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

File No. * SR 2026 - * 039

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"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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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) *

Section 806(e)(2) *

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

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

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

The Exchange proposes to amend its Fee Schedule.

Contact Information

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

First Name * Courtney Last Name * Smith

Title * Senior Counsel

E-mail * csmith@cboe.com

Telephone * (913) 815-7046 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 05/01/2026

(Title *)

By Matthew Iwamaye (Name *)

VP, Associate General Counsel

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

Matthew Iwamaye Date: 2026.05.01 08:18:22 -05'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

Add Remove View

[BZX-26-039 19b-4 \(May Fees\).docx](#)

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-26-039 Exhibit 1 \(May Fees\).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

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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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

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[BZX-26-039 Exhibit 5 \(May Fees\).doc](#)

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

Partial Amendment

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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) introducing two quoting tiers to its Add/Remove Volume Tiers and revising the criteria of Add Volume Tier 4; and ii) discontinuing Step-Up Tier 1. 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 April 30, 2026.

(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) introducing two quoting tiers to its Add/Remove Volume Tiers and revising the criteria of Add Volume Tier 4; and ii) discontinuing Step-Up Tier 1. The Exchange proposes to implement these changes effective on May 1, 2026.

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 17 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,¹ no single registered equities exchange has more than 14% of the market share. Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. The Exchange 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.² 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.³ 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

¹ See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (April 29, 2026), available at https://www.cboe.com/us/equities/market_statistics/.

² See BZX Equities Fee Schedule, Standard Rates.

³ Id.

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/Remove Volume tiers and one Cross Asset Tier that each provide an enhanced rebate for orders yielding fee codes B,⁴ V⁵ and Y⁶ where a Member reaches certain add or remove volume-based criteria. The Exchange now proposes to adopt two quoting tiers under footnote 1. The proposed criteria for the quoting tiers is as follows:

- The Member Quoting Tier provides an enhanced 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 is enrolled in all securities for which it meets the following criteria: (i) Member has an NBBO Time⁷ $\geq 25\%$ in an average of at least 750 securities per trading day during the month; and (ii) Member has a Displayed Ex-Subdollar ADAV⁸ as a percentage of Ex-Subdollar TCV⁹ $< 0.03\%$.

⁴ Fee code B is appended to displayed orders that add liquidity to BZX in Tape B securities.

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

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

⁷ “NBBO Time” means the percentage of time during regular trading hours during which the Member maintains at least 1 round lot at each of the NBB and NBO.

⁸ “Ex-Subdollar ADAV” means ADAV that excludes executions in securities priced below \$1.00. “Displayed Ex-Subdollar ADAV” means ADAV in displayed orders that excludes executions in securities priced below \$1.00.

⁹ “Ex-Subdollar TCV” means TCV that excludes executions in securities that have an average daily price below \$1.00.

- The MPID Quoting Tier provides an enhanced 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 an MPID is enrolled in all securities for which it meets the following criteria: MPID has an MPID NBBO Time¹⁰ \geq 25% in an average of at least 750 securities per trading day during the month.

The Exchange notes that in addition to introducing the Member Quoting Tier and the MPID Quoting Tier it also proposes to introduce language under footnote 12, which is currently designated as “Reserved,” that will specify that any tier that references footnote 12 will only be available for quoting during the current month and the tier payment would not begin until the following month for those Members that satisfy the criteria during this current month. The Exchange believes it is necessary to include reference to this footnote within the proposed Member Quoting Tier and MPID Quoting Tier as the General Notes section of the Fee Schedule currently states: “[I]n compliance with Regulation NMS Rule 610(d), effective February 2, 2026, unless otherwise indicated, all volume figures will be derived from quoting or trading activity in the prior month.” By introducing the proposed language described above to footnote 12, the Exchange is providing notice that the proposed Member Quoting Tier and MPID Quoting Tier are utilizing the current month’s quoting and trading activity so that Members may begin to attempt to satisfy the proposed criteria ahead of the first month that the tiers would become payable, which would be June 1, 2026. Without this footnote, Members would not have the ability to qualify for the proposed Member Quoting Tier and MPID

¹⁰ “MPID NBBO Time” means the percentage of time during regular trading hours during which the MPID maintains at least 1 round lot at each of the NBB and NBO.

