

action is necessary or appropriate in the public interest, for the protection of investors, or would otherwise further the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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-LTSE-2026-01 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-LTSE-2026-01. 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-LTSE-2026-01 and should be submitted on or before February 18, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Vanessa A. Countryman,
Secretary.

[FR Doc. 2026-01631 Filed 1-27-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0728]

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Extension: Rule 17ab2-2

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. § 3501 *et seq.*), the Securities and Exchange Commission (SEC or "Commission") is submitting to the Office of Management and Budget (OMB) this request for extension of the proposed collection of information provided for in Rule 17ab2-2 (17 CFR 240.17ab2-2) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

Exchange Act Rule 17ab2-2 establishes procedures for making determinations affecting covered clearing agencies in certain defined circumstances. Exchange Act Rule 17ab2-2(a) establishes procedures for the Commission to make a determination, either of its own initiative or upon application by any clearing agency or member of a clearing agency, whether a covered clearing agency is systemically important in multiple jurisdictions. Exchange Act Rule 17ab2-2(b) establishes procedures to determine, if the Commission deems appropriate, whether any of the activities of a clearing agency providing central counterparty services, in addition to clearing agencies registered with the Commission for the purpose of clearing security-based swaps, have a more complex risk profile. Exchange Act Rule 17ab2-2(c) provides a procedure for the Commission to determine, either of its own initiative or upon application by any clearing agency or member of a clearing agency, whether to rescind any such determinations previously made by the Commission.

A clearing agency or one of its members that seeks a determination from the Commission under Rule 17ab2-2 or rescission of any determination previously made by the Commission under Rule 17ab2-2 must submit an application to the Commission. A respondent would have the burden of preparing such application for submission to the Commission. The Commission would use the information in the collection to facilitate its determination regarding systemic

importance in multiple jurisdictions or a rescission of a determination. It is unlikely that confidential information would be included in the collection of information, but such information received would be kept confidential subject to provisions of the Freedom of Information Act.

Commission staff believes that Rule 17ab2-2 would impose a PRA burden on a clearing agency that applies for a determination from the Commission under the rule. Commission staff estimate that two respondent clearing agencies (or a member of a clearing agency) could submit an application for such a determination.

Commission staff estimates that each respondent clearing agency incurs a one-time burden of 10 hours and a one-time cost of \$2,190 to draft and review a determination request submitted to the Commission, for a total of 20 hours and \$4,380 for all respondents. The total annualized burden and cost for all respondents are 6.66 hours and \$1,460.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

The public may view and comment on this information collection request at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202511-3235-003 or email comment to MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov within 30 days of the day after publication of this notice, by March 2, 2026.

Dated: January 26, 2026.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2026-01659 Filed 1-27-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104676; File No. SR-NYSEAMER-2026-03]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify the NYSE American Options Fee Schedule To Modify the Market Maker Sliding Scale Qualification Tiers and Amend the Floor Broker Fixed Cost Prepayment Incentive Program

January 23, 2026.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934

¹ 15 U.S.C. 78s(b)(1).

¹⁴ 17 CFR 200.30-3(a)(12).

(“Act”)² and Rule 19b–4 thereunder,³ notice is hereby given that, on January 14, 2026, NYSE American LLC (“NYSE American” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend the NYSE American Options Fee Schedule (“Fee Schedule”) regarding (1) the Market Maker Sliding Scale program (the “MM Sliding Scale”); (2) the Floor Broker Fixed Cost Prepayment Incentive (the “FB Prepay Program”); and (3) the limit on the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program (the “FB Cap”). The Exchange proposes to implement the fee change effective January 14, 2026.⁴ The proposed rule change is available on the Exchange’s website at www.nyse.com 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 self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The purpose of this filing is to amend the Fee Schedule regarding (1) certain volume thresholds under the MM Sliding Scale; (2) rebates available to participants in the FB Prepay Program; and (3) the amount of the FB Cap, as described in more detail below. The Exchange proposes to implement the fee change effective January 14, 2026.

