Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 25

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

File No. * SR 2024 - * 29
Amendment No. (req. for Amendments *)

Filing by Nasdaq MRX, LLC

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

Initial * ☑	Amendment * ☐	Withdrawal ☐
Section 19(b)(2) * ☐	Section 19(b)(3)(A) * ☑	Section 19(b)(3)(B) * ☐

Pilot ☐

Extension of Time Period for Commission Action * ☐

Date Expires *

Rule

☐ 19b-4(f)(1)	☐ 19b-4(f)(4)
☑ 19b-4(f)(2)	☐ 19b-4(f)(5)
☐ 19b-4(f)(3)	☐ 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 *).

Amend MRX Options 7 Section 3

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 *	Angela
Last Name *	Dunn
Title *	Principal Associate General Counsel
E-mail *	Angela.Dunn@Nasdaq.com
Telephone *	(215) 496-5692
Fax	

Signature

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

Date 07/24/2024

By John Zecca
(Name *)

(Title *)
EVP and Chief Legal Officer

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.

Date: 2024.07.24 17:14:27 -04'00'

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 * Add / Remove / View SR-MRX-2024-29 19b4.docx	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 SR-MRX-2024-29 Exhibit 1.docx	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 Add / Remove / View	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 SR-MRX-2024-29 Exhibit 5.docx	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) Nasdaq MRX, LLC ("MRX" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4 thereunder,[2] is filing with the Securities and Exchange Commission ("SEC" or "Commission") a proposal to amend the Exchange's Pricing Schedule at Options 7.[3]

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

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors (the "Board"). Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to:

Angela Saccomandi Dunn
Principal Associate General Counsel
Nasdaq, Inc.
215-496-5692

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 On July 15, 2024, the Exchange withdrew SR-MRX-2024-20 and replaced it with SR-MRX-2024-26. On July 24, 2024, the Exchange withdrew SR-MRX-2024-26 and replaced it with this filing.

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

a. Purpose

MRX proposes to amend the Exchange's Pricing Schedule at Options 7, Section 3, Table 2 related to Crossing Orders. Specifically, the Exchange proposes to amend the Regular and Complex Order Non-Penny Symbol Fees for Crossing Orders.[4]

Options 7, Section 3 – Table 2

Today, Options 7, Section 3, Table 2 applies to Regular and Complex Crossing Orders. Today, the Exchange assesses the following Regular and Complex Crossing Order Fees in Penny and Non-Penny Symbols:[5]

	Regular and Complex Crossing Orders		
Penny Symbols			
Market Participant	**Fee for Crossing Orders**	**Fee for Responses to Crossing Orders**	**Break-up Rebate for Facilitation Mechanism and Solicited Order Mechanism**
Market Maker	$0.02	$0.50	N/A
Non-Nasdaq MRX Market Maker (FarMM)	$0.02	$0.50	N/A
Firm Proprietary / Broker-Dealer	$0.02	$0.50	N/A
Professional Customer	$0.02	$0.50	N/A
Priority Customer	$0.00	$0.50	($0.30)
Non-Penny Symbols			

4 A "Crossing Order" is an order executed in the Exchange's Facilitation Mechanism, Solicited Order Mechanism, Price Improvement Mechanism ("PIM") or submitted as a Qualified Contingent Cross order. For purposes of this Pricing Schedule, orders executed in the Block Order Mechanism are also considered Crossing Orders. See Options 7, Section 1(c).

5 Footnotes in the Pricing Schedule are not displayed in this table.

Market Participant	Fee for Crossing Orders	Fee for Responses to Crossing Orders
Market Maker	$0.20	$1.10
Non-Nasdaq MRX Market Maker (FarMM)	$0.20	$1.10
Firm Proprietary / Broker-Dealer	$0.20	$1.10
Professional Customer	$0.20	$1.10
Priority Customer	$0.00	$1.10

At this time, the Exchange proposes to amend Table 2 of Options 7, Section 3 to decrease the Non-Penny Symbol Non-Priority Customer[6] Fees for Crossing Orders from $0.20 to $0.02 per contract for orders in the Facilitation Mechanism,[7] Complex Facilitation Mechanism,[8] Solicitation Mechanism,[9] Complex Solicitation Mechanism[10] and Block Orders.[11] A Priority Customer would continue to be assessed no Regular and Complex Order Fee for Crossing Orders in Non-Penny Symbols.

