



## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103588; File No. SR-CboeBZX-2025-093]

### Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend its Fees Schedule to Increase the Monthly Fee for 10 Gb Physical Ports

July 30, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on July 17, 2025, Cboe BZX Exchange, Inc. (the “Exchange” or “BZX”) filed with the Securities and Exchange Commission (“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 Equities”) proposes to amend its Fees Schedule. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange’s website ([http://markets.cboe.com/us/equities/regulation/rule\\_filings/BZX/](http://markets.cboe.com/us/equities/regulation/rule_filings/BZX/)) and at the Exchange’s Office of the Secretary.

#### 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

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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 relating to physical connectivity fees.<sup>3</sup>

By way of background, a physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange’s servers are located. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: \$2,500 per physical port for a 1 gigabit (“Gb”) circuit and \$7,500 per physical port for a 10 Gb circuit. The Exchange proposes to increase the monthly fee for 10 Gb physical ports from \$7,500 to \$8,500 per port. The Exchange notes the proposed fee change better enables it to continue to maintain and improve its market technology and services and also notes that the proposed fee amount, even as amended, continues to be in line with, or even lower than, amounts assessed by other exchanges for similar connections.<sup>4</sup> The Exchange also notes

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<sup>3</sup> The Exchange initially filed the proposed fee changes on July 3, 2023 (SR-CboeBZX-2023-046). On September 1, 2023, the Exchange withdrew that filing and submitted SR-CboeBZX-2023-067. On September 29, 2023, the Securities and Exchange Commission issued a Suspension of and Order Instituting Proceedings to Determine whether to Approve or Disapprove a Proposed Rule Change to Amend its Fees Schedule Related to Physical Port Fees (the “OIP”) in anticipation of a possible U.S. government shutdown. On October 2, 2023, the Exchange filed the proposed fee change (SR-CboeBZX-2023-080). On October 13, 2023, the Exchange withdrew that filing and on business date October 16, 2023 submitted SRCboeBZX-2023-084. On December 12, 2023, the Exchange withdrew that filing and submitted SRCboeBZX-2023-103. On February 9, 2024, the Exchange withdrew that filing and submitted SRCboeBZX-2024-016. On April 9, 2024, the Exchange withdrew that filing and submitted SR-CboeBZX2024-027. On June 7, 2024, the Exchange withdrew that filing and submitted SR-CboeBZX-2024-051. On August 29, 2024, the Exchange withdrew that filing and submitted SR-CboeBZX-2024-079. On October 25, 2024, the Exchange withdrew that filing and submitted SR-CboeBZX-2024-106. On October 28, 2024, the Exchange withdrew that filing and submitted SR-CboeBZX-2024-108. On December 18, 2024, the Exchange withdrew that filing and submitted SR-CboeBZX-2024-127. On February 14, 2025, the Exchange withdrew that filing and submitted SR-CboeBZX-2025-029. On March 13, 2025, the Exchange withdrew that filing and submitted SR-CboeBZX-2025-042. On May 9, 2025, the Exchange withdrew that filing and submitted SR-CboeBZX-2025-066. On July 7, 2025, the Exchange withdrew that filing and submitted SR-CboeBZX-2025-087. On July 17, 2025 the Exchange withdrew that filing and submitted this filing.

<sup>4</sup> See e.g., The Nasdaq Stock Market LLC (“Nasdaq”), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$16,500 for each 10Gb Ultra fiber connection to the respective exchange. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gb LX LCN Circuits (which are analogous to the Exchange’s 10 Gb physical port) are assessed \$22,000 per month, per

that a single 10 Gb physical port can be used to access the Systems of the following Affiliate Exchanges: the Cboe BYX Exchange, Inc. (equities), Cboe EDGX Exchange, Inc. (options and equities platforms), Cboe EDGA Exchange, Inc., (equities) and Cboe C2 Exchange, Inc., (options) (collectively, “Affiliate Exchanges”).<sup>5</sup> Notably, only one monthly fee currently (and will continue) to apply per 10 Gb physical port regardless of how many Affiliate Exchanges are accessed through that one port.<sup>6</sup>

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>7</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</sup> 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)<sup>9</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4)<sup>10</sup> of the Act, which requires

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port.

<sup>5</sup> The Affiliate Exchanges are also submitting contemporaneous identical rule filings.

<sup>6</sup> The Exchange notes that conversely, other exchange groups charge separate port fees for access to separate, but affiliated, exchanges. See e.g., Securities and Exchange Release No. 99822 (March 21, 2024), 89 FR 21337 (March 27, 2024) (SR-MIAX-2024-016).

<sup>7</sup> 15 U.S.C. 78f(b).