MM Sliding Scale

Section I.C. of the Fee Schedule sets forth the MM Sliding Scale, a sliding

scale of transaction fees charged to NYSE American Options Market Makers (referred to as Market Makers herein) that decrease upon the Market Maker trading certain minimum, increasing monthly volume thresholds as expressed in four tiers.⁵ The MM Sliding Scale offers different rates depending on whether volume is non-take or take⁶ and offers reduced rates for Market Makers that participate in the Exchange’s Prepayment Programs for Market Makers, per Section I.D. of the Fee Schedule.⁷

The Exchange proposes to amend the MM Sliding Scale by modifying the volume thresholds required to qualify for tiers 2 and 3 of the program, effective July 1, 2026.⁸ Currently, Market Makers can qualify for tier 2 of the MM Sliding Scale by achieving electronic ADV of greater than 0.25% and up to 0.70% of TCADV and qualify for tier 3 of the MM Sliding Scale by achieving electronic ADV of greater than 0.70% and up to 1.25% of TCADV. The Exchange proposes to maintain these volume thresholds for tiers 2 and 3 through June 30, 2026, and effective July 1, 2026, amend the volume thresholds for tiers 2 and 3 as reflected in the table below, with current thresholds in brackets and proposed thresholds italicized.

Tier	Market maker electronic ADV as a % of TCADV	Rate per contract for non-take volume ¹	Rate per contract for take volume ¹	Prepayment program participant rates	
				Rate per contract for non-take volume ¹	Rate per contract for take volume ¹
1	0.00% to 0.25%	\$0.25	\$0.25	\$0.21	\$0.24
2	>0.25% to [0.70%] <i>0.65%</i>	0.23	0.25	0.19	0.23
3	>[0.70%] <i>0.65%</i> to 1.25%	0.12	0.17	0.08	0.12
4	>1.25%	0.09	0.14	0.06	0.10

² 15 U.S.C. 78a.

³ 17 CFR 240.19b–4.

⁴ The Exchange previously filed to amend the Fee Schedule on December 31, 2025, for January 2, 2026 effectiveness (SR–NYSEAMER–2025–78), and withdrew such filing on January 14, 2026.

⁵ See Fee Schedule, Section I.C., NYSE American Options Market Maker Sliding Scale—Electronic, available at: https://www.nyse.com/publicdocs/nyse/markets/american-options/NYSE_American_Options_Fee_Schedule.pdf (excluding any volumes attributable to QCC trades, CUBE Auctions, and Strategy Execution Fee Caps, as these transactions are subject to separate pricing described in Fee Schedule Sections I.F., I.G., and I.J, respectively). The thresholds are based on a Market Makers’ volume transacted electronically as a percentage of total industry Customer equity and Exchange Traded Fund options volumes as reported by the

Options Clearing Corporation (the “OCC”). See OCC Monthly Statistics Reports, available here, <http://www.theocc.com/webapps/monthly-volume-reports>. See also Fee Schedule, Key Terms and Definitions, TCADV (defining TCADV as “Total Industry Customer equity and ETF option average daily volume. TCADV includes OCC calculated Customer volume of all types, including Complex Order transactions and QCC transactions, in equity and ETF options”).

⁶ For purposes of the MM Sliding Scale, “all eligible volume that does not remove liquidity” qualifies as non-take volume; whereas any volume that removes liquidity qualifies as take volume.” See Fee Schedule, Section I.C., note 1. For example, any Market Maker transaction that interacts with resting liquidity is take volume.

⁷ The Exchange offers Market Makers the opportunity to prepay a portion of certain

transactions costs in exchange for reduced rates under the MM Sliding Scale, as well as enabling such Market Makers to qualify their Affiliated OFF or Appointed OFF, if any, to earn enhanced credits under the American Customer Engagement (“ACE”) Program per Section I.E. of the Fee Schedule. See Fee Schedule, Sections I.D. (describing 1 Year Prepayment Program and Balance of the Year Program) and I.E. (setting forth the ACE Program). The Market Maker Prepayment Program is designed to encourage Market Makers to commit capital to the Exchange as a demonstration of long-term participation on the Exchange as a primary execution venue.

⁸ See proposed Fee Schedule, Section I.C., NYSE American Options Market Maker Sliding Scale—Electronic.

In other words, the Exchange proposes that, as of July 1, 2026, the volume threshold for tier 2 will change from “>0.25% to 0.70%” to “>0.25% to 0.65%” and the volume threshold for tier 3 will change from “>0.70% to 1.25%” to “>0.65% to 1.25%.” This proposed change would lower the volume threshold for tier 3 beginning on July 1, 2026 and is intended to facilitate Market Makers’ ability to qualify for the reduced rates available in tier 3 (including the preferential pricing afforded to Market Makers that participate in the Market Maker Prepayment Program). The Exchange is not proposing any changes to the rates offered through the MM Sliding Scale program or any changes to the volume thresholds for tiers 1 and 4.

