



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104049; File No. SR-Phlx-2025-53]

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Market Data Feed Descriptions and Fees September 25, 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 September 24, 2025, Nasdaq PHLX LLC (“Phlx” or “Exchange”) 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

The Exchange proposes to amend (1) Phlx’s market data feed descriptions at Options 3, Section 23, Data Feeds and Trade Information; and (2) Phlx’s market data pricing at Options 7, Section 9, B, Port Fees, and Section 10, Proprietary Data Feeds Fees, to set fees for two new feeds, the Trades Feed and the Spread Feed.

While these amendments are effective upon filing, the Exchange will implement this rule change on or before December 20, 2025. The Exchange will announce the operative date to members and member organizations in an Options Trader Alert.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/phlx/rulefilings>, 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

This proposal amends (1) Phlx’s market data feed descriptions at Options 3, Section 23, Data Feeds and Trade Information; and (2) Phlx’s market data pricing at Options 7, Section 9, B, Port Fees, and Section 10, Proprietary Data Feed Fees. Each change is described below.

Market Data Feed Descriptions

The Exchange proposes to amend its market data feed descriptions in Options 3, Section 23, Data Feeds and Trade Information. Today, the Exchange offers 3 market data feeds: (1) Nasdaq Phlx Top of Market, (2) Nasdaq Phlx Order Feed, and (3) Nasdaq Phlx Depth of Market.³ These data feeds provide information on both single-leg orders and complex orders.

At this time, the Exchange proposes to harmonize its market data feeds at Options 3, Section 23(a) to Nasdaq ISE, LLC’s (“ISE”) market data feeds at Options 3, Section 23(a) in connection with the technology migration. This harmonization will result in some enhancements

³ The Exchange made minor amendments to Options 3, Section 23(a) in SR-Phlx-2024-71. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. The amendments to SR-Phlx-2024-71 will be implemented at the same time as this proposal.

to its current data feed offerings. Today, ISE offers the following market data feeds: (1) Nasdaq ISE Depth of Market Data Feed, (2) Nasdaq ISE Order Feed, (3) Nasdaq ISE Top of Market Feed, (4) Nasdaq ISE Trades Feed, and (5) Nasdaq ISE Spread Feed.

Nasdaq Phlx Top of Market

Currently, the Nasdaq Phlx Top of Market data feed at Options 3, Section 23(a)(1) provides,

Nasdaq Phlx Top of Market (“TOPO”) is a direct data feed product that includes the Exchange’s best bid and offer price, with aggregate size, based on displayable order and quoting interest on Phlx and last sale information for trades executed on Phlx. The data contained in the TOPO data feed is identical to the data simultaneously sent to the processor for the OPRA and subscribers of the data feed. The data provided for each options series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only.

The Exchange proposes to amend the description of the TOPO data feed to align the content of the feed to the Nasdaq ISE Top of Market Feed at Options 3, Section 23(a)(3). The Exchange proposes to provide in the first sentence, “... calculates and disseminates the Exchange’s best bid and offer position, with aggregate size (including total size in aggregate, for Professional Order size in the aggregate and Public Customer Order size in the aggregate), based on displayable order and quote interest in the System.” This proposed rule text adds more specificity around aggregate size by noting that it includes total size in aggregate, for Professional Order size in the aggregate and Public Customer Order size in the aggregate. Today, aggregate size on Phlx is as described in the proposed rule text. The proposed language clarifies the current rule but does not substantively amend the rule.

The Exchange further proposes to modify the reference to last sale information in the definition of TOPO to align it with the content of the comparable top of book feeds contained in the ISE, MRX and GEMX rulebooks. This is part of the overall harmonization of the Phlx platform with those of other Nasdaq affiliated markets in Phlx’s upcoming technology

migration.⁴ Once the migration is completed, Phlx will have five market data feeds: (i) a depth of market feed, (ii) an order feed; (iii) a top of market feed; (iv) a trades feed; and (v) a spreads feed that are comparable to those on ISE, MRX and GEMX.⁵

Conforming Phlx's data feeds to those of other Nasdaq affiliated markets will allow subscribers to reduce information processing costs by formatting their data processing systems on a common platform for Nasdaq markets. It will enable customers to ingest information from all Nasdaq exchanges without modifying their intake systems to ingest information using different exchange formats. This is a change from current practice, in which each exchange offers its own unique set of market data feeds, requiring subscribers to separately program their systems to ingest information from each distinct market. As such, the reference to last sale information⁶ in the definition of Phlx TOPO will be removed to conform it to the content of the top of book feeds of ISE, MRX and GEMX.⁷

ISE, MRX and GEMX offer last sale information in a separate, standalone data feed, the Trades Feed.⁸ As discussed in further detail below, Phlx proposes to create a Trades Feed on the model of ISE, MRX and GEMX. Nasdaq proposes to offer the Trades Feed at no additional cost with the purchase of TOPO. A separate fee for the Trades Feed will be proposed at a later date.

⁴ As noted below, the proposed rule change will be implemented on or before December 20, 2025. See <https://www.nasdaqtrader.com/MicroNews.aspx?id=OTA2024-17>.

⁵ As noted above, this filing is modeled after the ISE exchange, which today offers the following market data feeds: (1) Nasdaq ISE Depth of Market Data Feed, (2) Nasdaq ISE Order Feed, (3) Nasdaq ISE Top of Market Feed, (4) Nasdaq ISE Trades Feed, and (5) Nasdaq ISE Spread Feed. MRX has the same five data feed categories: depth of book, an order feed, a top of market feed, a trades feed, and a spread feed. GEMX offers depth of book, an order feed, a top of market feed, and a trades feed, but does not offer a spread feed because it does not process complex orders.

