

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 36		SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No. * SR 2025 - * 091 Amendment No. (req. for Amendments *)	
Filing by Cboe BZX 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 *). 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 * Courtney Last Name * Smith Title * Senior Counsel E-mail * csmith@cboe.com Telephone * (913) 222-4652 Fax					
Signature Pursuant to the requirements of the Securities Exchange of 1934, Cboe BZX Exchange, Inc. has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. Date 07/10/2025 (Title *) By Matthew Iwamaye VP, Associate General Counsel (Name *) 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. Matthew Iwamaye Date: 2025.07.10 11:02:58 -05'00'					

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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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BZX-25-091 19b-4 (BZX Fees - July) v

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 *

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BZX-25-091 Exhibit 1 (July Fees).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.

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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.

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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

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BZX-25-091 Exhibit 5 (July fees) - v2.c

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 BZX Exchange, Inc. (the “Exchange” or “BZX”) proposes to amend its Fee Schedule by: i) revising the volume component of Add Volume Tier 1; ii) revising the volume component and the applicable rebate of Add Volume Tier 3; and iii) removing the shares component of certain Add Volume Tiers and replacing it with a component that excludes a Member’s subdollar trading activity. 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 June 30, 2025.

(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 Courtney Smith, Senior Counsel, (913) 222-4652, Cboe BZX 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 applicable to its equities trading platform (“BZX Equities”) by: i) revising the volume component of Add Volume Tier 1; ii) revising the volume component and the applicable rebate of Add Volume Tier 3; and iii) removing the shares component of certain Add Volume Tiers and replacing it with a

component that excludes a Member's subdollar trading activity. The Exchange proposes to implement these changes effective July 1, 2025.¹

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 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 Securities Exchange Act of 1934 (the "Act"), to which market participants may direct their order flow. Based on publicly available information,² no single registered equities exchange has more than 13% 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 in particular operates a "Maker-Taker" model whereby it pays rebates to members that add liquidity and assesses fees to those that remove liquidity. The Exchange's Fee Schedule sets forth the standard rebates and rates applied per share for orders that provide and remove liquidity, respectively. Currently, for orders in securities priced at or above \$1.00, the Exchange provides a standard rebate of \$0.00160 per share for orders that add liquidity and assesses a fee of \$0.0030 per share for orders that remove liquidity.³ For orders in securities priced below \$1.00, the Exchange does not provide a rebate for orders that add liquidity and assesses a fee of 0.30% of the total dollar value for

¹ The Exchange previously submitted the proposed rule change on July 1, 2025 (SR-CboeBZX-2025-084). On July 10, 2025, the Exchange withdrew that filing and submitted this proposal.

² See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (June 23, 2025), available at https://www.cboe.com/us/equities/market_statistics/.

³ See BZX Equities Fee Schedule, Standard Rates.

orders that remove liquidity.⁴ Additionally, in response to the competitive environment, the Exchange also offers tiered pricing which provides Members opportunities to qualify for higher rebates or reduced fees where certain volume criteria and thresholds are met. Tiered pricing provides an incremental incentive for Members to strive for higher tier levels, which provides increasingly higher benefits or discounts for satisfying increasingly more stringent criteria.

Add/Remove Volume Tiers

Under footnote 1 of the Fee Schedule, the Exchange offers various Add/Remove Volume Tiers. In particular, the Exchange offers nine Add Volume Tiers that provide enhanced rebates for orders yielding fee codes B,⁵ V⁶ and Y⁷ where a Member reaches certain add volume-based criteria. The Exchange now proposes to modify the criteria of Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 by removing the shares component in the second prong of criteria and replacing this criteria with a criteria that excludes a Member's subdollar trading activity. The Exchange also proposes to revise the current volume criteria in the first prong of criteria of Add Volume Tier 1, the current volume criteria in the first prong of criteria of Add Volume Tier 3, and the applicable rebate associated with Add Volume Tier 3. The current criteria for Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 is as follows:

- Add Volume Tier 1 provides a rebate of \$0.0020 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or

⁴ Id.

⁵ Fee code B is appended to displayed orders that add liquidity to BZX in Tape B securities.

