

Filing by MX2 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"/>
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)		

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>
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Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

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

Proposal to amend Rule 11.6 to clarify the handling of orders that contain both a Post Only instruction and certain other order handling instructions maintained to facilitate compliance with Rule 610(d) of Regulation NMS.

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 * Anders Last Name * Franzon

Title * General Counsel

E-mail * afranzon@memx.com

Telephone * (551) 370-1003 Fax


Signature

Pursuant to the requirements of the Securities Exchange of 1934, MX2 LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 09/30/2025 (Title *)

By Lauren Strathman Chief Compliance 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.

 Digitally signed by Lauren Strathman
Date: 2025.09.30 14:48:12 -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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Update Rule 11.6 (Information)v2.doc

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 *

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Update Rule 11.6 (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

Add Remove View

Update Rule 11.6 (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

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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) MX2 LLC (“MX2” or the “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (the “Commission”) a proposed rule change to amend Exchange Rule 11.6 to clarify the handling of orders that contain both a Post Only instruction and certain other order handling instructions maintained to facilitate compliance with Rule 610(d) of Regulation NMS. The Exchange has designated this proposal as non-controversial pursuant to Section 19(b)(3)(A) of the Act³ and provided the Commission with the notice required by Rule 19b-4(f)(6)(iii) thereunder.⁴

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

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by Exchange staff pursuant to authority delegated to it by the Board of Directors of the Exchange (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 proposed rule change.

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6)(iii).

Anders Franzon
General Counsel
MX2 LLC
(551) 370-1003

Molly Hartley
Counsel
MX2 LLC
(551) 370-1089

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

a. Purpose

The purpose of the proposed rule change is to amend Exchange Rule 11.6 to clarify the handling of orders that contain both a Post Only instruction and certain other order handling instructions maintained to facilitate compliance with Rule 610(d) of Regulation NMS (the "Locked and Crossed Markets Rule"). The Exchange is filing this proposal in order to conform its rule text with that of its affiliated Exchange, MEMX LLC ("MEMX"), which recently filed the same proposal.⁵

As background, the current rules state that an order entered with a Post Only instruction does not remove liquidity, except when the order is an order to buy or sell a security priced below \$1.00, or when executing as the taker of liquidity would be economically beneficial to the firm entering the order – i.e., if the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the MX2 Book and subsequently provided liquidity, including the applicable fees charged or rebates provided.⁶ Today, the Exchange's rules state that this

⁵ See Securities Exchange Act Release No. 103968 (September 15, 2025), 90 FR 45069 (September 18, 2025) (SR-MEMX-2025-29).

⁶ See MX2 Rule 11.6(1)(2). To determine at the time of a potential execution whether the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the MX2 book and subsequently provided liquidity, the Exchange will use the highest possible rebate paid and the highest possible fee charged for such executions on the Exchange.

handling applies to Post Only orders entered with a Display-Price Sliding⁷ instruction, which is a re-pricing instruction used for compliance with the Locked and Crossed Markets Rule. Thus, an executable order entered with a Post Only instruction is eligible to remove liquidity in the circumstances described in Rule 11.6(1)(2) instead of having its ranked price or display price adjusted pursuant to those order handling instruction.

However, the Exchange will also offer a “Cancel Back” instruction that is not covered by MX2 Rule 11.6(1)(2). An order entered with a Cancel Back instruction will be immediately cancelled instead of re-priced when displaying the order at its limit price would create a violation of the Locked and Crossed Markets Rule, or if the order could not otherwise be executed or posted at its limit price.⁸ Even if Users select the Cancel Back instruction, however, orders entered with a Post Only instruction will be handled in the same manner regardless of whether the Display-Price Sliding or Cancel Back instruction is selected.⁹ The Exchange therefore proposes to amend MX2 Rule 11.6(1)(2)

⁷ “Display-Price Sliding” is an order instruction requiring that where an order would be a Locking Quotation or Crossing Quotation of an external market if displayed by the System on the MX2 Book at the time of entry, will be ranked at the Locking Price in the MX2 Book and displayed by the System at one Minimum Price Variation lower (higher) than the Locking Price for orders to buy (sell). See MX2 Rule 11.6(j)(1)(A).

⁸ “Cancel Back” is an instruction the User may attach to an order instructing the System to immediately cancel the order when, if displayed by the System on the MX2 Book at the time of entry, or upon return to the System after being routed away, would create a violation of Rule 610(d) of Regulation NMS or Rule 201 of Regulation SHO, or the order cannot otherwise be executed or posted by the System to the MX2 Book at its limit price. See MX2 Rule 11.6(a).