⁶ This last sale information includes the ticker, time, option ID, last price, last traded quantity, total traded quantity, high/low for day, opening price and trade condition for each option traded on Phlx

⁷ See Supra note 4.

⁸ As explained below, the proposed Trades Feed for Phlx will display last trade information, including the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only. Last sale information will also be included on the proposed Spread Feed, replicating the feed available on ISE today.

With the proposed amendments, the description of the TOPO data feed at Options 3, Section 23(a)(1) would provide,⁹

Nasdaq Phlx Top of Market (“TOPO”) calculates and disseminates the Exchange’s best bid and offer position, with aggregate size (including total size in aggregate, for Professional Order size in the aggregate and Public Customer Order size in the aggregate), based on displayable order and quote interest in the System. The data contained in the TOPO data feed is identical to the data simultaneously sent to the processor for the OPRA and subscribers of the data feed. The data provided for each options series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only.

Currently, the Nasdaq Phlx Order Feed at Options 3, Section 23(a)(2) provides,

Nasdaq Phlx Order Feed is a real-time full Limit Order book data feed that provides pricing information for orders on the Phlx Order book for displayed order types as well as market participant capacity. Nasdaq Phlx Order Feed is currently provided as part of the TOPO Plus Orders data product. The Nasdaq Phlx Order Feed provides real-time information to enable users to keep track of the single and complex order book(s). The data provided for each options series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, leg information on complex strategies and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only. The feed also provides auction and exposure notifications and order imbalances on opening/reopening (size of matched contracts and size of the imbalance).

The Exchange proposes to amend the description of the Nasdaq Phlx Order Feed or “Order Feed,” as proposed, to align the content of the feed to the Nasdaq ISE Top of Market Feed at ISE Options 3, Section 23(a)(2). The Exchange proposes to add in the first sentence, “...provides pricing information on new orders resting on the Phlx Order Book (e.g. price, quantity, market participant capacity and Attributable Order tags when provided by a Member).” The Exchange proposes to add examples to provide more context to the Order Feed and to introduce Attributable Order tags. The Exchange recently adopted Attributable Orders at

⁹ The Nasdaq ISE Top of Market Feed at Options 3, Section 23(a)(3) has a sentence that provides, “The feed also provides order imbalances on opening/reopening.” ISE is separately filing to remove that sentence from its Top Feed.

Options 3, Section 7(h)¹⁰ that are identical to ISE Attributable Orders Options 3, Section 7(h). The Exchange proposes to relocate the wording regarding displayed order types to the fourth sentence and state, “The data provided for each options series includes the symbols (series and underlying security), displayed order types, order attributes (e.g., OCC account number, give-up information, CMTA information)...”. The Exchange recently adopted a Reserve Order at Options 3, Section 7(g)¹¹ that is identical to ISE Reserve Orders at Options 3, Section 7(g). The Exchange will continue to provide auction and exposure notifications and order imbalances on opening/reopening (size of matched contracts and size of imbalance) on the Order Feed as it does now.

The Exchange proposes to remove complex order details from the Order Feed. Complex order data will be included in a new Nasdaq Phlx Spread Feed as discussed below.¹² Nasdaq proposes to offer the Spread Feed at no additional cost with the purchase of the Order Feed. A separate fee for the Spread Feed will be proposed at a later date.

The Exchange also proposes to remove the sentence that provides, “The Nasdaq Phlx Order Feed provides real-time information to enable users to keep track of the single and complex order book(s)” because the Order Feed is for single-leg data only. With the proposed amendments, the description of the TOPO data feed at Options 3, Section 23(a)(2) would provide,

Nasdaq Phlx Order Feed (“Order Feed”) provides pricing information on new orders resting on the Phlx Order book (e.g., price, quantity, market participant capacity and Attributable Order tags when provided by a Member). Nasdaq Phlx Order Feed is currently provided as part of the TOPO Plus Orders data product. The data provided for each options series includes the symbols (series and underlying security), displayed order types, order attributes (e.g., OCC account

¹⁰ See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. The amendments to SR-Phlx-2024-71 will be implemented at the same time as this proposal.

¹¹ Id.

¹² The proposed Spread Feed will provide complex order information, including top of market, order and trade message components. The current top of market, orders and depth of market feeds will continue to provide information for single leg orders. Consolidating complex order information on the new Spread Feed will allow customers to access all complex order information in a single, consolidated location, as is currently available on ISE and MRX.

number, give-up information, CMTA information), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only. The feed also provides auction and exposure notifications and order imbalances on opening/reopening (size of matched contracts and size of the imbalance).

Currently, the Nasdaq Phlx Depth of Market data feed at Options 3, Section 23(a)(3) provides,

Nasdaq Phlx Depth of Market is a data product that provides: (i) order and quotation information for individual quotes and orders on the order book; (ii) last sale information for trades executed on Phlx; (iii) auction; and (iv) an Imbalance Message which includes the symbol, side of the market, size of matched contracts, size of the imbalance, and price of the affected series. The data provided for each options series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only. The feed also provides order imbalances on opening/reopening (size of matched contracts and size of the imbalance) and exposure notifications, with market participant capacity.