Fees apply to the originating and contra-side orders, except for PIM Orders and Qualified Contingent Cross ("QCC") Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders. The Fee for Crossing Orders for QCC Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders is $0.20 per contract for Non-Priority Customer orders in Penny and Non-Penny Symbols. Priority Customer orders are not assessed a fee for Crossing Orders. Regular

6 "Non-Priority Customers" include Market Makers, Non-Nasdaq GEMX Market Makers (FarMMs), Firm Proprietary / Broker-Dealers, and Professional Customers. See Options 7, Section 1(c).

7 The Facilitation Mechanism is described in Options 3, Section 11(b).

8 The Facilitation Mechanism is described in Options 3, Section 11(c).

9 The Solicitation Mechanism is described in Options 3, Section 11(d).

10 The Solicitation Mechanism is described in Options 3, Section 11(e).

11 Block Orders are single-leg orders in single-sided auctions. See Options 3, Section 11(a).

and Complex PIM Orders are subject to separate pricing in Part A of Options 7, Section 3.

The Exchange believes that lowering the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols will attract additional Crossing Orders to MRX.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[12] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[13] 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 proposed changes are reasonable in several respects. 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 fact that this market is competitive has long been recognized by the courts. In NetCoalition v. Securities and Exchange Commission, the D.C. Circuit stated as follows: “[n]o one disputes that competition for order flow is ‘fierce.’ … As the SEC explained, ‘[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution’; [and] ‘no exchange can afford to take its market share percentages for granted’ because ‘no exchange possesses a monopoly, regulatory or

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[12] 15 U.S.C. 78f(b).

[13] 15 U.S.C. 78f(b)(4) and (5).

otherwise, in the execution of order flow from broker dealers'…."[14]

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, 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."[15]

Numerous indicia demonstrate the competitive nature of this market. For example, clear substitutes to the Exchange exist in the market for options security transaction services. The Exchange is only one of seventeen options exchanges to which market participants may direct their 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. As such, the proposal represents a reasonable attempt by the Exchange to increase its liquidity.

Options 7, Section 3 – Table 2

The Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols from $0.20 to $0.02 per contract for orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation

[14] NetCoalition v. SEC, 615 F.3d 525, 539 (D.C. Cir. 2010) (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782-83 (December 9, 2008) (SR-NYSEArca-2006-21)).

[15] Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) ("Regulation NMS Adopting Release").

Mechanism and Block Orders is reasonable because the Exchange would be reducing the originating and contra-side order fees to enter orders in these auction mechanisms to encourage market participants to enter additional Crossing Orders on MRX. The Exchange would continue to assess no Regular and Complex Order Non-Penny Symbol Priority Customer Fee for Crossing Orders.

The Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols from $0.20 to $0.02 per contract for orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders is equitable and not unfairly discriminatory as all Non-Priority Customers that enter orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders would be uniformly assessed these lower Non-Penny Symbol fees. A Priority Customer would continue to be assessed no Regular and Complex Order Fee for Crossing Orders in Non-Penny Symbols. Unlike other market participants, Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow for other market participants, to the benefit of all market participants.

4. 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.

Options 7, Section 3 – Table 2

In terms of intra-market competition, the Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols from $0.20 to $0.02 per contract for orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders does not impose an undue burden on competition as all Non-Priority Customers that enter orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders would be uniformly assessed these lower Non-Penny Symbol fees. Assessing lower Non-Penny Symbol Non-Priority Customer Fees for Crossing Orders and not lowering the Non-Penny Symbol Non-Priority Customer Responses for Crossing Orders does not impose an undue burden on competition.

