

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 19

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2024 - * 74

Amendment No. (req. for Amendments *)

Filing by NYSE American LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

| | | | | | |
|--------------------------------------------------|-----------------------------------------|----------------------------------------|------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------|
| Initial * <input checked="" type="checkbox"/> | Amendment * <input type="checkbox"/> | Withdrawal <input type="checkbox"/> | Section 19(b)(2) * <input type="checkbox"/> | Section 19(b)(3)(A) * <input checked="" type="checkbox"/> | Section 19(b)(3)(B) * <input type="checkbox"/> |
|--------------------------------------------------|-----------------------------------------|----------------------------------------|------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------|

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|-----------------------------------|------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------|--------------------------------------|--|
| Pilot <input type="checkbox"/> | Extension of Time Period for Commission Action * <input type="checkbox"/> | Date Expires * <input type="text"/> | Rule | | |
| | | | <input type="checkbox"/> 19b-4(f)(1) | <input type="checkbox"/> 19b-4(f)(4) | |
| | | | <input checked="" type="checkbox"/> 19b-4(f)(2) | <input type="checkbox"/> 19b-4(f)(5) | |
| | | | <input type="checkbox"/> 19b-4(f)(3) | <input type="checkbox"/> 19b-4(f)(6) | |

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010
Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to modify the NYSE American Options Fee Schedule

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Le-Anh Last Name * Bui
Title * Senior Counsel, NYSE Group Inc.
E-mail * Le-Anh.Bui@ice.com
Telephone * (202) 661-8953 Fax (212) 656-8101

Signature

Pursuant to the requirements of the Securities Exchange of 1934, NYSE American LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 11/29/2024 (Title *)
By Martha Redding Corporate Secretary
(Name *)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Martha Redding
Digitally signed by Martha Redding
Date: 2024.11.29 13:46:31 -05'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

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SEC Sub of 19b4 NYSE American MM

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

Ex. 1 SEC Sub of 19b4 NYSE Americ

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

Ex. 5 SEC Sub of 19b4 NYSE America

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

- (a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² NYSE American LLC (“NYSE American” or the “Exchange”) proposes to modify the NYSE American Options Fee Schedule (“Fee Schedule”) regarding the charges applicable to Manual transactions by NYSE American Options Market Makers. The Exchange proposes to implement the fee change effective December 2, 2024.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached as Exhibit 5.

- (b) The Exchange does not believe that the proposed rule change would have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.
- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action is required under the Exchange’s governing documents. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

Le-Anh Bui
Senior Counsel
NYSE Group, Inc.
(202) 661-8953

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

- (a) Purpose

The purpose of this filing is to modify Section I.A. of the Fee Schedule regarding the fee for Manual transactions by NYSE American Options Market Makers (“Market Makers”). Currently, Market Makers are charged \$0.35 per contract for

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Manual transactions. The Exchange proposes to modify the fee for Market Makers' Manual transactions to \$0.50 per contract.³ The proposed change is intended to more closely align the Exchange's fee for Manual transactions by Market Makers with fees charged by at least one other competing exchange.⁴ Although the proposed change would increase the fee for Manual transactions for Market Makers, the Exchange does not believe it would discourage them from continuing to conduct Manual transactions on the Exchange.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,⁶ 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 change is 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 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."⁷

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.⁸ Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity & ETF options order flow. More specifically, in October 2024, the Exchange had 6.26% market share of executed volume of multiply-listed equity and ETF options

³ See Fee Schedule, Section I.A. (Rates for Options transactions).

⁴ See Nasdaq PHLX, Options 7 Pricing Schedule, Section 4 (providing for \$0.50 per contract fee for Market Maker manual transactions).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4) and (5).

⁷ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (S7-10-04) ("Reg NMS Adopting Release").

⁸ 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>.

trades.⁹ In such a low-concentrated and highly competitive market, no single options exchange possesses significant pricing power in the execution of option 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 Exchange believes the proposed change is reasonable because, although it would increase the fee for Market Maker Manual transactions, it is designed to bring the Exchange's fee closer into alignment with a similar fee charged on at least one other competing exchange with a trading floor.¹⁰ In addition, although Market Makers would continue to be subject to a Manual transaction fee greater than those charged to other market participants, the proposed fee is reasonable, on balance, given various other incentives available only to Market Makers.¹¹ The Exchange also believes the proposed change, although it would increase the fee applicable to Market Makers' Manual transactions, would not discourage Market Makers from conducting Manual transactions on the Exchange, thereby continuing to attract volume and liquidity to the Exchange generally and to the benefit all market participants (including those that do not participate in Manual transactions) through increased opportunities to trade.

