4 Maker Fee of $0.10 per contract. Today, the Exchange assesses Market Makers a Tier 1 through Tier 4 Taker Fee of $1.10 per contract in Non-Penny Symbols. Today, the Exchange assesses Non-Nasdaq MRX Market Makers (FarMM), Firm Proprietary/Broker-Dealer and Professional Customers a Tier 1 through Tier 4 Maker Fee of $0.90 per contract and a Tier 1 through Tier 4 Taker Fee of $1.10 per contract in Non-Penny Symbols. Finally, today, the Exchange assesses a Priority Customer no Maker Fees and assesses a $0.40 per contract Tier 1 through Tier 4 Taker Fee in Non-Penny Symbols.

At this time, the Exchange proposes to no longer offer Maker Rebates for adding liquidity and instead offer Taker Rebates for removing liquidity. With this new structure, the Exchange would continue to assess Priority Customers no Maker Fees for Penny and Non-Penny Symbols to continue to encourage Members to send Priority Customer order flow that adds liquidity to MRX and rests on the order book. The Exchange proposes to begin offering Priority Customer Taker Rebates in Penny and Non-Penny Symbols to encourage Members to send Priority Customer order flow that removes liquidity from MRX's order book. MRX's proposal offers to pay rebates to Members to engage in Priority Customer liquidity removing activity on MRX. Specifically, the Exchange believes that the Taker Rebates will encourage additional order flow to be sent to MRX with the goal of removing liquidity and obtaining a Taker Rebate. To the extent this proposal attracts such order flow to MRX, all Members should benefit through more trading opportunities.

As a result of this structural change in pricing, the Exchange would assess a Market Maker a $0.50 per contract Penny Symbol Maker Fee in Tier 1 through Tier 4. This would be an increase in the Tier 1 Maker Fee of $0.40 per contract and an increase in the Tier 2 Maker Fee of $0.50 per contract for Market Makers in Penny Symbols. The Exchange would no longer pay a $0.05 per contract Maker Rebate in Tier 3 nor pay a $0.10 per contract Tier 4 Maker Rebate to Market Makers in Penny Symbols and instead assess the $0.50 per contract Maker Fee. Additionally, a Market Maker would pay a decreased Penny Symbol Taker

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] On June 11, 2024, the Exchange withdrew SR–MRX–2024–13 and replaced it with SR–MRX–2024–14. On June 25, 2024, the Exchange withdrew SR–MRX–2024–14 and replaced it with SR–MRX–2024–16. On July 2, 2024, the Exchange withdrew SR–MRX–2024–16 and replaced it with SR–MRX–2024–22. On July 15, 2024, the Exchange withdrew SR–MRX–2024–22 and replaced it with this rule change.

[4] A ''Market Maker'' is a market maker as defined in Nasdaq MRX Rule Options 1, Section 1(a)(21). *See* Options 7, Section 1(c).

[5] A ''Non-Nasdaq MRX Market Maker'' is a market maker as defined in Section 3(a)(38) of the Securities Exchange Act of 1934, as amended, registered in the same options class on another options exchange. *See* Options 7, Section 1(c).

[6] A ''Firm Proprietary'' order is an order submitted by a Member for its own proprietary account. A ''Broker-Dealer'' order is an order submitted by a Member for a broker-dealer account that is not its own proprietary account. *See* Options 7, Section 1(c).

[7] A ''Professional Customer'' is a person or entity that is not a broker/dealer and is not a Priority Customer. *See* Options 7, Section 1(c).

[8] A ''Priority Customer'' is a person or entity that is not a broker/dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s), as defined in Nasdaq MRX Options 1, Section 1(a)(36). Unless otherwise noted, when used in this Pricing Schedule the term ''Priority Customer'' includes ''Retail''. *See* Options 7, Section 1(c).

Fee of $0.35 per contract in Tier 1 through Tier 4 as compared to the current $0.50 per contract Taker Fee. Further, the Exchange would assess Non-Nasdaq MRX Market Makers (FarMM), Firm Proprietary/Broker-Dealer and Professional Customers a increased Tier 1 through Tier 4 Penny Symbol Maker Fee of $0.50 per contract, instead of $0.47 per contract, and a decreased Tier 1 through Tier 4 Taker Fee of $0.35 per contract, instead of $0.50 per contract in Penny Symbols. Finally, the Exchange would continue to assess a Priority Customer no Maker Fees in Penny Symbols. Additionally, the Exchange would replace the Priority Customer Penny Symbol Tier 1 Taker Fee of $0.20 with a Taker Rebate of $0.31 per contract. The Exchange would replace the Priority Customer Penny Symbol Tier 2 Taker Fee of $0.20 with a Taker Rebate of $0.36 per contract. The Exchange would replace the Priority Customer Penny Symbol Tier 3 Taker Fee of $0.20 with a Taker Rebate of $0.41 per contract. Finally, the Exchange would replace the Priority Customer Penny Symbol Tier 4 Taker Fee of $0.20 with a Taker Rebate of $0.44 per contract.

At this time, the Exchange proposes to increase the Market Maker Non-Penny Symbol Maker Fees in Tier 1 from $0.35 to $1.25 per contract, the Tier 2 Maker Fee from $0.20 to $1.25 per contract, the Tier 3 Maker Fee from $0.15 to $1.25 per contract, and the Tier 4 Maker Fee for $0.10 to $1.25 per contract. The Exchange proposes to continue to assess Market Makers a $1.10 per contract Non-Penny Symbol Taker Fee. Further, the Exchange would assess Non-Nasdaq MRX Market Makers (FarMM), Firm Proprietary/Broker-Dealer and Professional Customers an increased Tier 1 through Tier 4 Penny Symbol Maker Fee of $1.25 per contract, instead of $0.90 per contract, and would assess the same Tier 1 through Tier 4 Taker Fee of $1.10 per contract in Non-Penny Symbols. Finally, the Exchange would continue to assess a Priority Customer no Non-Penny Symbol Maker Fees. Additionally, the Exchange would replace the Priority Customer Non-Penny Symbol Taker Fees with Taker Rebates as follows: instead of a $0.40 per contract Tier 1 Taker Fee, MRX would pay an $0.80 per contract Taker Rebate; instead of a $0.40 per contract Tier 2 Taker Fee, MRX would pay a $0.90 per contract Taker Rebate; instead of a $0.40 per contract Tier 3 Taker Fee, MRX would pay a $1.00 per contract Taker Rebate; and instead of a $0.40 per contract Tier 4 Taker Fee, MRX paya $1.10 per contract Taker Rebate.