Quoting Tier (or any future proposed tiers) in the month leading up to the first month that the proposed Member Quoting Tier and MPID Quoting Tier (or any future proposed tiers) would become payable.

The proposed Member Quoting Tier and MPID Quoting Tier, like other Add Volume Tiers are intended to provide an additional opportunity to incentivize Members to earn an enhanced rebate by promoting price discovery and market quality by quoting at the NBBO for a significant portion of each day in securities of the Member or MPID's choice. Increasing order flow to the Exchange may further contribute to a deeper, more liquid market and provide even more execution opportunities for active market participants. Incentivizing an increase in displayed liquidity adding volume through enhanced rebate opportunities encourages liquidity-adding Members on the Exchange to increase transactions and take execution opportunities provided by such increased liquidity, together providing for overall enhanced price discovery and price improvement opportunities on the Exchange. As such, increased overall order flow benefits all Members by contributing towards a robust and well-balanced market ecosystem.

In addition to the proposed introduction of the Quoting Tiers as described *supra*, the Exchange proposes to amend the criteria of Add Volume Tier 4 by removing the NBBO Size¹¹ requirement. The current criteria of Add Volume Tier 4 is as follows:

- Add Volume Tier 4 provides a rebate of \$0.0028 per share in securities priced at or above \$1.00 to qualifying orders (i.e., orders yielding fee

¹¹ "NBBO Size" is not a defined term on the BZX Equity Fee Schedule and is an erroneous reference to a previous definition of "NBBO Size Time" that appeared on the Exchange's fee schedule. "NBBO Size Time" meant the percentage of time during regular trading hours during which there are size-setting quotes at the NBBO on the Exchange. This definition was removed by the Exchange in SR-CboeBZX-2026-022, which was filed on April 1, 2026.

codes B, V, and Y) where a Member 1) is enrolled in at least 50 BZX-listed LMP Securities¹² for which it meets the following criteria for at least 50% of the trading days in the applicable month: (i) Member has an NBBO Time \geq 15% or an NBBO Size \geq 25%; and (ii) Member has a Displayed Size Time¹³ \geq 90%; and 2) Member is enrolled in at least 30 LMM Securities;¹⁴ and 3) Member has an ADAV¹⁵ as a percentage of TCV¹⁶ \geq 0.15%.

The proposed criteria for Add Volume Tier 4 is as follows:

- Add Volume Tier 4 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, and Y) where a Member 1) is enrolled in at least 50 BZX-listed LMP Securities for which it meets the following criteria for at least 50% of the trading days in the applicable month: (i) Member has an NBBO Time \geq 15%; and (ii) Member has a Displayed Size Time \geq 90%;

¹² “LMP Securities” means a list of securities included in the Liquidity Management Program, the universe of which will be determined by the Exchange and published in a circular distributed to Members and on the Exchange’s website. Such LMP Securities will include all Cboe-listed ETPs and certain non-Cboe-listed ETPs for which the Exchange wants to incentivize Members to provide enhanced market quality. All Cboe-listed securities will be LMP Securities immediately upon listing on the Exchange. The Exchange will not remove a security from the list of LMP Securities without 30 days prior notice.

¹³ “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.

¹⁴ “LMM Securities” means BZX-listed securities for which a Member is an LMM.

¹⁵ “ADAV” means average daily added volume calculated as the number of shares added per day. ADAV is calculated on a monthly basis.

¹⁶ “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.

and 2) Member is enrolled in at least 30 LMM Securities; and 3) Member has an ADAV as a percentage of TCV $\geq 0.15\%$.