Today, a differential exists as between the Fees for Crossing Orders (the fees that apply to the originating and contra-side orders) and the Responses for Crossing Orders, the Exchange does not believe that widening this differential burdens competition because lowering these originating and contra-side order fees encourages Members to initiate Facilitation Mechanisms, Complex Facilitation Mechanisms, Solicitation Mechanisms, Complex Solicitation Mechanisms and Block Orders in Non-Penny Symbols. Members responding to these auctions would continue to be assessed $1.10 per contract Non-Penny Symbol fee, which is the same fee assessed today for Members removing liquidity from the order book. The Exchange would continue to assess Members the same fees to remove liquidity whether they are removing that liquidity from the order book or one of the aforementioned auctions. The liquidity the Exchange is able to attract to MRX in the form of these auctions provides other Members an opportunity to engage with auction orders and participate in the trade by breaking-up the auction order or being allocated in the auction. Members would not be able to respond to the auctions if such auctions never commence.

A Priority Customer would continue to be assessed no Regular and Complex Order Fee for Crossing Orders in Non-Penny Symbols. Unlike other market participants, Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow for other market participants, to the benefit of all market participants.

In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other options exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

5. 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.

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)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,[16] the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization 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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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.

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

Not applicable.

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

1. Notice of Proposed Rule Change for publication in the Federal Register.

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16 15 U.S.C. 78s(b)(3)(A)(ii).

5. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-MRX-2024-29)

July__, 2024

Self-Regulatory Organizations; Nasdaq MRX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend MRX Options 7, Section 3

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 July 24, 2024, Nasdaq MRX, LLC ("MRX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "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 the Exchange's Pricing Schedule at Options 7.[3]

The text of the proposed rule change is available on the Exchange's Website at https://listingcenter.nasdaq.com/rulebook/mrx/rules, 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 Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it

1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 On July 15, 2024, the Exchange withdrew SR-MRX-2024-20 and replaced it with SR-MRX-2024-26. On July 24, 2024, the Exchange withdrew SR-MRX-2024-26 and replaced it with this filing.

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

MRX proposes to amend the Exchange's Pricing Schedule at Options 7, Section 3, Table 2 related to Crossing Orders. Specifically, the Exchange proposes to amend the Regular and Complex Order Non-Penny Symbol Fees for Crossing Orders.[4]

Options 7, Section 3 – Table 2

Today, Options 7, Section 3, Table 2 applies to Regular and Complex Crossing Orders. Today, the Exchange assesses the following Regular and Complex Crossing Order Fees in Penny and Non-Penny Symbols:[5]

	Regular and Complex Crossing Orders		
Penny Symbols			
Market Participant	**Fee for Crossing Orders**	**Fee for Responses to Crossing Orders**	**Break-up Rebate for Facilitation Mechanism and Solicited Order Mechanism**
Market Maker	$0.02	$0.50	N/A

4 A "Crossing Order" is an order executed in the Exchange's Facilitation Mechanism, Solicited Order Mechanism, Price Improvement Mechanism ("PIM") or submitted as a Qualified Contingent Cross order. For purposes of this Pricing Schedule, orders executed in the Block Order Mechanism are also considered Crossing Orders. See Options 7, Section 1(c).

5 Footnotes in the Pricing Schedule are not displayed in this table.

Non-Nasdaq MRX Market Maker (FarMM)	$0.02	$0.50	N/A
Firm Proprietary / Broker-Dealer	$0.02	$0.50	N/A
Professional Customer	$0.02	$0.50	N/A
Priority Customer	$0.00	$0.50	($0.30)

Non-Penny Symbols

Market Participant	Fee for Crossing Orders	Fee for Responses to Crossing Orders
Market Maker	$0.20	$1.10
Non-Nasdaq MRX Market Maker (FarMM)	$0.20	$1.10
Firm Proprietary / Broker-Dealer	$0.20	$1.10
Professional Customer	$0.20	$1.10
Priority Customer	$0.00	$1.10

At this time, the Exchange proposes to amend Table 2 of Options 7, Section 3 to decrease the Non-Penny Symbol Non-Priority Customer[6] Fees for Crossing Orders from $0.20 to $0.02 per contract for orders in the Facilitation Mechanism,[7] Complex Facilitation Mechanism,[8] Solicitation Mechanism,[9] Complex Solicitation Mechanism[10] and Block Orders.[11] A Priority Customer would continue to be assessed no Regular and Complex Order Fee for Crossing Orders in Non-Penny Symbols.