The Exchange proposes to amend the description of the Nasdaq Phlx Depth of Market data feed or “Depth of Market Feed,” as proposed, to align the content of the feed to the Nasdaq ISE Depth of Market Data Feed at ISE Options 3, Section 23(a)(1). The Exchange proposes to amend the first sentence to state, “...is a data feed that provides full order and quote depth information for individual quotes and orders on the order book and last sale information for trades executed on Phlx.” This amendment is non-substantive as it merely rewords the current sentence to align it to the first sentence of ISE Options 3, Section 23(a)(1). The Exchange proposes to remove the reference to auction information and the “Imbalance Message which includes the symbol, side of the market, size of matched contracts, size of the imbalance, and price of the affected series.” The Exchange would continue to offer “order imbalance information on opening/reopening (size of matched contracts and size of the imbalance),” however, as indicated in the final sentence of the description. The only substantive difference between the old and the new feeds in this context is that the Exchange will not provide exposure

notifications with market participant capacity information on the new Depth of Market Feed.¹³ Specifically, the current feed identifies order exposure by capacity, such as, for example, Customer or Firm. The new feed will no longer include that association. The Exchange regards this to be an immaterial modification. Both exposure notifications and market capacity information are currently offered, and will continue to be offered, on the Order Feed. With the proposed amendments, the description of the Depth of Market Feed at Options 3, Section 23(a)(2) would provide,

Nasdaq Phlx Depth of Market (“Depth of Market Feed”) is a data feed that provides full order and quote depth information for individual quotes and orders on the order book and last sale information for trades executed on Phlx. The data provided for each options series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only. The feed also provides order imbalances on opening/reopening (size of matched contracts and size of the imbalance).

Today, ISE offers the Nasdaq ISE Trades Feed (“Trades Feed”) at Options 3, Section 23(a)(4). This feed displays last trade information.¹⁴ The data provided for each option series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on ISE and identifies if the series is available for closing transactions only. The Exchange proposes to adopt a market data feed identical to the Trades Feed at proposed Phlx Options 3, Section 23(a)(4) and

¹³ The new Depth of Market Feed will, however, include a tracking number not included in the old feed, which will also be provided on the Exchange’s other market data feeds, allowing participants to keep track of orders across data feeds, as discussed further below.

¹⁴ The last sale information includes the time of the trade, instrument ID, cross ID, transaction price and current number of contracts traded for each option traded on Phlx.

title the feed the “Nasdaq Phlx Trades Feed” or “Trades Feed.” As adopted, Phlx Options 3,

Section 23(a)(4) will provide:

Nasdaq Phlx Trades Feed (“Trades Feed”) displays last trade information. The data provided for each option series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on Phlx and identifies if the series is available for closing transactions only.

Today, ISE offers a Nasdaq ISE Spread Feed (“Spread Feed”) at Options 3, Section 23(a)(5). The ISE Spread Feed consists of: (1) options orders for all Complex Orders (i.e., spreads, buy-writes, delta neutral strategies, etc.); (2) full Complex Order depth information, including prices, side, size, capacity, Attributable Complex Order tags when provided by a Member, and order attributes (e.g., OCC account number, give-up information, CMTA information), for individual Complex Orders on the Exchange book; (3) last trades information; and (4) calculating and disseminating ISE’s complex best bid and offer position, with aggregated size (including total size in aggregate, for Professional Order size in the aggregate and Priority Customer Order size in the aggregate), based on displayable Complex Order interest in the System. The feed also provides Complex Order auction notifications. The Exchange proposes to adopt a market data feed identical to the Spread Feed at proposed Phlx Options 3, Section 23(a)(5) and title the feed the “Nasdaq Phlx Spread Feed” or “Spread Feed.” As adopted, Options 3, Section 23(a)(5) will provide:

Nasdaq Phlx Spread Feed (“Spread Feed”) is a feed that consists of: (1) options orders for all Complex Orders (i.e., spreads, buy-writes, delta neutral strategies, etc.); (2) full Complex Order depth information, including prices, side, size, capacity, Attributable Complex Order tags when provided by a member or member organization, and order attributes (e.g., OCC account number, give-up information, CMTA information), for individual Complex Orders on the Exchange book; (3) last trades information; and (4) calculating and disseminating Phlx’s complex best bid and offer position, with aggregated size (including total size in aggregate, for Professional Order size in the aggregate and Public Customer Order size in the aggregate), based on displayable Complex Order interest in the System. The feed also provides Complex Order auction notifications.

Similar to ISE, Phlx complex order data would be separately disseminated through the proposed Spread Feed.¹⁵

Fees

Phlx proposes to amend its Pricing Schedule at Options 7, Section 10, Proprietary Data Fees, to adopt fees for the newly proposed Nasdaq Phlx Trades Feed and the Nasdaq Phlx Spread Feed.

The Exchange also proposes to amend its pricing schedule at Options 7, Section 9(B) to change the name of the “PHLX Orders Port Fee” to “Nasdaq Phlx Order Feed Port Fee” and the name of the PHLX Depth of Market Port Fee” to the “Nasdaq Phlx Depth of Market Port Fee.” It also proposes adding “Nasdaq Phlx Trades Feed” and “Nasdaq Phlx Spread Feed” to the list of port fees. The proposed fees for all five of these port is \$0 per port, per month.

Nasdaq Phlx Trades Feed

Nasdaq proposes to offer the Trades Feed at no additional cost with the purchase of TOPO.¹⁶

Nasdaq Phlx Spread Feed

Nasdaq proposes to offer the Spread Feed at no additional cost with the purchase of the Order Feed.¹⁷

Implementation

The Exchange will implement this rule change on or before December 20, 2025.¹⁸ The Exchange will announce the operative date to members and member organizations in an Options Trader Alert.

¹⁵ With this proposed change, a spread feed will be offered by ISE, MRX and Phlx. GEMX does not offer a spread feed because it does not process complex orders.

¹⁶ A fee for the Trades Feed will be proposed at a later date.

¹⁷ A fee for the Spread Feed will be proposed at a later date.

