Required fields are shown with yellow backgrounds and asterisks.

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

File No. * SR 2021 - * 020
Amendment No. (req. for Amendments *)

Filing by Cboe EDGA Exchange, Inc.

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)

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 *).

The Exchange proposes to amend its Fee Schedule.

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 * Sarah Last Name * Tadman

Title * Counsel

E-mail * stadtman@cboe.com

Telephone * (913) 815-7203 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Cboe EDGA Exchange, Inc.
has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 09/13/2021

By Kyle Murray (Name *)

(Title *) VP, Associate General Counsel

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.

Kyle Murray Date: 2021.09.13 17:06:26 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information * Add Remove View 21-020 (EDGA Fees - September Rou	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 21-020 (EDGA Fees - September Rou	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 * Add Remove View	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 Add Remove View	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 Add Remove View	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 Add Remove View	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 21-020 (EDGA Routing Fees - Septem	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.

Item 1. Text of the Proposed Rule Change

(a) Cboe EDGA Exchange, Inc. (the "Exchange" or "EDGA" or "EDGA Equities") proposes to amend its Fee Schedule. The text of the proposed rule change is provided in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

(a) The Exchange's President (or designee) pursuant to delegated authority approved the proposed rule change on September 1, 2021.

(b) Please refer questions and comments on the proposed rule change to Pat Sexton, Executive Vice President, General Counsel, and Corporate Secretary, (312) 786-7467, or Sarah Tadtman, Counsel, (913) 815-7203.

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

(a) Purpose

The Exchange proposes to amend its Fee Schedule applicable to its equities trading platform ("EDGA Equities") to modify the fee or rebate associated with certain routing fee codes and eliminate a particular routing fee code. [1]

The Exchange first notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More

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1 The Exchange initially filed the proposed fee changes September 1, 2021 (SR-CboeEDGA-2021-019). On September 13, 2021, the Exchange withdrew that filing and submitted this proposal.

specifically, the Exchange is only one of 16 registered equities exchanges, as well as a number of alternative trading systems and other off-exchange venues that do not have similar self-regulatory responsibilities under the Exchange Act, to which market participants may direct their order flow. Based on publicly available information,[2] no single registered equities exchange has more than 14% of the market share. Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow, discontinue, or reduce use of certain categories of products, in response to fee changes. Accordingly, competitive forces constrain the Exchange's transaction fees, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable.

The Exchange assesses fees in connection with orders routed away to various exchanges. Now, the Exchange proposes to modify certain routing fee codes currently under the Fee Codes and Associated Fees section of the Fee Schedule. First, the Exchange proposes to modify fee code C, which is appended to orders routed to Nasdaq BX, Inc. ("Nasdaq BX"), and currently provides a rebate of $0.00110 per share for securities priced at or above $1.00 and 0.10% of the dollar value for securities priced below $1.00. Specifically, the Exchange proposes to modify the description of the fee code to identify Nasdaq BX and to reduce the rebate for securities priced at or above $1.00 to $0.0005 per share.

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2 See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (August 26, 2021), available at https://markets.cboe.com/us/equities/market_statistics/.

Second, the Exchange proposes to modify fee code NX, which is appended to orders routed to NYSE National, Inc. ("NYSE National") using the ROBB, ROCO or ROUC routing strategy, and currently provides a rebate of $0.00200 per share for securities priced at or above $1.00 and is free for securities priced below $1.00. The Exchange proposes to reduce the rebate for securities priced at or above $1.00 to $0.0005 per share.

Third, the Exchange proposes to modify fee code S, which is appended to directed intermarket sweep orders ("ISOs"), and currently assesses a fee of $0.00320 per share for securities priced at or above $1.00 and 0.30% of the dollar value for securities priced below $1.00. The Exchange proposes to increase the fee for securities priced at or above $1.00 to $.00330.

Finally, as a result of minimal use in the last months, the Exchange proposes to eliminate fee code IX in its entirety. Fee code IX is appended to orders routed to the Investors Exchange LLC ("IEX") using the DIRC routing strategy, and currently assesses a fee of $0.00300 per share for securities priced at or above $1.00 and 0.30% of the dollar value for securities priced below $1.00. The Exchange believes that because so few users elect to route their orders with specifications to which fee code IX is applicable, the current demand does not warrant the infrastructure and ongoing Systems maintenance required to support the separate fee code. Therefore, the Exchange now proposes to delete fee code IX in the Fee Schedule. The Exchange notes that users will continue to be able to choose to route their orders with the same specifications to which fee codes IX currently applies —such orders will simply be assessed the fees currently in place for routed orders generally.[3] That is, if any of the routed orders to which fee code IX currently apply fee code X will be appended to such orders, which also assesses a fee of \$0.00300 per share for securities priced at or above \$1.00 and 0.30% of the dollar value for securities priced below \$1.00.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,[4] in general, and furthers the objectives of Section 6(b)(4),[5] in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and issuers and other persons using its facilities. The Exchange also believes that the proposed rule change is consistent with the objectives of Section 6(b)(5)[6] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest, and, particularly, is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

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3 The Exchange notes that there are other fee codes that apply to certain other routing specifications, however, those routed orders not otherwise specified in such other routing fee code descriptions yield the general routing fee code X.