The Exchange believes the proposed rule change is an equitable allocation of its fees and credits and is not unfairly discriminatory, as it applies equally to all similarly-situated market participants on an equal and non-discriminatory basis. The proposal is based on the type of business transacted on the Exchange, and Market Makers are not obligated to engage in Manual transactions. Rather, the proposal is designed to continue to encourage the use of the Exchange as a primary trading venue (if they have not done so previously) by maintaining the Trading Floor for Manual transactions. The Exchange also believes that increasing fees for Manual transactions by Market Makers, but not for other market participants, represents an equitable, non-discriminatory allocation of fees on balance because Market Makers continue to be entitled to various incentives not available to other market participants.¹²

To the extent the proposed change does not discourage Market Makers from continuing to conduct Manual transactions on the Exchange, the Exchange believes the proposed change could continue to improve the Exchange's overall competitiveness and strengthen its market quality for all market participants. In

⁹ Based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of ETF-based options, see id., the Exchange's market share in multiply-listed equity and ETF options decreased slightly from 6.45% for the month of October 2023 to 6.26% for the month of October 2024.

¹⁰ See note 4, supra.

¹¹ See, e.g., Fee Schedule, Sections I.C. (NYSE American Options Market Maker Sliding Scale - Electronic) and I.D. (Prepayment Program).

¹² See id.

the backdrop of the competitive environment in which the Exchange operates, the proposed rule change is a reasonable attempt by the Exchange to maintain its market share relative to its competitors.

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.

4. 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 be consistent with charges for similar business at other markets. As a result, the Exchange believes that the proposed changes further 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."¹³

Intramarket Competition. The proposed change is designed to continue to promote the use of the Exchange as a primary trading venue by maintaining the Trading Floor for Manual transactions, which would enhance the quality of quoting and may increase the volumes of contracts traded on the Exchange. The Exchange believes that the proposed change to the fee applicable to Manual transactions by Market Makers would not discourage those market participants from continuing to conduct Manual transactions on the Exchange, and to the extent that this purpose is achieved, all of the Exchange's market participants should benefit from the continued market liquidity. Enhanced market quality and increased transaction volume that results from the increase in order flow directed to the Exchange will benefit all market participants and improve competition on the Exchange. The Exchange also believes that increasing fees for Manual transactions by Market Makers relative to other market participants does not impose an undue burden on competition given various other incentives in the Fee Schedule available only to Market Makers.¹⁴

Intermarket Competition. The Exchange operates in a highly competitive market in which market participants can readily favor one of the 16 competing option exchanges if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its mechanisms and 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 currently has more than 16% of the market share of

¹³ See Reg NMS Adopting Release, supra note 7, at 37499.

¹⁴ See note 11, supra.

executed volume of multiply-listed equity and ETF options trades.¹⁵ Therefore, no exchange currently possesses significant pricing power in the execution of multiply-listed equity and ETF options order flow. More specifically, in October 2024, the Exchange had 6.26% market share of executed volume of multiply-listed equity and ETF options trades.¹⁶

The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange's fees to be more closely aligned with fees charged by at least one other market with a Trading Floor for similar transactions.¹⁷ The Exchange also believes that the proposed changes would continue to promote competition between the Exchange and other execution venues by encouraging orders to be sent to the Exchange for execution. To the extent that this purpose is achieved, all the Exchange's market participants should benefit from the improved market quality and increased opportunities for price improvement.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)(ii) of the Act¹⁸ and subparagraph (f)(2) of Rule 19b-4¹⁹ 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) of the Act to determine whether the proposed rule

¹⁵ See note 8, *supra*.

¹⁶ See note 9, *supra*.

¹⁷ See note 4, *supra*.

¹⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁹ 17 CFR 240.19b-4(f)(2).

change should be approved or disapproved.²⁰

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of the Proposed Rule Change for Publication in the Federal Register

Exhibit 5 – Amendment to the Exchange’s Fee Schedule

²⁰ 15 U.S.C. 78s(b)(2)(B).