Although the Exchange cannot predict with certainty whether any Market Makers would seek to qualify for the rates available through the MM Sliding Scale program, the Exchange believes that the proposed change, which would make it easier for Market Makers to

qualify for the lower per contract rates available in tier 3 of the MM Sliding Scale beginning in July 2026, would continue to encourage Market Maker activity on the Exchange.

FB Prepay Program

The FB Prepay Program, as set forth in Section III.E.1. of the Fee Schedule, is a prepayment incentive program that allows Floor Brokers to prepay certain of their annual Eligible Fixed Costs in exchange for the opportunity to earn rebates through the Manual Billable Rebate Program (each a “Manual Rebate”).⁹ Manual Rebates are payable monthly, back to the first billable side, on transactions for which at least one side is subject to manual transaction fees and, unless otherwise specified, excludes QCC volume.¹⁰ Participating Floor Brokers that achieve more than 500,000 manual billable sides in a month are eligible for a Manual Rebate of (\$0.05) per billable side, and those that achieve more than 1.1 million manual billable sides in a month are

eligible for an additional Manual Rebate of (\$0.02) per billable side. In addition, FB Prepay Participants that execute at least 500,000 manual billable sides in a month may be eligible for an additional rebate of (\$0.02) per billable side, payable back to the first billable side, if they also execute at least 3.5 million Firm Facilitation sides. Currently, the Manual Billable Rebate Program also provides an alternative way for participants in the FB Prepay Program that execute at least 5 million combined manual billable and QCC billable contracts in a month to earn a rebate of (\$0.10) per billable side, payable back to the first billable side.¹¹ In addition, participating Floor Brokers that achieve this combined volume threshold may also be eligible for one of the following additional rebates based on combined QCC and manual billable contracts, payable back to the first billable side (participants that qualify for both rebates would be entitled only to the greater of the two):

Qualifying volume	Additional rebate per billable side
Execute combined manual billable and QCC billable contracts exceeding 5 million by at least 40% <i>OR</i> Execute combined manual billable and QCC billable contracts exceeding 5 million by at least 100%.	(\$0.01) <i>OR</i> (\$0.02)

The Exchange first proposes to amend FB Prepay Program to provide for an additional (\$0.03) rebate that would be available to participating Floor Brokers that execute at least 10x the minimum requirement to qualify for the Manual Billable Rebate Program (*i.e.*, 10x of 500,000 billable sides) in combined manual billable and QCC billable contracts in a month, provided that at least 60% of such contracts are manual billable contracts. This rebate would be an alternative to the additional (\$0.02) rebate available to FB Prepay Program participants that execute the requisite number of Firm Facilitation sides and would replace the existing option to qualify for an additional rebate based on combined manual billable and QCC billable contracts.¹² Although the proposed change would require Floor Brokers to execute a higher proportion of manual billable contracts (as

compared to QCC billable contracts) in order to qualify for the additional rebate, the Exchange believes the proposed change would encourage additional manual executions on the Exchange, consistent with the intent of the FB Prepay Program to encourage the role performed by Floor Brokers in facilitating the execution of orders via open outcry.

The Exchange also proposes to amend the FB Prepay Program to provide for an additional rebate of (\$0.01) per manual billable side and an additional rebate of (\$0.01) per two billable side QCC contract,¹³ each payable back to the first billable side, which would be available to participating Floor Brokers if they exceed the higher of the qualifications in the table above (*i.e.*, combined manual billable and QCC billable contracts exceeding 5 million by at least 100%) by 2 million combined manual

billable and QCC billable contracts.¹⁴ The Exchange believes this proposed change, which offers an additional rebate to qualifying FB Prepay Program participants, could incentivize Floor Brokers to participate in the FB Prepay Program (including Floor Brokers that have not previously participated in the program) and encourage program participants to conduct more manual billable and QCC billable volume on the Exchange to earn the proposed rebate(s) on such volume.