4 15 U.S.C. 78f.

5 15 U.S.C. 78f(b)(4).

6 15 U.S.C. 78f.(b)(5).

As described above, the Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that its proposal to reduce the rebates applicable to fee codes C and NX and to increase the fee applicable to fee code S is fair, equitable, and reasonable because the proposed fees and rebate remain consistent with pricing offered by the Exchange's affiliates and competitors and does not represent a significant departure from the Exchange's general pricing structure. Specifically, the proposed fee applicable to fee code S is equal to the fee currently charged for directed ISOs on the Exchange's affiliate, Cboe BZX Exchange, Inc. ("BZX Equities").[7] Similarly, the proposed rebates applicable to fee codes C and NX are more than that offered by the Nasdaq Stock Market LLC ("Nasdaq"), which does not provide a standard rebate for similar orders.[8] Therefore, the Exchange believes the proposed fees and rebates associated with fee codes C, NX, and S remain consistent with pricing previously offered by the Exchange's affiliates and other exchanges and does not represent a significant departure from such pricing.

The Exchange believes the proposed rule change to remove fee code IX is reasonable as the Exchange has observed a minimal amount of volume in orders yielding the fee code and, therefore, the continuation of this fee code does not warrant the infrastructure and ongoing Systems maintenance required to support separate fee codes

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7 See the standard rate associated with fee code S, appended to Directed ISOs, on the BZX Equities fee schedule at https://www.cboe.com/us/equities/membership/fee_schedule/bzx/.

8 See "Route Rates" on the Nasdaq fee schedule at http://nasdaqtrader.com/Trader.aspx?id=PriceListTrading2.

for specific routed orders. As such, the Exchange also believes that is reasonable and equitable to assess routed orders which meet the specifications to which fee code IX are currently applicable the standard routing fee currently in place for all other routed orders — via fee code X, which also assesses a fee of $0.00300 per share for securities priced at or above $1.00 and 0.30% of the dollar value for securities priced below $1.00. The Exchange believes that the proposed rule change is equitable and not unfairly discriminatory because Members will continue to have the option to elect to route their orders in the same manner (i.e., routed to IEX using the DIRC strategy) and will be automatically and uniformly assessed the applicable standard rates in place for generally all other routed orders. Further, if members do not favor the Exchange's pricing for routed orders, they can send their routable orders directly to away markets instead of using routing functionality provided by the Exchange. Routing through the Exchange is optional, and the Exchange operates in a competitive environment where market participants can readily direct order flow to competing venues or providers of routing services if they deem fee levels to be excessive.

Item 4. <u>Self-Regulatory Organization's Statement on Burden on Competition</u>

The Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed modifications represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Further, while the Exchange is proposing to eliminate fee code IX, orders that meet specifications of fee code IX going forward will be assessed the rate for orders routed generally. Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed change will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets.

The Exchange believes the proposed rule change does not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Particularly, the proposed fee and rebate modifications will continue to apply to all Members equally, and as noted above, orders currently meeting the specifications of fee code IX will be assessed the rate for orders routed generally under fee code X. The Exchange believes the proposed rule change does not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As previously discussed, the Exchange operates in a highly competitive market. Members have numerous alternative venues that they may participate on and direct their order flow, including other equities exchanges, off-exchange venues, and alternative trading systems. Additionally, the Exchange represents a small percentage of the overall market. Based on publicly available information, no single equities exchange has more than 14% of the market share.[9] Therefore, no exchange possesses significant pricing power in the execution of order flow. Indeed, participants can readily choose to send their orders to other exchange and off-exchange venues if they deem fee levels at those other venues to be more favorable. Moreover, the Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, the Commission highlighted the importance of market

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9 Supra note 1.

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." [10] The fact that this market is competitive has also 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'….".[11] Accordingly, the Exchange does not believe its proposed fee change imposes any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Item 5. <u>Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others</u>

The Exchange neither solicited nor received comments on the proposed rule change.

Item 6. <u>Extension of Time Period for Commission Action</u>

Not applicable.

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[10] <u>See</u> Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

[11] 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)).

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

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act[12] and Rule 19b-4(f)(2)[13] thereunder.

(b) The Exchange designates that the proposed rule change establishes or changes a due, fee, or other charge imposed by the Exchange, which renders the proposed rule change effective upon filing with the Securities and Exchange Commission (the "Commission"). At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

(c) Not applicable.