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSEAMER-2024-74)

[Date]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Change to Modify the NYSE American Options Fee Schedule

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on November 29, 2024, 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, II, and III 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”) regarding the charges applicable to Manual transactions by NYSE American Options Market Makers. The Exchange proposes to implement the fee change effective December 2, 2024. The proposed rule change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The purpose of this filing is to modify Section I.A. of the Fee Schedule regarding the fee for Manual transactions by NYSE American Options Market Makers (“Market Makers”). Currently, Market Makers are charged \$0.35 per contract for Manual transactions. The Exchange proposes to modify the fee for Market Makers’ Manual transactions to \$0.50 per contract.⁴ The proposed change is intended to more closely align the Exchange’s fee for Manual transactions by Market Makers with fees charged by at least one other competing exchange.⁵ Although the proposed change would increase the fee for Manual transactions for Market Makers, the Exchange does not believe it would discourage them from continuing to conduct Manual transactions on the Exchange

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,⁷ 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.

⁴ See Fee Schedule, Section I.A. (Rates for Options transactions).

⁵ See Nasdaq PHLX, Options 7 Pricing Schedule, Section 4 (providing for \$0.50 per contract fee for Market Maker manual transactions).

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4) and (5).

The proposed change is 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 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.”⁸

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.⁹ Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity & ETF options order flow. More specifically, in October 2024, the Exchange had 6.26% market share of executed volume of multiply-listed equity and ETF options trades.¹⁰ In such a low-concentrated and highly competitive market, no single options exchange possesses significant pricing power in the execution of option 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.

⁸ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (S7-10-04) (“Reg NMS Adopting Release”).

⁹ 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>.

¹⁰ Based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of ETF-based options, see id., the Exchange’s market share in multiply-listed equity and ETF options decreased slightly from 6.45% for the month of October 2023 to 6.26% for the month of October 2024.

The Exchange believes the proposed change is reasonable because, although it would increase the fee for Market Maker Manual transactions, it is designed to bring the Exchange's fee closer into alignment with a similar fee charged on at least one other competing exchange with a trading floor.¹¹ In addition, although Market Makers would continue to be subject to a Manual transaction fee greater than those charged to other market participants, the proposed fee is reasonable, on balance, given various other incentives available only to Market Makers.¹² The Exchange also believes the proposed change, although it would increase the fee applicable to Market Makers' Manual transactions, would not discourage Market Makers from conducting Manual transactions on the Exchange, thereby continuing to attract volume and liquidity to the Exchange generally and to the benefit all market participants (including those that do not participate in Manual transactions) through increased opportunities to trade.

The Exchange believes the proposed rule change is an equitable allocation of its fees and credits and is not unfairly discriminatory, as it applies equally to all similarly-situated market participants on an equal and non-discriminatory basis. The proposal is based on the type of business transacted on the Exchange, and Market Makers are not obligated to engage in Manual transactions. Rather, the proposal is designed to continue to encourage the use of the Exchange as a primary trading venue (if they have not done so previously) by maintaining the Trading Floor for Manual transactions. The Exchange also believes that increasing fees for Manual transactions by Market Makers, but not for other market participants, represents an equitable, non-discriminatory allocation of fees on balance because Market Makers continue to be entitled

¹¹ See note 5, *supra*.

¹² See, e.g., Fee Schedule, Sections I.C. (NYSE American Options Market Maker Sliding Scale - Electronic) and I.D. (Prepayment Program).

to various incentives not available to other market participants.¹³

To the extent the proposed change does not discourage Market Makers from continuing to conduct Manual transactions on the Exchange, the Exchange believes the proposed change could continue to improve the Exchange's overall competitiveness and strengthen its market quality for all market participants. In the backdrop of the competitive environment in which the Exchange operates, the proposed rule change is a reasonable attempt by the Exchange to maintain its market share relative to its competitors.

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 be consistent with charges for similar business at other markets. As a result, the Exchange believes that the proposed changes further 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."¹⁴

Intramarket Competition. The proposed change is designed to continue to promote the use of the Exchange as a primary trading venue by maintaining the Trading Floor for Manual transactions, which would enhance the quality of quoting and may increase the volumes of contracts traded on the Exchange. The Exchange believes that the proposed change to the fee applicable to Manual transactions by Market Makers would not discourage those market

¹³ See id.

