Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2023 - * 41

Amendment No. (req. for Amendments *)

Filing by   Nasdaq PHLX LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * ✓	Amendment * ☐	Withdrawal ☐

Section 19(b)(2) * ☐	Section 19(b)(3)(A) * ✓	Section 19(b)(3)(B) * ☐

Pilot ☐	Extension of Time Period for Commission Action * ☐

Date Expires *

Rule

☐ 19b-4(f)(1)   ☐ 19b-4(f)(4)
☐ 19b-4(f)(2)   ☐ 19b-4(f)(5)
☐ 19b-4(f)(3)   ✓ 19b-4(f)(6)

Submit with link to Prefiling or Request for Waiver option

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * ☐

Section 806(e)(2) * ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Amend Options 3, Section 13

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Angela   Last Name * Dunn

Title * Principal Associate General Counsel

E-mail * Angela.Dunn@nasdaq.com

Telephone * (215) 496-5692   Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934,   Nasdaq PHLX LLC
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 08/30/2023

By   John Zecca
        (Name *)

(Title *)

EVP and Chief Legal Officer

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Date: 2023.08.30 11:59:08 -04'00'

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *		
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SR-Phlx-2023-41 19b-4.doc

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *		
Add	Remove	View

SR-Phlx-2023-41 Exhibit 1.doc

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *		
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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications		
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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

☐   Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire		
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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

☐   Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies		
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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text		
Add	Remove	View

SR-Phlx-2023-41 Exhibit 5.doc

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment		
Add	Remove	View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1.   Text of the Proposed Rule Change

(a)   Nasdaq Phlx LLC ("Phlx" or "Exchange"), pursuant to Section 19(b)(1) of

the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4 thereunder,[2] is filing with

the Securities and Exchange Commission ("SEC" or "Commission") a proposal to amend

its Rules at Options 3, Section 13, Price Improvement XL ("PIXL").

A notice of the proposed rule change for publication in the Federal Register is

attached as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5.

(b)   Not applicable.

(c)   Not applicable.

2.   Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange

pursuant to authority delegated by the Board of Directors (the "Board"). Exchange staff

will advise the Board of any action taken pursuant to delegated authority. No other

action is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to:

Angela Saccomandi Dunn
Principal Associate General Counsel
Nasdaq, Inc.
(215) 496-5692

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

a.   Purpose

Phlx proposes to amend Options 3, Section 13, Price Improvement XL ("PIXL"),

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

[2]   17 CFR 240.19b-4.

to harmonize its price improvement rule text regarding entry checks in Options 3, Section

13(a)(1) through (3) to mirror the rule text of Nasdaq GEMX, LLC's ("GEMX"), Nasdaq

MRX, LLC's ("MRX"), and Nasdaq ISE, LLC's ("ISE") PIM, and BX's PRISM, without

changing the substantive operations of these price improvement auctions . The Exchange

proposes to amend Options 3, Section 13(a)(1) through (3) to harmonize the language, to

the extent possible, with other Nasdaq affiliated markets. The harmonization will allow

market participants to compare Phlx's PIXL entry checks with similar mechanisms on

Nasdaq affiliated markets.

        The Exchange also proposes to make two technical amendments to Options 4A at

Section 6, Position Limits, and Section 12, Terms of Index Options Contracts. The

Exchange also proposes additional changes described below.

        PIXL Entry Checks

        Phlx proposes to add "a price that is" to the end of Options 3, Section 13(a)(1)

and add new subparagraphs (A) and (B) to distinguish opposite and same side checks for

a PIXL Order for less than 50 options contracts.[3] The opposite side check for a PIXL

Order for less than 50 options contracts is currently specified in the current rule text

which is being relocated to Options 3, Section 13(a)(1)(A). The same side check for a

PIXL Order for less than 50 options contracts currently does not specify the NBBO

check. Today, if the PIXL Order is for less than 50 option contracts, and if the difference

between the NBBO is $0.01, the Initiating Member must stop the entire PIXL Order at a

price that is on the same side of the market as the PIXL Order, equal to or better than the

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[3]   The proposed language below in Options 3, Section 13(a)(1) through (3) excludes Complex
           Orders which are described in Options 3, Section 13(a)(4).

NBBO[4] and better than any Limit Order on the Limit Order Book. This language

represents current System functionality. Additionally, Phlx proposes to add more detail

to describe the current System functionality. If the PIXL Order is for a Non-Public

Customer, the PIXL Order must also be better than any quote on the same side of the

market as the PIXL Order. Today, the System will check if the PIXL Order is better than

any quote on the same side of the market as the PIXL Order if the PIXL Order is for a

Non-Public Customer. The addition of this detail within Options 3, Section 13(a)(1)(B)

will bring transparency to the current System checks for a PIXL Order for less than 50

options contracts.