⁹ Rule 11.6(j)(1)(A)(iv) states: Any display-eligible order with a Post Only instruction that would be a Locking Quotation or Crossing Quotation of the Exchange upon entry will be executed as set forth in Rule 11.6(1)(2) or cancelled. In the event the NBBO changes such that an order with a Post Only instruction subject to Display-Price Sliding instruction would be ranked at a price at which it could remove displayed liquidity from the MX2 Book, the order will be executed as set forth in Rule 11.6(1)(2) or cancelled.

to eliminate the reference to Display-Price Sliding, given that such an instruction is not required for a Post Only instruction to remove liquidity under the noted circumstances.¹⁰

The Exchange believes that removing the reference to this instruction in the rule would reduce potential confusion as the order handling described in the rule today applies to all orders entered with a Post Only instruction, and not a specific subset of those orders. No changes to the Exchange's trading or other systems are contemplated by this proposed change, which is instead designed to increase transparency around the Exchange's process.

b. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act,¹¹ in general, and Section 6(b)(5) of the Act,¹² in particular, in that it is designed to remove impediments to and perfect the mechanism of a free and open market and a national market system, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

Specifically, the Exchange believes that the proposed rule change is consistent with the public interest and the protection of investors as it would avoid potential confusion about how an order is handled if entered with both a Post Only and Cancel Back instruction or no additional instruction at all. Today, the Exchange's rules provide that an order entered into the MX2 Book with a Post Only instruction would remove

¹⁰ EDGX similarly filed to remove the reference to Display Price Sliding from their rule text, and allows all Post Only orders to remove liquidity if economically beneficial to the firm entering the order. See Securities Exchange Release No. 88515, (April 4, 2019), 84 FR 14427, (April 10, 2019), SR-CboeEDGX-2019-014.

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(5).

liquidity in certain circumstances, such as when economically beneficial for the firm entering the order. In addition, the rules specify that this handling applies to orders entered with a Post Only and a Display-Price Sliding instruction. The rules, however, are silent as to the handling applied if an order with a Post Only instruction contains a Cancel Back instruction or no additional instruction at all. The Exchange's order handling will, in fact, be the same regardless of which of these instructions are chosen by the member. As such, the Exchange believes that it is appropriate to amend MX2 Rule 11.6(1)(2) to eliminate the reference to the Display-Price Sliding instruction, thereby making clear that this handling will apply to all orders entered with a Post Only instruction and not only those that also contain a Display-Price Sliding instruction.

The Exchange believes that this order handling is appropriate regardless of whether an order entered with a Post Only instruction also contains a Display-Price Sliding, Cancel Back, or no additional instruction. Specifically, the Exchange believes that it is consistent with just and equitable principles of trade to permit an order entered with a Post Only instruction to remove liquidity when the order is an order to buy or sell a security priced below \$1.00, or when executing as the taker of liquidity would be economically beneficial to the firm entering the order. This handling is designed to ensure that orders entered with a Post Only instruction are eligible to trade in certain circumstances where the entering firm may have an interest in securing an execution on entry – i.e., as the taker of liquidity – notwithstanding the member's use of the Post Only instruction. Although the Exchange's rules currently mention order handling for the Display-Price Sliding instruction specifically, this functionality should be applied equally to any order entered with a Post Only instruction. Thus, amending the rule as proposed

would provide additional transparency into a feature that will be offered by the Exchange that is potentially beneficial to members that utilize the Post Only instruction.

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 that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the proposed rule change would remove ambiguity in the MX2 rules. No change to the Exchange's order handling is contemplated by this proposed rule change, which would merely clarify the handling for all orders entered with a Post Only instruction. The Exchange therefore believes that the proposed rule change would increase transparency around the operation of the Exchange to the benefit of members and investors without imposing any significant burden on competition.

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

The Exchange neither solicited nor received 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 proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act¹³ and Rule 19b-4(f)(6)¹⁴ thereunder. The Exchange has designated this proposal as one that effects a change that rule does not: (i) significantly affect the

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(6).

protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. Additionally, the Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

The Exchange believes that the proposed rule change would not adversely affect investors or the public interest, and would not impose a significant burden on competition. As proposed, the amended rule would clarify the way the Exchange intends to handle orders entered with a Post Only instruction. Specifically, the proposed rule change would clarify that an order entered with a Post Only instruction will remove liquidity in the circumstances specified in MX2 Rule 11.6(1)(2), regardless of whether an instruction is chosen for compliance with the Locked and Crossed Markets Rule – i.e., Display-Price Sliding, Cancel Back, or no additional instruction at all. Today, the rule mentions only the Display-Price Sliding instruction, which could lead to confusion around how orders entered with the Cancel Back or no additional instruction at all will be handled. Therefore, the Exchange has accordingly designated this rule filing as “non-controversial” under Section 19(b)(3)(A) of the Act and paragraph (f)(6) of Rule 19b-4 thereunder.

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 respectfully requests that the Commission waive the operative delay. Waiver of the operative delay is consistent with the protection of investors and the public interest as it would allow the Exchange to immediately amend its rules to avoid potential confusion around the operation of the Post Only instruction. At any time within sixty (60) days of the filing of such proposed rule change, the Commission may summarily 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.

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

As noted previously, the proposed rule change is based on the rules of MEMX.¹⁵

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. Text of Proposed Rule Change.