(d) Not applicable.

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

The proposed rule change is not based on a rule either of another self-regulatory organization or of the Commission.

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

Not applicable.

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[12] 15 U.S.C. 78s(b)(3)(A).

[13] 17 CFR 240.19b-4(f)(2).

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

Not applicable.

Item 11. Exhibits

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

Exhibit 2-4. Not applicable.

Exhibit 5. Proposed rule text.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-CboeEDGA-2021-020]

[Insert date]

Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend its Fee Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on [insert date], Cboe EDGA Exchange, Inc. (the "Exchange" or "EDGA") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

Cboe EDGA Exchange, Inc. (the "Exchange" or "EDGA" or "EDGA Equities") proposes to amend its Fee Schedule. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (http://markets.cboe.com/us/equities/regulation/rule_filings/edga/), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

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

2 17 CFR 240.19b-4.

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

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. <u>Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change</u>

1. <u>Purpose</u>

The Exchange proposes to amend its Fee Schedule applicable to its equities trading platform ("EDGA Equities") to modify the fee or rebate associated with certain routing fee codes and eliminate a particular routing fee code. [3]

The Exchange first notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More specifically, the Exchange is only one of 16 registered equities exchanges, as well as a number of alternative trading systems and other off-exchange venues that do not have similar self-regulatory responsibilities under the Exchange Act, to which market participants may direct their order flow. Based on publicly available information,[4] no

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[3] The Exchange initially filed the proposed fee changes September 1, 2021 (SR-CboeEDGA-2021-019). On September 13, 2021, the Exchange withdrew that filing and submitted this proposal.

[4] <u>See</u> Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (August 26, 2021), available at https://markets.cboe.com/us/equities/market_statistics/.

single registered equities exchange has more than 14% of the market share. Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow, discontinue, or reduce use of certain categories of products, in response to fee changes. Accordingly, competitive forces constrain the Exchange's transaction fees, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable.

The Exchange assesses fees in connection with orders routed away to various exchanges. Now, the Exchange proposes to modify certain routing fee codes currently under the Fee Codes and Associated Fees section of the Fee Schedule. First, the Exchange proposes to modify fee code C, which is appended to orders routed to Nasdaq BX, Inc. ("Nasdaq BX"), and currently provides a rebate of $0.00110 per share for securities priced at or above $1.00 and 0.10% of the dollar value for securities priced below $1.00. Specifically, the Exchange proposes to modify the description of the fee code to identify Nasdaq BX and to reduce the rebate for securities priced at or above $1.00 to $0.0005 per share.

Second, the Exchange proposes to modify fee code NX, which is appended to orders routed to NYSE National, Inc. ("NYSE National") using the ROBB, ROCO or ROUC routing strategy, and currently provides a rebate of $0.00200 per share for securities priced at or above $1.00 and is free for securities priced below $1.00. The Exchange proposes to reduce the rebate for securities priced at or above $1.00 to $0.0005 per share.

Third, the Exchange proposes to modify fee code S, which is appended to directed intermarket sweep orders ("ISOs"), and currently assesses a fee of $0.00320 per share for securities priced at or above $1.00 and 0.30% of the dollar value for securities priced below $1.00. The Exchange proposes to increase the fee for securities priced at or above $1.00 to $.00330.

Finally, as a result of minimal use in the last months, the Exchange proposes to eliminate fee code IX in its entirety. Fee code IX is appended to orders routed to the Investors Exchange LLC ("IEX") using the DIRC routing strategy, and currently assesses a fee of $0.00300 per share for securities priced at or above $1.00 and 0.30% of the dollar value for securities priced below $1.00. The Exchange believes that because so few users elect to route their orders with specifications to which fee code IX is applicable, the current demand does not warrant the infrastructure and ongoing Systems maintenance required to support the separate fee code. Therefore, the Exchange now proposes to delete fee code IX in the Fee Schedule. The Exchange notes that users will continue to be able to choose to route their orders with the same specifications to which fee codes IX currently applies —such orders will simply be assessed the fees currently in place for routed orders generally.[5] That is, if any of the routed orders to which fee code IX currently apply fee code X will be appended to such orders, which also assesses a fee of $0.00300 per share for securities priced at or above $1.00 and 0.30% of the dollar value for securities priced below $1.00.

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5 The Exchange notes that there are other fee codes that apply to certain other routing specifications, however, those routed orders not otherwise specified in such other routing fee code descriptions yield the general routing fee code X.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,[6] in general, and furthers the objectives of Section 6(b)(4),[7] in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and issuers and other persons using its facilities. The Exchange also believes that the proposed rule change is consistent with the objectives of Section 6(b)(5)[8] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest, and, particularly, is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As described above, the Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that its proposal to reduce the rebates applicable to fee codes C and NX and to increase the fee applicable to fee code S is fair, equitable, and reasonable because the proposed fees and rebate remain consistent with pricing offered by the

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[6] 15 U.S.C. 78f.