⁶ Fee code V is appended to displayed orders that add liquidity to BZX in Tape A securities.

⁷ Fee code Y is appended to displayed orders that add liquidity to BZX in Tape C securities.

Y) where a Member has an ADAV⁸ as a percentage of TCV⁹ $\geq 0.05\%$ or Member has an ADAV $\geq 10,000,000$.

- Add Volume Tier 2 provides a rebate of \$0.0023 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.20\%$ or Member has an ADAV $\geq 40,000,000$.
- Add Volume Tier 3 provides a rebate of \$0.0027 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.30\%$ or Member has an ADAV $\geq 50,000,000$.
- Add Volume Tier 5 provides a rebate of \$0.0029 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.35\%$ or Member has an ADAV $\geq 60,000,000$.
- Add Volume Tier 6 provides a rebate of \$0.0030 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.60\%$ or Member has an ADAV $\geq 120,000,000$.
- Add Volume Tier 7 provides a rebate of \$0.0031 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or

⁸ “ADAV” means average daily added volume calculated as the number of shares added per day. ADAV is calculated on a monthly basis.

⁹ “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply.

Y) where a Member has an ADAV as a percentage of TCV $\geq 1.00\%$ or Member has an ADAV $\geq 200,000,000$.

The proposed criteria for Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 is as follows:

- Add Volume Tier 1 provides a rebate of \$0.0020 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.06\%$ or Member has an Ex-Subdollar ADAV¹⁰ as a percentage of Ex-Subdollar TCV¹¹ $\geq 0.06\%$.
- Add Volume Tier 2 provides a rebate of \$0.0023 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.20\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.20\%$.
- Add Volume Tier 3 provides a rebate of \$0.0028 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.25\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.25\%$.
- Add Volume Tier 5 provides a rebate of \$0.0029 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or

¹⁰ The Exchange proposes to introduce the term “Ex-Subdollar ADAV” to the Definitions section of the Fee Schedule. “Ex-Subdollar ADAV” means ADAV that excludes executions in securities priced below \$1.00.

¹¹ The Exchange proposes to introduce the term “Ex-Subdollar TCV” to the Definitions section of the Fee Schedule. “Ex-Subdollar TCV” means TCV that excludes executions in securities that have an average daily price below \$1.00.

Y) where a Member has an ADAV as a percentage of TCV $\geq 0.35\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.35\%$.

- Add Volume Tier 6 provides a rebate of \$0.0030 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.60\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.60\%$.
- Add Volume Tier 7 provides a rebate of \$0.0031 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 1.00\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 1.00\%$.

The proposed modification to the volume component of the first prong of criteria of Add Volume Tier 1 represents a modest increase in difficulty of one prong of criteria to achieve the applicable tier threshold while maintaining the existing rebate. Similarly, the proposed modification to the volume component of the first prong of criteria of Add Volume Tier 3 represents a modest decrease in difficulty of one prong of criteria to achieve the applicable tier threshold while slightly increasing the rebate associated with Add Volume Tier 3. In both instances, the revised first prong of criteria is designed to match the percentage requirement in the second prong of criteria and is commensurate with the rebate earned if the criteria is satisfied.

While ADAV as a percentage of TCV is generally a reasonable baseline for determining tiered pricing for Members, the Exchange notes that in certain months where subdollar trading volume is significantly higher, TCV becomes inflated due to the higher levels of subdollar volume. During these months of high subdollar trading volume, if a

Member does not increase its volume to account for the increased TCV, then the Member is disadvantaged when it comes to satisfying criteria requiring ADAV as a percentage of TCV. The Exchange's proposed introduction of the Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV prong of criteria (the "Ex-Subdollar Criteria") in Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 is designed to provide Members with an opportunity to earn an enhanced rebate during months when subdollar trading activity is high and the Exchange's calculation of ADAV inclusive of subdollar volume under the Tiers' existing criteria could potentially make it far more difficult for the Member to qualify, particularly when the Member's volume in securities priced at or above \$1.00 remains relatively constant. The Exchange notes that its proposed Ex-Subdollar Criteria in Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 will introduce a new method of calculating ADAV as a percentage of TCV, exclusive of subdollar activity.¹²

