

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 26		SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No. * SR 2024 - * 008 Amendment No. (req. for Amendments *)	
Filing by Cboe EDGX Exchange, Inc. Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934					
Initial * <input checked="" type="checkbox"/>		Amendment * <input type="checkbox"/>		Withdrawal <input type="checkbox"/>	
Section 19(b)(2) * <input type="checkbox"/>		Section 19(b)(3)(A) * <input checked="" type="checkbox"/>		Section 19(b)(3)(B) * <input type="checkbox"/>	
Pilot <input type="checkbox"/>		Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	
		Rule			
		<input type="checkbox"/> 19b-4(f)(1)		<input type="checkbox"/> 19b-4(f)(4)	
		<input checked="" type="checkbox"/> 19b-4(f)(2)		<input type="checkbox"/> 19b-4(f)(5)	
		<input type="checkbox"/> 19b-4(f)(3)		<input type="checkbox"/> 19b-4(f)(6)	
Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/>			Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>		
Exhibit 2 Sent As Paper Document <input type="checkbox"/>			Exhibit 3 Sent As Paper Document <input type="checkbox"/>		
Description Provide a brief description of the action (limit 250 characters, required when Initial is checked *). <div>The Exchange proposes to amend its Fee Schedule.</div>					
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 * Williams Title * Senior Counsel E-mail * swilliams@cboe.com Telephone * (224) 461-6793 Fax					
Signature Pursuant to the requirements of the Securities Exchange of 1934, Cboe EDGX Exchange, Inc. has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. Date 01/10/2024 (Title *) By Laura G. Dickman VP, Associate General Counsel (Name *) <div>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.</div> <div>Laura Dickman Date: 2024.01.10 14:21:05 -06'00'</div>					

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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24-008 (EDGX Opt Fee Historical Dep		

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
24-008 (EDGX Opt Fee Historical Dep		

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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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
24-008 (EDGX Opt Fee Historical Dep		

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

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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 EDGX Exchange, Inc. (the “Exchange” or “EDGX”) 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 December 20, 2023.

(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 Williams, (224) 461-6793, Cboe EDGX Exchange, Inc., 433 West Van Buren Street, Chicago, Illinois 60607.

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.¹ By way of background, the Exchange currently makes available for purchase Depth Data, which is a daily archive of the Exchange’s depth of book real-time feed, which provides depth-of-book quotations and execution information based on options orders entered into the System.² The Exchange also offers Historical Depth Data, for no charge, which offers such data on a historical basis, i.e.

¹ The Exchange initially filed the proposed fee changes on January 2, 2024 (SR-CboeEDGX-2024-003). On January 10, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-008.

² See Exchange Fee Schedule. Daily end-of-day delivery is provided via the DataShop SFTP. Files will typically become available after 8pm ET; see also Exchange Rule 1.5, which defines “System.”

T+1 or later, dating back to October 2019. The Depth Data and Historical Depth Data are available to Members and Non-Members on the Cboe LiveVol, LLC (“LiveVol”) website³, for internal use only; LiveVol is a wholly owned subsidiary of the Exchange’s parent company, Cboe Global Markets, Inc.

The Exchange’s equities platform (“EDGX Equities”) and affiliated equities and options exchanges (i.e., Cboe Exchange, Inc. (“Cboe Options”), Cboe C2 Exchange, Inc. (“C2 Options”), Cboe BYX Exchange, Inc. (“BYX”), Cboe BZX Exchange, Inc. (“BZX”), and Cboe EDGA Exchange, Inc. (“EDGA”) (collectively, “Affiliates”) also offer similar data products. Particularly, each of the Exchange’s Affiliates offer a daily and historical archive of their depth of book real-time feed with execution information based on their trading activity that is substantially similar to the information provided by the Exchange through its Depth Data products.

Currently, the Exchange provides Historical Depth Data to users without a charge. Since the Exchange first began offering access to historical quotation and transactions data, the Exchange has made a number of significant enhancements to its platform, including, among other things, implementing a more efficient means of data delivery (via SFTP rather than shipment of hard drives), which consequently increases the value of the market data product.