¹⁸ See <https://www.nasdaqtrader.com/MicroNews.aspx?id=OTA2024-17>. PHLX will migrate to the new platform on a symbol-by-symbol basis over a 5 week period. The Exchange notes that the amendments to the Phlx rules noted in SR-Phlx-2024-71 and this proposal will be implemented as part of this same technology migration. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,¹⁹ in general, and furthers the objectives of Section 6(b)(5) of the Act,²⁰ in particular, in that it is designed to promote just and equitable principles of trade, 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 that its proposal furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,²¹ in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Proposal is an equitable allocation of fees because the proposed fees would apply to all market participants in a uniform manner.

The Proposal is not unfairly discriminatory. The proposed fees are optional data fees available to all market participants on a non-discriminatory basis.

Market Data Feed Definitions

The Exchange believes that the proposed changes to the current data feed offerings in Phlx Options 3, Section 23(a) are consistent with the Act. Specifically, the Exchange believes that the proposed changes to TOPO, the Order Feed and the Depth of Market Feed will serve to align the information provided on Phlx to that provided in identical feeds at ISE (namely, Nasdaq ISE Depth of Market Data Feed, Nasdaq ISE Order Feed, and Nasdaq ISE Top of Market Feed at Options 3, Section 23(a)(1)-(3)), thereby ensuring a more consistent technology offering across the Nasdaq affiliated options exchanges.²²

¹⁹ 15 U.S.C. 78f(b).

²⁰ 15 U.S.C. 78f(b)(5).

²¹ See 15 U.S.C. 78f(b)(4) and (5).

²² The Exchange also notes that Nasdaq MRX, LLC (“MRX”) has identical market data feed to ISE at Options 3, Section 23(a)(1)-(3). With this proposed change all Nasdaq options markets that offer complex order functionality would offer identical data feeds.

The Exchange also believes that the modified TOPO feed will help to protect a free and open market by providing additional specificity concerning aggregate size. While the Exchange is removing the last sale information from the TOPO feed, the Exchange notes that it proposes to align it with the definitions of the comparable top of book feeds contained in the ISE, MRX and GEMX rulebooks.

Phlx proposes to harmonize its data feeds to those of other Nasdaq affiliated markets. Once the migration is completed, Phlx will have five market data feeds: (i) a depth of market feed, (ii) an order feed; (iii) a top of market feed; (iv) a trades feed; and (v) a spreads feed²³ that are comparable to those on ISE and MRX. Further, the proposed Order Feed will offer information regarding additional displayed order types and commence offering order attribute data (e.g., OCC account number, give-up information, CMTA information). The proposed changes will also add more specificity around aggregate size thereby promoting transparency and clarity in the Exchange's rules.

The Exchange believes that the proposed changes to the Nasdaq Phlx Depth of Market data feed to no longer provide exposure notifications with market participant capacity information is consistent with the Act, as order imbalance information would continue to be offered in the Phlx Order Feed, and the information removed is immaterial to the Depth Feed. The proposal will serve to further align similar data feeds at ISE Options 3, Section 23(a)(1) and (2), thereby ensuring a more consistent technology offering across the Nasdaq affiliated options exchanges.

The Exchange's proposal to adopt a Phlx Trades Feed at Options 3, Section 23(a)(4) that is identical to the ISE Trades Feed at Options 3, Section 23(a)(4) is consistent with the Act because Phlx members and member organizations will have the opportunity to elect to subscribe

²³ As noted above, this filing is modeled after the ISE exchange, which today offers the following market data feeds: (1) Nasdaq ISE Depth of Market Data Feed, (2) Nasdaq ISE Order Feed, (3) Nasdaq ISE Top of Market Feed, (4) Nasdaq ISE Trades Feed, and (5) Nasdaq ISE Spread Feed.

to the same feed offered today on ISE.²⁴ Similarly, the Exchange’s proposal to adopt a Phlx Spread Feed at Options 3, Section 23(a)(5) that is identical to the ISE Spread Feed at Options 3, Section 23(a)(5) is consistent with the Act because Phlx members and member organizations will have the opportunity to elect to subscribe to the same feed offered today on ISE.²⁵ These offerings will ensure a more consistent technology offering across the Nasdaq affiliated options exchanges.

Proprietary Data Fees

The Proposed Proprietary Data Fees Are Reasonable, Equitable and Not Unfairly Discriminatory

The Exchange believes that its proposal furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,²⁶ in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. This belief is based on the fact that the proposal will enhance our market data products while at the same time maintaining fees that are comparable to those charged by similarly situated options exchanges.

Product Enhancements

The proposal offers three significant product enhancements. First, it will offer customers additional information on complex orders. Second, it is an essential element of Nasdaq’s overall plan to standardize market data feeds across Nasdaq options exchanges, which will allow customers to ingest data more efficiently, and may result in customer cost saving. Third, the apportionment of market data across five feeds will allow customers to tailor their acquisition to only the data they need.

²⁴ MRX and Nasdaq GEMX, LLC (“GEMX”) offer an identical Trades Feed at Options 3, Section 23(a)(1)(4) to the ISE Trades Feed and the proposed Phlx Trades Feed.

²⁵ MRX offer an identical Spread Feed at Options 3, Section 23(a)(1)(5) to the ISE Spread Feed and the proposed Phlx Spread Feed.

²⁶ See 15 U.S.C. 78f(b)(4) and (5).

Additional information: The Phlx Order Feed currently provides information on complex orders (option order comprising of one or more legs), such as order messages, updates on resting orders, and auction notification messages. The proposed modifications will significantly enhance customer insight into complex orders by associating top of market, order, depth of market and trade information with a unique strategy identification number that will allow customers to identify different stages of a trade as elements of a single complex order, providing market participants with much greater transparency into complex order activity. Such information is already an integral part of the feeds available on the MRX, ISE and GEMX exchanges, and its inclusion on the Phlx exchange will expand the availability of this invaluable information.