FB Cap

The FB Cap is a limit on the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program of \$3,000,000 per month per Floor Broker firm.¹⁵ Earlier this year, in response to extreme market volatility and a concomitant surge in open outcry

⁹ See Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the “FB Prepay Program”). Floor Brokers may enroll in the Program for the entire calendar year or may enroll at any time during a calendar year, subject to the various prepayment requirements. *See id.*

¹⁰ The Exchange excludes any volume calculated to achieve the Strategy Execution Fee Cap, regardless of whether the cap is achieved, from the Manual Billable Rebate Program because fees on such volume are already capped and therefore such

volume does not increase billable manual volume. *See id.*

¹¹ *See id.*

¹² The Exchange proposes to delete the sentence describing the currently available additional rebate based on combined manual billable and QCC billable contracts and make a related non-substantive, conforming change in the sentence that follows.

¹³ A two billable side QCC contract has a non-customer participant on both sides of the contract.

¹⁴ The Exchange proposes to describe these rebates in new rule text that would appear below the table titled “Qualifying Volume” and “Additional Rebate per Billable Side” in Section III.E.1. of the Fee Schedule.

¹⁵ See Fee Schedule, Sections I.F. and III.E.1. (providing, in relevant part, that Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program shall not combine to exceed \$3,000,000 per month per Floor Broker firm).

volume that led to Floor Broker firms earning higher than average monthly credits and rebates, the Exchange waived the FB Cap to allow Floor Broker firms to continue to send credit/rebate-generating order flow to the Exchange without concern for reaching the FB Cap.¹⁶ Because open outcry volumes on the Exchange remain elevated, the Exchange proposes to increase the FB Cap to \$4,000,000 per month per Floor Broker firm.

The proposed change is intended to incent Floor Brokers to continue to direct their order flow to the Exchange, thereby increasing liquidity to the benefit of all market participants, by increasing the amount of the monthly cap on combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,¹⁷ in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,¹⁸ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The proposed changes to the Fee Schedule are reasonable, equitable, and not unfairly discriminatory. As a threshold matter, the Exchange is subject to significant competitive forces in the market for options securities transaction services that constrain its pricing determinations in that market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. 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.”¹⁹

There are currently 18 registered options exchanges competing for order flow. Based on publicly available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades.²⁰ Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity and ETF options order flow. More specifically, in November 2025, the Exchange had 8.58% market share of executed volume of multiply-listed equity and ETF options order flow.²¹ In such a low-concentrated and highly competitive market, no single options exchange possesses significant pricing power in the execution of option order flow.

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow or discontinue or reduce use of certain categories of products, in response to fee changes. Accordingly, competitive forces constrain options exchange transaction fees. In response to this competitive marketplace, the Exchange has established incentives, such as the MM Sliding Scale and FB Prepay Program, to encourage market participants to direct order flow to the Exchange.

The Exchange believes that the proposed changes to the MM Sliding Scale, FB Prepay Program, and FB Cap are reasonable. The proposed change to the MM Sliding Scale would reduce the minimum volume threshold to achieve tier 3, effective July 1, 2026, thus making it easier to achieve. Accordingly, the Exchange believes that the MM Sliding Scale, as modified, should continue to encourage Market Makers to commit to directing their order flow to the Exchange in exchange for reduced rates, which would increase volume and liquidity, to the benefit of all market participants by providing

more trading opportunities and tighter spreads. The Exchange believes that the proposed changes to the Manual Billable Rebate program are reasonable because they should continue to encourage Floor Brokers to participate in the FB Prepay Program and to provide liquidity on the Exchange. In particular, the proposed rebates are intended to encourage Floor Brokers to increase the number of manual and QCC transactions directed to the Exchange and to aggregate their executions at the Exchange as a primary execution venue. To the extent that the proposed change achieves its purpose of attracting more volume to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for order execution, thus improving market quality for all market participants. The Exchange believes the proposed change to the FB Cap is reasonable because it is also designed to encourage the unique function of Floor Brokers in facilitating the execution of open outcry orders, to the benefit of all market participants. To the extent the proposed increase to the amount of the FB Cap encourages Floor Brokers to continue facilitating transactions on the Exchange (instead of on a competing market), all market participants should benefit from increased liquidity, and increased order flow on the Exchange would continue to make the Exchange a more competitive venue for order execution, thus supporting market quality for all market participants.