The Exchange now proposes to amend its Fee Schedule and assess a fee of \$500 per month of Historical Depth Data accessed by a user. As is currently the case, the data will be provided to data recipients for internal use only, and thus, no redistribution will be permitted.

³ See <https://datashop.cboe.com/cboe-us-options-multicast-pitch>.

The Exchange notes that the Depth Data products, including the Historical Depth Data, are completely voluntary products, in that the Exchange is not required by any rule or regulation to make the reports or services available and that potential subscribers may purchase it only if they voluntarily choose to do so. Further, the Exchange notes that other exchanges offer similar products for a fee.⁴

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁵

Specifically, the Exchange believes the proposed rule change is consistent with the 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁷ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also

⁴ See, e.g., <https://www.nasdaqtrader.com/Trader.aspx?id=DPPriceListOptions#nom>; and https://www.nyse.com/publicdocs/nyse/data/NYSE_Market_Data_Fee_Schedule.pdf.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁷ Id.

believes the proposed rule change is consistent with Section 6(b)(4) of the Act,⁸ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities.

The Exchange believes the proposed change to adopt a fee for Historical Depth Data is reasonable. In adopting Regulation NMS, the Commission granted self-regulatory organizations (“SROs”) and broker-dealers increased authority and flexibility to offer new and unique market data to the public. It was believed that this authority would expand the amount of data available to consumers, and also spur innovation and competition for the provision of market data.

The Exchange also operates in a highly competitive environment. Indeed, there are currently 17 registered options exchanges that trade options. Based on publicly available information, no single options exchange has more than 12% of the market share.⁹ The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Particularly, 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.”¹⁰ Making similar data products available to market participants fosters competition in the marketplace, and constrains the ability of exchanges to charge

⁸ 15 U.S.C. 78f(b)(4).

⁹ See Cboe Global Markets U.S. Options Market Volume Summary (December 18, 2023), available at https://markets.cboe.com/us/options/market_statistics/.

¹⁰ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

supracompetitive fees. In the event that a market participant views one exchange's data product as more or less attractive than the competition they can and do switch between similar products. The Exchange believes the proposed change will continue to broaden the availability of U.S. option market data to investors consistent with the principles of Regulation NMS.

Additionally, the Exchange believes the proposed changes to the Historical Depth Data fee are reasonable, as the Exchange's Historical Depth Data is a competitively priced alternative to historical depth of book data disseminated by other national securities exchanges. The Exchange's Depth Data products, including Historical Depth Data, benefits a wide range of investors that participate in the national market system. As noted above, Nasdaq and NYSE have similar Depth Data offerings for a charge.¹¹ The Exchange therefore believes that the proposed fees are reasonable and set at a level to compete with other exchanges that offer similar reports. Indeed, proposing fees that are excessively higher than established fees for similar data products would simply serve to reduce demand for the Exchange's data product, which as noted, is entirely optional. As such, if a market participant views another exchange's potential report as more attractive, then such market participant can merely choose not to purchase the Exchange's Historical Depth Data offering and instead purchase another exchange's similar data product, which offers similar data points, albeit based on other market's trading activity. Further, the Exchange believes the fees are reasonable since, as proposed, they represent a relatively modest fee for historical depth of book data that has proven valuable for investors.

¹¹ See supra note 4.

The Exchange also believes that the proposed fee is reasonable because it is reasonably aligned with the value and benefits provided to users that choose to purchase Historical Depth Data from the Exchange. As discussed above, Historical Depth Data may be beneficial to Members and non-Members as it may provide helpful trading information regarding investor sentiment that may allow market participants to make more informed trading decisions and may be used to create and test trading models and analytical strategies and provide comprehensive insight into trading on the Exchange. As noted above, since first offering Historical Depth Data, the Exchange has made a number of significant enhancements to its platform, including, among other things, implementing a more efficient means of data delivery (via SFTP rather than shipment of hard drives), which consequently increases the value of the market data product.