Phlx proposes to amend Options 3, Section 13(a)(2) to add a ":" to the end of

(a)(2) and add new subparagraphs (A) and (B) which distinguish the opposite side and

same side checks if the PIXL Order is for the account of a Public Customer and such

order is for 50 option contracts or more. The opposite side check for a PIXL Order for

the account of a Public Customer for 50 option contracts or more is currently specified in

the current rule text, which is being relocated to Options 3, Section 13(a)(2)(A). The

same side check for a PIXL Order for the account of a Public Customer for 50 option

contracts or more currently does not specify the manner in which the PIXL Order must

improve on the same side or the NBBO check. The Exchange proposes to amend the

same side check in Options 3, Section 13(a)(2)(B) to state that if the PIXL Order is for

the account of a Public Customer and such order is for 50 option contracts or more, or if

the difference between the NBBO is greater than $0.01, the Initiating Member must stop

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4   For example, if the market is 0.98 bid and 0.99 offer, a Public Customer PRISM Order to buy for
        less than 50 contracts must be stopped at 0.98 cents in this scenario to be accepted into a PRISM
        Auction, provided there is no resting order or quote on the BX order book at 0.98 in which case
        the PRISM Order would be rejected.

the entire PIXL Order at a price that is, on the same side of the market as the PIXL Order, (1) at least $0.01 better than any Limit Order on the Limit Order book; (2) at or better than the PIXL Order's limit price (if the Order is a Limit Order); and equal to or better than the NBBO. This rule text represents current System functionality. This new rule text makes clear the various same side entry checks that are performed by the current System.

Phlx proposes to amend Options 3, Section 13(a)(3) to add ":" to the end of (a)(3) and add new subparagraphs (A) and (B) which distinguish the opposite side and same side checks for a PIXL Order for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more. The Exchange currently does not specify the opposite side check in the case whether the PIXL Order is for an account of a broker dealer or any other person that is not a Public Customer and the order is for 50 contracts or more. The Exchange proposes to note the current entry check performed by the System by amending the language in Options 3, Section 13(a)(3)(A) to provide, if the PIXL Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than $0.01, the Initiating Member must stop the entire PIXL Order at a price that is: (A) equal to or better than the NBBO and the internal market PBBO (the "Reference BBO") on the opposite side of the market from the PIXL Order.[5] This language represents current System functionality. Phlx notes that the Reference BBO was defined in Options 3,

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[5]   The Exchange also proposes to amend Options 3, Section 13(a)(3)(B) to re-number current (A) and (B).

Section 13(a)(3)(A). The Exchange proposes to amend the same side check in the case

whether the PIXL Order is for an account of a broker dealer or any other person that is

not a Public Customer and the order is for 50 contracts or more. The Exchange proposes

to state if the PIXL Order is for the account of a broker dealer or any other person or

entity that is not a Public Customer and such order is for 50 option contracts or more, or

if the difference between the NBBO is greater than $0.01, the Initiating Member must

stop the entire PIXL Order at a price that is on the same side of the market as the PIXL

Order, the better of: (1) the Reference BBO price improved by at least $0.01, (2) the

PIXL Order's limit price (if the order is a Limit Order), or (3) equal to or better than the

NBBO. The Exchange is removing the clause in current Options 3, Section 13(a)(3)(2)

which the Exchange believes is confusing as current Options 3, Section 13(a)(3)(1) notes

the Reference BBO must be improved by at least $0.01. Also, the NBBO entry check is

being relocated to new subparagraph (a)(3)(B)(3).

Finally, the Exchange is making a technical amendment to Options 3, Section

13(a)(4)(A) to remove a semicolon and replace it with a comma.

The Exchange believes that the proposed amendments will bring greater clarity to

the current System functionality as the various System checks are noted for each side of

the PIXL Order. Further, the NBBO check is specifically noted as this check on the same

side check ensures the order does not trade-through. The Exchange is not substantively

amending the current System functionality.

Auction Process

The Exchange proposes a technical amendment to Options 3, Section 13(b)(4) to

remove the "an" at the beginning of the paragraph as this is unnecessary. Next, the

Exchange proposes to replace references to "Limit Order," "order" and "orders" within

Options 3, Section 13(b)(4) with the word "interest" because an order or quote on the

order book may interact with a PIXL Order. This represents current System

functionality.

Finally, the Exchange proposes to amend Options 3, Section 13(b)(6) to remove

the term "then-existing" from the paragraph. The phrase is not necessary as the clause

"cPBBO at the time of the conclusion of the Auction" makes clear which cPBBO will be

referenced.

Technical Amendments

The Exchange proposes to make two technical amendments within Options 4A,

Options Index Rules. The Exchange proposes to renumber Options 4A, Section 6(a)(iv)

to Options 4A, Section 6(a)(ii). The Exchange also proposes to re-letter Options 4A,

Section 12(a)(2)(H), (I) and (J), respectively, as Options 4A, Section 12(a)(2)(G), (H) and

(I).

b.   Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the

Act,[6] in general, and furthers the objectives of Section 6(b)(5) of the Act,[7] in particular,

in that it is designed to promote just and equitable principles of trade, to remove

impediments to and perfect the mechanism of a free and open market and a national

market system, and, in general to protect investors and the public interest.