The Exchange believes that the Priority Customer Taker Rebates will encourage market participants to remove liquidity on MRX in order to be eligible for Taker Rebates.

As a result of the change to Table 1 in Options 7, Section 3, the Exchange proposes to amend the description of an ‘‘Exposed Order.’’ Today, an Exposed Order is an order that is broadcast via an order exposure alert as described within Options 5, Section 4 (Order Routing). Unless otherwise noted in Options 7, Section 3 pricing, Exposed Orders will be assessed the applicable ‘‘Taker’’ Fee and any order or quote that executes against an Exposed Order during a Route Timer will be paid/assessed the applicable ‘‘Maker’’ Rebate/Fee. The Exchange proposes to instead state that is an order that is broadcast via an order exposure alert as described within Options 5, Section 4 (Order Routing). Unless otherwise noted in Options 7, Section 3 pricing, Exposed Orders will be paid/assessed the applicable ‘‘Taker’’ Fee/Rebate and any order or quote that executes against an Exposed Order during a Route Timer will be assessed the applicable ‘‘Maker’’ Fee. The Exchange is amending this description because the Exchange would no longer pay Maker Rebates and would instead pay Taker Rebates as proposed in the Pricing Schedule at Options 7, Section 3, Table 1.

The Exchange also proposes to conform note 6 in Options 7, Section 3 to account for the removal of Maker Rebates and the addition of Priority Customer Taker Rebates. Options 7, Section 3 currently provides, ‘‘Market Maker Tier 1 through Tier 4 Maker Fees/Rebates and Priority Customer Tier 1 through Tier 4 Taker Fees will be $0.00 per contract, in Penny Symbols, for the following option symbols: SPY, QQQ and IWM.’’ The Exchange proposes to instead state, ‘‘Market Maker Tier 1 through Tier 4 Maker Fees and Priority Customer Tier 1 through Tier 4 Taker Fees/Rebates will be $0.00 per contract, in Penny Symbols, for the following option symbols: SPY, QQQ and IWM.’’

The Exchange also proposes to remove the discounted fees in note 7 of Options 7, Section 3 in Table 1 which provides, ‘‘Members that execute Total Affiliated Member or Affiliated Entity Priority Customer ADV of 0.30% Customer Total Consolidated Volume in Regular Orders for Penny and Non-Penny Symbols which remove liquidity in a given month will be assessed: (1) a $0.10 per contract Priority Customer Taker Fee in Penny Symbols; and (2) a $0.20 per contract Priority Customer Taker Fee in Non-Penny Symbols.’’ The Exchange would no longer offer these discounts with the new fee structure and proposes to instead incentivize Members differently with its new Taker Rebates.

Options 7, Section 3—Table 2

Today, Options 7, Section 3, Table 2 applies only to regular orders. Today, the Exchange assesses the following Crossing Order Fees in Penny and Non-Penny Symbols:

PENNY SYMBOLS

Market participant	Fee for crossing orders [1]	Fee for responses to crossing orders [2]
Market Maker [4]	$0.20	$0.50
Non-Nasdaq MRX Market Maker (FarMM)	0.20	0.50
Firm Proprietary/Broker-Dealer	0.20	0.50
Professional Customer	0.20	0.50
Priority Customer	0.00	0.50

NON-PENNY SYMBOLS

Market participant	Fee for crossing orders [1]	Fee for responses to crossing orders [2]
Market Maker [4]	$0.20	$1.10
Non-Nasdaq MRX Market Maker (FarMM)	0.20	1.10
Firm Proprietary/Broker-Dealer	0.20	1.10
Professional Customer	0.20	1.10
Priority Customer	0.00	1.10

The Exchange proposes to amend the title of Options 7, Section 3 from ''Regular Order Fees and Rebates'' to ''Fees and Rebates for Regular Orders and All Crossing Orders'' to account for the inclusion of certain Complex Order crossing order fees. The Exchange proposes to add a title to Options 7, Section 3, Table 2, ''Regular and Complex Crossing Orders'' with a new note 3. Proposed note 3 of Options 7, Section 3 would provide that the Table 2 fees apply to Regular and Complex orders entered into the Facilitation Mechanism; the Solicited Order Mechanism; the Block Order Mechanism [9] as applicable; QCC Orders; Complex QCC Orders; QCC with Stock Orders; and Complex QCC with Stock Orders.

The Exchange proposes to amend Table 2 which consists of the Fee for Crossing Orders.[10] The Exchange proposes to decrease the Penny Symbol Non-Priority Customer [11] Fees for Crossing Orders from $0.20 per contract to $0.02 per contract for orders in the Facilitation Mechanism, Solicitation Mechanism and Block Orders. A Priority Customer would continue to be assessed no Fee for Crossing Orders in Penny Symbols. The Exchange is proposing to carve out pricing for QCC Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders, in addition to PIM Orders which are already carved out from the fees that apply to the originating and contra-side orders in Table 2. The Exchange proposes to amend note 1 of Options 7, Section 3, Table 2 to provide,

Fees apply to the originating and contra-side orders, except for PIM Orders and Qualified Contingent Cross (''QCC'') Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders. The Fee for Crossing Orders for QCC Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders is $0.20 per contract for Non-Priority Customer orders in Penny and Non-Penny Symbols. Priority Customer orders are not assessed a fee for Crossing Orders. Regular and Complex PIM Orders are subject to separate pricing in Part A below.