Data Feed Optimization: Offering the same set of data feeds on all Nasdaq options markets will enable subscribers to ingest data more efficiently by using the same set of specifications to ingest market data from multiple markets. This will allow subscribers to onboard and maintain access to market data more efficiently, which may result in cost savings for the subscriber. The ISE, MRX and GEMX feeds already follow this standard format; this proposal will add a fourth exchange to that list, and Nasdaq is planning to submit future proposals to add the BX Exchange and the Nasdaq Options Market.

Optionality: The proposed structure composed of five specialized feeds will allow subscribers to purchase only the data they need. This is more efficient and cost effective than requiring customers to distill information from a single large data feed, which can be quite large given the quantity of data generated by options trading. The five-feed structure also allows customers to configure their hardware to balance system loads more efficiently.

We expect our customers to take advantage of these additional options. Our experience with the ISE Exchange—which already offers a trades feed that is distinct from its top of book feed—shows that nearly a third of customers take either take the top of market feed only (approximately 17%) or the trades feed only (about 14%), while the remaining customers take

both. We expect the same pattern to hold true for Phlx—about a third of customers will take one feed or the other, ingesting less data than would be required for a combined feed, and the remaining customers to take both feeds.

We expect that removing complex orders from the Order Feed and creating the new Spread Feed will enhance customer choice in a similar manner. The ISE Exchange offers an Order Feed that does not include complex orders, and a Spread Feed that does. Our experience with the ISE Exchange shows that approximately 45% of customers take either take the Spread Feed only (approximately 39%) or the Order Feed only (about 7%), while the remaining customers take both. We expect the same pattern to hold true for Phlx—somewhat less than half the customers will take one feed or the other, while the remaining customers will take both.

Comparability Analysis

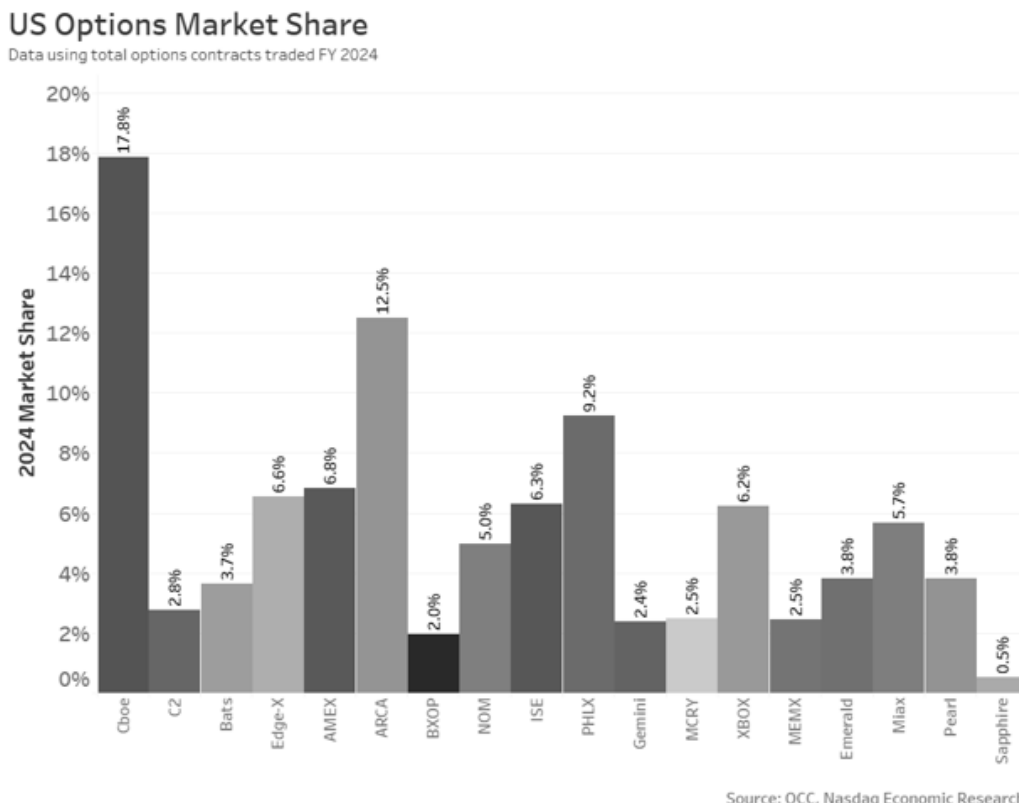
As discussed in detail below, the proposed feeds are identical to those of ISE, GEMX and MRX. Also, the proposed fees remain essentially unchanged from the current fee schedule. Although the current TOPO feed is proposed to be split into a new TOPO feed and a new Trades Feed, the Trades Feed will be offered in conjunction with TOPO for no additional cost, so there will be no change in fees for the customer. Similarly, the current Order Feed is proposed to be split into an Order Feed and a Spread Feed, but the new Spread Feed will be offered with the Order Feed at no additional cost, so there will be no change in fees.

Although there is an immaterial change to the Depth Feed regarding order exposure by capacity, the Exchange regards this to be an immaterial modification, and therefore fees for the Depth Feed remain essentially unchanged.

Further, for the reasons set forth below, fees for the Phlx remain comparable to those of the ISE, GEMX, and MRX exchanges relative to market share, as set forth below.

Calculation of Market Share

For the comparability analysis, the Exchange assessed market share²⁷ for each of the eighteen options markets based on total options contracts traded in 2024 through October 28, 2024, as set forth in the graph below.



Top of Market Feed

The Top of Market fees, which are not proposed to change from current levels, are comparable to, or less than, fees charged by Nasdaq ISE, Nasdaq GEMX and Nasdaq MRX based on relative market share.