The Exchange believes the proposed changes are equitable and not unfairly discriminatory because they are based on the amount and type of business transacted on the Exchange. The MM Sliding Scale program is available to all Market Makers, who can attempt to trade sufficient monthly volume to achieve one of the MM Sliding Scale tiers or not. Market Makers likewise have the option of participating in the Prepayment Program to be eligible for further reduced rates under the MM Sliding Scale or not. The Exchange believes it is equitable and not unfairly discriminatory to continue to offer incentives to Market Makers given their heightened obligations, as compared to other market participants, and because, to the extent the proposed change achieves its intended purpose in encouraging Market Maker activity on the Exchange, all market participants would be encouraged to direct additional order flow to the Exchange, making it a more attractive venue for execution. Similarly, Floor Brokers are not obligated to participate in the FB Prepay Program, and those who do can

¹⁶ See Securities Exchange Act Release Nos. 102890 (April 18, 2025), 90 FR 17273 (April 24, 2025) (SR-NYSEAMER-2025-26); 102985 (May 2, 2025), 90 FR 19584 (May 8, 2025) (SR-NYSEAMER-2025-27); 103623 (August 1, 2025), 90 FR 37905 (August 6, 2025) (SR-NYSEAMER-2025-46); 104258 (November 25, 2025), 90 FR 55186 (December 1, 2025) (SR-NYSEAMER-2025-65). The Exchange also proposes a non-substantive, clean up change to delete language from the Fee Schedule in Sections I.F. and III.E.1. referencing the waiver of the FB Cap for the months of November and December 2025, which will have expired.

¹⁷ 15 U.S.C. 78f(b).

¹⁸ 15 U.S.C. 78f(b)(4) and (5).

¹⁹ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (S7-10-04) (“Reg NMS Adopting Release”).

²⁰ The OCC publishes options and futures volume in a variety of formats, including daily and monthly volume by exchange, available at: <https://www.theocc.com/Market-Data/Market-Data-Reports/Volume-and-Open-Interest/Monthly-Weekly-Volume-Statistics>.

²¹ Based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of equity-based ETF options, *see id.*, the Exchange’s market share in equity-based options increased from 6.09% for the month of November 2024 to 8.58% for the month of November 2025.

choose to execute manual billable volume and QCC transactions to earn rebates through the Manual Billable Rebate Program or not. In addition, the Manual Billable Rebate Program continues to be equally available to all Floor Brokers that participate in the FB Prepay Program. Floor Brokers likewise are not obligated to execute manual billable or QCC transactions, and the proposed rebates offered through the Manual Billable Rebate Program would be available to all Floor Brokers that participate in the FB Prepay Program on a non-discriminatory basis. Finally, the FB Cap, as proposed, would apply equally to all Floor Brokers that execute manual transactions and/or QCC transactions and that earn rebates and credits applied toward such cap. The Exchange also believes that it is equitable and not unfairly discriminatory to continue to offer incentives to Floor Brokers to encourage their unique function in facilitating the execution of orders via open outcry, to the benefit of all market participants.

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

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for all market participants. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."²²

Intramarket Competition. The proposed change is designed to continue to attract order flow to the Exchange by offering Market Makers competitive rates based on increased volumes on the Exchange, which would enhance the quality of quoting and may increase the volumes of contracts trade on the Exchange. To the extent that there is an additional competitive burden on non-Market Makers, the Exchange believes that this is appropriate because Market Makers have heightened obligations that other

market participants do not and the proposal should incent market participants to direct additional order flow to the Exchange, and thus provide additional liquidity that enhances the quality of its markets and increases the volume of contracts traded here. The proposed changes to the FB Prepay Program would be available to all similarly-situated Floor Brokers that participate in the FB Prepay Program. The Exchange believes that the proposed change to adopt the additional rebates for Floor Brokers would encourage competition, including by attracting additional liquidity to the Exchange, which would continue to make the Exchange a more competitive venue for, among other things, order execution and price discovery. The proposed change to the FB Cap would apply equally to all similarly-situated Floor Brokers. To the extent that the continuation of the FB Prepay Program, the proposed additional rebates for Floor Broker participants in the program, or the increased FB Cap impose an additional competitive burden on non-Floor Brokers, the Exchange believes that any such burden would be appropriate because Floor Brokers serve an important function in facilitating the execution of orders and price discovery for all market participants.

Intermarket Competition. The Exchange operates in a highly competitive market in which market participants can readily favor one of the other 17 competing option exchanges if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow to the Exchange. Based on publicly available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades. Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity and ETF options order flow. More specifically, in November 2025, the Exchange had 8.58% market share of executed volume of multiply-listed equity and ETF options order flow.