This change is intended to aid Members during months where subdollar volume is elevated, thus causing the TCV (used as the denominator when the Exchange calculates this prong of criteria) to be significantly higher while the Member's ADAV (used as the numerator for the Exchange's calculation of this prong of criteria) remains relatively stable if they are not actively trading in securities priced below \$1.00. In months when subdollar trading activity is particularly high, the Exchange believes that it would be unfair to Members that execute significant volume in securities priced at or above \$1.00 to potentially not be able to qualify for an enhanced rebate or lose existing incentives due to

¹² The Exchange notes that NYSE Arca offers a similar method of calculating total equity volume and total equity CADV for certain tiers in order to determine the appropriate fees and credits for its ETP Holders. See NYSE Arca Equities Fee and Charges, NYSE Arca Marketplace: Trade Related Fees and Credits, Footnote 1. See also Securities Exchange Act Release No. 34-100506 (July 11, 2024), 89 FR 58215 (July 17, 2024), SR-NYSEArca-2024-58 ("NYSE Arca Fee Filing").

an increase in TCV due to a significant increase in the amount of volume in securities priced below \$1.00. The Exchange believes that the proposed criteria continues to be commensurate with the rebate received for each tier and will encourage Members to grow their volume on the Exchange. Increased volume on the Exchange contributes to a deeper and more liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁴ 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)¹⁵ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers as well as Section 6(b)(4)¹⁶ as it is designed to provide for the equitable allocation of

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ Id.

¹⁶ 15 U.S.C. 78f(b)(4)

reasonable dues, fees and other charges among its Members and other persons using its facilities.

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: i) revise the volume component of Add Volume Tier 1; ii) revise the volume component and the applicable rebate of Add Volume Tier 3; and iii) remove the shares component of certain Add Volume Tiers and replace it with a component that excludes a Member's subdollar trading activity reflects a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes would enhance market quality to the benefit of all Members. Additionally, the Exchange notes that relative volume-based incentives and discounts have been widely adopted by exchanges,¹⁷ including the Exchange,¹⁸ and are reasonable, equitable and non-discriminatory because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to (i) the value to an exchange's market quality and (ii) associated higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns. Competing exchanges offer similar tiered pricing structures, including schedules or rebates and fees

¹⁷ See e.g., EDGX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers. See also, NYSE Arca Equities Fees and Charges, NYSE Arca Marketplace: Trade Related Fees and Credits, Footnote 1 and NYSE Arca Equities Fees and Charges, Tier Rates – Round Lots and Odd Lots (Per Share Price \$1.00 or Above).

¹⁸ See e.g., BZX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers.

that apply based upon members achieving certain volume and/or growth thresholds, as well as assess similar fees or rebates for similar types of orders, to that of the Exchange.¹⁹

In particular, the Exchange believes its proposal to i) revise the volume component of Add Volume Tier 1; ii) revise the volume component and the applicable rebate of Add Volume Tier 3; and iii) remove the shares component of certain Add Volume Tiers and replace it with a component that excludes a Member's subdollar trading activity is reasonable because the revised tiers will be available to all Members and provide all Members with an opportunity to receive an enhanced rebate. The Exchange further believes the proposed modification to the Add Volume Tiers will provide a reasonable means to encourage liquidity adding displayed and non-displayed orders in Members' order flow to the Exchange and to incentivize Members to continue to provide liquidity adding volume to the Exchange by offering them an opportunity to receive an enhanced rebate on qualifying orders. An overall increase in activity would deepen the Exchange's liquidity pool, offer additional cost savings, support the quality of price discovery, promote market transparency and improve market quality, for all investors.

Additionally, the Exchange believes that the proposed changes to the Add Volume Tiers are reasonable as they do not represent a significant departure from the criteria currently offered in the Fee Schedule. The Exchange also believes that the proposed changes to the Add Volume Tiers represents an equitable allocation of fees and rebates and is not unfairly discriminatory because all Members continue to be eligible for the revised

¹⁹ Supra footnote 17.

tiers and have the opportunity to meet the tiers' criteria and receive the corresponding enhanced rebates if such criteria is met.