The proposed Add Volume Tier 4 will continue to provide an additional opportunity to incentivize Members to earn an enhanced rebate by promoting price discovery and market quality by quoting at the NBBO for a significant portion of each day in securities of the Member's choice. Increasing order flow to the Exchange may further contribute to a deeper, more liquid market and provide even more execution opportunities for active market participants. Incentivizing an increase in displayed liquidity adding volume through additive rebate opportunities encourages liquidity-adding Members on the Exchange to increase transactions and take execution opportunities provided by such increased liquidity, together providing for overall enhanced price discovery and price improvement opportunities on the Exchange. As such, increased overall order flow benefits all Members by contributing towards a robust and well-balanced market ecosystem.

Step-Up Tiers

Under footnote 2 of the Fee Schedule, the Exchange currently offers various Step-Up Tiers that provide enhanced rebates for orders yielding fee codes B, V and Y where a Member reaches certain add volume-based criteria, including "growing" its volume over a certain baseline month. The Exchange now proposes to discontinue Step-Up Tier 1 as the tier's expiration date of March 31, 2026, has occurred. Additionally, the Exchange no longer wishes to, nor is required to, maintain such tier. More specifically, the proposed change removes this tier as the Exchange would rather redirect future resources and funding into other programs and tiers intended to incentivize increased order flow.

(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.¹⁷ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁸ 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)¹⁹ 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)²⁰ 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 fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that its proposal to introduce the Member Quoting Tier and MPID

¹⁷ 15 U.S.C. 78f(b).

¹⁸ 15 U.S.C. 78f(b)(5).

¹⁹ Id.

²⁰ 15 U.S.C. 78f(b)(4)

Quoting Tier and amend the criteria of Add Volume Tier 4 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. Specifically, the Exchange's proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 are not a significant departure from existing criteria, are reasonably correlated to the enhanced rebate offered by the Exchange and other competing exchanges,²¹ and will continue to incentivize Members to submit order flow to the Exchange. Additionally, the Exchange notes that relative volume-based incentives and discounts have been widely adopted by exchanges,²² including the Exchange,²³ 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 equity 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.

In particular, the Exchange believes its proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 are reasonable because the proposed tiers will be available to all Members and provide all Members with an opportunity to receive an

²¹ See MEMX Equities Fee Schedule, Additive Rebates, Tape A Quoting and Tape C Quoting, available at <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>.

²² See e.g., EDGX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers.

²³ See e.g., BZX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers.

enhanced rebate. The Exchange further believes its proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 will provide a reasonable means to encourage liquidity adding 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.

The Exchange believes that its proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 are reasonable as the proposed criteria does not represent a significant departure from the criteria currently offered in the Fee Schedule. The Exchange also believes that the proposal represents an equitable allocation of fees and rebates and is not unfairly discriminatory because all Members will be eligible for the proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 and have the opportunity to meet the tiers' criteria and receive the corresponding enhanced rebate if such criteria is met. 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 proposed Member Quoting Tier or MPID Quoting Tier. 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 one Member will be able to satisfy the proposed Member Quoting Tier, at least one Member will be able to satisfy the proposed MPID Quoting Tier, and no Members will be able to satisfy the proposed Add

Volume Tier 4. The Exchange also notes that 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.

Additionally, the Exchange believes the text added in footnote 12 of the Fee Schedule promotes just and equitable principles of trade and is not unfairly discriminatory because it applies to all Members equally, in that any tier that references footnote 12 will only be available for qualification during the current month and would not be payable until the following month for all Members. Providing this additional clarity on the Exchange's Fee Schedule ensures that all market participants have information regarding which tiers are open for qualification only and which tiers are available for both qualification and payment during a given month.

Lastly, the Exchange believes that its proposal to discontinue Step-Up Tier 1 is reasonable because the tier has expired and Exchange is not required to maintain this tier or provide Members an opportunity to receive enhanced rebates. The Exchange believes the proposal to discontinue this tier is also equitable and not unfairly discriminatory because it applies to all Members (i.e., the tier will not be available for any Member). The Exchange also notes that the proposed rule change to remove this tier merely results in Members not receiving an enhanced rebate, which, as noted above, the Exchange is not required to offer or maintain. Furthermore, the proposed rule change to eliminate Step-Up Tier 1 enables the Exchange to redirect resources and funding into other programs and tiers intended to incentivize increased order flow.