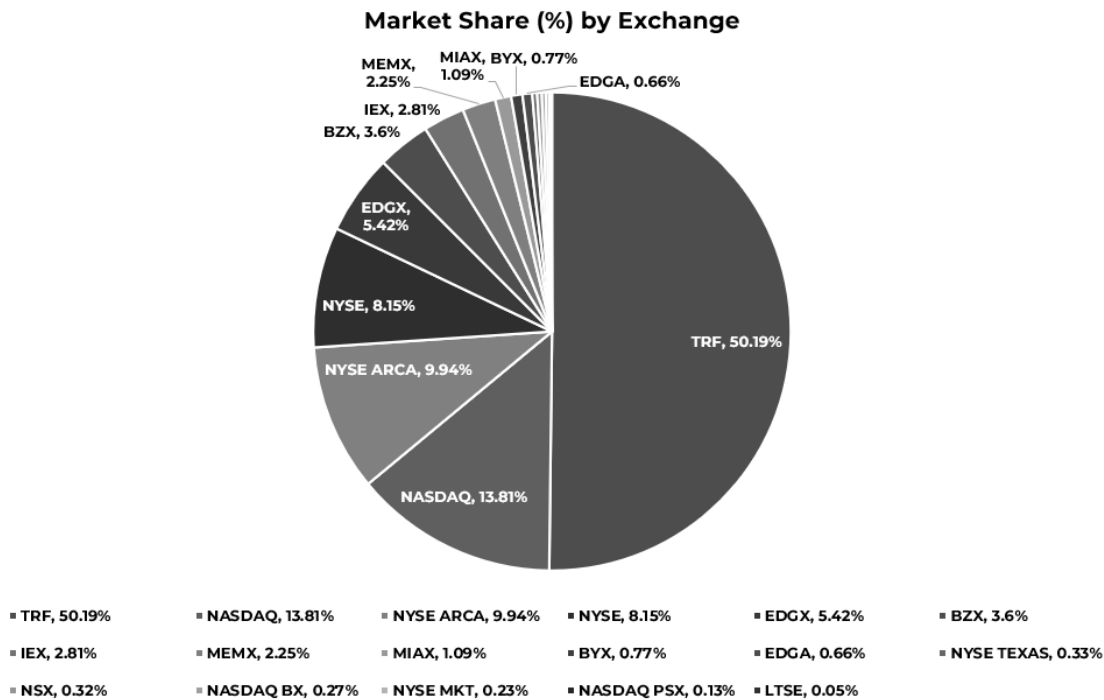
<sup>8</sup> 15 U.S.C. 78f(b)(5).

<sup>9</sup> Id.

<sup>10</sup> 15 U.S.C. 78f(b)(4).

that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities. This belief is based on various factors as described below.

The Exchange believes the proposed fees are reasonable as they are lower than, the amounts assessed by equities exchanges for analogous market access connections and which were similarly adopted via the rule filing process and filed with the Commission. The Exchange further notes that other the exchanges that offer similar pricing for similar or the same connections have a comparable, or even lower, market share as the Exchange, as detailed further below. Indeed, the Exchange has reviewed the U.S. equities market share<sup>11</sup> for each of the sixteen equities markets utilizing total shares traded in 2025 through July 2, 2025, as set forth in the following graph:



<sup>11</sup> Market share is the percentage of volume on a particular exchange relative to the total volume across all exchanges and indicates the amount of order flow directed to that exchange. High levels of market share enhance the value of trading and ports. The Exchange’s calculation of market share also excludes auction volume on both NYSE and Nasdaq, as the benefits of NYSE’s and Nasdaq’s comparable access connections (e.g., reduced latency) are not realized for transactions executed in their opening and closing auctions, which are instead executed at specific, codified times of the trading day. Accordingly, the Exchange believes that traded volume in NYSE’s and Nasdaq’s opening and closing auctions are not relevant for comparative purposes.

More specifically, the Exchange notes that the proposed physical port fee of \$8500 per month, per physical port, is comparable to fees charged by at least three other exchanges with similar market share. Indeed, two of these exchanges – Nasdaq BX (“BX”) and Nasdaq PSX (“PSX”) – have less market share than BZX quities yet charge higher monthly fees for their competing products. These comparisons are summarized in Table 1:

**Table 1**

<b>Exchange</b>	<b>Market Share</b>	<b>Monthly Fee Per Port</b>
BZX Equities	3.60%	Proposed \$8500 for each 10 Gb Physical Port Connection
Nasdaq BX	0.27%	\$11,000 for each 10 Gbps Fiber Connection \$16,500 for each 10 Gbps Ultra Fiber Connection
Nasdaq PSX	0.13%	\$11,000 for each 10 Gbps Fiber Connection \$16,500 for each 10 Gbps Ultra Fiber Connection

The Exchange believes its proposal is reasonable as it reflects a moderate increase in physical connectivity fees for 10 Gb physical ports and its offering. As amended, the proposed 10 Gb physical port fee continues to be less than the fee charged by both BX<sup>12</sup> and PSX,<sup>13</sup> even though BZX Equities maintains greater market share than BX and PSX, both individually and collectively. Specifically, despite having nearly 3x more market share (3.60%) than that of BX (0.27%) and PSX (0.13%), BZX’s proposed \$8500 per month for each 10 Gb physical port connection is still \$2500 less than BX’s and PSX’s 10Gbps fiber connection fee (\$11,000), and \$8000 less than BX’s and PSX’s 10 Gbps Ultra Fiber connection fee (\$16,500). Furthermore, by purchasing one physical port on BZX, a Member gains access to each of BZX Equities’ Affiliate Exchanges (for both equities and options), providing them connectivity to nearly 11% of the