Further, the Exchange believes its proposed modification to the rate associated with Add Volume Tier 3 reflects a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes would enhance market quality to the benefit of all Members. In particular, the Exchange believes its proposal to modify the higher rebate associated with Add Volume Tier 3 is reasonable, equitable, and consistent with the Act because such change is designed to incentivize Members to submit additional displayed order flow to the Exchange by providing a higher enhanced rebate and such rebate remains consistent with the Exchange's overall pricing philosophy of encouraging added liquidity. The proposed increased rebate of \$0.0028 per share is reasonable and appropriate because it is commensurate with the rebates provided by the Exchange's other Add Volume tiers and the criteria required to be satisfied under Add Volume Tier 3. The Exchange further believes that the proposed increase to the rebate associated with Add Volume Tier 3 is not unfairly discriminatory because it applies to all Members equally, in that all Members will be eligible to receive the higher rebate upon satisfying the criteria associated with Add Volume Tier 3.

Without having a view of activity on other markets and off-exchange venues, the Exchange has no way of knowing whether this proposed rule change would definitely result in any Members qualifying for the revised Add Volume Tiers. While the Exchange has no way of predicting with certainty how the proposed changes will impact Member activity, based on the prior month's volume, the Exchange anticipates that at least two Members will be able to satisfy proposed Add Volume Tier 1, no Members will be able to satisfy

proposed Add Volume Tier 2, at least one Member will be able to satisfy proposed Add Volume Tier 3, at least three Members will be able to satisfy proposed Add Volume Tier 5, no Members will be able to satisfy proposed Add Volume Tier 6, and no Members will be able to satisfy proposed Add Volume Tier 7. The Exchange also notes that the proposed changes will not adversely impact any Member's ability to qualify for enhanced rebates offered under other tiers. Should a Member not meet the proposed new criteria, the Member will merely not receive that corresponding enhanced rebate.

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. Rather, as discussed above, the Exchange believes that the proposed change would encourage the submission of additional order flow to a public exchange, thereby promoting market depth, execution incentives and enhanced execution opportunities, as well as price discovery and transparency for all Members. As a result, the Exchange believes that the proposed changes further the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."

The Exchange believes the proposed rule changes do not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Particularly, the proposed modifications to the Add Volume Tiers will apply to all Members equally in that all Members are eligible for the revised tiers, have a reasonable opportunity to meet the tiers' proposed criteria and will receive the enhanced rebate on their qualifying orders if such criteria is met. The Exchange does not believe the proposed

changes burden competition, but rather, enhance competition as they are intended to increase the competitiveness of BZX by amending existing pricing incentives in order to attract order flow and incentivize participants to increase their participation on the Exchange, providing for additional execution opportunities for market participants and improved price transparency. Greater overall order flow, trading opportunities, and pricing transparency benefits all market participants on the Exchange by enhancing market quality and continuing to encourage Members to send orders, thereby contributing towards a robust and well-balanced market ecosystem.

Next, the Exchange believes the proposed rule changes do 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.²⁰ 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

²⁰ Supra note 2.

revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”²¹ 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’....”²² 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. 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.

²¹ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

²² *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 Act²³ and Rule 19b-4(f)(2)²⁴ 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.

²³ 15 U.S.C. 78s(b)(3)(A).

²⁴ 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.

Exhibits 2-4. Not applicable.

Exhibit 5. Proposed rule text.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34- ; File No. SR-CboeBZX-2025-091

[Insert date]

Self-Regulatory Organizations; Cboe BZX 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 BZX Exchange, Inc. (the “Exchange” or “BZX”) 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 BZX Exchange, Inc. (the “Exchange” or “BZX”) proposes to amend its Fee Schedule by: i) revising the volume component of Add Volume Tier 1; ii) revising the volume component and the applicable rebate of Add Volume Tier 3; and iii) removing the shares component of certain Add Volume Tiers and replacing it with a component that excludes a Member’s subdollar trading activity. The text of the proposed rule change is provided in Exhibit 5.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

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

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

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

1. Purpose

The Exchange proposes to amend its Fee Schedule applicable to its equities trading platform ("BZX Equities") by: i) revising the volume component of Add Volume Tier 1; ii) revising the volume component and the applicable rebate of Add Volume Tier 3; and iii) removing the shares component of certain Add Volume Tiers and replacing it with a component that excludes a Member's subdollar trading activity. The Exchange proposes to implement these changes effective July 1, 2025.³

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 Securities

³ The Exchange previously submitted the proposed rule change on July 1, 2025 (SR-CboeBZX-2025-084). On July 10, 2025, the Exchange withdrew that filing and submitted this proposal.