The Exchange believes that the proposed change to the MM Sliding Scale reflects this competitive environment because modifying the volume threshold for tier 3 of the MM Sliding Scale to make it easier to achieve should continue to encourage Market Makers to commit to directing their order flow to the Exchange, which would increase volume and liquidity, to

the benefit of all market participants by providing more trading opportunities and tighter spreads. Similarly, the proposed changes to the FB Prepay Program would provide for additional rebates to program participants, which could encourage Floor Brokers to direct trading interest (particularly manual transactions and QCC transactions) to the Exchange, to provide liquidity and to attract order flow. The proposed change to the FB Cap is also designed to continue to incent Floor Brokers to direct manual and QCC transactions to the Exchange, to provide liquidity and to attract order flow to the Exchange. To the extent that Floor Brokers are encouraged to participate in the FB Prepay Program and/or to utilize the Exchange as a primary trading venue for all transactions, all of the Exchange's market participants should benefit from improved market quality and increased opportunities for price improvement.

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

No written comments were solicited or received with respect to the proposed rule change.

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)²³ of the Act and subparagraph (f)(2) of Rule 19b-4²⁴ thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)²⁵ of the Act 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.

²³ 15 U.S.C. 78s(b)(3)(A).

²⁴ 17 CFR 240.19b-4(f)(2).

²⁵ 15 U.S.C. 78s(b)(2)(B).

²² See Reg NMS Adopting Release, *supra* note 19, at 37499.

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-NYSEAMER-2026-03 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-NYSEAMER-2026-03. 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-NYSEAMER-2026-03 and should be submitted on or before February 18, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁶

Vanessa A. Countryman,
Secretary.

[FR Doc. 2026-01636 Filed 1-27-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104673; File No. SR-C2-2026-003]

Self-Regulatory Organizations; Cboe C2 Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 5.34(c) With Respect to Its Risk Monitor Mechanism, To Provide Trading Permit Holders ("TPHs") With Additional Flexibility in Establishing How Their Trading Activity Counts Towards Certain Risk Parameters

January 23, 2026.

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 January 14, 2026, Cboe C2 Exchange, Inc. (the "Exchange" or "C2") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II 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 C2 Exchange, Inc. (the "Exchange" or "C2") proposes to amend Rule 5.34(c) with respect to its Risk Monitor Mechanism, to provide Trading Permit Holders ("TPHs") with additional flexibility in establishing how their trading activity counts towards certain risk parameters. 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 (https://www.cboe.com/us/options/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 Rule 5.34(c), Order and Quote Price Protection Mechanisms and Risk Controls (All Orders). Specifically, the Exchange proposes changes to the Risk Monitor Mechanism to provide TPHs with additional flexibility in establishing how their trading activity counts towards certain risk parameters.

By way of background, the Risk Monitor Mechanism provides TPHs with the ability to manage their order and execution risk. Each TPH may establish limits for various parameters in the Exchange's counting program. The System³ counts each of the following within an underlying for an EFID⁴ ("underlying limit") and across all underlyings for an EFID ("EFID limit") and/or across all underlyings for a group of EFIDs ("EFID Group") ("EFID Group limit"), over a TPH-established time period ("interval") and on an absolute basis for a trading day ("absolute limits"): (i) number of contracts executed ("volume"); (ii) notional value of executions ("notional"); (iii) number of executions ("count"); (iv) number of contracts executed as a percentage of number of contracts outstanding within an Exchange-designated time period or during the trading day, as applicable ("percentage"), which the System determines by calculating the percentage of a TPH's outstanding contracts that executed on each side of the market during the time period or trading day, as applicable, and then summing the series percentages on each side in the underlying; and (v) number of times the limits established by the parameters (i) through (iv) are reached ("risk trips") (collectively, "risk parameters"). Additionally, when the System determines a risk parameter exceeds a TPH's underlying limit within the interval or the absolute limit for the underlying, the Risk Monitor Mechanism cancels or rejects such TPH's orders or quotes in all series of the underlying and cancels or rejects any additional orders or quotes from the TPH in the underlying until the

³ The term "System" means the automated trading system the Exchange uses for the trading of option contracts. See Rule 1.1.

⁴ The term "EFID" means an Executing Firm ID. See Rule 1.1.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

²⁶ 17 CFR 200.30-3(a)(12).