<sup>12</sup> See Nasdaq BX (“BX”) rulebook, General 8, Connectivity to the Exchange, available at: <https://listingcenter.nasdaq.com/rulebook/BX/rules/BX%20General%208/Fiber%20Connection%20to%20the%20Exchange/EQUALS/#position>

<sup>13</sup> See Nasdaq PSX (“PSX”) rulebook, General 8, Connectivity to the Exchange, available at: <https://listingcenter.nasdaq.com/rulebook/phlx/rules/Phlx%20General%208>.

equities market.<sup>14</sup> While BX and PSX connectivity provide similar access to Nasdaq Stock Market, LLC's ("Nasdaq") other markets, a 10 Gb physical port fee on BZX Equities is still comparatively lower than that assessed for access to BX, PSX, and Nasdaq.<sup>15</sup>

**Table 2**

<b>Exchange</b>	<b>Market Share</b>	<b>Monthly Fee Per Port</b>
BZX Equities	3.60%	Proposed \$8500 for each 10 Gb Physical Port Connection
MIAX	1.09%	\$8,000 for each 10 Gigabit ULL Connection

The Exchange also acknowledges the equivalent offering from MIAX Pearl ("MIAX") which is \$8,000 per port per month for its 10 Gigabit ULL connection.<sup>16</sup> While the Exchange's proposed 10 Gb physical port fee of \$8500 is \$500 more than that of MIAX and MIAX maintains greater market share than BZX, the Exchange again reiterates that unlike MIAX, a single physical 10 Gb physical port connection offers Exchange Members access to each of BZX Equities' Affiliated Exchanges (for both equities and options) and the monthly price does not change based on the number of exchanges a Member is connected to. In this case, examining only the Exchange's equities Affiliate Exchanges, as demonstrated in the chart above, a participant could purchase a single physical port from the Exchange and access nearly 11% of the U.S. equities market, in contrast to purchasing a single port from MIAX Pearl and accessing only around 1% of the U.S. equities market.

**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. The proposed fee change will not impact intramarket competition because it will apply to all similarly

<sup>14</sup> 0.77% (BYX) + 3.60% (BZX) + 5.42% (EDGX) + 0.66% (EDGA) = 10.45%.

<sup>15</sup> For \$8500 per month, BYX Members gain access to approximately 11% of the market. For \$16,500 a month, Nasdaq members gain access to approximately 14.21% of the market: 13.21% (Nasdaq) + .27% (BX) + .13% (PSX) = 14.21%.

<sup>16</sup> See MIAX Pearl Equities Fee Schedule

situated Members equally (i.e., all market participants that choose to purchase the 10 Gb physical port). Additionally, the Exchange does not believe its proposed pricing will impose a barrier to entry to smaller participants and notes that its proposed connectivity pricing is associated with relative usage of the various market participants. For example, market participants with modest capacity needs can continue to buy the less expensive 1 Gb physical port (which cost is not changing) or may choose to obtain access via a third-party re-seller. While pricing may be increased for the larger capacity physical ports, such options provide far more capacity and are purchased by those that consume more resources from the network. Accordingly, the proposed connectivity fees do not favor certain categories of market participants in a manner that would impose a burden on competition; rather, the allocation reflects the network resources consumed by the various size of market participants – lowest bandwidth consuming members pay the least, and highest bandwidth consuming members pays the most.

The proposed fee change also does not impose a burden on competition or on other Self-Regulatory Organizations that is not necessary or appropriate. As described above, in establishing its proposed fee change the Exchange compared its proposed fee increase to that of competitor exchanges' analogous offerings. As noted above, the proposed fee of \$8500 is less than that of both Nasdaq BX and Nasdaq PSX, despite both Nasdaq markets maintaining lesser market share than BZX. Moreover, while BZX's proposed \$8500 10 Gb physical port fee is \$500 more than MIAX's \$8000 per month 10 gigabit ULL connection fee, the Exchange again reiterates that the purchase of a single 10 Gb physical port connection provides BZX Equities Members with access to all of BZX Equities' Affiliated Exchanges (both equities and options); i.e., a single 10 Gb physical port connection provides BZX Equities Members with access to nearly 11% of the U.S. equities market, while a single 10 gigabit ULL connection on MIAX provides a MIAX user with access to less than 2% of the U.S. equities market.

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 Act<sup>17</sup> and paragraph (f) of Rule 19b-4<sup>18</sup> 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:

#### 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](mailto:rule-comments@sec.gov). Please include file number SR-CboeBZX-2025-093 on the subject line.

#### Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-CboeBZX-2025-093. 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>).

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<sup>17</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>18</sup> 17 CFR 240.19b-4(f).

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-2025-093 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.<sup>19</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>19</sup> 17 CFR 200.30-3(a)(12).