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 introduction of the Member Quoting Tier and MPID Quoting Tier, and proposed amendment of Add Volume Tier 4 does not impose an unnecessary burden as all Members are eligible to receive the enhanced rebate under the proposed tiers. The Exchange does not believe the proposed changes burden competition, but rather, enhances competition as it is 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.

The proposed change to discontinue Step-Up Tier 1 will not impose any burden on intramarket competition because the changes apply to all Members uniformly, as in, the tier will not longer be available to any Member.

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. 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.²⁴ 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

²⁴ Supra note 1.

and listed companies.”²⁵ 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’”²⁶ 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.

²⁵ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

²⁶ *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 Act²⁷ and Rule 19b-4(f)(2)²⁸ 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.

²⁷ 15 U.S.C. 78s(b)(3)(A).

²⁸ 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-2026-039]

[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 by i) Introducing Two Quoting Tiers to its Add/Remove Volume Tiers and Revising the Criteria of Add Volume Tier 4; and ii) Discontinuing Step-Up Tier 1

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) introducing two quoting tiers to its Add/Remove Volume Tiers and revising the criteria of Add Volume Tier 4; and ii) discontinuing Step-Up Tier 1. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Commission’s website (<https://www.sec.gov/rules/sro.shtml>), the Exchange’s website

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

(https://www.cboe.com/us/equities/regulation/rule_filings/bzx/), and at the principal office of the Exchange.

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) introducing two quoting tiers to its Add/Remove Volume Tiers and revising the criteria of Add Volume Tier 4; and ii) discontinuing Step-Up Tier 1. The Exchange proposes to implement these changes effective on May 1, 2026.

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 17 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,³ no single registered equities exchange has more than 14% of the market share. Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. The Exchange 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.⁴ 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.⁵ 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/Remove Volume tiers and one

³ See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (April 29, 2026), available at https://www.cboe.com/us/equities/market_statistics/.

⁴ See BZX Equities Fee Schedule, Standard Rates.

⁵ Id.

Cross Asset Tier that each provide an enhanced rebate for orders yielding fee codes B,⁶ V⁷ and Y⁸ where a Member reaches certain add or remove volume-based criteria. The Exchange now proposes to adopt two quoting tiers under footnote 1. The proposed criteria for the quoting tiers is as follows:

- The Member Quoting Tier provides an enhanced 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 is enrolled in all securities for which it meets the following criteria: (i) Member has an NBBO Time⁹ $\geq 25\%$ in an average of at least 750 securities per trading day during the month; and (ii) Member has a Displayed Ex-Subdollar ADAV¹⁰ as a percentage of Ex-Subdollar TCV¹¹ $< 0.03\%$.
- The MPID Quoting Tier provides an enhanced 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 an MPID is enrolled in all securities for which it meets the following criteria: MPID has an MPID NBBO Time¹² $\geq 25\%$ in an average of at least 750 securities per trading day during the month.

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

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

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

⁹ “NBBO Time” means the percentage of time during regular trading hours during which the Member maintains at least 1 round lot at each of the NBB and NBO.

¹⁰ “Ex-Subdollar ADAV” means ADAV that excludes executions in securities priced below \$1.00. “Displayed Ex-Subdollar ADAV” means ADAV in displayed orders that excludes executions in securities priced below \$1.00.

¹¹ “Ex-Subdollar TCV” means TCV that excludes executions in securities that have an average daily price below \$1.00.

¹² “MPID NBBO Time” means the percentage of time during regular trading hours during which the MPID maintains at least 1 round lot at each of the NBB and NBO.

