



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103867; File No. SR-CboeBZX-2025-122]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Adopt Fees for the All Cancels Report

September 4, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 29, 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”) proposes to adopt fees for its new offering of a market data report. 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/) 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

¹ 15 U.S.C. 78s(b)(1).

² 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 to adopt fees for the All Cancels Report, effective August 25, 2025.³ The Exchange recently adopted a new data product known as the All Cancels Report as part of the Cboe Timestamping Service.⁴ The Cboe Timestamping Service reports provide timestamp information for orders and cancels for market participants. More specifically, the Cboe Timestamping Service reports provide various timestamps relating to the message lifecycle throughout the exchange system. The first report that is currently offered—the Missed Liquidity Report—covers order messages and the second report—Cancels Report⁵—covers cancel messages. Lastly, the recent addition of the All Cancels Report supplements the existing Missed Cancels Report⁶ by offering a comprehensive view of cancel behavior and messaging activity. In comparison to the existing Missed Cancels Report, the All Cancels Report includes all cancel-related messages sent by the subscriber, irrespective of whether the cancel attempt was successful or associated with a trade event.

The current Missed Cancels Report provides liquidity response time details for orders that rest on the book where the subscribing firm receiving the report attempted to cancel that resting order or any other resting order within an Exchange-determined amount of time (not to exceed 1 millisecond) after receipt of the order that executed against the resting order and within

³ The Exchange initially introduced pricing for the All Cancels Report on August 25, 2025 (SR-CboeBZX-2025-118). On August 29, 2025, the Exchange withdrew that filing and submitted this filing.

⁴ See Securities Exchange Act Release No. 103714 (August 14, 2025), 90 FR 40406 (August 19, 2025) (SR-CboeBZX-2025-112).

⁵ In connection with the offering of this new report, the Exchange proposes to modify the title of the current Cancels Report to Missed Cancels Report in order to provide clarity between the existing Cancels Report, and the new proposed All Cancels Report.

⁶ Id.

an Exchange-determined amount of time (not to exceed 100 microseconds) before receipt of the order that executed against the resting order. For example, if a market participant sends in a cancel message, but an order resting on the Exchange order book was executed prior to the system processing the cancel message, the Missed Cancels Report can assist the market participant in determining by how much time that order missed being canceled instead of executing.⁷

In contrast, the All Cancels Report provides a comprehensive view of cancel behavior and messaging activity when the subscriber is the originator of the cancel-related message.⁸ It is particularly useful for analyzing cancel patterns across all market scenarios, including those where no trade occurred. Cancel, cancel rejected, or purge/mass cancel records for the subscriber are included, regardless of their timing or relation to a trade.

The All Cancels Report includes the following data elements for cancels: (1) Message Type;⁹ (2) Date; (3) Firm ID; (4) Session Sub ID; (5) Client Identifier;¹⁰ (6) Cboe Order ID;¹¹ (7)

⁷ For example, Participant A submits an order that is posted to the Exchange's Book and Participant B at some point thereafter submits a marketable order to execute against Participant A's resting order. Within 500 microseconds of submission of Participant B's order, Participant A sends a cancel message to cancel its resting order. Because Participant B's order is processed at the Matching Engine by the Exchange before Participant A's cancel message, Participant B's order executes against Participant A's resting order. The proposed Report would provide Participant A the data points necessary for that firm to calculate by how much time they missed canceling its resting order.

⁸ The report shall not include any trade records or aggressor information.

⁹ Represents if it was a cancel, mass cancel or purge, a cancel rejected, or a quote update cancel.

¹⁰ The unique CIOrdID or MassCancelID assigned by the client.

¹¹ The Cboe Order ID is a unique reference number assigned by the Exchange.

