

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 2025 - \* 10

Amendment No. (req. for Amendments \*)

Filing by Nasdaq PHLX 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 type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input checked="" type="checkbox"/> 19b-4(f)(6)		
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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 \*).

A proposal to amend Options 8, Section 22, Execution of Options Transactions on the Trading Floor, to relocate certain rule text without substantive change to the requirements of Options 8, Section 22.

**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 PHLX LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 02/13/2025


(Title \*)

By John A. Zecca

EVP and Chief Legal Officer

(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.

 Date: 2025.02.13 14:31:17 -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 EDFS website.

**Form 19b-4 Information \***

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SR-Phlx-2025-10 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-Phlx-2025-10 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 \***

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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**

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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**

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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**

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SR-Phlx-2025-10 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 Phlx LLC (“Phlx” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend Options 8, Section 22, Execution of Options Transactions on the Trading Floor, to relocate certain rule text without substantive change to the requirements of Options 8, Section 22. The Exchange also proposes to amend citations in Options 8, Section 30, Crossing, Facilitation and Solicited Orders, to conform the citations to the amendments that are being proposed in Options 8, Section 22.

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

<sup>2</sup> 17 CFR 240.19b-4.

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

a. Purpose

Phlx proposes to amend Options 8, Section 22, Execution of Options Transactions on the Trading Floor, to relocate certain rule text. The Exchange also proposes to amend citations in Options 8, Section 30, Crossing, Facilitation and Solicited Orders.

Currently, Options 8, Section 22(c) and (d) provide,

(c) Public Outcry - Pursuant to Options 8, Section 24 at Supplementary Material .01, bids and offers must be made in an audible tone of voice. A member shall be considered “in” on a bid or offer, while he remains at the post, unless he shall distinctly and audibly say “out.” A member bidding and offering in immediate and rapid succession shall be deemed “in” until he shall say “out” on either bid or offer. Once the trading crowd has provided a quote, it will remain in effect until: (A) a reasonable amount of time has passed, or (B) there is a significant change in the price of the underlying security, or (C) the market given in response to the request has been improved. In the case of a dispute, the term “significant change” will be interpreted on a case-by case basis by an Options Exchange Official based upon the extent of the recent trading in the option and, in the case of equity and index options, in the underlying security, and any other relevant factors.<sup>3</sup>

(d) With respect to using the Options Floor Based Management System to execute an order pursuant to Option 8, Section 22, a member must audibly say “out” before the order is submitted into the FBMS for execution and, if the order is not executed, the member must audibly say “out” before each time the member resubmits the order for execution.

The Exchange proposes to combine the rule text currently in Options 8, Section 22(d) into Options 8, Section 22(c), where it was originally located when adopted.<sup>4</sup> Options 8, Section 22(c) describes the manner in which bids and offers may be made in open outcry and the time a

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<sup>3</sup> The Exchange proposes to add a hyphen to the term “case-by-case.”

<sup>4</sup> See Securities Exchange Act Release No. 68960 (February 20, 2013), 78 FR 13132 (February 26, 2013) (SR-Phlx-2013-09) (Notice of Filing of Proposed Rule Change To Enhance the Functionality Offered on Its Options Floor Broker Management System (“FBMS”) by, Among Other Things, Automating Functions Currently Performed by Floor Brokers) (“SR-Phlx-2013-09”).

quote remains in effect. Options 8, Section 22(d) describes, with respect to the Options Floor Based Management System, the manner to exit a trade.

The rule text that is currently located in Options 8, Section 22(c) and (d) was originally combined when it was proposed as Rule 1000(g) in SR-Phlx-2013-09. Rule 1000(g) was subsequently relocated to Options 8, Section 22(c) and (d) in SR-Phlx-2019-17.<sup>5</sup> Additionally, SR-Phlx-2019-33<sup>6</sup> relocated rule text from Rule 1064 to Options 8, Section 30 and added citations to “Options 3, Section 22 (c) or (d).”<sup>7</sup>

At this time, in order to restore the rule text as originally adopted in SR-Phlx-2013-09, the Exchange proposes to relocate the rule text in Options 3, Section 22(d) into Options 3, Section 22(c) so that rule text can be read as one requirement. A member may exit an open outcry trade only when one of the conditions<sup>8</sup> in Options 3, Section 22(c) exists and the order has not been executed in the Options Floor Based Management System.<sup>9</sup> Further, the Exchange proposes to amend the citations to “Options 8, Section 22(c) or (d)” in Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I) to instead cite to only “Options 3, Section 22(c).”

The Exchange believes these amendments will make clear the intent of the rule text as proposed in SR-Phlx-2013-09 as well as the applicability of the rule text in Options 8, Section 22(c) and (d), which was intended to be read together as one requirement.