The Exchange notes that in addition to introducing the Member Quoting Tier and the MPID Quoting Tier it also proposes to introduce language under footnote 12, which is currently designated as “Reserved,” that will specify that any tier that references footnote 12 will only be available for quoting during the current month and the tier payment would not begin until the following month for those Members that satisfy the criteria during this current month. The Exchange believes it is necessary to include reference to this footnote within the proposed Member Quoting Tier and MPID Quoting Tier as the General Notes section of the Fee Schedule currently states: “[I]n compliance with Regulation NMS Rule 610(d), effective February 2, 2026, unless otherwise indicated, all volume figures will be derived from quoting or trading activity in the prior month.” By introducing the proposed language described above to footnote 12, the Exchange is providing notice that the proposed Member Quoting Tier and MPID Quoting Tier are utilizing the current month’s quoting and trading activity so that Members may begin to attempt to satisfy the proposed criteria ahead of the first month that the tiers would become payable, which would be June 1, 2026. Without this footnote, Members would not have the ability to qualify for the proposed Member Quoting Tier and MPID Quoting Tier (or any future proposed tiers) in the month leading up to the first month that the proposed Member Quoting Tier and MPID Quoting Tier (or any future proposed tiers) would become payable.

The proposed Member Quoting Tier and MPID Quoting Tier, like other Add Volume Tiers are intended to provide an additional opportunity to incentivize Members to earn an enhanced rebate by promoting price discovery and market quality by quoting at the NBBO for a significant portion of each day in securities of the Member or MPID’s

choice. Increasing order flow to the Exchange may further contribute to a deeper, more liquid market and provide even more execution opportunities for active market participants. Incentivizing an increase in displayed liquidity adding volume through enhanced rebate opportunities encourages liquidity-adding Members on the Exchange to increase transactions and take execution opportunities provided by such increased liquidity, together providing for overall enhanced price discovery and price improvement opportunities on the Exchange. As such, increased overall order flow benefits all Members by contributing towards a robust and well-balanced market ecosystem.

In addition to the proposed introduction of the Quoting Tiers as described *supra*, the Exchange proposes to amend the criteria of Add Volume Tier 4 by removing the NBBO Size¹³ requirement. The current criteria of Add Volume Tier 4 is as follows:

- Add Volume Tier 4 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, and Y) where a Member 1) is enrolled in at least 50 BZX-listed LMP Securities¹⁴ for which it meets the following criteria for at least 50% of the trading days in the applicable month: (i) Member has an NBBO Time \geq 15% or an NBBO Size \geq 25%; and (ii) Member has a

¹³ “NBBO Size” is not a defined term on the BZX Equity Fee Schedule and is an erroneous reference to a previous definition of “NBBO Size Time” that appeared on the Exchange’s fee schedule. “NBBO Size Time” meant the percentage of time during regular trading hours during which there are size-setting quotes at the NBBO on the Exchange. This definition was removed by the Exchange in SR-CboeBZX-2026-022, which was filed on April 1, 2026.

¹⁴ “LMP Securities” means a list of securities included in the Liquidity Management Program, the universe of which will be determined by the Exchange and published in a circular distributed to Members and on the Exchange’s website. Such LMP Securities will include all Cboe-listed ETPs and certain non-Cboe-listed ETPs for which the Exchange wants to incentivize Members to provide enhanced market quality. All Cboe-listed securities will be LMP Securities immediately upon listing on the Exchange. The Exchange will not remove a security from the list of LMP Securities without 30 days prior notice.

Displayed Size Time¹⁵ \geq 90%; and 2) Member is enrolled in at least 30 LMM Securities;¹⁶ and 3) Member has an ADAV¹⁷ as a percentage of TCV¹⁸ \geq 0.15%.

The proposed criteria for Add Volume Tier 4 is as follows:

- Add Volume Tier 4 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, and Y) where a Member 1) is enrolled in at least 50 BZX-listed LMP Securities for which it meets the following criteria for at least 50% of the trading days in the applicable month: (i) Member has an NBBO Time \geq 15%; and (ii) Member has a Displayed Size Time \geq 90%; and 2) Member is enrolled in at least 30 LMM Securities; and 3) Member has an ADAV as a percentage of TCV \geq 0.15%.

The proposed Add Volume Tier 4 will continue to provide an additional opportunity to incentivize Members to earn an enhanced rebate by promoting price discovery and market quality by quoting at the NBBO for a significant portion of each day in securities of the Member's choice. Increasing order flow to the Exchange may further contribute to a deeper, more liquid market and provide even more execution

¹⁵ "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.

¹⁶ "LMM Securities" means BZX-listed securities for which a Member is an LMM.