Symbol; (8) Exchange System Timestamps;¹² (9) Matching Unit number;¹³ (10) Queued;¹⁴ and (11) Port Type.¹⁵

The Exchange now proposes to assess the following monthly fees for Members and Sponsored Participants that wish to purchase the All Cancels Report. The Exchange proposes a monthly flat fee of \$1,000 for the All Cancels Report for a subscribing firm and, if a subscribing firm wishes to purchase both the Missed Cancels and the All Cancels Report, a monthly flat fee of \$1,500 for both reports.¹⁶ For a mid-month subscription, the monthly fee shall be prorated based on the initial date of the subscription.

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.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

¹² Includes Network Discovery Time (which is a network hardware switch timestamp taken at the network capture point); Order Handler NIC Timestamp (which is a hardware timestamp that represents when a BOE order handler server NIC observed the message); Order Handler Received Timestamp (which is software timestamp that represents when the FIX or BOE order handler has begun processing the order after the socket read); Order Handler Send Timestamp (which represents when the FIX or BOE order handler has finished processing the order and begun sending to the matching engine); Matching Engine NIC Timestamp (which is a hardware timestamp that represents when the target matching engine server NIC observed the message); and Matching Engine Transaction Timestamp (which is a software timestamp that represents when the matching engine has started processing an event).

¹³ Represents the matching unit number.

¹⁴ Flag to indicate whether a message was delayed due to message in flight limits (i.e., a limit on the total number of messages in flight between an order handler and a matching engine).

¹⁵ Refers to the port type used by the session to send the applicable message.

¹⁶ The standalone price for the Missed Cancels Report shall remain at \$1,000.

¹⁷ 15 U.S.C. 78f(b).

¹⁸ 15 U.S.C. 78f(b)(5).

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. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act,²⁰ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities.

In adopting Regulation NMS, the Commission granted self-regulatory organizations (“SROs”) and broker dealers increased authority and flexibility to offer new and unique market data to consumers of such data. It was believed that this authority would expand the amount of data available to users and consumers of such data and also spur innovation and competition for the provision of market data. The Exchange believes that the proposed reports are the sort of market data product that the Commission envisioned when it adopted Regulation NMS.

The Commission concluded that Regulation NMS—by deregulating the market in proprietary data—would itself further the Act's goals of facilitating efficiency and competition: “[E]fficiency is promoted when broker-dealers who do not need the data beyond the prices, sizes, market center identifications of the NBBO and consolidated last sale information are not required to receive (and pay for) such data. The Commission also believes that efficiency is promoted when broker-dealers may choose to receive (and pay for) additional market data based on their own internal analysis of the need for such data.”²¹

By removing “unnecessary regulatory restrictions” on the ability of exchanges to sell their own data, Regulation NMS advanced the goals of the Act and the principles reflected in its legislative history. The All Cancels Report provides investors with new options for receiving

¹⁹ Id.

²⁰ 15 U.S.C 78f(b)(4).

²¹ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496 (June 29, 2005) (“Regulation NMS Adopting Release”).

market data, which was a primary goal of the market data amendments adopted by Regulation NMS.²²

The All Cancels Report is designed for Members and Sponsored Participants that are interested in gaining insight into latency in connection with their respective cancel messages. The Exchange believes that providing this optional data to interested market participants for a fee is consistent with facilitating transactions in securities, removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest because it provides additional information and insight to subscribing market participants regarding their trading activity on the Exchange. More specifically, the proposed report provides greater visibility of cancel behavior and messaging activity – particularly for analyzing cancel patterns across all market scenarios, including those where no trade occurred. information and insight into their trading activity on the Exchange.

The Exchange believes the fee proposals for the All Cancels Report is reasonable as the Exchange is offering any Member or Sponsored Participant access to subscribe to this report in the subscribing firm's sole discretion based on their unique business needs. The report is optional for Members and Sponsored Participants to subscribe to if they believe it to be helpful and is not required for Members or Sponsored Participants to purchase in order to access the Exchange. Additionally, a subscribing firm may cancel their usage of this report at any time.

The Exchange believes its proposed fee for the All Cancels Report is reasonable as it's a modest, flat fee of \$1,000/month, the same as the existing Missed Cancels Report.²³ Furthermore, the Exchange proposes to offer a bundled rate of \$1,500 to a Member or Sponsored Participant that wishes to purchase both of these reports.

