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For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**Sherry R. Haywood,**  
Assistant Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–102985; File No. SR–NYSEAMER–2025–27]

### Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify the NYSE American Options Fee Schedule To Waive the Combined Cap on Floor Broker Credits Paid for QCC Trades and Rebates Paid Through the Manual Billable Rebate Program for the Months of May, June and July 2025

May 2, 2025.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (“Act”)<sup>2</sup> and Rule 19b–4 thereunder,<sup>3</sup> notice is hereby given that, on April 30, 2025, NYSE American LLC (“NYSE American” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to modify the NYSE American Options Fee Schedule (“Fee Schedule”) to waive the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program for the months of May, June, and July 2025. The Exchange proposes

to implement the fee change effective May 1, 2025. The proposed rule change is available on the Exchange’s website at [www.nyse.com](http://www.nyse.com), at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

###### 1. Purpose

The purpose of this filing is to amend the Fee Schedule to waive the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program for the months of months of May, June, and July 2025.

The Exchange imposes a limit on the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program of \$3,000,000 per month per Floor Broker firm (the “Cap”).<sup>4</sup> The purpose of this Cap is to encourage Floor Broker firms to continue to direct open outcry transactions to the Exchange, despite increasing industry volumes making it less difficult to reach the Cap.<sup>5</sup>

In mid-April, in response to extreme market volatility and concomitant surge of open outcry volume that led to Floor Broker firms earning higher than average monthly credits/rebates, the Exchange waived the Cap for April 2025.<sup>6</sup> This waiver was adopted in

<sup>4</sup> See Fee Schedule, Sections I.F. and III.E.1 (providing, in relevant part, that Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program shall not combine to exceed \$3,000,000 per month per Floor Broker firm).

<sup>5</sup> The Exchange notes that, in January 2025, it increased the Cap from \$2,700,000 to \$3,000,000 in response to higher industry volumes. See Securities Exchange Act Release No. 102241 (January 17, 2025), 90 FR 8071 (January 23, 2025) (SR–NYSEAMER–2025–04).

<sup>6</sup> See Securities Exchange Act Release No. 102890 (April 18, 2025), 90 FR 17273 (April 24, 2025) (SR–NYSEAMER–2025–26).

anticipation of Floor Broker firms reaching the Cap before the end of April and potentially re-directing their order flow away from the Exchange.<sup>7</sup> The Exchange believes that the April waiver was effective as it allowed Floor Broker firms to continue to send their credit/rebate-generating order flow to the Exchange throughout the month without concern for reaching the Cap.

At present, the market remains volatile and open outcry volume on the Exchange remains elevated. The Exchange therefore proposes to waive the Cap for the months of May, June and July 2025.<sup>8</sup> Like the April waiver, the proposed waiver is being adopted in anticipation of Floor Broker firms reaching the Cap before months end and potentially redirecting their order flow away from the Exchange. In the absence of the proposed waiver, Floor Broker firms may choose to re-direct such order flow to a competing market.

Although the Exchange cannot predict with certainty how many Floor Broker firms would be impacted by this change, the Exchange believes that the proposed changes would incent Floor Brokers to continue to direct their order flow to the Exchange thus increasing liquidity to the benefit of all market participants.

###### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>9</sup> in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,<sup>10</sup> in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

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

<sup>7</sup> See *id.*

<sup>8</sup> See proposed Fee Schedule, Sections I.F. and III.E.1.

<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(4) and (5).

<sup>16</sup> 17 CFR 200.30–3(a)(34).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b–4.

current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>11</sup>

There are currently 18 registered options exchanges competing for order flow. Based on publicly-available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades.<sup>12</sup> Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity & ETF options order flow. More specifically, in March 2025, the Exchange had 6.83% market share of executed volume of multiply-listed equity & ETF options trades.<sup>13</sup> In such a low-concentrated and highly competitive market, no single options exchange possesses significant pricing power in the execution of options order flow. Within this environment, market participants can freely and often do shift their order flow among the Exchange and competing venues in response to changes in their respective pricing schedules.

The proposed waiver of the Cap is reasonable because it is designed to encourage the role performed by Floor Brokers in facilitating the execution of orders via open outcry, a function that the Exchange wishes to support for the benefit of all market participants. Absent the proposed waiver, the Exchange believes that as soon as Floor Brokers reach the Cap, they are likely to re-direct order flow away from the Exchange, which may adversely impact other market participants trading on the Exchange. To the extent that the proposed waiver encourages Floor Brokers to facilitate transactions on the Exchange instead of on a competing market, all market participants participating on the Exchange would benefit from the increased liquidity. The Exchange believes the proposed waiver should continue to incent Floor Brokers to encourage market participants to aggregate their executions at the

Exchange as a primary execution venue. To the extent that the proposed change achieves its purpose in attracting more volume to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for order execution, thus improving market quality for all market participants.

The Exchange believes the proposed waiver of the Cap is an equitable allocation of its fees and credits and is not unfairly discriminatory because the proposal is based on the amount and type of business transacted on the Exchange. Floor Brokers are not obligated to execute manual transactions (and QCCs) to earn rebates and credits applied toward the Cap. However, the proposed waiver is designed to continue to encourage the role performed by Floor Brokers in facilitating the execution of orders via open outcry, a function that the Exchange wishes to support for the benefit of all market participants.