The Exchange would continue to assess Non-Priority Customer QCC Orders and QCC with Stock Orders the same $0.20 per contract Fee for Crossing Orders in Penny Symbols as today and would continue to assess Priority Customers no Fee for Crossing Orders in Penny and Non-Penny Symbols. There are no Fees for Responses to Crossing Orders for QCC Orders and QCC with Stock Orders.[12] The Exchange is not amending the Non-Penny Fees for Crossing Orders in Options 7, Section 3, Table 2.

With this proposal, the Exchange would assess Complex QCC Orders and Complex QCC with Stock Orders the same Fees for Crossing Orders as QCC Orders and QCC with Stock Orders.[13] Specifically, Complex QCC Orders and Complex QCC with Stock Orders would be assessed a $0.20 per contract Fee for Crossing Orders to Non-Priority Customers in Penny and Non-Penny Symbols. Priority Customers would not be assessed a Fee for Crossing Orders. Complex QCC Orders and Complex QCC with Stock Orders would be subject to lower Penny Symbol fees and slightly higher Non-Penny Fees for Crossing Orders. Today, Options 7, Section 4 assesses a $0.35 per contract Penny Symbol to all Non-Priority Customer Orders and an $0.85 per contract Non-Penny Symbol fee to all Members for Complex QCC Orders and Complex QCC with Stock Orders.

Additionally, the Exchange proposes to assess the Options 7, Section 3, Table 2 fees to orders entered into the Complex Facilitation Mechanism and Complex Solicitation Mechanism in addition to Regular Orders entered into these mechanisms. The Exchange would assess orders entered into the Complex Facilitation Mechanism and Complex Solicitation Mechanism the proposed reduced $0.02 per contract Fee for Crossing Orders in Penny Symbols and $0.20 per contract for Non-Penny Symbols and would assess Priority Customers no Fee for Crossing Orders in Penny and Non-Penny Symbols. The Exchange would also assess orders entered into the Complex Facilitation Mechanism and Complex Solicitation Mechanism a $0.50 Fee for Responses to Crossing Orders to all Members for Penny Symbols and a $1.10 Fee for Responses to Crossing Orders to all Members in Non-Penny Symbols. This pricing would be in lieu of the Complex Order pricing in Options 7, Section 4. As noted above, today, Options 7, Section 4 assesses a $0.35 per contract Penny Symbol to all Non-Priority Customer Orders and an $0.85 per contract Non-Penny Symbol fee to all Members for orders entered into the Complex Facilitation Mechanism and Complex Solicitation Mechanism. The proposed pricing for the Complex Facilitation Mechanism and Complex Solicitation Mechanism would be subject to the same pricing as the Regular Facilitation Mechanism and Solicited Order Mechanism. The Exchange believes that the pricing in Options 7, Section 4, Table 2 will incentivize Members to utilize these mechanisms.

The Exchange also proposes to define a Non-Priority Customer in Options 7, Section 1. Specifically, the Exchange proposes to state, ''Non-Priority Customers'' include Market Makers, Non-Nasdaq MRX Market Makers (FarMMs), Firm Proprietary/Broker-Dealers, and Professional Customers.''

[9] Block Orders are single-leg orders only. Additionally, Block Orders are single-sided auctions.

[10] A ''Crossing Order'' is an order executed in the Exchange's Facilitation Mechanism, Solicited Order Mechanism, Price Improvement Mechanism (''PIM'') or submitted as a Qualified Contingent Cross order. For purposes of this Pricing Schedule, orders executed in the Block Order Mechanism are also considered Crossing Orders. *See* Options 7, Section 1(c).

[11] ''Non-Priority Customers'' include Market Makers, Non-Nasdaq GEMX Market Makers (FarMMs), Firm Proprietary/Broker-Dealers, and Professional Customers.

[12] QCC Orders and QCC with Stock Orders are automatically executed upon entry. Responses cannot be submitted. *See* Options 3, Section 12.

[13] Complex QCC Orders and Complex QCC with Stock Orders are automatically executed upon entry. Responses cannot be submitted. *See* Options 3, Section 12.

The Exchange proposes to amend notes 1 and 2 of Options 7, Section 3, Table 2 to add the words ''and Complex'' with respect to PIM Orders to make clear that, all PIM Orders, Regular and Complex, would be subject to the Part A pricing in Options 7, Section 3. As a result of this amendment, there is no pricing change for Regular and Complex PIM Orders.

The Exchange also proposes a Penny Symbol Break-Up Rebate for Regular and Complex Orders entered into the Exchange's Facilitation Mechanism and Solicited Order Mechanism for Priority Customers of $0.30 per contract. Today, orders entered into the Complex Facilitation Mechanism and the Complex Solicited Order Mechanism are not offered a Break-Up Rebate. The Exchange believes that the new Priority Customer Break-up Rebate will attract MRX Members to utilize the Exchange's Facilitation Mechanism and Solicited Order Mechanism for both Regular and Complex Orders. The Exchange proposes to add a new note 5 in Options 7, Section 3, Table 2 that provides that break-up rebates are provided for an originating Priority Customer Regular or Complex order entered into the Facilitation Mechanism or Solicited Order Mechanism that executes with any response (order or quote) other than the contra-side order.

Options 7, Section 3—Table 3

Currently, Options 7, Section 3, Table 3 contains the Qualifying Tier Thresholds for Tier 1 through Tier 4 pricing. Specifically, today, market participants are charged the applicable tier maker/taker fees (or are eligible for rebates) if they meet the applicable tier thresholds based on Total Affiliated Member or Affiliated Entity ADV [14] in Table 3 of Options 7, Section 3. Market Makers may also alternatively qualify for these fees if they meet the applicable tier thresholds based on Total Market Maker ADV.[15]

QUALIFYING TIER THRESHOLDS

Tiers	Total affiliated member or affiliated entity ADV	OR	Total market maker ADV
Tier 1	executes 0.00% to less than 0.75% of Customer Total Consolidated Volume.	....	executes up to 0.10% of Customer Total Consolidated Volume which adds liquidity in Regular Orders.
Tier 2	executes 0.75% to less than 1.50% of Customer Total Consolidated Volume.	....	executes more than 0.10% and up to 0.25% of Customer Total Consolidated Volume which adds liquidity in Regular Orders.
Tier 3	executes 1.50% to less than 2.25% of Customer Total Consolidated Volume.	....	executes more than 0.25% and up to 0.45% of Customer Total Consolidated Volume which adds liquidity in Regular Orders.
Tier 4	executes 2.25% or more of Customer Total Consolidated Volume.	....	executes more than 0.45% of Customer Total Consolidated Volume which adds liquidity in Regular Orders.