The proposal would also not permit unfair discrimination as the All Cancels Report will be available to all Members and Sponsored Participants, who may opt to subscribe to the report,

²² See Regulation NMS Adopting Release, *supra*, at 37503.

²³ See BZX Equities Fee Schedule.

and will help to protect a free and open market by continuing to provide additional non-core data (offered on an optional basis for a fee) to the marketplace and by providing investors with greater choices.²⁴ As such, the Exchange believes that the proposed fees are reasonable.

²⁴ See Sec. Indus. Fin. Mkts. Ass'n (SIFMA), Initial Decision Release No. 1015, 2016 SEC LEXIS 2278 (ALJ June 1, 2016) (finding the existence of vigorous competition with respect to non-core market data). See also the decision of the United States Court of Appeals for the District of Columbia Circuit in *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010) ("NetCoalition I") (upholding the Commission's reliance upon competitive markets to set reasonable and equitably allocated fees for market data).

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 Exchange believes the reports will contribute to robust competition among national securities exchanges. The All Cancels Report further enhances competition between exchanges by allowing the Exchange to expand its product offerings to include an additional report similar to reports that are currently offered by other exchanges.²⁵

The Exchange also does not believe the proposed fee would cause any unnecessary or inappropriate burden on intermarket competition as other exchanges are free to introduce their own comparable reports with lower prices to better compete with the Exchange's offerings. The Exchange operates in a highly competitive environment, and its ability to price the report is constrained by competition among exchanges who choose to adopt similar products. The Exchange must consider this in its pricing discipline in order to compete for subscribers of the Exchange's market data via the reports. For example, proposing fees that are excessively higher than fees for potentially similar data products would simply serve to reduce demand for the Exchange's reports, which as discussed, Members are under no obligation to utilize. In this competitive environment, potential purchasers are free to choose which, if any, similar product to purchase to satisfy their need for market information. As a result, the Exchange believes this proposed rule change permits fair competition among national securities exchanges.

²⁵ MIAX Emerald offers a Liquidity Taker Event Report, analogous to the Exchange's Missed Liquidity Report under its Cboe Timestamping Services. See MIAX Emerald Rule 531. Although not clearly defined, the Exchange believes that MIAX Emerald's Liquidity Taker Event Report also provides information relating to cancel messages. Particularly, MIAX Emerald Liquidity Taker Event Report provides, among other things, data relating to the "type of each response submitted by the Recipient Member." See MIAX Emerald Rule 5.31(a)(iii)(C). MIAX Emerald's technical specifications outline the various types of available liquidity messages including, Simple Mass Quote Cancel Request and Mass Liquidity Cancel Request. See MIAX Express Interface for Quoting and Trading Options, MEI Interface Specification, Section 4.1 (Liquidity Messages), available at: https://www.miaxglobal.com/sites/default/files/job-files/MIAX_Express_Interface_MEI_v2.2a.pdf. The Exchange also believes that providing the same data points for cancel messages as the data provided for orders messages is of no materials consequence as the Missed Cancels Report serves a similar purpose as the Missed Liquidity Report — providing Members additional information to better understand the efficacy of their incoming orders and cancel messages.

The Exchange does not believe the proposed rule change would cause any unnecessary or inappropriate burden on intramarket competition. Particularly, the proposed fees apply uniformly to any purchaser in that the Exchange does not differentiate between the different Members and Sponsored Participants that may purchase the reports. The proposed fees are set at a reasonable level that would allow any interested Member or Sponsored Participant to purchase such data based on their business needs.

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 Act²⁶ and paragraph (f) of Rule 19b-4²⁷ 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

²⁶ 15 U.S.C. 78s(b)(3)(A).

²⁷ 17 CFR 240.19b-4(f).

- Send an email to rule-comments@sec.gov. Please include file number SR-CboeBZX-2025-122 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-2025-122. 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-2025-122 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.²⁸

Sherry R. Haywood,

Assistant Secretary.

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