Exchange Act of 1934 (the “Act”), to which market participants may direct their order flow. Based on publicly available information,⁴ no single registered equities exchange has more than 13% 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 in particular operates a “Maker-Taker” model whereby it pays rebates to members that add liquidity and assesses fees to those that remove liquidity. The Exchange’s Fee Schedule sets forth the standard rebates and rates applied per share for orders that provide and remove liquidity, respectively. Currently, for orders in securities priced at or above \$1.00, the Exchange provides a standard rebate of \$0.00160 per share for orders that add liquidity and assesses a fee of \$0.0030 per share for orders that remove liquidity.⁵ For orders in securities priced below \$1.00, the Exchange does not provide a rebate for orders that add liquidity and assesses a fee of 0.30% of the total dollar value for orders that remove liquidity.⁶ Additionally, in response to the competitive environment, the Exchange also offers tiered pricing which provides Members opportunities to qualify for higher rebates or reduced fees where certain volume criteria and thresholds are met. Tiered pricing provides an incremental incentive for Members to strive for higher tier levels, which provides increasingly higher benefits or discounts for satisfying increasingly more stringent criteria.

Add/Remove Volume Tiers

Under footnote 1 of the Fee Schedule, the Exchange offers various Add/Remove Volume Tiers. In particular, the Exchange offers nine Add Volume Tiers that provide enhanced rebates for orders yielding fee codes B,⁷ V⁸ and Y⁹ where a Member reaches certain add volume-based criteria.

⁴ See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (June 23, 2025), available at https://www.cboe.com/us/equities/market_statistics/.

⁵ See BZX Equities Fee Schedule, Standard Rates.

⁶ Id.

⁷ Fee code B is appended to displayed orders that add liquidity to BZX in Tape B securities.

⁸ Fee code V is appended to displayed orders that add liquidity to BZX in Tape A securities.

⁹ Fee code Y is appended to displayed orders that add liquidity to BZX in Tape C securities.

The Exchange now proposes to modify the criteria of Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 by removing the shares component in the second prong of criteria and replacing this criteria with a criteria that excludes a Member's subdollar trading activity. The Exchange also proposes to revise the current volume criteria in the first prong of criteria of Add Volume Tier 1, the current volume criteria in the first prong of criteria of Add Volume Tier 3, and the applicable rebate associated with Add Volume Tier 3. The current criteria for Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 is as follows:

- Add Volume Tier 1 provides a rebate of \$0.0020 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV¹⁰ as a percentage of TCV¹¹ $\geq 0.05\%$ or Member has an ADAV $\geq 10,000,000$.
- Add Volume Tier 2 provides a rebate of \$0.0023 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.20\%$ or Member has an ADAV $\geq 40,000,000$.
- Add Volume Tier 3 provides a rebate of \$0.0027 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.30\%$ or Member has an ADAV $\geq 50,000,000$.
- Add Volume Tier 5 provides a rebate of \$0.0029 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a

¹⁰ “ADAV” means average daily added volume calculated as the number of shares added per day. ADAV is calculated on a monthly basis.

¹¹ “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply.

Member has an ADAV as a percentage of TCV $\geq 0.35\%$ or Member has an ADAV $\geq 60,000,000$.

- Add Volume Tier 6 provides a rebate of \$0.0030 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.60\%$ or Member has an ADAV $\geq 120,000,000$.
- Add Volume Tier 7 provides a rebate of \$0.0031 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 1.00\%$ or Member has an ADAV $\geq 200,000,000$.