Today, the highest tier threshold attained applies retroactively in a given month to all eligible traded contracts and applies to all eligible market participants.

At this time, the Exchange proposes to remove the current tier qualifications for Total Affiliated Member or Affiliated Entity ADV which is applicable to all market participants, except Market Makers. The Exchange would also remove the bullet point describing the methodology for these qualifications. The Exchange also proposes to amend the Total Market Maker ADV to rename the qualifications ''Total Customer ADV'' to reflect the new methodology by which the Exchange will determine eligibility for the tiers. The Exchange proposes to amend the bullet under Table 3 which describes Total Market Maker ADV to instead describe Total Customer ADV as Priority Customer Total Consolidated Volume divided by Customer Total Consolidated Volume.[16] The Exchange defines Priority Customer Total Consolidated Volume as a Member's total Priority Customer volume executed on MRX in that month, including volume executed by Affiliated Members or Affiliated Entities. The Exchange also proposes to amend the numerical qualifications within the four tiers for Total Customer ADV so that Tier 1 requires a Member to execute up to 0.10%; Tier 2 requires a Member to execute more than 0.10% and up to 0.40%; Tier 3 requires a Member to execute more than 0.40% and up to 0.70%; and Tier 4 requires a Member to execute more than 0.70%. Unlike today, Members will be able to qualify for the pricing in Options 7, Section 3, Table 1 by the amount of Priority Customer Volume they execute on MRX.

The Exchange believes the proposed tier qualifications will incentivize Members to execute a greater amount of Priority Customer Volume on MRX in order to receive the proposed Priority Customer Taker Rebates for removing liquidity.

Options 7, Section 4

The Exchange proposes to amend Options 7, Section 4, Complex Order Fees. The current pricing in Options 7, Section 4 applies to Complex Order transactions in the Complex Order Book as well as Complex Orders submitted into the Complex Facilitation Mechanism, Complex Solicited Order Mechanism, a Complex Customer Cross Order, Complex QCC Orders and Complex QCC with Stock Orders. Today, fees apply to an originating order, contra-side order and responses, as applicable, entered into MRX's Complex Facilitation Mechanism, Complex Solicited Order Mechanism and orders entered as a Complex Customer Cross Order, Complex QCC Order or Complex QCC with Stock Order.[17] Also, interest on the Regular

[14] Total Affiliated Member or Affiliated Entity ADV means all ADV executed on the Exchange in all symbols and order types, including volume executed by Affiliated Members or Affiliated Entities. All eligible volume from Affiliated Members or an Affiliated Entity will be aggregated in determining applicable tiers.

[15] Total Market Maker ADV means all Market Maker ADV executed on the Exchange in all symbols and order types, including volume executed by Affiliated Members or Affiliated Entities. All eligible volume from Affiliated Members or an Affiliated Entity will be aggregated in determining applicable tiers.

[16] Options 7, Section 1(c) defines ''Customer Total Consolidated Volume'' as the total volume cleared at The Options Clearing Corporation in the Customer range in equity and ETF options in that month. As is the case today, all eligible volume from Affiliated Members or an Affiliated Entity will be aggregated in determining applicable tiers. The ''C'' range at OCC includes both Priority Customer and Professional Customer volume.

[17] MRX will continue to assess a Stock Handling Fee of $0.0010 per share (capped at a maximum of $50 per trade) for the stock leg of Stock-Option Orders executed against other Stock-Option Orders in the Complex Order Book. This fee will be in addition to the above-referenced fees for Complex Orders. *See* note 1 of Options 7, Section 4.

Order Book that interacts with a Complex Order is subject to Regular Order Book fees within Options 7, Section 3 and Complex PIM Orders are subject to separate pricing in Options 7, Section 3.A.

At this time the Exchange proposes to amend Options 7, Section 4 so that Complex Order fees apply to an originating order, contra-side order and both orders entered as a Complex Customer Cross Order. The Exchange proposes to assess Complex QCC Orders, Complex QCC with Stock Orders, Complex Facilitation Orders and Complex Solicited Orders the crossing order pricing in Options 7, Section 3, Table 2, rather than the pricing in Options 7, Section 4, as explained above. With this proposal, the Exchange would uniformly assess Complex QCC Orders and Complex QCC with Stock Orders the same pricing as QCC Orders and QCC with Stock Orders. Likewise, the Exchange would uniformly assess orders entered into the Complex Facilitation Mechanism and Complex Solicited Order Mechanism the same pricing as Regular Orders entered in the Facilitation Mechanism and Solicited Order Mechanism. Today, Options 7, Section 4 assesses a $0.35 per contract Penny Symbol to all Non-Priority Customer Orders and an $0.85 per contract Non-Penny Symbol fee to all Non-Priority Customer Orders for Complex QCC Orders, Complex QCC with Stock Orders, Complex Facilitation Orders and Complex Solicited Orders. Additionally, the Exchange proposes to amend Options 7, Section 4 to note that interest on the Regular Order Book that interacts with a Complex Order is subject to Regular Order Book fees within Options 7, Section 3, and specifically note ''Table 1.'' Also, the Exchange proposes to note that ''Complex Orders which are Crossing Orders are subject to separate pricing in Options 7, Section 3, Table 2. Complex PIM Orders, along with Regular PIM Orders, are subject to the pricing in Options 7, Section 3, A.'' The Exchange is not proposing to amend the Complex Order pricing in Options 7, Section 4.