Fees apply to the originating and contra-side orders, except for PIM Orders and

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6 "Non-Priority Customers" include Market Makers, Non-Nasdaq GEMX Market Makers (FarMMs), Firm Proprietary / Broker-Dealers, and Professional Customers. See Options 7, Section 1(c).

7 The Facilitation Mechanism is described in Options 3, Section 11(b).

8 The Facilitation Mechanism is described in Options 3, Section 11(c).

9 The Solicitation Mechanism is described in Options 3, Section 11(d).

10 The Solicitation Mechanism is described in Options 3, Section 11(e).

11 Block Orders are single-leg orders in single-sided auctions. See Options 3, Section 11(a).

Qualified Contingent Cross ("QCC") Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders. The Fee for Crossing Orders for QCC Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders is $0.20 per contract for Non-Priority Customer orders in Penny and Non-Penny Symbols. Priority Customer orders are not assessed a fee for Crossing Orders. Regular and Complex PIM Orders are subject to separate pricing in Part A of Options 7, Section 3.

The Exchange believes that lowering the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols will attract additional Crossing Orders to MRX.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[12] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[13] 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 proposed changes are reasonable in several respects. 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 fact that this market is competitive has long been recognized by the courts. In NetCoalition v. Securities and Exchange Commission, the D.C. Circuit stated as follows:

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[12] 15 U.S.C. 78f(b).

[13] 15 U.S.C. 78f(b)(4) and (5).

"[n]o one disputes that competition for order flow is 'fierce.' … As the SEC explained, '[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution'; [and] 'no exchange can afford to take its market share percentages for granted' because 'no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers'…."[14]

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, 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."[15]

Numerous indicia demonstrate the competitive nature of this market. For example, clear substitutes to the Exchange exist in the market for options security transaction services. The Exchange is only one of seventeen options exchanges to which market participants may direct their 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. As such, the proposal represents a reasonable attempt by the Exchange to increase its liquidity.

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[14] NetCoalition v. SEC, 615 F.3d 525, 539 (D.C. Cir. 2010) (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782-83 (December 9, 2008) (SR-NYSEArca-2006-21)).

[15] Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) ("Regulation NMS Adopting Release").

Options 7, Section 3 – Table 2

The Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols from \$0.20 to \$0.02 per contract for orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders is reasonable because the Exchange would be reducing the originating and contra-side order fees to enter orders in these auction mechanisms to encourage market participants to enter additional Crossing Orders on MRX. The Exchange would continue to assess no Regular and Complex Order Non-Penny Symbol Priority Customer Fee for Crossing Orders.

The Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols from \$0.20 to \$0.02 per contract for orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders is equitable and not unfairly discriminatory as all Non-Priority Customers that enter orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders would be uniformly assessed these lower Non-Penny Symbol fees. A Priority Customer would continue to be assessed no Regular and Complex Order Fee for Crossing Orders in Non-Penny Symbols. Unlike other market participants, Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow for other market participants, to the benefit of all market participants.

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.

Options 7, Section 3 – Table 2

In terms of intra-market competition, the Exchange's proposal to amend Table 2 of Options 7, Section 3 to decrease the Regular and Complex Non-Priority Customer Fees for Crossing Orders in Non-Penny Symbols from $0.20 to $0.02 per contract for orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders does not impose an undue burden on competition as all Non-Priority Customers that enter orders in the Facilitation Mechanism, Complex Facilitation Mechanism, Solicitation Mechanism, Complex Solicitation Mechanism and Block Orders would be uniformly assessed these lower Non-Penny Symbol fees. Assessing lower Non-Penny Symbol Non-Priority Customer Fees for Crossing Orders and not lowering the Non-Penny Symbol Non-Priority Customer Responses for Crossing Orders does not impose an undue burden on competition.