As explained above, the Exchange proposes to remove the reference to last sale information from TOPO and offer last sale information in a separate, standalone data feed, the Trades Feed, to align Phlx's feeds with the structure used by the Nasdaq ISE, GEMX and MRX

²⁷

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. Total contracts include both multi-list options and proprietary options products. Proprietary options products are products with intellectual property rights that are not multi-listed. Phlx lists proprietary products.

exchanges.²⁸ As stated above, Nasdaq proposes to offer the Trades Feed at no additional cost with the purchase of TOPO, and plans to propose a fee for the Trades Feed at a later date. Fees for the top of book feed are not proposed to change.

As noted above, changes are being proposed to the definition of the top of book feed for the ISE, GEMX and MRX exchanges to correct a technical error in the existing rule text.

For ISE, the inadvertent error appears to have occurred in the context of the September 9, 2024 technology migration by ISE to implement enhanced functionality.²⁹ While ISE's System was coded to remove the last sale information as well as order imbalance information on opening/reopening from the Top Feed, the Exchange inadvertently did not remove the corresponding last sale information and order imbalances information from the description of the feed content in Options 3, Section 23(a)(3) in its corresponding rule change. The market data specifications made available to subscribers were changed to reflect the last sale information and order imbalance information being removed at the time of each migration, which made subscribers aware of the changes.³⁰

A similar error occurred for GEMX in the context of the November 6, 2023 technology migration to implement enhanced functionality.³¹ While GEMX's System was coded to remove the last sale information as well as order imbalance information on opening/reopening from the Top Feed, the Exchange inadvertently did not remove the corresponding last sale information and order imbalances information from the description of the feed content in Options 3, Section 23(a)(3) in its corresponding rule change. The market data specifications made available to

²⁸ Nasdaq ISE Top of Market Feed at Options 3, Section 23(a)(3); Nasdaq GEMX Top of Market Feed at Options 3, Section 23(a)(3); Nasdaq MRX Top Feed at Options 3, Section 23(a)(3).

²⁹ See Securities Exchange Act Release No. 96818 (February 6, 2023), 88 FR 8950 (February 10, 2023) (SR-ISE-2023-06) (Proposed Rule Change to Amend its Rules in Connection with a Technology Migration to Enhanced Nasdaq, Inc. Functionality).

³⁰ See MRX, GEMX and ISE Top of Market Feed Version 2.02, available at https://assets.ctfassets.net/mx0rke14e5yt/5OQgAZI7u0wZu6G8lnta06/ad706073750089976bce73ace8188fe2/ISE_GEMX_MRX_Top_of_Market_Feed.pdf.

³¹ See Securities Exchange Act Release No. 96817 (February 6, 2023), 88 FR 8922 (February 10, 2023) (SR-GEMX-2023-02) (proposed change to amend rules in connection with the technology migration to enhanced Nasdaq functionality).

subscribers were changed to reflect the last sale information and order imbalance information being removed at the time of each migration, which made subscribers aware of the changes.³²

A similar error occurred for MRX in the context of the November 7, 2022 technology migration to implement enhanced functionality.³³ While MRX's System was coded to remove the last sale information as well as order imbalance information on opening/reopening from the Top Feed, the Exchange inadvertently did not remove the corresponding last sale information and order imbalances information from the description of the feed content in Options 3, Section 23(a)(3) in its corresponding rule change. The market data specifications made available to subscribers were changed to reflect the last sale information and order imbalance information being removed at the time of each migration, which made subscribers aware of the changes.³⁴

Although the contents of the top feeds changed in September 2024 for ISE, November 2023 for GEMX, and December 2022 for MRX, the Exchange is aware of no customer that changed its behavior as a result of this change. As such, customers did not perceive a significant shift in the relative value of the data, and the fees for ISE, GEMX, and MRX are comparable to the top of book information proposed by Phlx both before and after the data feed change.

The proposed fees for Phlx are comparable to, or less than, the fees charged by Nasdaq ISE, GEMX and MRX based on relative market share. The table below compares the proposed Phlx Top of Market Feed fees with those of ISE, GEMX and MRX.

Exchange	Market Share	Fees
Phlx	9.2%	Internal Distributor: \$2,500 External Distributor: \$3,000 Non-Pro: \$1 Professional: \$40

³² See Supra note 30.

³³ See Securities Exchange Act Release No. 95982 (October 4, 2022), 87 FR 61391 (October 11, 2022) (SR-MRX-2022-18) (proposed rule changes in connection with technology migration to enhance functionality); see also Securities Exchange Act Release No. 96941 (February 16, 2023), 88 FR 11490 (February 23, 2023) (SR-MRX-2023-06) (implementing MRX market data fee changes).

³⁴ See Supra note 30.

ISE	6.3%	Professional (internal): \$3,180 ³⁵ Professional (external): \$3,180 Internal and External: \$3,180 Non-Professional external distribution (controlled device): \$3,000
GEMX	<u>2.4%</u>	Professional (internal): \$1,055 ³⁶ Professional (external): \$1,055 Professional (internal and external): \$1,055 Non-Professional external distribution (controlled device): \$1,000
MRX	<u>2.5%</u>	Internal: \$1,515 External: \$2,020 Non-Pro: \$1 Professional: \$25.25

ISE: The proposed (and current) fees for Phlx are less than or comparable to ISE fees for both internal and external distribution. Phlx proposes fees of \$2,500 for internal distribution and \$3,000 for external distribution. The proposed Phlx distribution fees are less than the ISE fees of \$3,180 for internal distribution and \$3,180 for external distribution.