The Exchange is proposing to add a new note 3 in Options 7, Section 4 which provides that ''Members that execute Complex Orders that trade with interest on the regular order book (leg) will be assessed/paid the applicable ''Taker'' Fee/Rebate in Options 7, Section 3, Table 1. To the extent that a Priority Customer Complex Order legs into the regular order book and executes against a Priority Customer regular order, the Exchange will not pay a Taker Rebate for that leg.'' The Exchange would not assess Priority Customers a Complex Order fee and therefore proposes to not pay a Taker Rebate to a Priority Customer Complex Order that executes against a Priority Customer leg in the order book.

Finally, the Exchange proposes to remove the parathesis around notes 1 and 2 and add a period to conform the format of the numbering to Options 7, Section 3 numbering.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[18] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[19] 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 proposed changes are reasonable in several respects. As a threshold matter, the Exchange is subject to significant competitive forces in the market for options securities transaction services that constrain its pricing determinations in that market. The fact that this market is competitive has long been recognized by the courts. In *NetCoalition* v. *Securities and Exchange Commission,* 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'. . . .''[20]

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, 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]

Numerous indicia demonstrate the competitive nature of this market. For example, clear substitutes to the Exchange exist in the market for options security transaction services. The Exchange is only one of seventeen options exchanges to which market participants may direct their order flow. Within this environment, market participants can freely and often do shift their order flow among the Exchange and competing venues in response to changes in their respective pricing schedules. As such, the proposal represents a reasonable attempt by the Exchange to increase its liquidity.

Options 7, Section 3—Table 1

The Exchange's proposal to offer Maker Fees and Taker Fees/Rebates in Penny and Non-Penny Symbols in Options 7, Section 3, Table 1 is reasonable because the Exchange desires to incentivize market participants to remove Priority Customer liquidity on MRX instead of offering rebates to add liquidity. With this new structure, the Exchange would continue to assess Priority Customers no Maker Fees for Penny and Non-Penny Symbols to continue to encourage Members to send Priority Customer order flow that adds liquidity to MRX and rests on the order book. The Exchange proposes to begin offering Priority Customer Taker Rebates in Penny and Non-Penny Symbols to encourage Members to send Priority Customer order flow that removes liquidity from MRX's order book. The Exchange's proposal to pay Priority Customers Taker Rebates in Penny and Non-Penny Symbols is intended to encourage market participants to send additional Priority Customer orders to MRX because the proposed pricing will reward Members that remove Priority Customer liquidity from MRX. The Exchange proposes to fund these Priority Customer Taker Rebates by assessing all Non-Priority Customers (Market Makers, Non-Nasdaq MRX Market Makers (FarMM), Firm Proprietary/Broker-Dealer and Professional Customers) uniform Non-Penny Symbol Maker Fees of $1.25 per contract. The Exchange would continue to assess Non-Priority Customers uniform $1.10 Non-Penny Symbol Taker Fees. The Exchange believes that these fees are reasonable because the Taker Rebates will encourage additional order flow to be sent to MRX with the goal of removing Priority Customer liquidity

[18] 15 U.S.C. 78f(b).

[19] 15 U.S.C. 78f(b)(4) and (5).

[20] *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–NYSEArca–2006–21)).

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

and obtaining a Taker Rebate. To the extent this proposal attracts such order flow to MRX, all Members should benefit through more trading opportunities. The proposed fees are competitive with fees assessed on BOX Exchange LLC (''BOX''). BOX pays a $0.20 per contract Taker Rebate to a Public Customer in Penny Interval Classes provided the contra-party is not another Public Customer. Additionally, BOX pays a $0.50 per contract Taker Rebate to a Public Customer in Non-Penny Interval Classes provided the contra-party is not another Public Customer.[22]

The Exchange's proposal to offer Maker Fees and Taker Fees/Rebates in Penny and Non-Penny Symbols is equitable and not unfairly discriminatory because Priority Customers would continue to not be assessed Penny or Non-Penny Symbol Maker Fees. Additionally, the proposal would pay Priority Customers Taker Rebates in Penny and Non-Penny Symbols. Unlike other market participants, Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow for other market participants, to the benefit of all market participants.

The Exchange's proposal to remove the discounted fees in note 7 of Options 7, Section 3 in Table 1 [23] is reasonable because the Exchange has amended Options 7, Section 3 in an effort to attract additional Priority Customer order flow to the Exchange. Additionally, the Exchange has amended its pricing to encourage market participants to remove liquidity on MRX and note 7 encouraged adding liquidity. The Exchange believes its proposal will create competition on MRX to execute against Priority Customer orders and therefore note 7 would be unnecessary given other changes to the pricing. The Exchange's proposal to remove the discounted fees in note 7 of Options 7, Section 3 in Table 1 is equitable and not unfairly discriminatory as no market participant would be entitled to the discounted fees.

Amending the description of an ''Exposed Order'' in Options 7, Section 1 and conforming note 6 in Options 7, Section 6 is reasonable, equitable and not unfairly discriminatory because the Exchange would no longer pay Maker Rebates and would instead uniformly pay Priority Customer Taker Rebates proposed in the Pricing Schedule as proposed in Options 7, Section 3, Table 1.