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[6]   15 U.S.C. 78f(b).

[7]   15 U.S.C. 78f(b)(5).

PIXL Entry Checks

Phlx's proposal to amend Options 3, Section 13(a)(1) – (3) to harmonize the

language within the PIXL entry checks with language within GEMX's PIM, ISE's PIM,

MRX's PIM and BX's PRISM, without changing the substantive operations of these

price improvement auctions, is consistent with the Act and the protection of investors and

the general public because by utilizing similar language, market participants will be able

to compare Phlx's PIXL entry checks with similar mechanisms on Nasdaq affiliated

markets.

Amending Options 3, Section 13(a)(1) and adding new subparagraphs (A) and (B)

to distinguish opposite and same side checks for a PIXL Order for less than 50 options

contracts and specifying the same side NBBO check is consistent with the Act and the

protection of investors and the general public because it will add more detail to describe

the current System functionality. The NBBO check is always relevant in the same side

check to avoid a trade-through. Specifying that if the PIXL Order is for a Non-Public

Customer, the PIXL Order must also be better than any quote on the same side of the

market as the PIXL Order is consistent with the Act so that the PIXL Order improves the

order book and provides a meaningful opportunity for price improvement. Further, the

addition of this detail within Options 3, Section 13(a)(1)(B) will bring transparency to the

current System checks for a PIXL Order for less than 50 options contracts.

Amending Options 3, Section 13(a)(2) to add new subparagraphs (A) and (B) to

distinguish the opposite side and same side checks if the PIXL Order is for the account of

a Public Customer and such order is for 50 option contracts or more, and specifying the

manner in which the PIXL Order must improve on the same side or the NBBO check is

consistent with the Act and the protection of investors and the general public. The Exchange currently requires, if the PIXL Order is for the account of a Public Customer and such order is for 50 option contracts or more, that the PIXL Order must be at or better than the PIXL Order's limit price and it must also not trade-through the order book. The eligibility requirements if the PIXL Order is for the account of a Public Customer and such order is for 50 option contracts or more should provide a meaningful opportunity for price improvement, and thereby benefit investors and others in a manner that is consistent with the Act.

Amending Options 3, Section 13(a)(3) to add new subparagraphs (A) and (B) to distinguish the opposite side and same side checks for a PIXL Order for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more and specifying the opposite side check and same side NBBO check is consistent with the Act and the protection of investors and the general public. The opposite side check must be equal to or better than the NBBO and any non-displayed order on the Exchange's order book to avoid a trade-through. Also, the NBBO check is always relevant in the same side check to avoid a trade-through. The eligibility requirements if the PIXL Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more should provide a meaningful opportunity for price improvement, and thereby benefit investors and others in a manner that is consistent with the Act.

The Exchange believes that the proposed amendments will bring greater clarity to the current System functionality as the various System checks are noted for each side of the PIXL Order. Further, the NBBO check is specifically noted as this check on the same

side check ensures the order does not trade-through. The Exchange is not substantively amending the current System functionality.

Auction Process

The Exchange's proposal to amend Options 3, Section 13(b)(4) to replace references to "Limit Order," "order" and "orders" with the word "interest" is consistent with the Act and the protection of investors and the general public because an order or quote on the order book may currently interact with a PIXL Order. The proposed rule text makes clear that a quote will participate in a PIXL as unrelated marketable interest. The clarification will make the rule text transparent.

Amending Options 3, Section 13(b)(6) to remove the term "then-existing" from the paragraph is consistent with the Act because the phrase is not necessary as the subsequent clause makes clear which cPBBO will be referenced.

Technical Amendments

The Exchange's proposal to make two technical amendments within Options 4A, Options Index Rules, are consistent with the Act as the amendments to Options 4A, Sections 6 and 12 are non-substantive.

4.   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.

PIXL Entry Checks

Phlx's proposal to amend Options 3, Section 13(a)(1) – (3) to harmonize the language within the PIXL entry checks with language within GEMX's PIM, ISE's PIM, MRX's PIM and BX's PRISM, without changing the substantive operations of these

price improvement auctions, does not impose an undue burden on competition because

market participants will be able to compare Phlx's PIXL entry checks with similar

mechanisms on Nasdaq affiliated markets.

Amending Options 3, Section 13(a)(1) – (3) to specify the entry checks that are

utilized by Phlx's System today to initiate a PIXL does not impose an undue burden on

competition because these checks will apply uniformly to any order entered into PIXL.

Further, the proposed amendments will add transparency to the current System

functionality as the various System checks are noted for each side of the PIXL Order.

Further, the Exchange is not substantively amending the current System functionality.

Auction Process

The Exchange's proposal to amend Options 3, Section 13(b)(4) to replace

references to "Limit Order," "order" and "orders" within Options 3, Section 13(b)(4) with

the word "interest" does not impose an undue burden on competition because all quotes

will participate in a PIXL as an unrelated order. The clarification will make the rule text

transparent.