The proposed (and current) Phlx fees for professional and non-professional users are also less than or comparable to ISE fees. Phlx charges a variable fee of \$40 for professionals and \$1 for non-professionals, while ISE charges a non-professional external distribution fee of \$3,000 for non-professionals using a controlled device. Phlx’s non-professional fees are below ISE fees for less than 3,000 users. ISE does not charge professional user fees.

Overall, the proposed Phlx fees are less than or comparable to the ISE fees, and reasonable given Phlx’s market share of 9.2%, approximately 50 percent greater than ISE’s market share of 6.3%.

GEMX: The proposed (and current) fees for Phlx are comparable to GEMX fees for both internal and external distribution relative to market share. Phlx fees are \$2,500 for internal distribution and \$3,000 for external distribution. While the Phlx fees are greater than the GEMX

³⁵ ISE Rulebook, Options 7, Section 10(H)

³⁶ GEMX Rulebook, Options 7, Section 7(B)

fees of \$1,055 for internal distribution and \$1,055 for external distribution, Phlx has a market share of 9.2%, nearly four times greater than GEMX's market share of 2.4%, and the fees are therefore comparable relative to market share.

Phlx also charges a variable fee of \$40 for professionals and \$1 for non-professionals; GEMX charges a non-professional external distribution fee of \$1,000 for non-professionals using a controlled device that is not charged by Phlx. Phlx non-professional fees are lower than GEMX fees for fewer than 1,000 users. GEMX does not charge a professional user fee. Overall, the proposed Phlx fees are less than or comparable to GEMX fees, and reasonable given Phlx's market share of 9.2%, approximately four times greater than GEMX's market share of 2.4%.

MRX: The proposed (and current) fees for Phlx are comparable to MRX fees for both internal and external distribution relative to market share. Phlx fees are \$2,500 for internal distribution and \$3,000 for external distribution. While the Phlx fees are greater than the MRX fees of \$1,515 for internal distribution and \$2,020 for external distribution, Phlx has a market share of 9.2%, nearly four times greater than MRX's market share of 2.5%, and the fees are therefore comparable relative to market share.

Phlx also charges a variable fee of \$40 for professionals and \$1 for non-professionals; MRX charges a non-professional subscriber fee of \$25.25 for professionals and \$1 for non-professionals. MRX's Professional and Non-Professional charges cover the usage of all five MRX data products and are not assessed separately for each data product.³⁷ Overall, the proposed Phlx fees are comparable to MRX fees, and reasonable given Phlx's market share of 9.2%, approximately four times greater than GEMX's market share of 2.5%.

Phlx Order Feed

³⁷ MRX data is comprised of Depth of Market, Order, Top of Market, Trades, and Spread data. If a firm has one Professional (Non-Professional) Subscriber accessing Top of Market, Order, and Depth of Market the firm would only report the Subscriber once and pay \$25 (\$1 for Non-Professional).

The proposed (and current) fees for the Phlx Order Feed are comparable to, or less than, fees charged by Nasdaq ISE,³⁸ Nasdaq GEMX³⁹ and Nasdaq MRX⁴⁰ based on relative market share.

As explained above, the Exchange proposes to remove complex order details from the Order Feed, but will offer such information free of charge on the Spread Feed with the purchase of an Order Feed subscription. Such information is not currently available on the Order Feeds of the Nasdaq ISE, Nasdaq GEMX and Nasdaq MRX exchanges, and therefore the proposed feeds are comparable to the feeds of these other exchanges.

The proposed fees for the Phlx Order Feed are comparable to, or less than, fees charged by Nasdaq ISE, Nasdaq GEMX and Nasdaq MRX exchanges based on relative market share. The table below compares the proposed Phlx Order Feed fees with those of ISE, GEMX and MRX.

Exchange	Market Share	Fees
Phlx	9.2%	Internal Distributor: \$3,500 External Distributor: \$4,000 Non-Pro: \$1 Professional: \$40
ISE	6.3%	Internal only: \$3,150 External distribution: \$3,150 Internal and External: \$3,150
MRX	2.5%	Internal: \$1,515 External: \$2,020
GEMX	<u>2.4%</u>	Internal only: \$790 External: \$790 Internal and External: \$790

³⁸ Nasdaq ISE Rulebook, Options 7, Section 10(G).

³⁹ GEMX Rulebook, Options 7, Section 7(A).

⁴⁰ MRX Rulebook, Options 7, Section 7.

ISE: The current and proposed fees for the Phlx Order Feed are comparable to those of ISE based on market share. Phlx proposes fees of \$3,500 for internal distribution and \$4,000 for external distribution, along with Non-Professional fees of \$1 per user and Professional fees of \$40 per user. While this is greater than the ISE fees of \$3,150 for internal distribution and \$3,150 for external or internal and external distribution, Phlx's market share of 9.2% is nearly 50 percent greater than ISE's market share of 6.3%, and the fees are therefore comparable.

MRX: The current and proposed fees for the Phlx Order Feed are comparable to the MRX exchange fees based on market share. The proposed Phlx fees of \$3,500 for internal distribution and \$4,000 for external distribution, plus \$1 for Non-Professional users and \$40 per Professional users, are greater than the MRX fees of \$1,515 per month for internal distribution and \$2,020 per month for external distribution. Phlx's market share of 9.2%, however, is nearly four times greater than MRX's market share of 2.5%, and the fees are therefore comparable.

GEMX: The current and proposed fees for the Phlx Order Feed are comparable to the comparable GEMX fees based on market share. The proposed Phlx fees of \$3,500 for internal distribution and \$4,000 for external distribution, plus \$1 for Non-Professional users and \$40 per Professional users, are greater than the GEMX fees of \$790 per month for internal distribution and \$790 per month for external distribution or internal and external distribution. However, Phlx's market share of 9.2% is nearly four times greater than GEMX's market share of 2.4%, and the fees are therefore comparable relative to market share.