Options 7, Section 3—Table 2

The Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Penny Symbol Non-Priority Customer Fees for Crossing Orders from $0.20 per contract to $0.02 per contract for orders in the Facilitation Mechanism, Solicitation Mechanism and Block Orders is reasonable because the Exchange would be reducing the fees to enter orders in the Facilitation Mechanism, Solicitation Mechanism and Block Orders to encourage market participants to enter additional Crossing Orders. Additionally, the proposal to pay a Priority Customer Break-Up Rebate of $0.30 per contract for orders entered into the Facilitation Mechanism and Solicitation Mechanism will attract Priority Customer orders to be entered into these auctions. Applying the crossing order fees to orders entered in the Complex Facilitation Mechanism and Complex Solicitation Mechanism is reasonable because Members would pay the reduced fees in Options 7, Section 3, Table 2 as compared to the fees in Options 7, Section 4. Orders entered in the Complex Facilitation Mechanism and Complex Solicitation Mechanism would be assessed a $0.02 per contract Fee for Crossing Orders to Non-Priority Customers in Penny Symbols, a $0.20 per contract Fee for Crossing Orders to Non-Priority Customers in Non-Penny Symbols, a $0.50 Fee for Responses to Crossing Orders to all Members for Penny Symbols, and a $1.10 Fee for Responses to Crossing Orders to all Members in Non-Penny Symbols. Priority Customers would not pay a Fee for Crossing Orders. Today, Options 7, Section 4 assesses a $0.35 per contract Penny Symbol to all Non-Priority Customer Orders and an $0.85 per contract Non-Penny Symbol fee to all Members for Complex QCC Orders, Complex QCC with Stock Orders, Complex Facilitation Orders and Complex Solicited Orders. The Exchange believes that the lower Penny Symbol fees offset the slightly higher Non-Penny fees that would be assessed to orders entered in the Complex Facilitation Mechanism and Complex Solicitation Mechanism. This pricing along with the new Priority Customer Break-Up Rebate of $0.30 per contract will encourage Members to utilize the Complex Facilitation Mechanism and Complex Solicitation Mechanism. Finally, the Exchange believes it is reasonable to continue to assess QCC Orders and QCC with Stock Orders the same $0.20 per contract Fee for Crossing Orders to Non-Priority Customers in Penny and Non-Penny Symbols.[24] Priority Customers would be assessed no Fee for Crossing Orders. The Exchange would not offer the proposed lower Penny Symbol Fee for Crossing Orders to these order types as the Exchange would continue to offer today's fees with no change. The Exchange also believes it is reasonable to assess Complex QCC Orders and Complex QCC with Stock Orders the same fee as QCC Orders and QCC with Stock Orders are assessed today, as compared to the pricing in Options 7, Section 4. As noted, the Exchange would assess Complex QCC Orders and Complex QCC with Stock Orders a $0.20 per contract Fee for Crossing Orders to Non-Priority Customers in Penny and Non-Penny Symbols.[25] Priority Customers would be assessed no Fee for Crossing Orders. Complex QCC Orders and Complex QCC with Stock Orders would be subject to the same pricing as Regular QCC Orders and QCC with Stock Orders. The Exchange believes the proposed pricing will incentivize Members to enter Complex QCC Orders and Complex QCC with Stock Orders on MRX.

The Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Penny Symbols Non-Priority Customer Fees for Crossing Orders from $0.20 per contract to $0.02 per contract for orders in the Facilitation Mechanism, Solicitation Mechanism and Block Orders is equitable and not unfairly discriminatory as all market participants that enter orders in the Facilitation Mechanism, Solicitation Mechanism and Block Orders would be uniformly assessed these fees. Additionally, the Exchange would uniformly pay a Priority Customer Break-Up Rebate of $0.30 per contract for orders entered into the Facilitation Mechanism and Solicitation Mechanism. Applying the crossing order fees to orders entered in the Complex Facilitation Mechanism

[22] *See* BOX's Fee Schedule at Section IV.

[23] Members that execute Total Affiliated Member or Affiliated Entity Priority Customer ADV of 0.30% Customer Total Consolidated Volume in Regular Orders for Penny and Non-Penny Symbols which remove liquidity in a given month will be assessed: (1) a $0.10 per contract Priority Customer Taker Fee in Penny Symbols; and (2) a $0.20 per contract Priority Customer Taker Fee in Non-Penny Symbols. *See* note 7 of Options 7, Section 3 in Table 1.

[24] QCC Orders and QCC with Stock Orders are automatically executed upon entry. Responses cannot be submitted. *See* Options 3, Section 12.

[25] Complex QCC Orders and Complex QCC with Stock Orders are automatically executed upon entry. Responses cannot be submitted. *See* Options 3, Section 12.

and Complex Solicitation Mechanism is equitable and not unfairly discriminatory as the Exchange would uniformly apply these fees. Also, the pricing for orders entered in the Complex Facilitation Mechanism and Complex Solicitation Mechanism would be the same as pricing for Regular Order entered into the Facilitation Mechanism and Solicitation Mechanism. The Exchange is not amending the pricing for QCC Orders and QCC with Stock Orders. The Exchange believes it is equitable and not unfairly discriminatory to assess the same pricing for Complex QCC Orders and Complex QCC with Stock Orders as would be assessed on QCC Orders and QCC with Stock Orders, which fees would be uniformly applied.

Amending notes 1 and 2 of Options 7, Section 3, Table 2 to add the words ''and Complex'' with respect to PIM Orders to make clear that all PIM Orders would be subject to the Part A pricing in Options 7, Section 3 is reasonable, equitable and not unfairly discriminatory as Regular PIM Orders are already subject to the separate pricing in Part A below. There is no substantive change from today's pricing for Regular and Complex PIM Orders as a result of these amendments to the Pricing Schedule.

Options 7, Section 3—Table 3

Amending the current tier qualifications in Table 3 of Options 7, Section 3 is reasonable because requiring Members to execute Total Customer ADV [26] to qualify for various tiers of pricing would continue to attract Priority Customer volume to the Exchange and allow MRX Members to interact with that order flow. The Exchange continues to utilize heightened amounts of executions for each subsequent tier in Priority Customer Total Consolidated Volume to achieve the various fees. The Exchange believes the volume requirement at each tier level is reasonable. The first tier level is achievable by executing any amount of Priority Customer Total Consolidated Volume up to 10%. These levels take into account MRX's current market share and, as compared a more mature market,[27] are reasonable. The Exchange believes that market participants will benefit from an increased amount of Priority Customer Volume on MRX.

Amending the current tier qualifications in Table 3 of Options 7, Section 3 is equitable and not unfairly discriminatory as the Exchange would uniformly apply the tier qualifications to all Members.