Amending Options 3, Section 13(b)(6) to remove the term "then-existing" from

the paragraph does not impose an undue burden on competition because the phrase is not

necessary as the subsequent clause makes clear which cPBBO will be referenced.

Technical Amendments

The Exchange's proposal to make two technical amendments within Options 4A,

Options Index Rules, do not impose an undue burden on competition as the amendments

to Options 4A, Sections 6 and 12 are non-substantive.

5.   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.

6.   Extension of Time Period for Commission Action

      Not Applicable.

7.   Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated
      Effectiveness Pursuant to Section 19(b)(2)

      The foregoing rule change has become effective pursuant to Section

19(b)(3)(A)(iii)[8] of the Act and Rule 19b-4(f)(6) thereunder[9] in that it effects a change

that: (i) does not significantly affect the protection of investors or the public interest; (ii)

does not impose any significant burden on competition; and (iii) by its terms, does not

become operative for 30 days after the date of the filing, or such shorter time as the

Commission may designate if consistent with the protection of investors and the public

interest.

      The proposed rule changes are consistent with the protection of investors and the

public interest because harmonizing the language within the PIXL entry checks with

language within GEMX's PIM, ISE's PIM, MRX's PIM and BX's PRISM, without

changing the substantive operations of these price improvement auctions, will allow

market participants to compare Phlx's PIXL entry checks with similar mechanisms on

Nasdaq affiliated markets. Amending Options 3, Section 13(a)(1) and adding new

subparagraphs (A) and (B) to distinguish opposite and same side checks for a PIXL Order

for less than 50 options contracts and specifying the same side NBBO check is consistent

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[8]   15 U.S.C. 78s(b)(3)(A)(iii).

[9]   17 CFR 240.19b-4(f)(6).

with the protection of investors and the public interest because it will add more detail to describe the current System functionality. The NBBO check is always relevant in the same side check to avoid a trade-through. Specifying that if the PIXL Order is for a Non-Public Customer, the PIXL Order must also be better than any quote on the same side of the market as the PIXL Order will improve the order book and provides a meaningful opportunity for price improvement. Further, the addition of this detail within Options 3, Section 13(a)(1)(B) will bring transparency to the current System checks for a PIXL Order for less than 50 options contracts. Amending Options 3, Section 13(a)(2) to add new subparagraphs (A) and (B) to distinguish the opposite side and same side checks if the PIXL Order is for the account of a Public Customer and such order is for 50 option contracts or more, and specifying the manner in which the PIXL Order must improve on the same side or the NBBO check is consistent with the protection of investors and the public interest because the eligibility requirements should provide a meaningful opportunity for price improvement, and thereby benefit investors. Amending Options 3, Section 13(a)(3) to add new subparagraphs (A) and (B) to distinguish the opposite side and same side checks for a PIXL Order for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more and specifying the opposite side check and same side NBBO check is consistent with the protection of investors and the public interest because the opposite side check must be equal to or better than the NBBO and any non-displayed order on the Exchange's order book to avoid a trade-through. Also, the NBBO check is always relevant in the same side check to avoid a trade-through. The eligibility requirements should provide a meaningful opportunity for price improvement, and thereby benefit investors. The

Exchange's proposal to amend Options 3, Section 13(b)(4) to replace references to "Limit Order," "order" and "orders" with the word "interest" is consistent with the protection of investors and the public interest because an order or quote on the order book may currently interact with a PIXL Order. Amending Options 3, Section 13(b)(6) to remove the term "then-existing" from the paragraph is consistent with the protection of investors and the public interest because the phrase is not necessary as the subsequent clause makes clear which cPBBO will be referenced.

The proposed rule changes do not impose any significant burden on competition, rather they harmonize the language within the PIXL entry checks with language on Nasdaq affiliated markets. Amending Options 3, Section 13(a)(1) – (3) to specify the entry checks that are utilized by Phlx's System today to initiate a PIXL does not impose any significant burden on competition because these checks will apply uniformly to any order entered into PIXL. The Exchange's proposal to amend Options 3, Section 13(b)(4) to replace references to "Limit Order," "order" and "orders" within Options 3, Section 13(b)(4) with the word "interest" does not impose any significant burden on competition because all quotes will participate in a PIXL as an unrelated order. Amending Options 3, Section 13(b)(6) to remove the term "then-existing" from the paragraph does not impose any significant burden on competition because the phrase is not necessary.

Furthermore, Rule 19b-4(f)(6)(iii)[10] requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

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[10]   17 CFR 240.19b-4(f)(6)(iii).

At any time within 60 days of the filing of the proposed rule change, the

Commission summarily may temporarily suspend such rule change if it appears to the

Commission that such action is necessary or appropriate in the public interest, for the

protection of investors, or otherwise in furtherance of the purposes of the Act. If the

Commission takes such action, the Commission shall institute proceedings to determine

whether the proposed rule should be approved or disapproved.

8.   Proposed Rule Change Based on Rules of Another Self-Regulatory Organization
        or of the Commission

        Not applicable.

9.   Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

        Not applicable.