¹⁴ See Reg NMS Adopting Release, supra note 8, at 37499.

participants from continuing to conduct Manual transactions on the Exchange, and to the extent that this purpose is achieved, all of the Exchange's market participants should benefit from the continued market liquidity. Enhanced market quality and increased transaction volume that results from the increase in order flow directed to the Exchange will benefit all market participants and improve competition on the Exchange. The Exchange also believes that increasing fees for Manual transactions by Market Makers relative to other market participants does not impose an undue burden on competition given various other incentives in the Fee Schedule available only to Market Makers.¹⁵

Intermarket Competition. The Exchange operates in a highly competitive market in which market participants can readily favor one of the 16 competing option exchanges if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its mechanisms and 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 currently has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades.¹⁶ Therefore, no exchange currently possesses significant pricing power in the execution of multiply-listed equity and ETF options order flow. More specifically, in October 2024, the Exchange had 6.26% market share of executed volume of multiply-listed equity and ETF options trades.¹⁷

The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange's fees to be more closely aligned with fees

¹⁵ See note 12, supra.

¹⁶ See note 9, supra.

¹⁷ See note 10, supra.

charged by at least one other market with a Trading Floor for similar transactions.¹⁸ The Exchange also believes that the proposed changes would continue to promote competition between the Exchange and other execution venues by encouraging orders to be sent to the Exchange for execution. To the extent that this purpose is achieved, all the Exchange's market participants should benefit from the improved market quality and increased opportunities for price improvement.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act,¹⁹ and Rule 19b-4(f)(2) thereunder²⁰ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing. 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.

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:

¹⁸ See note 5, *supra*.

¹⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

²⁰ 17 CFR 240.19b-4.

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-NYSEAMER-2024-74 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-2024-74. 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-2024-74 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.²¹

Sherry R. Haywood,

Assistant Secretary.

²¹ 17 CFR 200.30-3(a)(12).

Additions underscored

Deletions [bracketed]

NYSE AMERICAN OPTIONS FEE SCHEDULE*

*NYSE American Options is the options trading facility of NYSE American LLC

Effective as of [November 25] December 2, 2024

Section I. Options Transaction Fees and Credits⁷

A. Rates for Options transactions. The following transaction fees apply to executions in Option contracts.

| Participant | Penny/Non-Penny | Rate Per Contract For Electronic Transactions | Marketing Charges Per Contract for Electronic Transactions ³ | Rate Per Contract Manual Transactions |
|-----------------------------------|-----------------|-----------------------------------------------|-------------------------------------------------------------------------|---------------------------------------|
| Broker-Dealer ^{1,5} | Penny | \$0.50 | N/A | \$0.25 |
| | Non-Penny | \$0.75 | N/A | \$0.25 |
| Customer | Penny | \$0.00 | N/A | \$0.00 |
| | Non-Penny | \$0.00 | N/A | \$0.00 |
| DOMM ^{1,2,3,5} | Penny | \$0.25 | \$0.25 | N/A |
| | Non-Penny | \$0.25 | \$0.70 | N/A |
| e-Specialist ^{1,2,3,5,6} | Penny | \$0.25 | \$0.25 | \$0.30 |
| | Non-Penny | \$0.25 | \$0.70 | \$0.30 |
| Firm ^{1,4,5} | Penny | \$0.47 | N/A | \$0.25 |
| | Non-Penny | \$0.75 | N/A | \$0.25 |

| | | | | |
|------------------------------------------------------------|-----------|--------|--------|------------------------|
| Firm Facilitation ¹ | Penny | N/A | N/A | \$0.00 |
| | Non-Penny | N/A | N/A | \$0.00 |
| NYSE American Options Market Maker ^{1,2,3,5,6} | Penny | \$0.25 | \$0.25 | [\$0.35] <u>\$0.50</u> |
| | Non-Penny | \$0.25 | \$0.70 | [\$0.35] <u>\$0.50</u> |
| Non-NYSE American Options Market Maker ^{1,2,5} | Penny | \$0.50 | N/A | \$0.25 |
| | Non-Penny | \$0.75 | N/A | \$0.25 |
| Professional Customer ^{1,5} | Penny | \$0.50 | N/A | \$0.25 |
| | Non-Penny | \$0.75 | N/A | \$0.25 |
| Specialist ^{1,2,3,5,6} | Penny | \$0.25 | \$0.25 | \$0.30 |
| | Non-Penny | \$0.25 | \$0.70 | \$0.30 |