Options 7, Section 4

The Exchange's proposal to amend Options 7, Section 4 so that Complex Order fees apply to an originating order, contra-side order and orders in the Complex Order book as well as a Complex Customer Cross Order is reasonable, equitable and not unfairly discriminatory as the Exchange is relocating Complex QCC Orders, Complex QCC with Stock Orders, Complex Facilitation Orders and Complex Solicited Orders to the pricing in Options 7, Section 3, Table 2, rather than the pricing in Options 7, Section 4. The Exchange would uniformly assess Complex QCC Orders, Complex QCC with Stock Orders the same pricing as QCC Orders and QCC with Stock Orders instead of the pricing in Options 7, Section 4. Complex QCC Orders, Complex QCC with Stock Orders would assess Non-Priority Customers a $0.20 per contract Fee for Crossing Orders in Penny and Non-Penny Symbols.[28] Likewise, the Exchange would uniformly assess orders entered into the Complex Facilitation Mechanism and Complex Solicited Order Mechanism the same pricing as Regular Orders entered in the Facilitation Mechanism and Solicited Order Mechanism. The Exchange would assess orders entered into the Complex Facilitation Mechanism and Complex Solicited Order Mechanism a Non-Priority Customers a $0.02 per contract Fee for Crossing Orders in Penny Symbols and a $0.20 per contract Fee for Crossing Orders in Non-Penny Symbols and a $0.50 Fee for Responses to Crossing Orders to all Members for Penny Symbols, and a $1.10 Fee for Responses to Crossing Orders to all Members in Non-Penny Symbols. Additionally, the Exchange's proposal to amend Options 7, Section 4 to note that ''Complex Orders which are Crossing Orders are subject to separate pricing in Options 7, Section 3, Table 2. Complex PIM Orders, along with Regular PIM Orders, are subject to the pricing in Options 7, Section 3, A'' is reasonable, equitable and not unfairly discriminatory as the Exchange believes the additional language will add clarity concerning the applicable fees all of which would be uniformly applied as such.

The Exchange's proposal to add a new note 3 in Options 7, Section 4 which provides that ''Members that execute Complex Orders that trade with interest on the regular order book (leg) will be assessed/paid the applicable ''Taker'' Fee/Rebate in Options 7, Section 3, Table 1. To the extent that a Priority Customer Complex Order legs into the regular order book and executes against a Priority Customer regular order, the Exchange will not pay a Taker Rebate for that leg,'' is reasonable, equitable and not unfairly discriminatory as the Exchange would not assess Priority Customers a Complex Order fee and therefore proposes to not pay a Taker Rebate to a Priority Customer Complex Order that executes against a Priority Customer leg in the order book. Today, the Exchange applies the pricing in Options 7, Section 3 to the regular order book. This would continue to apply, except that the Taker Fee or Taker Rebate would apply to this pricing. The Exchange would uniformly assess the applicable pricing, Regular order book or Complex Order book, to the order.

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.

Options 7, Section 3—Table 1

In terms of intra-market competition, the Exchange's proposal to offer Maker Fees and Taker Fees/Rebates in Penny and Non-Penny Symbols does not impose an undue burden on competition. Priority Customers are not assessed Penny or Non-Penny Symbol Maker Fees. Additionally, the proposal pays Priority Customers Taker Rebates in Penny and Non-Penny Symbols, unlike other market participants, and assesses Priority Customers the same or lower Taker Fees in Non-Penny Symbols as compared to other market participants. Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow for other market participants, to the benefit of all market participants.

The Exchange's proposal to remove the discounted fees in note 7 of Options 7, Section 3 in Table 1 does not impose

[26] The Exchange proposes to amend the numerical qualifications within the four tiers for Total Customer ADV so that Tier 1 requires a Member to execute up to 0.10%; Tier 2 requires a Member to execute more than 0.10% and up to 0.40%; Tier 3 requires a Member to execute more than 0.40% and up to 0.70%; and Tier 4 requires a Member to execute more than 0.70%.

[27] *See* Nasdaq Phlx LLC's Customer Rebate Program Tier qualifications at Options 7, Section 2 for a comparison.

[28] QCC Orders, QCC with Stock Orders, Complex QCC Orders, and Complex QCC with Stock Orders are automatically executed upon entry. Responses cannot be submitted. *See* Options 3, Section 12.

an undue burden on competition as no market participant would be entitled to the discounted fees.

Amending the description of an ''Exposed Order'' in Options 7, Section 1 and conforming note 6 in Options 7, Section 6 does not impose an undue burden on competition because the Exchange would no longer pay Maker Rebates and would uniformly pay Taker Rebates where proposed in the Pricing Schedule at Options 7, Section 3, Table 1.

Options 7, Section 3—Table 2

In terms of intra-market competition, the Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Penny Symbol Non-Priority Customer Fees for Crossing Orders from $0.20 per contract to $0.02 per contract for orders in the Facilitation Mechanism, Solicitation Mechanism and Block Orders does not impose an undue burden on competition as all market participants that enter orders in the Facilitation Mechanism, Solicitation Mechanism and Block Orders would be uniformly assessed these fees. Assessing lower Penny Symbol Non-Priority Customer Fees for Crossing Orders and not lowering the Penny Symbol Non-Priority Customer Responses for Crossing Orders does not impose an undue burden on competition.

Today, a differential exists as between the Fees for Crossing Orders (the fees that apply to the originating and contra-side orders) and the Responses for Crossing Orders, the Exchange does not believe that widening this differential burdens competition because lowering these originating and contra-side order fees encourages Members to initiate Facilitation Mechanisms, Complex Facilitation Mechanisms, Solicitation Mechanisms, Complex Solicitation Mechanisms and Block Orders in Penny Symbols. Members responding to these auctions would continue to be assessed $0.50 per contract. While this fee is higher than the proposed fee of $0.35 per contract to remove liquidity from the order book, the Exchange believes the fee remains competitive with other options exchanges [29] and will continue to encourage Members to initiate Facilitation Mechanisms, Complex Facilitation Mechanisms, Solicitation Mechanisms, Complex Solicitation Mechanisms and Block Orders in Penny Symbols. The liquidity the Exchange is able to attract to MRX in the form of these auctions provides other Members an opportunity to engage with auction orders and participate in the trade by breaking-up the auction order or being allocated in the auction. Members would not be able to respond to the auctions if such auctions never commence.