10.   Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and
        Settlement Supervision Act

        Not applicable.

11.   Exhibits

        1.   Notice of Proposed Rule Change for publication in the Federal Register.

        5.   Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No.   ; File No. SR-Phlx-2023-41)

August__, 2023

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Options 3, Section 13

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 August 30, 2023, 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 its Rules at Options 3, Section 13, Price Improvement XL ("PIXL").

The text of the proposed rule change is available on the Exchange's Website at

https://listingcenter.nasdaq.com/rulebook/phlx/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

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

[2]   17 CFR 240.19b-4.

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 amend Options 3, Section 13, Price Improvement XL ("PIXL"),

to harmonize its price improvement rule text regarding entry checks in Options 3, Section

13(a)(1) through (3) to mirror the rule text of Nasdaq GEMX, LLC's ("GEMX"), Nasdaq

MRX, LLC's ("MRX"), and Nasdaq ISE, LLC's ("ISE") PIM, and BX's PRISM, without

changing the substantive operations of these price improvement auctions . The Exchange

proposes to amend Options 3, Section 13(a)(1) through (3) to harmonize the language, to

the extent possible, with other Nasdaq affiliated markets. The harmonization will allow

market participants to compare Phlx's PIXL entry checks with similar mechanisms on

Nasdaq affiliated markets.

The Exchange also proposes to make two technical amendments to Options 4A at

Section 6, Position Limits, and Section 12, Terms of Index Options Contracts. The

Exchange also proposes additional changes described below.

PIXL Entry Checks

Phlx proposes to add "a price that is" to the end of Options 3, Section 13(a)(1)

and add new subparagraphs (A) and (B) to distinguish opposite and same side checks for

a PIXL Order for less than 50 options contracts.[3] The opposite side check for a PIXL

Order for less than 50 options contracts is currently specified in the current rule text

which is being relocated to Options 3, Section 13(a)(1)(A). The same side check for a

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[3]   The proposed language below in Options 3, Section 13(a)(1) through (3) excludes Complex
       Orders which are described in Options 3, Section 13(a)(4).

PIXL Order for less than 50 options contracts currently does not specify the NBBO check. Today, if the PIXL Order is for less than 50 option contracts, and if the difference between the NBBO is $0.01, the Initiating Member must stop the entire PIXL Order at a price that is on the same side of the market as the PIXL Order, equal to or better than the NBBO[4] and better than any Limit Order on the Limit Order Book. This language represents current System functionality. Additionally, Phlx proposes to add more detail to describe the current System functionality. If the PIXL Order is for a Non-Public Customer, the PIXL Order must also be better than any quote on the same side of the market as the PIXL Order. Today, the System will check if the PIXL Order is better than any quote on the same side of the market as the PIXL Order if the PIXL Order is for a Non-Public Customer. The addition of this detail within Options 3, Section 13(a)(1)(B) will bring transparency to the current System checks for a PIXL Order for less than 50 options contracts.

Phlx proposes to amend Options 3, Section 13(a)(2) to add a ":" to the end of (a)(2) and add new subparagraphs (A) and (B) which distinguish the opposite side and same side checks if the PIXL Order is for the account of a Public Customer and such order is for 50 option contracts or more. The opposite side check for a PIXL Order for the account of a Public Customer for 50 option contracts or more is currently specified in the current rule text, which is being relocated to Options 3, Section 13(a)(2)(A). The same side check for a PIXL Order for the account of a Public Customer for 50 option contracts or more currently does not specify the manner in which the PIXL Order must

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4   For example, if the market is 0.98 bid and 0.99 offer, a Public Customer PRISM Order to buy for less than 50 contracts must be stopped at 0.98 cents in this scenario to be accepted into a PRISM Auction, provided there is no resting order or quote on the BX order book at 0.98 in which case the PRISM Order would be rejected.

improve on the same side or the NBBO check. The Exchange proposes to amend the

same side check in Options 3, Section 13(a)(2)(B) to state that if the PIXL Order is for

the account of a Public Customer and such order is for 50 option contracts or more, or if

the difference between the NBBO is greater than $0.01, the Initiating Member must stop

the entire PIXL Order at a price that is, on the same side of the market as the PIXL Order,

(1) at least $0.01 better than any Limit Order on the Limit Order book; (2) at or better

than the PIXL Order's limit price (if the Order is a Limit Order); and equal to or better

than the NBBO. This rule text represents current System functionality. This new rule

text makes clear the various same side entry checks that are performed by the current

System.

   Phlx proposes to amend Options 3, Section 13(a)(3) to add ":" to the end of (a)(3)

and add new subparagraphs (A) and (B) which distinguish the opposite side and same

side checks for a PIXL Order for the account of a broker dealer or any other person or

entity that is not a Public Customer and such order is for 50 option contracts or more.