Today, a differential exists as between the Fees for Crossing Orders (the fees that apply to the originating and contra-side orders) and the Responses for Crossing Orders, the Exchange does not believe that widening this differential burdens competition because lowering these originating and contra-side order fees encourages Members to initiate Facilitation Mechanisms, Complex Facilitation Mechanisms, Solicitation Mechanisms, Complex Solicitation Mechanisms and Block Orders in Non-Penny Symbols. Members responding to these auctions would continue to be assessed $1.10 per contract Non-Penny Symbol fee, which is the same fee assessed today for Members removing liquidity from the order book. The Exchange would continue to assess Members the same fees to remove liquidity whether they are removing that liquidity from the order book or one of the aforementioned auctions. The liquidity the Exchange is able to attract to MRX in the form of these auctions provides other Members an opportunity to engage with auction orders and participate in the trade by breaking-up the auction order or being allocated in the auction. Members would not be able to respond to the auctions if such auctions never commence.

A Priority Customer would continue to be assessed no Regular and Complex Order Fee for Crossing Orders in Non-Penny Symbols. Unlike other market participants, Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow for other market participants, to the benefit of all market participants.

In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other options exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.[16] 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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) 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

[16] 15 U.S.C. 78s(b)(3)(A)(ii).

- Send an email to rule-comments@sec.gov. Please include file number SR-MRX-2024-29 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-MRX-2024-29. 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-MRX-2024-29 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.[17]

Sherry R. Haywood,

Assistant Secretary.

[17] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined; deleted text is in brackets.

Nasdaq MRX, LLC Rules

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Options Rules

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Options 7 Pricing Schedule

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Section 3. Fees and Rebates for Regular Orders and All Crossing Orders

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Table 2

Regular and Complex Crossing Orders(3)

Penny Symbols

Market Participant	**Fee for Crossing Orders(1)**	**Fee for Responses to Crossing Orders(2)**	**Break-up Rebate for Facilitation Mechanism and Solicited Order Mechanism(5)**
Market Maker(4)	$0.02	$0.50	N/A
Non-Nasdaq MRX Market Maker (FarMM)	$0.02	$0.50	N/A
Firm Proprietary / Broker-Dealer	$0.02	$0.50	N/A
Professional Customer	$0.02	$0.50	N/A
Priority Customer	$0.00	$0.50	($0.30)

Non-Penny Symbols

Market Participant	Fee for Crossing Orders[(1)]	Fee for Responses to Crossing Orders[(2)]
Market Maker[(4)]	$0.[20]02	$1.10
Non-Nasdaq MRX Market Maker (FarMM)	$0.[20]02	$1.10
Firm Proprietary / Broker-Dealer	$0.[20]02	$1.10
Professional Customer	$0.[20]02	$1.10
Priority Customer	$0.00	$1.10

1. Fees apply to the originating and contra-side orders, except for PIM Orders and Qualified Contingent Cross ("QCC") Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders. The Fee for Crossing Orders for QCC Orders, Complex QCC Orders, QCC with Stock Orders and Complex QCC with Stock Orders is $0.20 per contract for Non-Priority Customer orders in Penny and Non-Penny Symbols. Priority Customer orders are not assessed a fee for Crossing Orders. Regular and Complex PIM Orders are subject to separate pricing in Part A below.

2. Regular and Complex Responses to PIM Orders are subject to separate pricing in Part A below.

3. The Table 2 fees apply to Regular and Complex Orders entered into the Facilitation Mechanism; the Solicited Order Mechanism; the Block Order Mechanism as applicable; QCC Orders; Complex QCC Orders; QCC with Stock Orders; and Complex QCC with Stock Orders.

4. This fee also applies to Market Maker orders sent to the Exchange by Electronic Access Members.

5. Break-up Rebates are provided for an originating Priority Customer Regular or Complex order entered into the Facilitation Mechanism or Solicited Order Mechanism that executes with any response (order or quote) other than the contra-side order.

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