Finally, the Exchange believes that the proposed change to the Exchange's Historical Depth Data offerings is equitable and not unfairly discriminatory because the change to the offering applies to all current and potential subscribers of the products uniformly, in that all subscribers will be assessed the new proposed fee for purchases of Historical Depth Data. As stated, purchase of Historical Depth Data is completely optional and not necessary for trading. Rather, the Exchange voluntarily makes Historical Depth Data available, and users may choose to purchase the data based on their own individual business needs.

Item 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 that is not necessary or appropriate in furtherance of the purposes of the Act. As discussed above, the Exchange's Historical Depth Data offering is subject

to direct competition from several other exchanges that offer similar data products. The proposed rule changes are grounded in the Exchange's efforts to compete more effectively. In this competitive environment, potential purchasers are free to choose which, if any, similar product to purchase to satisfy their need for market information. As a result, the Exchange believes the proposed rule changes permit fair competition among national securities exchanges.

Additionally, 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. The change to the Historical Depth Data offering applies to all current and potential subscribers of the product uniformly, in that all subscribers will be assessed the same fee for subscribing to receive Historical Depth Data. Moreover, purchase of Historical Depth Data is optional.

Further, the Exchange also does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As noted above, other exchanges offer similar data products, which are similarly priced.¹² 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 16 other options exchanges and off-exchange venues. Additionally, the Exchange represents a small percentage of the overall market. Based on publicly available information, no single options exchange has more than 12% of the market share.¹³ Therefore, no exchange possesses significant pricing

¹² See supra note 4.

¹³ See supra note 9.

power in the execution of option 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.”¹⁴ 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’....”¹⁵ 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.

¹⁴ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

¹⁵ *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 5. 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.

Item 6. Extension of Time Period for Commission Action

Not applicable.

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 Act¹⁶ and Rule 19b-4(f)(2)¹⁷ 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.

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f)(2).

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.

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 5. Proposed rule text.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34- ; File No. SR-CboeEDGX-2024-008]

[Insert date]

Self-Regulatory Organizations; Cboe EDGX 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 EDGX Exchange, Inc. (the “Exchange” or “EDGX”) 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 EDGX Exchange, Inc. (the “Exchange” or “EDGX”) 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/options/regulation/rule_filings/edgx/), at the Exchange’s Office of the Secretary, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The Exchange proposes to amend its Fee Schedule.³ By way of background, the Exchange currently makes available for purchase Depth Data, which is a daily archive of the Exchange's depth of book real-time feed, which provides depth-of-book quotations and execution information based on options orders entered into the System.⁴ The Exchange also offers Historical Depth Data, for no charge, which offers such data on a historical basis, i.e. T+1 or later, dating back to October 2019. The Depth Data and Historical Depth Data are available to Members and Non-Members on the Cboe LiveVol, LLC ("LiveVol") website⁵, for internal use only; LiveVol is a wholly owned subsidiary of the Exchange's parent company, Cboe Global Markets, Inc.

The Exchange's equities platform ("EDGX Equities") and affiliated equities and options exchanges (i.e., Cboe Exchange, Inc. ("Cboe Options"), Cboe C2 Exchange, Inc.

³ The Exchange initially filed the proposed fee changes on January 2, 2024 (SR-CboeEDGX-2024-003). On January 10, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-008.

⁴ See Exchange Fee Schedule. Daily end-of-day delivery is provided via the DataShop SFTP. Files will typically become available after 8pm ET; see also Exchange Rule 1.5, which defines "System."

⁵ See <https://datashop.cboe.com/cboe-us-options-multicast-pitch>.

(“C2 Options”), Cboe BYX Exchange, Inc. (“BYX”), Cboe BZX Exchange, Inc. (“BZX”), and Cboe EDGA Exchange, Inc. (“EDGA”) (collectively, “Affiliates”) also offer similar data products. Particularly, each of the Exchange’s Affiliates offer a daily and historical archive of their depth of book real-time feed with execution information based on their trading activity that is substantially similar to the information provided by the Exchange through its Depth Data products.

Currently, the Exchange provides Historical Depth Data to users without a charge. Since the Exchange first began offering access to historical quotation and transactions data, the Exchange has made a number of significant enhancements to its platform, including, among other things, implementing a more efficient means of data delivery (via SFTP rather than shipment of hard drives), which consequently increases the value of the market data product.