The Exchange currently does not specify the opposite side check in the case whether the

PIXL Order is for an account of a broker dealer or any other person that is not a Public

Customer and the order is for 50 contracts or more. The Exchange proposes to note the

current entry check performed by the System by amending the language in Options 3,

Section 13(a)(3)(A) to provide, if the PIXL Order is for the account of a broker dealer or

any other person or entity that is not a Public Customer and such order is for 50 option

contracts or more, or if the difference between the NBBO is greater than $0.01, the

Initiating Member must stop the entire PIXL Order at a price that is: (A) equal to or

better than the NBBO and the internal market PBBO (the "Reference BBO") on the

opposite side of the market from the PIXL Order.[5] This language represents current

System functionality. Phlx notes that the Reference BBO was defined in Options 3,

Section 13(a)(3)(A). The Exchange proposes to amend the same side check in the case

whether the PIXL Order is for an account of a broker dealer or any other person that is

not a Public Customer and the order is for 50 contracts or more. The Exchange proposes

to state if the PIXL Order is for the account of a broker dealer or any other person or

entity that is not a Public Customer and such order is for 50 option contracts or more, or

if the difference between the NBBO is greater than $0.01, the Initiating Member must

stop the entire PIXL Order at a price that is on the same side of the market as the PIXL

Order, the better of: (1) the Reference BBO price improved by at least $0.01, (2) the

PIXL Order's limit price (if the order is a Limit Order), or (3) equal to or better than the

NBBO. The Exchange is removing the clause in current Options 3, Section 13(a)(3)(2)

which the Exchange believes is confusing as current Options 3, Section 13(a)(3)(1) notes

the Reference BBO must be improved by at least $0.01. Also, the NBBO entry check is

being relocated to new subparagraph (a)(3)(B)(3).

Finally, the Exchange is making a technical amendment to Options 3, Section

13(a)(4)(A) to remove a semicolon and replace it with a comma.

The Exchange believes that the proposed amendments will bring greater clarity to

the current System functionality as the various System checks are noted for each side of

the PIXL Order. Further, the NBBO check is specifically noted as this check on the same

side check ensures the order does not trade-through. The Exchange is not substantively

amending the current System functionality.

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[5]   The Exchange also proposes to amend Options 3, Section 13(a)(3)(B) to re-number current (A)
        and (B).

Auction Process

The Exchange proposes a technical amendment to Options 3, Section 13(b)(4) to remove the "an" at the beginning of the paragraph as this is unnecessary. Next, the Exchange proposes to replace references to "Limit Order," "order" and "orders" within Options 3, Section 13(b)(4) with the word "interest" because an order or quote on the order book may interact with a PIXL Order. This represents current System functionality.

Finally, the Exchange proposes to amend Options 3, Section 13(b)(6) to remove the term "then-existing" from the paragraph. The phrase is not necessary as the clause "cPBBO at the time of the conclusion of the Auction" makes clear which cPBBO will be referenced.

Technical Amendments

The Exchange proposes to make two technical amendments within Options 4A, Options Index Rules. The Exchange proposes to renumber Options 4A, Section 6(a)(iv) to Options 4A, Section 6(a)(ii). The Exchange also proposes to re-letter Options 4A, Section 12(a)(2)(H), (I) and (J), respectively, as Options 4A, Section 12(a)(2)(G), (H) and (I).

     2.   Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[6] in general, and furthers the objectives of Section 6(b)(5) of the Act,[7] in particular, in that it is designed to promote just and equitable principles of trade, to remove

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[6]   15 U.S.C. 78f(b).

[7]   15 U.S.C. 78f(b)(5).

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.

PIXL Entry Checks

Phlx's proposal to amend Options 3, Section 13(a)(1) – (3) to harmonize the

language within the PIXL entry checks with language within GEMX's PIM, ISE's PIM,

MRX's PIM and BX's PRISM, without changing the substantive operations of these

price improvement auctions, is consistent with the Act and the protection of investors and

the general public because by utilizing similar language, market participants will be able

to compare Phlx's PIXL entry checks with similar mechanisms on Nasdaq affiliated

markets.

Amending Options 3, Section 13(a)(1) and adding new subparagraphs (A) and (B)

to distinguish opposite and same side checks for a PIXL Order for less than 50 options

contracts and specifying the same side NBBO check is consistent with the Act and the

protection of investors and the general public because it will add more detail to describe

the current System functionality. The NBBO check is always relevant in the same side

check to avoid a trade-through. Specifying that if the PIXL Order is for a Non-Public

Customer, the PIXL Order must also be better than any quote on the same side of the

market as the PIXL Order is consistent with the Act so that the PIXL Order improves the

order book and provides a meaningful opportunity for price improvement. Further, the

addition of this detail within Options 3, Section 13(a)(1)(B) will bring transparency to the

current System checks for a PIXL Order for less than 50 options contracts.

Amending Options 3, Section 13(a)(2) to add new subparagraphs (A) and (B) to

distinguish the opposite side and same side checks if the PIXL Order is for the account of

a Public Customer and such order is for 50 option contracts or more, and specifying the manner in which the PIXL Order must improve on the same side or the NBBO check is consistent with the Act and the protection of investors and the general public. The Exchange currently requires, if the PIXL Order is for the account of a Public Customer and such order is for 50 option contracts or more, that the PIXL Order must be at or better than the PIXL Order's limit price and it must also not trade-through the order book. The eligibility requirements if the PIXL Order is for the account of a Public Customer and such order is for 50 option contracts or more should provide a meaningful opportunity for price improvement, and thereby benefit investors and others in a manner that is consistent with the Act.

