



## Regulatory Notice 24-07

**DATE:** February 15, 2024

**TO:** All Members of MEMX LLC

**FROM:** MEMX Regulation & MEMX Compliance

**RE:** Mandatory Participation in Market-Wide Circuit Breaker Testing

MEMX maintains rules applicable to Market-Wide Circuit Breakers (“MWCB”) as set forth in Rule 11.23. Rule 11.23 provides important, automatic mechanisms that are designed to slow the effects of extreme price declines through coordinated trading halts across both cash equity and equity options securities markets.

As set forth in Rule 11.23(e), certain members designated by MEMX are required to participate in at least one industry-wide MWCB test each year and to verify participation in the test by attesting that they are able to or have attempted to:

- (i) receive and process MWCB halt messages from the securities information processors (“SIP”);
- (ii) receive and process resume messages from the SIPs a MWCB halt;
- (iii) receive and process market data from the SIPs relevant to MWCB halts; and
- (iv) send orders following a Level 1 or Level 2 MWCB halt in a manner consistent with their usual trading behavior.

To the extent that a Member participating in the MWCB is unable to receive and process any of the messages outlined above and contained in Rule 11.23(e), its attestation should notify the Exchange which messages it was unable to process and, if known, why.

The Exchange encourages all Members, including those not designated pursuant to the standards established in paragraph (a) of Rule 2.4 to participate in any MWCB test.

### **Designation Criteria**

The percentage of volume that the Exchange considers to be meaningful is 5% or greater of executed volume measured in the first quarter of 2024. Members meeting this threshold will be designated by the Exchange via individual communication.

### **Upcoming Testing**

The SIPs’ current MWCB testing schedule includes:

2023 Testing Year:

- Saturday, April 6, 2024 – SIP Failover / MWCB Level 1 and Level 2



2024 Testing Year:

- Saturday, July 20, 2024 – SIP Failover / MWCB Level 1 and Level 2
- Saturday, September 7, 2024 – MWCB Level 1, Level 2 and Level 3
- Saturday, December 7, 2024 – SIP Failover / MWCB Level 1 and Level 2
- First 2025 date – to be announced

**Additional Information**

For additional information about participation requirements and designation please contact MEMX Compliance at [compliance@memx.com](mailto:compliance@memx.com).

For questions or inquiries regarding regulatory matters, please contact MEMX Regulation: [regulation@memx.com](mailto:regulation@memx.com).