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<sup>5</sup> See Securities Exchange Act Release No. 85740 (April 29, 2019), 84 FR 19136 (May 3, 2019) (SR-Phlx-2019-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Relocate the Floor Trading Rules to Options 8) (“SR-Phlx-2019-17”).

<sup>6</sup> See Securities Exchange Act Release No. 86959 (September 13, 2019), 84 FR 49362 (September 19, 2019) (SR-Phlx-2019-33) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Specialists and Registered Options Traders) (“SR-Phlx-2019-33”).

<sup>7</sup> See Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I).

<sup>8</sup> Once the trading crowd has provided a quote, it will remain in effect until: (A) a reasonable amount of time has passed, or (B) there is a significant change in the price of the underlying security, or (C) the market given in response to the request has been improved. See Options 3, Section 22(c).

<sup>9</sup> The Exchange also proposes to add a hyphen within Options 3, Section 22(c) in “case-by-case.”

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>10</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>11</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange's proposal to combine the rule text in Options 8, Section 22(c) and (d) at Options 8, Section 22(c) and also amend the citations in Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I) to reflect that change is consistent with the Act and the protection of investors and the public interest because it restores the original intent of SR-Phlx-2013-09 as well as the applicability of the rule text in Options 8, Section 22(c) and (d), which was intended to be read together as one requirement.

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.

The proposed amendments to combine the rule text in Options 8, Section 22(c) and (d) at Options 8, Section 22(c) and also amend the citations in Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I) do not impose an undue burden on intramarket competition as the rule text will continue to apply uniformly to all floor participants. It also does not impose an undue burden on intermarket competition as these amendments are technical in nature as the intent of

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

<sup>11</sup> 15 U.S.C. 78f(b)(5).

the rule was not intended to be substantively amended when the rules were relocated in a prior filing.

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)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii)<sup>12</sup> of the Act and Rule 19b-4(f)(6) thereunder<sup>13</sup> in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

The Exchange does not believe these amendments significantly affect the protection of investors or the public interest, rather the changes make clear the applicability of the rule text in Options 8, Section 22(c) and (d) by restoring the rule text to the original intent of SR-Phlx-2013-09. Options 8, Section 22(c) and (d) were intended to be read together as one requirement.

The Exchange does not believe these amendments impose any significant burden on competition as the rule text will continue to apply uniformly to all floor participants.

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<sup>12</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>13</sup> 17 CFR 240.19b-4(f)(6).

Furthermore, Rule 19b-4(f)(6)(iii)<sup>14</sup> requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

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

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30-day operative delay contained in Rule 19b-4(f)(6)(iii) so that it may immediately update its rules to restore the rule text in Options 8, Section 22(c) and (d) to the original intent of SR-Phlx-2013-09. This amendment will make clear that Options 8, Section 22(c) and (d) were intended to be read together as one requirement thereby protecting investors and the general public by clarifying the manner of offering and bidding in open outcry on the Exchange's trading floor. This amendment does not substantively amend the requirements of Options 8, Section 22.

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<sup>14</sup> 17 CFR 240.19b-4(f)(6)(iii).



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.

5. Text of the proposed rule change.

**EXHIBIT 1**

SECURITIES AND EXCHANGE COMMISSION  
(Release No. \_\_\_\_\_ ; File No. SR-Phlx-2025-10)

February , 2025

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Options 8, Section 22

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 13, 2025, Nasdaq PHLX LLC (“Phlx” 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 Options 8, Section 22, Execution of Options Transactions on the Trading Floor, to relocate certain rule text without substantive change to the requirements of Options 8, Section 22. The Exchange also proposes to amend citations in Options 8, Section 30, Crossing, Facilitation and Solicited Orders, to conform the citations to the amendments that are being proposed in Options 8, Section 22.

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

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

<sup>2</sup> 17 CFR 240.19b-4.

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

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

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

1. Purpose

Phlx proposes to amend Options 8, Section 22, Execution of Options Transactions on the Trading Floor, to relocate certain rule text. The Exchange also proposes to amend citations in Options 8, Section 30, Crossing, Facilitation and Solicited Orders.

Currently, Options 8, Section 22(c) and (d) provide,

(c) Public Outcry - Pursuant to Options 8, Section 24 at Supplementary Material .01, bids and offers must be made in an audible tone of voice. A member shall be considered "in" on a bid or offer, while he remains at the post, unless he shall distinctly and audibly say "out." A member bidding and offering in immediate and rapid succession shall be deemed "in" until he shall say "out" on either bid or offer. Once the trading crowd has provided a quote, it will remain in effect until: (A) a reasonable amount of time has passed, or (B) there is a significant change in the price of the underlying security, or (C) the market given in response to the request has been improved. In the case of a dispute, the term "significant change" will be interpreted on a case-by case basis by an Options Exchange Official based upon the extent of the recent trading in the option and, in the case of equity and index options, in the underlying security, and any other relevant factors.<sup>3</sup>

(d) With respect to using the Options Floor Based Management System to execute an order pursuant to Option 8, Section 22, a member must audibly say "out" before the order is submitted into the FBMS for execution and,

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<sup>3</sup> The Exchange proposes to add a hyphen to the term "case-by-case."

if the order is not executed, the member must audibly say “out” before each time the member resubmits the order for execution.