Amending Options 3, Section 13(a)(3) to add new subparagraphs (A) and (B) to distinguish the opposite side and same side checks for a PIXL Order for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more and specifying the opposite side check and same side NBBO check is consistent with the Act and the protection of investors and the general public. The opposite side check must be equal to or better than the NBBO and any non-displayed order on the Exchange's order book to avoid a trade-through. Also, the NBBO check is always relevant in the same side check to avoid a trade-through. The eligibility requirements if the PIXL Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more should provide a meaningful opportunity for price improvement, and thereby benefit investors and others in a manner that is consistent with the Act.

The Exchange believes that the proposed amendments will bring greater clarity to the current System functionality as the various System checks are noted for each side of the PIXL Order. Further, the NBBO check is specifically noted as this check on the same side check ensures the order does not trade-through. The Exchange is not substantively amending the current System functionality.

Auction Process

The Exchange's proposal to amend Options 3, Section 13(b)(4) to replace references to "Limit Order," "order" and "orders" with the word "interest" is consistent with the Act and the protection of investors and the general public because an order or quote on the order book may currently interact with a PIXL Order. The proposed rule text makes clear that a quote will participate in a PIXL as unrelated marketable interest. The clarification will make the rule text transparent.

Amending Options 3, Section 13(b)(6) to remove the term "then-existing" from the paragraph is consistent with the Act because the phrase is not necessary as the subsequent clause makes clear which cPBBO will be referenced.

Technical Amendments

The Exchange's proposal to make two technical amendments within Options 4A, Options Index Rules, are consistent with the Act as the amendments to Options 4A, Sections 6 and 12 are non-substantive.

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.

PIXL Entry Checks

Phlx's proposal to amend Options 3, Section 13(a)(1) – (3) to harmonize the language within the PIXL entry checks with language within GEMX's PIM, ISE's PIM, MRX's PIM and BX's PRISM, without changing the substantive operations of these price improvement auctions, does not impose an undue burden on competition because market participants will be able to compare Phlx's PIXL entry checks with similar mechanisms on Nasdaq affiliated markets.

Amending Options 3, Section 13(a)(1) – (3) to specify the entry checks that are utilized by Phlx's System today to initiate a PIXL does not impose an undue burden on competition because these checks will apply uniformly to any order entered into PIXL. Further, the proposed amendments will add transparency to the current System functionality as the various System checks are noted for each side of the PIXL Order. Further, the Exchange is not substantively amending the current System functionality.

Auction Process

The Exchange's proposal to amend Options 3, Section 13(b)(4) to replace references to "Limit Order," "order" and "orders" within Options 3, Section 13(b)(4) with the word "interest" does not impose an undue burden on competition because all quotes will participate in a PIXL as an unrelated order. The clarification will make the rule text transparent.

Amending Options 3, Section 13(b)(6) to remove the term "then-existing" from the paragraph does not impose an undue burden on competition because the phrase is not necessary as the subsequent clause makes clear which cPBBO will be referenced.

Technical Amendments

The Exchange's proposal to make two technical amendments within Options 4A, Options Index Rules, do not impose an undue burden on competition as the amendments to Options 4A, Sections 6 and 12 are non-substantive.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act[8] and subparagraph (f)(6) of Rule 19b-4 thereunder.[9]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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[8]   15 U.S.C. 78s(b)(3)(A)(iii).

[9]   17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-2023-41 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-2023-41. 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-Phlx-

2023-41 and should be submitted on or before [INSERT DATE 21 DAYS AFTER

DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to

delegated authority.[10]

Sherry R. Haywood,

Assistant Secretary.

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[10]   17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined; deleted text is in brackets.

Nasdaq PHLX LLC Rules

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Options Rules

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Options 3 Options Trading Rules

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Section 13. Price Improvement XL ("PIXL")

A member may electronically submit for execution an order it represents as agent on behalf of a Public Customer, broker-dealer, or any other entity ("PIXL Order") against principal interest or against any other order (except as provided in sub-paragraph (a)(6) below) it represents as agent (an "Initiating Order") provided it submits the PIXL Order for electronic execution into the PIXL Auction ("Auction") pursuant to this Rule. The execution of a PIXL Order that is comprised of a Public Customer order to buy and a Public Customer to sell at the same price and for the same quantity will be governed by Options 3, Section 13(a) and (f) ("Public Customer-to-Public Customer Cross Order").