[7] 15 U.S.C. 78f(b)(4).

[8] 15 U.S.C. 78f.(b)(5).

Exchange's affiliates and competitors and does not represent a significant departure from the Exchange's general pricing structure. Specifically, the proposed fee applicable to fee code S is equal to the fee currently charged for directed ISOs on the Exchange's affiliate, Cboe BZX Exchange, Inc. ("BZX Equities").[9] Similarly, the proposed rebates applicable to fee codes C and NX are more than that offered by the Nasdaq Stock Market LLC ("Nasdaq"), which does not provide a standard rebate for similar orders.[10] Therefore, the Exchange believes the proposed fees and rebates associated with fee codes C, NX, and S remain consistent with pricing previously offered by the Exchange's affiliates and other exchanges and does not represent a significant departure from such pricing.

The Exchange believes the proposed rule change to remove fee code IX is reasonable as the Exchange has observed a minimal amount of volume in orders yielding the fee code and, therefore, the continuation of this fee code does not warrant the infrastructure and ongoing Systems maintenance required to support separate fee codes for specific routed orders. As such, the Exchange also believes that is reasonable and equitable to assess routed orders which meet the specifications to which fee code IX are currently applicable the standard routing fee currently in place for all other routed orders — via fee code X, which also assesses a fee of $0.00300 per share for securities priced at or above $1.00 and 0.30% of the dollar value for securities priced below $1.00. The Exchange believes that the proposed rule change is equitable and not unfairly discriminatory because Members will continue to have the option to elect to route their

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9 See the standard rate associated with fee code S, appended to Directed ISOs, on the BZX Equities fee schedule at https://www.cboe.com/us/equities/membership/fee_schedule/bzx/.

10 See "Route Rates" on the Nasdaq fee schedule at http://nasdaqtrader.com/Trader.aspx?id=PriceListTrading2.

orders in the same manner (i.e., routed to IEX using the DIRC strategy) and will be automatically and uniformly assessed the applicable standard rates in place for generally all other routed orders. Further, if members do not favor the Exchange's pricing for routed orders, they can send their routable orders directly to away markets instead of using routing functionality provided by the Exchange. Routing through the Exchange is optional, and the Exchange operates in a competitive environment where market participants can readily direct order flow to competing venues or providers of routing services if they deem fee levels to be excessive.

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

The Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed modifications represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Further, while the Exchange is proposing to eliminate fee code IX, orders that meet specifications of fee code IX going forward will be assessed the rate for orders routed generally. Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed change will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets.

The Exchange believes the proposed rule change does not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Particularly, the proposed fee and rebate modifications will continue to apply to all Members equally, and as noted above, orders currently meeting the specifications of fee code IX will be assessed the rate for orders routed generally under fee code X. The Exchange believes the proposed rule change does not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As previously discussed, the Exchange operates in a highly competitive market. Members have numerous alternative venues that they may participate on and direct their order flow, including other equities exchanges, off-exchange venues, and alternative trading systems. Additionally, the Exchange represents a small percentage of the overall market. Based on publicly available information, no single equities exchange has more than 14% of the market share.[11] Therefore, no exchange possesses significant pricing power in the execution of order flow. Indeed, participants can readily choose to send their orders to other exchange and off-exchange venues if they deem fee levels at those other venues to be more favorable. Moreover, the Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, 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." [12] The fact that this market is competitive has also 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

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11 Supra note 3.

12 See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

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'….".[13] Accordingly, the Exchange does not believe its proposed fee change imposes any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act[14] and paragraph (f) of Rule 19b-4[15] thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

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13 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)).

14 15 U.S.C. 78s(b)(3)(A).

15 17 CFR 240.19b-4(f).

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 (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CboeEDGA-2021-020 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-CboeEDGA-2021-020. This file number should be included on the subject line if e-mail 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 (http://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, D.C. 20549 on official business days between the hours of 10:00 a.m.

and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CboeEDGA-2021-020 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[16]

Secretary

[16] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

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Cboe U.S. Equities Fee Schedules

EDGA Equities

Effective September 13, 2021

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Fee Codes and Associated Fees:

Fee Code	Description	Fee/(Rebate) Securities at or above $1.00	Fee/(Rebate) Securities below $1.00
* * * * *			
C	Routed to NASDAQ BX	(0.00[11]05)	0.10% of Dollar Value
* * * * *			
[IX]	[Routed to IEX using DIRC routing strategy]	[0.00300]	[0.30% of Dollar Value]
* * * * *			
NX	Routed to NYSE National using ROBB, ROCO or ROUC routing strategy	($0.00[20]05)	FREE
* * * * *			
S	Directed ISO	0.003[2]30	0.30% of Dollar Value
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