The proposed criteria for Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 is as follows:

- Add Volume Tier 1 provides a rebate of \$0.0020 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.06\%$ or Member has an Ex-Subdollar ADAV¹² as a percentage of Ex-Subdollar TCV¹³ $\geq 0.06\%$.
- Add Volume Tier 2 provides a rebate of \$0.0023 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.20\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.20\%$.
- Add Volume Tier 3 provides a rebate of \$0.0028 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a

¹² The Exchange proposes to introduce the term “Ex-Subdollar ADAV” to the Definitions section of the Fee Schedule. “Ex-Subdollar ADAV” means ADAV that excludes executions in securities priced below \$1.00.

¹³ The Exchange proposes to introduce the term “Ex-Subdollar TCV” to the Definitions section of the Fee Schedule. “Ex-Subdollar TCV” means TCV that excludes executions in securities that have an average daily price below \$1.00.

Member has an ADAV as a percentage of TCV $\geq 0.25\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.25\%$.

- Add Volume Tier 5 provides a rebate of \$0.0029 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.35\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.35\%$.
- Add Volume Tier 6 provides a rebate of \$0.0030 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 0.60\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 0.60\%$.
- Add Volume Tier 7 provides a rebate of \$0.0031 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee codes B, V, or Y) where a Member has an ADAV as a percentage of TCV $\geq 1.00\%$ or Member has an Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq 1.00\%$.

The proposed modification to the volume component of the first prong of criteria of Add Volume Tier 1 represents a modest increase in difficulty of one prong of criteria to achieve the applicable tier threshold while maintaining the existing rebate. Similarly, the proposed modification to the volume component of the first prong of criteria of Add Volume Tier 3 represents a modest decrease in difficulty of one prong of criteria to achieve the applicable tier threshold while slightly increasing the rebate associated with Add Volume Tier 3. In both instances, the revised first prong of criteria is designed to match the percentage requirement in the second prong of criteria and is commensurate with the rebate earned if the criteria is satisfied.

While ADAV as a percentage of TCV is generally a reasonable baseline for determining tiered pricing for Members, the Exchange notes that in certain months where subdollar trading volume is significantly higher, TCV becomes inflated due to the higher levels of subdollar volume. During these months of high subdollar trading volume, if a Member does not increase its volume

to account for the increased TCV, then the Member is disadvantaged when it comes to satisfying criteria requiring ADAV as a percentage of TCV. The Exchange's proposed introduction of the Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV prong of criteria (the "Ex-Subdollar Criteria") in Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 is designed to provide Members with an opportunity to earn an enhanced rebate during months when subdollar trading activity is high and the Exchange's calculation of ADAV inclusive of subdollar volume under the Tiers' existing criteria could potentially make it far more difficult for the Member to qualify, particularly when the Member's volume in securities priced at or above \$1.00 remains relatively constant. The Exchange notes that its proposed Ex-Subdollar Criteria in Add Volume Tiers 1 – 3 and Add Volume Tiers 5 – 7 will introduce a new method of calculating ADAV as a percentage of TCV, exclusive of subdollar activity.¹⁴

This change is intended to aid Members during months where subdollar volume is elevated, thus causing the TCV (used as the denominator when the Exchange calculates this prong of criteria) to be significantly higher while the Member's ADAV (used as the numerator for the Exchange's calculation of this prong of criteria) remains relatively stable if they are not actively trading in securities priced below \$1.00. In months when subdollar trading activity is particularly high, the Exchange believes that it would be unfair to Members that execute significant volume in securities priced at or above \$1.00 to potentially not be able to qualify for an enhanced rebate or lose existing incentives due to an increase in TCV due to a significant increase in the amount of volume in securities priced below \$1.00. The Exchange believes that the proposed criteria continues to be commensurate with the rebate received for each tier and will encourage Members to grow their volume on the Exchange. Increased volume on the Exchange contributes to a deeper and more

¹⁴ The Exchange notes that NYSE Arca offers a similar method of calculating total equity volume and total equity CADV for certain tiers in order to determine the appropriate fees and credits for its ETP Holders. See NYSE Arca Equities Fee and Charges, NYSE Arca Marketplace: Trade Related Fees and Credits, Footnote 1. See also Securities Exchange Act Release No. 34-100506 (July 11, 2024), 89 FR 58215 (July 17, 2024), SR-NYSEArca-2024-58 ("NYSE Arca Fee Filing").

liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹⁵ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁶ 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)¹⁷ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers as well as Section 6(b)(4)¹⁸ as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

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

¹⁵ 15 U.S.C. 78f(b).