¹⁷ "ADAV" means average daily added volume calculated as the number of shares added per day. ADAV is calculated on a monthly basis.

¹⁸ "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.

opportunities for active market participants. Incentivizing an increase in displayed liquidity adding volume through additive rebate opportunities encourages liquidity-adding Members on the Exchange to increase transactions and take execution opportunities provided by such increased liquidity, together providing for overall enhanced price discovery and price improvement opportunities on the Exchange. As such, increased overall order flow benefits all Members by contributing towards a robust and well-balanced market ecosystem.

Step-Up Tiers

Under footnote 2 of the Fee Schedule, the Exchange currently offers various Step-Up Tiers that provide enhanced rebates for orders yielding fee codes B, V and Y where a Member reaches certain add volume-based criteria, including “growing” its volume over a certain baseline month. The Exchange now proposes to discontinue Step-Up Tier 1 as the tier’s expiration date of March 31, 2026, has occurred. Additionally, the Exchange no longer wishes to, nor is required to, maintain such tier. More specifically, the proposed change removes this tier as the Exchange would rather redirect future resources and funding into other programs and tiers intended to incentivize increased order flow.

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.¹⁹ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²⁰ requirements that the rules

¹⁹ 15 U.S.C. 78f(b).

²⁰ 15 U.S.C. 78f(b)(5).

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)²¹ 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)²² 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 fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that its proposal to introduce the Member Quoting Tier and MPID Quoting Tier and amend the criteria of Add Volume Tier 4 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. Specifically, the Exchange's proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 are not a significant departure from existing criteria, are reasonably correlated to the enhanced rebate offered by the Exchange and

²¹ Id.

²² 15 U.S.C. 78f(b)(4)

other competing exchanges,²³ and will continue to incentivize Members to submit order flow to the Exchange. Additionally, the Exchange notes that relative volume-based incentives and discounts have been widely adopted by exchanges,²⁴ including the Exchange,²⁵ 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 equity 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.

In particular, the Exchange believes its proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 are reasonable because the proposed tiers will be available to all Members and provide all Members with an opportunity to receive an enhanced rebate. The Exchange further believes its proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 will provide a reasonable means to encourage liquidity adding 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

²³ See MEMX Equities Fee Schedule, Additive Rebates, Tape A Quoting and Tape C Quoting, available at <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>.

²⁴ See e.g., EDGX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers.

²⁵ See e.g., BZX Equities Fee Schedule, Footnote 1, Add/Remove Volume Tiers.

cost savings, support the quality of price discovery, promote market transparency and improve market quality, for all investors.

The Exchange believes that its proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 are reasonable as the proposed criteria does not represent a significant departure from the criteria currently offered in the Fee Schedule. The Exchange also believes that the proposal represents an equitable allocation of fees and rebates and is not unfairly discriminatory because all Members will be eligible for the proposed Member Quoting Tier, MPID Quoting Tier, and Add Volume Tier 4 and have the opportunity to meet the tiers' criteria and receive the corresponding enhanced rebate if such criteria is met. 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 proposed Member Quoting Tier or MPID Quoting Tier. 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 one Member will be able to satisfy the proposed Member Quoting Tier, at least one Member will be able to satisfy the proposed MPID Quoting Tier, and no Members will be able to satisfy the proposed Add Volume Tier 4. The Exchange also notes that 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.

Additionally, the Exchange believes the text added in footnote 12 of the Fee Schedule promotes just and equitable principles of trade and is not unfairly

discriminatory because it applies to all Members equally, in that any tier that references footnote 12 will only be available for qualification during the current month and would not be payable until the following month for all Members. Providing this additional clarity on the Exchange's Fee Schedule ensures that all market participants have information regarding which tiers are open for qualification only and which tiers are available for both qualification and payment during a given month.