Additionally, the Exchange would uniformly pay a Priority Customer Break-Up Rebate of $0.30 per contract for orders entered into the Facilitation Mechanism and Solicitation Mechanism. The Exchange believes that offering a Break-Up Rebate only to a Priority Customer, and not other market participants, would not cause an undue burden on competition because Priority Customer originating order flow from the Facilitation Mechanism and Solicitation Mechanism enhances liquidity on the Exchange. This, in turn, provides more trading opportunities and attracts other market participants, thus facilitating tighter spreads, increased order flow and trading opportunities to the benefit of all market participants. Moreover, the Exchange does not assess Priority Customers a Fee for Penny or Non-Penny orders entered into the Facilitation Mechanism and Solicitation Mechanism to attract such order flow.

Applying the crossing order fees to orders entered in the Complex Facilitation Mechanism and Complex Solicitation Mechanism does not impose an undue burden on competition as the Exchange would uniformly apply these fees. Also, the pricing for orders entered in the Complex Facilitation Mechanism and Complex Solicitation Mechanism would be the same as pricing for Regular Order entered into the Facilitation Mechanism and Solicitation Mechanism. The Exchange is not amending the pricing for QCC Orders and QCC with Stock Orders. The Exchange believes assess the same pricing for Complex QCC Orders and Complex QCC with Stock Orders as would be assessed on QCC Orders and QCC with Stock Orders does not impose an undue burden on competition because these fees would be uniformly applied. Priority Customer orders would continue to be assess no Fee for Crossing Orders.

Amending notes 1 and 2 of Options 7, Section 3, Table 2 to add the words ''and Complex'' with respect to PIM Orders to make clear that all PIM Orders would be subject to the Part A pricing in Options 7, Section 3 does not impose an undue burden on competition as Regular PIM Orders are already subject to the separate pricing in Part A below. There is no substantive change from today's pricing for Regular and Complex PIM Orders as a result of these amendments to the Pricing Schedule.

Options 7, Section 3—Table 3

In terms of intra-market competition, amending the current tier qualifications in Table 3 of Options 7, Section 3 does not impose an undue burden on competition as the Exchange would uniformly apply the tier qualifications to all Members.

Options 7, Section 4

In terms of intra-market competition, the Exchange's proposal to amend Options 7, Section 4 so that Complex Order fees apply to an originating order, contra-side order and orders in the Complex Order book as well as a Complex Customer Cross Order does not impose an undue burden on competition because the Exchange would uniformly assess Complex QCC Orders, Complex QCC with Stock Orders the same pricing as QCC Orders and QCC with Stock Orders. Likewise, the Exchange would uniformly assess orders entered into the Complex Facilitation Mechanism and Complex Solicited Order Mechanism the same pricing as Regular Orders entered in the Facilitation Mechanism and Solicited Order Mechanism. Additionally, the Exchange's proposal to amend Options 7, Section 4 to note that ''Complex Orders which are Crossing Orders are subject to separate pricing in Options 7, Section 3, Table 2. Complex PIM Orders, along with Regular PIM Orders, are subject to the pricing in Options 7, Section 3, A'' does not impose an undue burden on competition as the Exchange would uniformly apply the pricing as noted herein.

The Exchange's proposal to add a new note 3 in Options 7, Section 4 which provides that ''Members that execute Complex Orders that trade with interest on the regular order book (leg) will be assessed/paid the applicable ''Taker'' Fee/Rebate in Options 7, Section 3, Table 1. To the extent that a Priority Customer Complex Order legs into the regular order book and executes against a Priority Customer regular order, the Exchange will not pay a Taker Rebate for that leg,'' does not impose an undue burden on competition as the Exchange would uniformly assess the applicable pricing, Regular order book or Complex Order book to the order.

In terms of inter-market competition, 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

[29] Miami International Securities Exchange, LLC (''MIAX'') assesses a $0.50 per contract Penny Class Responder to PRIME Auction Fee. *See* MIAX's Fee Schedule. Nasdaq ISE, LLC (''ISE'') assesses a $0.50 per contract Fee for Responses to Facilitation Orders, Solicited Orders and Block Orders. *See* ISE's Pricing Schedule.

favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other options 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.

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.[30] 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–MRX–2024–25 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–MRX–2024–25. 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 submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. 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–MRX–2024–25 and should be submitted on or before August 19, 2024.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[31]

Sherry R. Haywood,

Assistant Secretary.

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[30] 15 U.S.C. 78s(b)(3)(A)(ii).

[31] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270–656, OMB Control No. 3235–0715]

Submission for OMB Review; Comment Request; Extension: Rule 3a71–6

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549–2736.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (''PRA'') (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (''Commission'') has submitted to the Office of Management and Budget (''OMB'') a request for approval of extension of the previously approved collection of information provided for in Rule 3a71–6 (17 CFR 240.3a71–6), under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

Rule 3a71–6 provides that non-U.S. security-based swap dealers and major security-based swap participants may comply with certain Exchange Act requirements via compliance with requirements of a foreign financial regulatory system that the Commission has determined by order to be comparable to those Exchange Act requirements, taking into account the scope and objectives of the relevant foreign requirements, and the effectiveness of supervision and enforcement under the foreign regulatory regime.

Requests for substituted compliance may come from parties or groups of parties that may rely on substituted compliance, or from foreign financial authorities supervising such parties or their security-based swap activities. In practice, the Commission continues to expect that the greater portion of any such substituted compliance requests will be submitted by foreign financial authorities. For purposes of the PRA, the Commission continues to estimate that three security-based swap dealers or major security-based swap participants will submit substituted compliance applications.

The Commission staff estimates that the total time burden associated with Rule 3a71–6 is 240 hours per year and the total cost burden associated with Rule 3a71–6 is $350,400 per year.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

The public may view background documentation for this information collection at the following website: *www.reginfo.gov.* Find this particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function. Written comments and recommendations for the proposed information collection should be sent by August 28, 2024 to (i) *www.reginfo.gov/public/do/PRAMain* and (ii) Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Oluwaseun Ajayi, 100 F Street NE, Washington, DC 20549, or by sending an email to: *PRA_Mailbox@sec.gov.*

Dated: July 24, 2024.

Sherry R. Haywood,

Assistant Secretary.

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