¹⁶ 15 U.S.C. 78f(b)(5).

¹⁷ Id.

¹⁸ 15 U.S.C. 78f(b)(4)

fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that its proposal to: i) revise the volume component of Add Volume Tier 1; ii) revise the volume component and the applicable rebate of Add Volume Tier 3; and iii) remove the shares component of certain Add Volume Tiers and replace it with a component that excludes a Member's subdollar trading activity reflects a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes would enhance market quality to the benefit of all Members. Additionally, the Exchange notes that relative volume-based incentives and discounts have been widely adopted by exchanges,¹⁹ including the Exchange,²⁰ and are reasonable, equitable and non-discriminatory because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to (i) the value to an exchange's market quality and (ii) associated higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns. Competing exchanges offer similar tiered pricing structures, including schedules or rebates and fees that apply based upon members achieving certain volume and/or growth thresholds, as well as assess similar fees or rebates for similar types of orders, to that of the Exchange.²¹

In particular, the Exchange believes its proposal to i) revise the volume component of Add Volume Tier 1; ii) revise the volume component and the applicable rebate of Add Volume Tier 3; and iii) remove the shares component of certain Add

¹⁹ See e.g., EDGX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers. See also, NYSE Arca Equities Fees and Charges, NYSE Arca Marketplace: Trade Related Fees and Credits, Footnote 1 and NYSE Arca Equities Fees and Charges, Tier Rates – Round Lots and Odd Lots (Per Share Price \$1.00 or Above).

²⁰ See e.g., BZX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers.

²¹ Supra footnote 19.

Volume Tiers and replace it with a component that excludes a Member's subdollar trading activity is reasonable because the revised tiers will be available to all Members and provide all Members with an opportunity to receive an enhanced rebate. The Exchange further believes the proposed modification to the Add Volume Tiers will provide a reasonable means to encourage liquidity adding displayed and non-displayed orders in Members' order flow to the Exchange and to incentivize Members to continue to provide liquidity adding volume to the Exchange by offering them an opportunity to receive an enhanced rebate on qualifying orders. An overall increase in activity would deepen the Exchange's liquidity pool, offer additional cost savings, support the quality of price discovery, promote market transparency and improve market quality, for all investors.

Additionally, the Exchange believes that the proposed changes to the Add Volume Tiers are reasonable as they do not represent a significant departure from the criteria currently offered in the Fee Schedule. The Exchange also believes that the proposed changes to the Add Volume Tiers represents an equitable allocation of fees and rebates and is not unfairly discriminatory because all Members continue to be eligible for the revised tiers and have the opportunity to meet the tiers' criteria and receive the corresponding enhanced rebates if such criteria is met.

Further, the Exchange believes its proposed modification to the rate associated with Add Volume Tier 3 reflects a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes would enhance market quality to the benefit of all Members. In particular, the Exchange believes its proposal to modify the higher rebate associated with Add Volume Tier 3 is reasonable,

equitable, and consistent with the Act because such change is designed to incentivize Members to submit additional displayed order flow to the Exchange by providing a higher enhanced rebate and such rebate remains consistent with the Exchange's overall pricing philosophy of encouraging added liquidity. The proposed increased rebate of \$0.0028 per share is reasonable and appropriate because it is commensurate with the rebates provided by the Exchange's other Add Volume tiers and the criteria required to be satisfied under Add Volume Tier 3. The Exchange further believes that the proposed increase to the rebate associated with Add Volume Tier 3 is not unfairly discriminatory because it applies to all Members equally, in that all Members will be eligible to receive the higher rebate upon satisfying the criteria associated with Add Volume Tier 3.