Lastly, the Exchange believes that its proposal to discontinue Step-Up Tier 1 is reasonable because the tier has expired and Exchange is not required to maintain this tier or provide Members an opportunity to receive enhanced rebates. The Exchange believes the proposal to discontinue this tier is also equitable and not unfairly discriminatory because it applies to all Members (i.e., the tier will not be available for any Member). The Exchange also notes that the proposed rule change to remove this tier merely results in Members not receiving an enhanced rebate, which, as noted above, the Exchange is not required to offer or maintain. Furthermore, the proposed rule change to eliminate Step-Up Tier 1 enables the Exchange to redirect resources and funding into other programs and tiers intended to incentivize increased order flow.

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 introduction of the Member Quoting Tier and MPID Quoting Tier, and proposed amendment of Add Volume Tier 4 does not impose an unnecessary burden as all Members are eligible to receive the enhanced rebate under the proposed tiers. The Exchange does not believe the proposed changes burden competition, but rather, enhances competition as it is 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.

The proposed change to discontinue Step-Up Tier 1 will not impose any burden on intramarket competition because the changes apply to all Members uniformly, as in, the tier will not longer be available to any Member.

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. 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.²⁶ 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.”²⁷ 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

²⁶ Supra note 3.

²⁷ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

dealers'....".²⁸ 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 Act²⁹ and paragraph (f) of Rule 19b-4³⁰ 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

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:

²⁸ 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)).

²⁹ 15 U.S.C. 78s(b)(3)(A).

³⁰ 17 CFR 240.19b-4(f).

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-2026-039 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-2026-039. 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 filing 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-2026-039 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.³¹

³¹ 17 CFR 200.30-3(a)(12).

Sherry R. Haywood,

Assistant Secretary.

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

* * * * *

Cboe U.S. Equities Fee Schedules

BZX Equities

Effective [April 27]May 1, 2026

* * * * *

Fee Codes and Associated Fees:

FEE CODE	DESCRIPTION	FEE/(REBATE)
* * * * *		
B ^{1,2,4,12,14,19,20}	Displayed order, adds liquidity to BZX (Tape B)	(0.00160)
* * * * *		
V ^{1,2,4,12,14,19,20}	Displayed order, adds liquidity to BZX (Tape A)	(0.00160)
* * * * *		
Y ^{1,2,4,12,14,19,20}	Displayed order, adds liquidity to BZX (Tape C)	(0.00160)
* * * * *		

* * * * *

Definitions:

* * * * *

- “MPID NBBO Time” means the percentage of time during regular trading hours during which the MPID maintains at least 1 round lot at each of the NBB and NBO.

* * * * *

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 4	(\$0.0028)	(1) Member is enrolled in at least 50 BZX-listed LMP Securities for which it meets the following criteria for at least 50% of the trading days in the applicable month: (i) Member has an NBBO Time \geq 15% [or an NBBO Size \geq 25%]; and (ii) Member has a Displayed Size Time \geq 90%; and (2) Member is enrolled in at least 30 LMM Securities; and (3) Member has an ADAV as a percentage of TCV \geq 0.15%.

<u>Member Quoting Tier¹²</u>	(\$0.0027)	<u>Member must be enrolled in all securities for which it meets the following criteria: (i) Member has an NBBO Time \geq 25% in an average of at least 750 securities per trading day during the month; and (ii) Member has a Displayed Ex-Subdollar ADAV as a percentage of Ex-Subdollar TCV $<$ 0.03%.</u>
<u>MPID Quoting Tier¹²</u>	(\$0.0027)	<u>MPID must be enrolled in all securities for which it meets the following criteria: MPID has an MPID NBBO Time \geq 25% in an average of at least 750 securities per trading day during the month.</u>

2. Step-Up Tiers

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

[* This tier will expire no later than March 31, 2026.]

Tier	Rebate Per Share to Add	Required Criteria
[Tier 1*]	[(\$0.0028)]	[(1) Member has a Step-Up Displayed Add TCV from September 2025 \geq 0.11%; and (2) Member has an Ex-Subdollar Displayed ADAV as a percentage of Ex-Subdollar TCV \geq 0.16%.]

12. [Reserved.] For the current month, this tier is only available for qualification and shall utilize the current month's quoting and trading activity for its volume calculations. Payment for this tier shall not begin until the following month for those Members that satisfy the criteria during this current month.