To the extent that the proposed waiver of the Cap continues to attract manual transactions (and QCCs) to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for order execution. Thus, the Exchange believes the proposed waiver would improve market quality for all market participants on the Exchange and attract more order flow to the Exchange, thereby improving market-wide quality and price discovery. The resulting increased volume and liquidity would provide more trading opportunities and tighter spreads to all market participants and thus would promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors and the public interest.

Finally, the Exchange believes that it is subject to significant competitive forces, as described below in the Exchange’s statement regarding the burden on competition.

#### *B. Self-Regulatory Organization’s Statement on Burden on Competition*

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order

execution opportunities for all market participants. As a result, the Exchange believes that the proposed change furthers the Commission’s goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes “more efficient pricing of individual stocks for all types of orders, large and small.”<sup>14</sup>

*Intramarket Competition.* The proposed waiver of the Cap apply equally to all similarly-situated Floor Brokers. To the extent that there is an additional competitive burden on non-Floor Brokers, the Exchange believes that any such burden would be appropriate because Floor Brokers serve an important function in facilitating the execution of orders in open outcry and price discovery for all market participants.

*Intermarket Competition.* The Exchange operates in a highly competitive market in which market participants can readily favor one of the other 17 competing options exchanges if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow to the Exchange. Based on publicly-available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades.<sup>15</sup> Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity and ETF options order flow. More specifically, in March 2025, the Exchange had 6.83% market share of executed volume of multiply-listed equity & ETF options trades.<sup>16</sup>

The Exchange believes that the proposed waiver of the Cap reflects this competitive environment because it is designed to continue to incent Floor Brokers to direct manual and QCC transactions to the Exchange, to provide liquidity and to attract order flow. To the extent that Floor Brokers are encouraged to utilize the Exchange as a primary trading venue for all

<sup>11</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (S7-10-04) (“Reg NMS Adopting Release”).

<sup>12</sup> The OCC publishes options and futures volume in a variety of formats, including daily and monthly volume by exchange, available here: <https://www.theocc.com/Market-Data/Market-Data-Reports/Volume-and-Open-Interest/Monthly-Weekly-Volume-Statistics>.

<sup>13</sup> Based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of equity-based ETF options, see *id.*, the Exchanges market share in equity-based options decreased from 8.36% for the month of March 2024 to 6.83% for the month of March 2025.

<sup>14</sup> See Reg NMS Adopting Release, *supra* note 9, at 37499.

<sup>15</sup> The OCC publishes options and futures volume in a variety of formats, including daily and monthly volume by exchange, available here: <https://www.theocc.com/Market-Data/Market-Data-Reports/Volume-and-Open-Interest/Monthly-Weekly-Volume-Statistics>.

<sup>16</sup> Based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of equity-based ETF options, see *id.*, the Exchanges market share in equity-based options decreased from 8.36% for the month of March 2024 to 6.83% for the month of March 2025.

transactions, all Exchange market participants stand to benefit from the improved market quality and increased opportunities for price improvement. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

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

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

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)<sup>17</sup> of the Act and subparagraph (f)(2) of Rule 19b-4<sup>18</sup> thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

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

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-

NYSEAMER-2025-27 on the subject line.

*Paper Comments*

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

All submissions should refer to file number SR-NYSEAMER-2025-27. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NYSEAMER-2025-27 and should be submitted on or before May 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>20</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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**SECURITIES AND EXCHANGE COMMISSION**

[OMB Control No. 3235-0597]

**Proposed Collection; Comment Request; Extension: Rule 31 and Form R31**

*Upon Written Request, Copies Available*

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

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 ("PRA") (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the proposed collection of information provided for in Rule 31 (17 CFR 240.31) and Form R31 (17 CFR 249.11), under the Securities Exchange Act of 1934 ("Exchange Act") (15 U.S.C. 78a *et seq.*).

Section 31 of the Exchange Act requires the Commission to collect fees and assessments from national securities exchanges and national securities associations (collectively, "self-regulatory organizations" or "SROs") based on the volume of their securities transactions. To collect the proper amounts, the Commission adopted Rule 31 and Form R31 under the Exchange Act whereby each SRO must report to the Commission the volume of its securities transactions and the Commission, based on those data, calculates the amount of fees and assessments that each SRO owes pursuant to Section 31. Rule 31 and Form R31 require each SRO to provide these data on a monthly basis.

Currently, there are 31 respondents under Rule 31 that are subject to the collection of information requirements of Rule 31: 28 national securities exchanges, 1 national securities association, and 2 registered clearing agencies that are required to provide certain data in their possession needed by the SROs to complete Form R31, although these 2 clearing agencies are not themselves required to complete and submit Form R31. The Commission estimates that the total burden for all 31 respondents is 480 hours per year. The Commission estimates that, based on previous and current experience, 3 additional national securities exchanges will become registered and subject to the reporting requirements of Rule 31 over the course of the authorization period and collectively incur a burden of 18 hours per year. Thus, the Commission estimates the collective burden for all respondents (existing and new added together) to be 498 hours per

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

<sup>18</sup> 17 CFR 240.19b-4(f)(2).

<sup>19</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>20</sup> 17 CFR 200.30-3(a)(12).