Without having a view of activity on other markets and off-exchange venues, the Exchange has no way of knowing whether this proposed rule change would definitely result in any Members qualifying for the revised Add Volume Tiers. While the Exchange has no way of predicting with certainty how the proposed changes will impact Member activity, based on the prior month's volume, the Exchange anticipates that at least two Members will be able to satisfy proposed Add Volume Tier 1, no Members will be able to satisfy proposed Add Volume Tier 2, at least one Member will be able to satisfy proposed Add Volume Tier 3, at least three Members will be able to satisfy proposed Add Volume Tier 5, no Members will be able to satisfy proposed Add Volume Tier 6, and no Members will be able to satisfy proposed Add Volume Tier 7. The Exchange also notes that the proposed changes will not adversely impact any Member's ability to qualify for enhanced rebates offered under other tiers. Should a Member not meet the proposed new criteria, the Member will merely not receive that corresponding enhanced rebate.

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. Rather, as discussed above, the Exchange believes that the proposed change would encourage the submission of additional order flow to a public exchange, thereby promoting market depth, execution incentives and enhanced execution opportunities, as well as price discovery and transparency for all Members. As a result, the Exchange believes that the proposed changes further the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."

The Exchange believes the proposed rule changes do not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Particularly, the proposed modifications to the Add Volume Tiers will apply to all Members equally in that all Members are eligible for the revised tiers, have a reasonable opportunity to meet the tiers' proposed criteria and will receive the enhanced rebate on their qualifying orders if such criteria is met. The Exchange does not believe the proposed changes burden competition, but rather, enhance competition as they are intended to increase the competitiveness of BZX by amending existing pricing incentives in order to attract order flow and incentivize participants to increase their participation on the Exchange, providing for additional execution opportunities for market participants and improved price transparency. Greater overall order flow, trading opportunities, and pricing transparency benefits all market participants on the Exchange by enhancing market quality and continuing to encourage Members to send orders, thereby contributing towards a robust and well-balanced market ecosystem.

Next, the Exchange believes the proposed rule changes do 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.²² 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.”²³ 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,

²² Supra note 3.

²³ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

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’....”²⁴ 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 Act²⁵ and paragraph (f) of Rule 19b-4²⁶ 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.

²⁴ 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)).

²⁵ 15 U.S.C. 78s(b)(3)(A).

²⁶ 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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-CboeBZX-2025-091 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-CboeBZX-2025-091. 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-CboeBZX-2025-091 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.²⁷

Sherry R. Haywood,

Assistant Secretary.

²⁷

17 CFR 200.30-3(a)(12).

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

* * * * *

Cboe U.S. Equities Fee Schedules**BZX Equities****Effective July [8]10, 2025**

* * * * *

Definitions:

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- “Displayed Size Time” means the percentage of time during regular trading hours during which the Member maintains at least 2,500 displayed shares on the bid and separately maintains at least 2,500 displayed shares on the offer that are priced no more than 2% away from the NBB and NBO, respectively.
- “Ex-Subdollar ADAV” means ADAV that excludes executions in securities priced below \$1.00.
- “Ex-Subdollar TCV” means TCV that excludes executions in securities that have an average daily price below \$1.00.

* * * * *

Footnotes:

* * * * *

1. Add/Remove Volume Tiers

Applicable to the following fee codes: B, V and Y.

Tier	Rebate Per Share to Add	Required Criteria
Tier 1	(\$0.0020)	Member has an ADAV as a percentage of TCV $\geq 0.0[5]6\%$ or Member has an <u>Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq [10,000,000]0.06\%$</u>
Tier 2	(\$0.0023)	Member has an ADAV as a percentage of TCV $\geq 0.20\%$ or Member has an <u>Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq [40,000,000]0.20\%$</u>
Tier 3	(\$0.002[7]8)	Member has an ADAV as a percentage of TCV $\geq 0.[30]25\%$ or Member has an <u>Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq [50,000,000]0.25\%$</u>
* * * * *		
Tier 5	(\$0.0029)	Member has an ADAV as a percentage of TCV $\geq 0.35\%$ or Member has an <u>Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq [60,000,000]0.35\%$</u>
Tier 6	(\$0.0030)	Member has an ADAV as a percentage of TCV $\geq 0.60\%$ or Member has an <u>Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq [120,000,000]0.60\%$</u>
Tier 7	(\$0.0031)	Member has an ADAV as a percentage of TCV $\geq 1.00\%$ or Member has an <u>Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $\geq [200,000,000]1.00\%$</u>
* * * * *		

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