The Exchange proposes to combine the rule text currently in Options 8, Section 22(d) into Options 8, Section 22(c), where it was originally located when adopted.<sup>4</sup> Options 8, Section 22(c) describes the manner in which bids and offers may be made in open outcry and the time a quote remains in effect. Options 8, Section 22(d) describes, with respect to the Options Floor Based Management System, the manner to exit a trade.

The rule text that is currently located in Options 8, Section 22(c) and (d) was originally combined when it was proposed as Rule 1000(g) in SR-Phlx-2013-09. Rule 1000(g) was subsequently relocated to Options 8, Section 22(c) and (d) in SR-Phlx-2019-17.<sup>5</sup> Additionally, SR-Phlx-2019-33<sup>6</sup> relocated rule text from Rule 1064 to Options 8, Section 30 and added citations to “Options 3, Section 22 (c) or (d).”<sup>7</sup>

At this time, in order to restore the rule text as originally adopted in SR-Phlx-2013-09, the Exchange proposes to relocate the rule text in Options 3, Section 22(d) into Options 3, Section 22(c) so that rule text can be read as one requirement. A member may exit an open outcry trade only when one of the conditions<sup>8</sup> in Options 3, Section 22(c)

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<sup>4</sup> See Securities Exchange Act Release No. 68960 (February 20, 2013), 78 FR 13132 (February 26, 2013) (SR-Phlx-2013-09) (Notice of Filing of Proposed Rule Change To Enhance the Functionality Offered on Its Options Floor Broker Management System (“FBMS”) by, Among Other Things, Automating Functions Currently Performed by Floor Brokers) (“SR-Phlx-2013-09”).

<sup>5</sup> See Securities Exchange Act Release No. 85740 (April 29, 2019), 84 FR 19136 (May 3, 2019) (SR-Phlx-2019-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Relocate the Floor Trading Rules to Options 8) (“SR-Phlx-2019-17”).

<sup>6</sup> See Securities Exchange Act Release No. 86959 (September 13, 2019), 84 FR 49362 (September 19, 2019) (SR-Phlx-2019-33) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Specialists and Registered Options Traders) (“SR-Phlx-2019-33”).

<sup>7</sup> See Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I).

<sup>8</sup> Once the trading crowd has provided a quote, it will remain in effect until: (A) a reasonable amount of time has passed, or (B) there is a significant change in the price of the underlying

exists and the order has not been executed in the Options Floor Based Management System.<sup>9</sup> Further, the Exchange proposes to amend the citations to “Options 8, Section 22(c) or (d)” in Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I) to instead cite to only “Options 3, Section 22(c).”

The Exchange believes these amendments will make clear the intent of the rule text as proposed in SR-Phlx-2013-09 as well as the applicability of the rule text in Options 8, Section 22(c) and (d), which was intended to be read together as one requirement.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>10</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>11</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange’s proposal to combine the rule text in Options 8, Section 22(c) and (d) at Options 8, Section 22(c) and also amend the citations in Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I) to reflect that change is consistent with the Act and the protection of investors and the public interest because it restores the original intent of SR-Phlx-2013-09 as well as the applicability of the rule text in Options 8, Section 22(c) and (d), which was intended to be read together as one requirement.

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security, or (C) the market given in response to the request has been improved. See Options 3, Section 22(c).

<sup>9</sup> The Exchange also proposes to add a hyphen within Options 3, Section 22(c) in “case-by-case.”

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

<sup>11</sup> 15 U.S.C. 78f(b)(5).

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.

The proposed amendments to combine the rule text in Options 8, Section 22(c) and (d) at Options 8, Section 22(c) and also amend the citations in Options 8, Section 30(a)(3), (b)(3), (c)(2)(C) and (d)(3)(I) do not impose an undue burden on intramarket competition as the rule text will continue to apply uniformly to all floor participants. It also does not impose an undue burden on intermarket competition as these amendments are technical in nature as the intent of the rule was not intended to be substantively amended when the rules were relocated in a prior filing.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>12</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>13</sup>

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<sup>12</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>13</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five

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

#### IV. Solicitation of Comments

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

##### Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-Phlx-2025-10 on the subject line.

##### Paper Comments:

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

All submissions should refer to file number SR-Phlx-2025-10. 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

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business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-Phlx-2025-10 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.<sup>14</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>14</sup> 17 CFR 200.30-3(a)(12).