The Exchange now proposes to amend its Fee Schedule and assess a fee of \$500 per month of Historical Depth Data accessed by a user. As is currently the case, the data will be provided to data recipients for internal use only, and thus, no redistribution will be permitted.

The Exchange notes that the Depth Data products, including the Historical Depth Data, are completely voluntary products, in that the Exchange is not required by any rule or regulation to make the reports or services available and that potential subscribers may purchase it only if they voluntarily choose to do so. Further, the Exchange notes that other exchanges offer similar products for a fee.⁶

⁶ See, e.g., <https://www.nasdaqtrader.com/Trader.aspx?id=DPPriceListOptions#nom;> and https://www.nyse.com/publicdocs/nyse/data/NYSE_Market_Data_Fee_Schedule.pdf.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁷

Specifically, the Exchange believes the proposed rule change is consistent with the 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁹ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act,¹⁰ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities.

The Exchange believes the proposed change to adopt a fee for Historical Depth Data is reasonable. In adopting Regulation NMS, the Commission granted self-regulatory organizations (“SROs”) and broker-dealers increased authority and flexibility to offer

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

⁹ Id.

¹⁰ 15 U.S.C. 78f(b)(4).

new and unique market data to the public. It was believed that this authority would expand the amount of data available to consumers, and also spur innovation and competition for the provision of market data.

The Exchange also operates in a highly competitive environment. Indeed, there are currently 17 registered options exchanges that trade options. Based on publicly available information, no single options exchange has more than 12% of the market share.¹¹ The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Particularly, 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 Making similar data products available to market participants fosters competition in the marketplace, and constrains the ability of exchanges to charge supracompetitive fees. In the event that a market participant views one exchange’s data product as more or less attractive than the competition they can and do switch between similar products. The Exchange believes the proposed change will continue to broaden the availability of U.S. option market data to investors consistent with the principles of Regulation NMS.

¹¹ See Cboe Global Markets U.S. Options Market Volume Summary (December 18, 2023), available at https://markets.cboe.com/us/options/market_statistics/.

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

Additionally, the Exchange believes the proposed changes to the Historical Depth Data fee are reasonable, as the Exchange's Historical Depth Data is a competitively priced alternative to historical depth of book data disseminated by other national securities exchanges. The Exchange's Depth Data products, including Historical Depth Data, benefits a wide range of investors that participate in the national market system. As noted above, Nasdaq and NYSE have similar Depth Data offerings for a charge.¹³ The Exchange therefore believes that the proposed fees are reasonable and set at a level to compete with other exchanges that offer similar reports. Indeed, proposing fees that are excessively higher than established fees for similar data products would simply serve to reduce demand for the Exchange's data product, which as noted, is entirely optional. As such, if a market participant views another exchange's potential report as more attractive, then such market participant can merely choose not to purchase the Exchange's Historical Depth Data offering and instead purchase another exchange's similar data product, which offers similar data points, albeit based on other market's trading activity. Further, the Exchange believes the fees are reasonable since, as proposed, they represent a relatively modest fee for historical depth of book data that has proven valuable for investors.

The Exchange also believes that the proposed fee is reasonable because it is reasonably aligned with the value and benefits provided to users that choose to purchase Historical Depth Data from the Exchange. As discussed above, Historical Depth Data may be beneficial to Members and non-Members as it may provide helpful trading information regarding investor sentiment that may allow market participants to make

¹³ See supra note 5.

more informed trading decisions and may be used to create and test trading models and analytical strategies and provide comprehensive insight into trading on the Exchange. As noted above, since first offering Historical Depth Data, the Exchange has made a number of significant enhancements to its platform, including, among other things, implementing a more efficient means of data delivery (via SFTP rather than shipment of hard drives), which consequently increases the value of the market data product.