Phlx Depth Fees

The proposed (and current) fees for the Phlx Depth Feed are comparable to, or less than, fees charged by Nasdaq ISE,⁴¹ Nasdaq GEMX⁴² and Nasdaq MRX⁴³ based on relative market share.

⁴¹ Nasdaq ISE Rulebook, Options 7, Section 10(F).

⁴² GEMX Rulebook, Options 7, Section 7(C).

⁴³ MRX Rulebook, Options 7, Section 7(1)

Exchange	Market Share	Fees
Phlx	9.2%	Internal Distributor: \$4,232 External Distributor: \$4,760 Non-Pro: \$1 Pro: \$42.30
ISE	6.3%	Internal only: \$5,300 External distribution: \$5,300 Non-Professional (controlled device): \$5,000
MRX	2.5%	Internal: \$1,515 External: \$2,020
GEMX	<u>2.4%</u>	Internal only: \$1,580 External: \$1,580 Non-Professional: \$1,500 Per Controlled Device: \$1

ISE: The current and proposed fees for the Phlx Depth Feed are less than those of ISE based on market share. Phlx proposes fees of \$4,232 for internal distribution and \$4,760 for external distribution, along with Non-Professional fees of \$1 per user and Professional fees of \$42.30 per user. These are less than the fees charged by ISE: \$5,300 for internal distribution, \$5,300 for external distribution, and \$5,000 for non-professional distribution on a controlled device. As the proposed Phlx fees are less than ISE fees, notwithstanding the greater market share, the proposed fees are reasonable.

MRX: The current and proposed fees for the Phlx Depth Feed are comparable to the MRX exchange fees based on market share. Phlx proposes fees of \$4,232 for internal distribution and \$4,760 for external distribution, along with Non-Professional fees of \$1 per user and Professional fees of \$42.30 per user. While these fees are greater than the MRX fees of \$1,515 per month for internal distribution and \$2,020 per month for external distribution, Phlx's market share of 9.2% is nearly four times greater than MRX's market share of 2.5%, and the fees are therefore comparable.

GEMX: The current and proposed fees for the Phlx Depth Feed are comparable to the comparable GEMX fees based on market share. Phlx proposes fees of \$4,232 for internal distribution and \$4,760 for external distribution, along with Non-Professional fees of \$1 per user and Professional fees of \$42.30 per user. While these fees are greater than the GEMX fees of \$1,580 per month for internal distribution, \$1,580 per month for external distribution, \$1,500 for non-professional distribution, and \$1 per controlled device, Phlx's market share of 9.2% is nearly four times greater than GEMX's market share of 2.4%, and the fees are therefore comparable relative to market share.

Nasdaq Phlx Spread Feed Fees

Nasdaq proposes no additional fees for the Spread Feed, but rather will offer the Spread Feed at no cost with the purchase of the Order Feed. This will allow market participants to obtain both simple and complex order information for a single fee. Nasdaq will propose a separate fee for the purchase of the Order Feed at a later date.

Trades Feed:

Nasdaq proposes no additional fees for the Trades Feed, but rather will offer the Trades Feed at no cost with the purchase of TOPO. This will allow market participants to obtain both top of book information and trades information for a single fee. Nasdaq will propose a separate fee for the purchase of the Trades Feed at a later date.

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 not necessary or appropriate in furtherance of the purposes of the Act.

Market Data Definitions

The Exchange's proposal to align its existing market data feeds (TOPO, Phlx Order Feed, and Phlx Depth of Market) to ISE's Market Data Feeds (ISE Depth of Market Data Feed, ISE Order Feed, and ISE Top of Market Feed) and adopt two other feeds (Phlx Trades Feed and Phlx Spread Feed) which are identical to ISE feeds (ISE Trades Feed, and ISE Spread Feed) does not

impose an undue burden on intra-market competition, rather it provides Phlx member and member organization access to an equivalent amount of data currently available on ISE. All Phlx members and member organizations may subscribe to these feeds.

The Exchange's proposal to align its existing market data feeds (TOPO, Phlx Order Feed, and Phlx Depth of Market) to ISE's Market Data Feeds (ISE Depth of Market Data Feed, ISE Order Feed, and ISE Top of Market Feed) and adopt two other feeds (Phlx Trades Feed and Phlx Spread Feed) which are identical to ISE feeds (ISE Trades Feed, and ISE Spread Feed) does not impose an undue burden on inter-market as other options markets may elect to offer similar feeds.

Fees

Nothing in the proposal burdens inter-market competition (the competition among self-regulatory organizations) because approval of the Proposal does not impose any burden on the ability of other options exchanges to compete. As explained above, Nasdaq proposes no additional fees for the Trades or Spread feeds, but rather will offer both at no cost with the purchase of the TOPO or Order Feed, respectively. As such, the proposed fees for the Spread Feed and the Trades Feed are comparable to, and in some cases less than when compared to market share, those of other exchanges, as discussed above.

Nothing in the Proposal burdens intra-market competition (the competition among consumers of exchange data) because the Spread Feed and the Trades Feed are available to any market participant at the same price and any market participant that elects to purchase either the Spread Feed or the Trades Feed may do so on a non-discriminatory basis.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition;

and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act⁴⁴ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁴⁵

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 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-Phlx-2025-53 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-Phlx-2025-53. This file number should be included on the subject line if email is used. To help the Commission process and review

⁴⁴ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴⁵ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-Phlx-2025-53 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.⁴⁶

Sherry R. Haywood,

Assistant Secretary.

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