**EXHIBIT 5**

*New text is underlined; deleted text is in brackets.*

**Nasdaq PHLX LLC Rules**

\* \* \* \* \*

**Options Rules**

\* \* \* \* \*

**Options 8 Floor Trading**

\* \* \* \* \*

**Section 22. Execution of Options Transactions on the Trading Floor**

\* \* \* \* \*

(c) Public Outcry - Pursuant to Options 8, Section 24 at Supplementary Material .01, bids and offers must be made in an audible tone of voice. A member shall be considered “in” on a bid or offer, while he remains at the post, unless he shall distinctly and audibly say “out.” A member bidding and offering in immediate and rapid succession shall be deemed “in” until he shall say “out” on either bid or offer. Once the trading crowd has provided a quote, it will remain in effect until: (A) a reasonable amount of time has passed, or (B) there is a significant change in the price of the underlying security, or (C) the market given in response to the request has been improved. In the case of a dispute, the term “significant change” will be interpreted on a case-by-case basis by an Options Exchange Official based upon the extent of the recent trading in the option and, in the case of equity and index options, in the underlying security, and any other relevant factors. [(d)] With respect to using the Options Floor Based Management System to execute an order pursuant to Option 8, Section 22, a member must audibly say “out” before the order is submitted into the FBMS for execution and, if the order is not executed, the member must audibly say “out” before each time the member resubmits the order for execution.

\* \* \* \* \*

**Section 30. Crossing, Facilitation and Solicited Orders**

(a) *Crossing*. Except as provided in paragraph (e) below, an Options Floor Broker who holds orders to buy and sell the same option series may cross such orders, provided that he proceeds in the following manner:

\* \* \* \* \*

(3) If such higher bid or lower offer is not taken, he may cross the orders at such higher bid or lower offer by announcing by public outcry that he is crossing and giving the quantity and price. All such orders are not deemed executed until entered into and

executed through the Options Floor Based Management System (“FBMS”), except for where there is a provisional execution using the Snapshot feature of FBMS (as described in Options 8, Section 28(i); bids and offers can be withdrawn pursuant to Options 8, Section 22(c)[ or (d)].

\* \* \* \* \*

(b) *Facilitation Orders*. Except as provided in paragraph (e) below, a Floor Broker holding an options order for a Public Customer and a contra-side order may cross such orders in accordance with paragraph (a) above or may execute such orders as a facilitation cross in the following manner:

\* \* \* \* \*

(3) After all market participants in the crowd are given a reasonable opportunity to accept all terms and conditions made on behalf of the Public Customer whose order is subject to facilitation, the Floor Broker may immediately thereafter cross all or any remaining part of such order and the facilitation order at each Public Customer's bid or offer by announcing by public outcry that he is crossing and by stating the quantity and price(s). All such orders are not deemed executed until entered into and executed through the Options Floor Based Management System (“FBMS”); bids and offers can be withdrawn pursuant to Options 8, Section 22(c)[ or (d)].

\* \* \* \* \*

(c) *Solicited Orders*. Except as provided in paragraph (e) below, for the purpose of this Rule, a solicitation occurs whenever an order, other than a cross, is presented for execution in the trading crowd resulting from an away-from-the-crowd expression of interests to trade by one broker dealer to another.

\* \* \* \* \*

(2) A member or member organization representing an order in options ("originating order") may solicit another member, member organization or nonmember broker-dealer outside the trading crowd ("solicited party") to participate in the transaction on a proprietary basis provided that the member or member organization representing the originating order, upon entering the trading crowd must:

\* \* \* \* \*

(C) give the trading crowd a reasonable opportunity to accept the bid or offer. All such orders are not deemed executed until entered into and executed through the Options Floor Based Management System (“FBMS”); bids and offers can be withdrawn pursuant to Options 8, Section 22(c)[ or (d)].

\* \* \* \* \*

(d) *Anticipatory Hedging*. No member organization or person associated with a member or member organization who has knowledge of the material terms and conditions of a solicited order, an order being facilitated, or orders being crossed, the execution of which are imminent, shall enter, based on such knowledge, an order to buy or sell an option for the same underlying security; an order to buy or sell the security underlying such class; or an order to buy or sell any related instrument until (i) or (ii) occur:

\* \* \* \* \*

(3) Furthermore, paragraph (d) does not prohibit a member or member organization from buying or selling a stock, security futures or futures position following receipt of an option order, including a complex order, but prior to announcing such order to the trading crowd, provided that:

\* \* \* \* \*

(I) All such orders are not deemed executed until entered into and executed by the Options Floor Based Management System (“FBMS”); bids and offers can be withdrawn pursuant to Options 8, Section 22(c)[ or (d)].

\* \* \* \* \*