Finally, the Exchange believes that the proposed change to the Exchange's Historical Depth Data offerings is equitable and not unfairly discriminatory because the change to the offering applies to all current and potential subscribers of the products uniformly, in that all subscribers will be assessed the new proposed fee for purchases of Historical Depth Data. As stated, purchase of Historical Depth Data is completely optional and not necessary for trading. Rather, the Exchange voluntarily makes Historical Depth Data available, and users may choose to purchase the data based on their own individual business needs.

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 that is not necessary or appropriate in furtherance of the purposes of the Act. As discussed above, the Exchange's Historical Depth Data offering is subject to direct competition from several other exchanges that offer similar data products. The proposed rule changes are grounded in the Exchange's efforts to compete more effectively. In this competitive environment, potential purchasers are free to choose which, if any, similar product to purchase to satisfy their need for market information. As a result, the Exchange believes the proposed rule changes permit fair competition among national securities exchanges.

Additionally, 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. The change to the Historical Depth Data offering applies to all current and potential subscribers of the product uniformly, in that all subscribers will be assessed the same fee for subscribing to receive Historical Depth Data. Moreover, purchase of Historical Depth Data is optional.

Further, the Exchange also does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As noted above, other exchanges offer similar data products, which are similarly priced.¹⁴ 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 16 other options exchanges and off-exchange venues. Additionally, the Exchange represents a small percentage of the overall market. Based on publicly available information, no single options exchange has more than 12% of the market share.¹⁵ Therefore, no exchange possesses significant pricing power in the execution of option 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

¹⁴ See supra note 5.

¹⁵ See supra note 10.

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.”¹⁶ 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’”¹⁷ 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.

¹⁶ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

¹⁷ *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)).

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 Act¹⁸ and paragraph (f) of Rule 19b-4¹⁹ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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-CboeEDGX-2024-008 on the subject line.

¹⁸ 15 U.S.C. 78s(b)(3)(A).

¹⁹ 17 CFR 240.19b-4(f).

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-CboeEDGX-2024-008. 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-CboeEDGX-2024-008 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.²⁰

Sherry R. Haywood,

Assistant Secretary.

²⁰ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

* * * * *

Rules of Cboe EDGX Exchange, Inc.

* * * * *

Cboe U.S. Options Fee Schedules**EDGX Options****Effective January [2]10, 2024**

* * * * *

Market Data Fees:

* * * * *

Cboe One Options Feed:

Internal Distribution Fee	\$15,000/month
External Distribution Fee*	\$10,000/month
Professional User Fee	\$30.50/month/user
Non-Professional User Fee	\$0.60/month/user
Enterprise Fee**	
0 -1,500,000 Users	\$350,000/month
1,500,001 – 2,500,000 Users	\$550,000/month
Greater than 2,500,000 Users	\$750,000/month
Data Consolidation Fee	\$500/month

* New External Distributors will not be charged an External Distribution Fee for their first three (3) months (the "New External Distributor Credit"). Any trial usage period for Cboe One Options will not be counted towards the first three (3) months. Each External Distributor will also be eligible to receive a credit against its monthly Distributor Fee for the Cboe One Options equal to the amount of its monthly User Fees or Enterprise Fee up to a maximum of the External Distributor Fee for the Cboe One Options (the "Distributor Fee Credit"). External Distributors will not be eligible to receive the Distributor Fee Credit during an External Distributor's trial usage period for Cboe One Options or while they are receiving the New External Distributor Credit.

** As an alternative to Professional and Non-Professional User fees, a Distributor may purchase a monthly Enterprise license to receive the Cboe One Options for distribution to a defined number of Professional and Non-Professional Users. A Distributor must pay a separate Enterprise Fee for each entity for which it controls the display of the Cboe One Options if it wishes for such entity's Users to be covered by the Enterprise Fee. Tiers 1 and 2 will be subject to monthly reporting requirements and Tier 3 will be required to report every 6-months. The Enterprise Fee is in addition to the Distributor Fee and is non-progressive. Distributors may purchase an Enterprise license on a monthly or annual basis. Annual Enterprise licenses will receive a 5% discount.

Historical Depth Data:

<u>Delivery (Internal Use Only)</u>	<u>Fee</u>
<u>Per Month of Access Data</u>	<u>\$500</u>

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