  (a) Auction Eligibility Requirements. All options traded on the Exchange are eligible for PIXL. A member (the "Initiating Member") may initiate an Auction provided all of the following are met:

  (1) If the PIXL Order (except if it is a Complex Order) is for less than 50 option contracts, and if the difference between the National Best Bid and National Best Offer ("NBBO") is $0.01, the Initiating Member must stop the entire PIXL Order at <u>a price that is:</u>

    <u>(A)</u> $0.01 better than the NBBO on the **opposite side** of the market from the PIXL Order, and

    <u>(B) on the **same side** of the market as the PIXL Order,</u>

        <u>(i) equal to or better than the NBBO and</u>

        <u>(ii)</u> better than any Limit Order on the Limit Order book[on the same side of the market as the PIXL Order]. <u>If the PIXL Order is for a Non-Public Customer, the PIXL Order must also be better than any quote on the same side of the market as the PIXL Order.</u>

  (2) If the PIXL Order (except if it is a Complex Order) is for the account of a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than $0.01, the Initiating Member must stop the entire PIXL Order (except if it is a Complex Order) at a price that is<u>:</u>

    <u>(A)</u> equal to or better than the NBBO and the internal market PBBO (the "Reference BBO") on the **opposite side** of the market from the PIXL Order, <u>and</u>

(B) on the **same side** of the market as the PIXL Order,

  (i) [provided that such price must be]at least $0.01 better than any Limit Order on the Limit Order book.[on the same side of the market as the PIXL Order.]

  (ii) at or better than the PIXL Order's limit price (if the order is a Limit Order), and

  (iii) equal to or better than the NBBO.

(3) If the PIXL Order (except if it is a Complex Order) is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than $0.01, the Initiating Member must stop the entire PIXL Order (except if it is a Complex Order) at a price that is:

(A) equal to or better than the NBBO and the internal market PBBO (the "Reference BBO") on the **opposite side** of the market from the PIXL Order, and

(B) on the **same side** of the market as the PIXL Order, the better of:

  ([A]i) the Reference BBO price improved by at least $0.01[on the same side of the market as the PIXL Order, or].

  ([B]ii) the PIXL Order's limit price (if the order is a Limit Order), [provided in either case that such price is at or better than the NBBO and the Reference BBO] or

  (iii) equal to or better than the NBBO.

(4) If the PIXL Order is a Complex Order and of a conforming ratio, as defined in Options 3, Section 14(a)(i) and (a)(ix), the Initiating Member must stop the entire PIXL order at a price that is better than the best net price (debit or credit)

(A) available on the Complex Order book regardless of the Complex Order book size[;], and

(B) achievable from the best Phlx bids and offers for the individual options (an "improved net price"), provided in either case that such price is equal to or better than the PIXL Order's limit price. Complex Orders consisting of a ratio other than a conforming ratio will not be accepted. This subparagraph (4) shall apply to all Complex Orders submitted into PIXL.

<center>* * * * *</center>

(b) Auction Process. Only one Auction may be conducted at a time in the same series or same strategy, otherwise the orders will be rejected. Once commenced, an Auction may not be cancelled and shall proceed as follows:

* * * * *

(4) [An u]Unrelated market or marketable [Limit Order]interest (against the PBBO) on the opposite side of the market from the PIXL Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction. In the case of a Complex PIXL Auction, an unrelated market or marketable limit Complex Order on the opposite side of the market from the Complex PIXL Order as well as [orders]interest for the individual components of the Complex Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction. If contracts remain from such unrelated [order]interest at the time the Auction ends, they will be considered for participation in the order allocation process described in sub-paragraph (5) below.

* * * * *

(6) If there are PAN responses (except if it is a Complex Order) that cross the then existing better of the Reference BBO and NBBO (provided such NBBO is not crossed) or Complex Order PAN responses that cross the [then-existing] cPBBO at the time of the conclusion of the Auction, such PAN responses will be executed, if possible, at their limit price(s).

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Options 4A Options Index Rules

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Section 6. Position Limits

(a) The position limit for a broad-based (market) index option shall be 25,000 contracts on the same side of the market except as provided below. Certain positions must be aggregated in accordance with paragraph (d) or (e) below.

  (i) Respecting the Full Value Nasdaq 100 Options, the Reduced Value Nasdaq 100 Options, the Nasdaq 100-Micro Index Options, and the Nasdaq-100 ESG Index Options there shall be no position limits.

  (ii[v]) Respecting Nasdaq-100® Volatility Index Options, there shall be no position limits.

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Section 12. Terms of Index Options Contracts

(a) *General*.

* * * * *

(2) *Exercise Prices*. The Exchange shall determine fixed point intervals of exercise prices for index options (options on indexes). Generally, except as provided in Supplementary Material .04 below, the exercise (strike) price intervals will be no less than $5, provided that the Exchange may determine to list strike prices at no less than $2.50 intervals for options on the following indexes (which may also be known as sector indexes):

* * * * *

(F) KBW Bank Index, if the strike price is less than $200,

([H]G) Nasdaq-100 Micro Index Options, if the strike price is less than $200;

([I]H) Nasdaq-100 ESG Index, if the strike price is less than $200; and

([J]I) Nasdaq-100 Index, if the strike price is less than $200.

* * * * *