



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103371; File No. SR-NYSEARCA-2025-46]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Modify the NYSE Arca Options Fee Schedule to Restructure the Presentation of the Manual Billable Rebate Program

July 2, 2025.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”),² and Rule 19b-4 thereunder,³ notice is hereby given that on June 26, 2025, NYSE Arca, Inc. (“NYSE Arca” 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 modify the NYSE Arca Options Fee Schedule (“Fee Schedule”) to restructure the description of the Manual Billable Rebate Program. The Exchange proposes to implement this change effective June 26, 2025.⁴ The proposed rule change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ On June 11, 2025, the Exchange filed to amend the Fee Schedule (NYSEARCA-2025-43) and withdrew such filing on June 26, 2025.

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 modify the Fee Schedule to restructure the description of the Manual Billable Rebate Program (the “Rebate Program”) to improve the readability of the Fee Schedule.

The Rebate Program is available to participants in the Floor Broker Fixed Cost Prepayment Incentive Program (the “FB Prepay Program”), which is an incentive program that allows Floor Brokers to that prepay certain of their annual Eligible Fixed Costs to be eligible for the Rebate Program.⁵

FB Prepay Participants receive a “base” rebate on manual billable volume of (\$0.08) per billable side, plus a “bonus” rebate of (\$0.02) per billable side if they achieve more than 500,000 billable sides in a month, payable back to the first billable side.⁶

In addition to the base and bonus rebates, FB Prepay Participants may earn another rebate tied to “Submitting Broker QCC Credits.”⁷ Specifically, FB Participants that “[a]chieve 3.5 million QCC contracts per month” (“QCC Tier 2”) are eligible to earn one of the two rebates as

⁵ Manual billable volume includes transactions for which at least one side is subject to manual transaction fees and excludes QCCs, transactions described in Endnote 12, and any volume calculated to achieve Strategy Cap, regardless of whether this cap is achieved. See Fee Schedule, Floor Broker Fixed Cost Prepayment Incentive Program (the “FB Prepay Program”).

⁶ See id.

⁷ See Fee Schedule, Additional Submitting Broker QCC Credits (available to Floor Brokers that achieve QCC Tier 1 or QCC Tier 2).

shown below.

- A (\$0.01) rebate per billable side if they achieve QCC Tier 2, plus execute manual billable sides equal to at least 10% of the QCC Tier 2 volume requirement (i.e., execute at least 350,000 manual billable sides); or
- A (\$0.02) rebate per billable side if they achieve QCC Tier 2, plus execute manual billable sides equal to at least 20% of the QCC Tier 2 volume requirement (i.e., execute at least 700,000 manual billable sides).⁸

A Floor Broker may only receive one of these two rebates tied to QCC Tier 2, retroactive to the first billable side.⁹

Currently, the Exchange describes the Rebate Program, including the base and bonus rebates, in an introductory paragraph that is followed by a visual representation of these same rebates in a table titled “Manual Billable Rebate Program” (the “Table”). To reduce potential investor confusion, the Exchange proposes to remove the title of the Table (as redundant and unnecessary); to remove from the Table text that repeats the description of rebates already included in the introductory paragraph; and to correct a typographical error as described below.

First, because the base and bonus rebates are described in both the introductory paragraph and the Table, the Exchange proposes remove the repetitive title of the Table together with the rows that (again) describe the base and bonus rebates.¹⁰ Consistent with this change, the Exchange proposes to modify the introductory paragraph to remove the clause stating “[a]s shown in the table below...”.¹¹

The Exchange also proposes to modify the Table by capitalizing each word in the column setting forth the “Rebate per Billable Side” and, in that latter column, removing the word

⁸ See Fee Schedule, Floor Broker Fixed Cost Prepayment Incentive Program (the “FB Prepay Program”).

⁹ The Exchange currently places a \$3,000,000 per firm, monthly maximum limit on the rebates earned through the Manual Billable Rebate Program when combined with Submitting Broker QCC Credits See Fee Schedule, FB Prepay Program, endnote 17.

¹⁰ See proposed Fee Schedule, FB Prepay Program.

¹¹ See id.

“Additional” in reference to the rebates associated with achieving QCC Tier 2.

Finally, regarding the table setting forth the “Additional Submitting Broker QCC Credits,” the Exchange proposes to relocate that text so that it appears as the title of the table rather than as a column heading and to re-name that column “Qualifying Volume,” which would add clarity, transparency, and internal consistency to the Fee Schedule. The Exchange believes these streamlining changes will add clarity and transparency to the Fee Schedule making it easier for investors to navigate and understand.

The Exchange is not proposing any substantive change to the FB Prepay Program or the Rebate Program.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,¹² in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,¹³ 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 Exchange believes that the proposed rule change to restructure the presentation of the Rebate Program by deleting repetitive text and correcting a typographical error, is reasonable, equitable, and not unfairly discriminatory because such change would reduce the potential for investor confusion regarding rebates available to Floor Brokers participating in the FB Prepay Program, thus improving the readability of the Fee Schedule.

The proposed rule change is equitable and not unfairly discriminatory because it would impact all similarly situated market participants (i.e., FB Prepay Participants) on an equal basis. The Exchange believes that the proposed change would promote investor protection and public interest because the restructured rule text would enhance and improve the readability of the Fee

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(4) and (5).

Schedule thus reducing any potential confusion regarding rebates available to all Floor Brokers participating in the FB Prepay Program.

The Exchange is not proposing any substantive change to the FB Prepay Program or the Rebate Program.

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 changes 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 proposed change relates solely to restructuring the description of the Rebate Program and, accordingly, would not have any impact on intramarket or intermarket competition. The proposed change is designed to improve the readability of the Fee Schedule and to reduce (or avoid) any potential confusion regarding rebates available to Floor Brokers participating in the FB Prepay Program.

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)¹⁴ of the Act and subparagraph (f)(2) of Rule 19b-4¹⁵ 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

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4(f)(2).

Commission shall institute proceedings under Section 19(b)(2)(B)¹⁶ 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. 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-NYSEARCA-2025-46 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-NYSEARCA-2025-46. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3

¹⁶ 15 U.S.C. 78s(b)(2)(B).

p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NYSEARCA-2025-46 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.¹⁷

Sherry R. Haywood,

Assistant Secretary.

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