¹⁵ See supra note 5.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-MX2-2025-04]

[Insert date]

Self-Regulatory Organizations; MX2 LLC; Notice of Filing and Immediate Effectiveness of a Proposal to Amend Rule 11.6 to Clarify the Handling of Orders with a Post Only Instruction.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on [insert date], MX2 LLC (“MX2” 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 Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ 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 is filing with the Commission a proposal to amend Rule 11.6(a) to clarify the handling of orders that contain both a Post Only instruction and certain other order handling instructions maintained to facilitate compliance with Rule 610(d) of Regulation NMS. The text of the proposed rule change is provided in Exhibit 5 and is available on the Exchange’s website at <https://info.memxtrading.com/regulation/rules->

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4.

[and-filings/](#).⁵

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

The purpose of the proposed rule change is to amend Exchange Rule 11.6 to clarify the handling of orders that contain both a Post Only instruction and certain other order handling instructions maintained to facilitate compliance with Rule 610(d) of Regulation NMS (the "Locked and Crossed Markets Rule"). The Exchange is filing this proposal in order to conform its rule text with that of its affiliated Exchange, MEMX LLC ("MEMX"), which recently filed the same proposal.⁶

As background, the current rules state that an order entered with a Post Only instruction does not remove liquidity, except when the order is an order to buy or sell a security priced below \$1.00, or when executing as the taker of liquidity would be economically beneficial to the firm entering the order – i.e., if the value of such execution

⁵ The Exchange proposes to implement the proposed changes to Exchange Rules 11.3(a)-(b) on a date that will be announced via Regulatory Notice, notifying both existing and prospective Sponsoring Members and Sponsored Participants, of the new rule language and required contractual provisions.

⁶ See Securities Exchange Act Release No. 103968 (September 15, 2025), 90 FR 45069 (September 18, 2025) (SR-MEMX-2025-29).

when removing liquidity equals or exceeds the value of such execution if the order instead posted to the MX2 Book and subsequently provided liquidity, including the applicable fees charged or rebates provided.⁷ Today, the Exchange’s rules state that this handling applies to Post Only orders entered with a Display-Price Sliding⁸ instruction, which is a re-pricing instruction used for compliance with the Locked and Crossed Markets Rule. Thus, an executable order entered with a Post Only instruction is eligible to remove liquidity in the circumstances described in Rule 11.6(1)(2) instead of having its ranked price or display price adjusted pursuant to those order handling instruction.

However, the Exchange will also offer a “Cancel Back” instruction that is not covered by MX2 Rule 11.6(1)(2). An order entered with a Cancel Back instruction will be immediately cancelled instead of re-priced when displaying the order at its limit price would create a violation of the Locked and Crossed Markets Rule, or if the order could not otherwise be executed or posted at its limit price.⁹ Even if Users select the Cancel Back instruction, however, orders entered with a Post Only instruction will be handled in the same manner regardless of whether the Display-Price Sliding or Cancel Back

⁷ See MX2 Rule 11.6(1)(2). To determine at the time of a potential execution whether the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the MX2 book and subsequently provided liquidity, the Exchange will use the highest possible rebate paid and the highest possible fee charged for such executions on the Exchange.

⁸ “Display-Price Sliding” is an order instruction requiring that where an order would be a Locking Quotation or Crossing Quotation of an external market if displayed by the System on the MX2 Book at the time of entry, will be ranked at the Locking Price in the MX2 Book and displayed by the System at one Minimum Price Variation lower (higher) than the Locking Price for orders to buy (sell). See MX2 Rule 11.6(j)(1)(A).

⁹ “Cancel Back” is an instruction the User may attach to an order instructing the System to immediately cancel the order when, if displayed by the System on the MX2 Book at the time of entry, or upon return to the System after being routed away, would create a violation of Rule 610(d) of Regulation NMS or Rule 201 of Regulation SHO, or the order cannot otherwise be executed or posted by the System to the MX2 Book at its limit price. See MX2 Rule 11.6(a).

instruction is selected.¹⁰ The Exchange therefore proposes to amend MX2 Rule 11.6(1)(2) to eliminate the reference to Display-Price Sliding, given that such an instruction is not required for a Post Only instruction to remove liquidity under the noted circumstances.¹¹

The Exchange believes that removing the reference to this instruction in the rule would reduce potential confusion as the order handling described in the rule today applies to all orders entered with a Post Only instruction, and not a specific subset of those orders. No changes to the Exchange's trading or other systems are contemplated by this proposed change, which is instead designed to increase transparency around the Exchange's process.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act,¹² in general, and Section 6(b)(5) of the Act,¹³ in particular, in that it is designed to remove impediments to and perfect the mechanism of a free and open market and a national market system, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

Specifically, the Exchange believes that the proposed rule change is consistent

¹⁰ Rule 11.6(j)(1)(A)(iv) states: Any display-eligible order with a Post Only instruction that would be a Locking Quotation or Crossing Quotation of the Exchange upon entry will be executed as set forth in Rule 11.6(1)(2) or cancelled. In the event the NBBO changes such that an order with a Post Only instruction subject to Display-Price Sliding instruction would be ranked at a price at which it could remove displayed liquidity from the MX2 Book, the order will be executed as set forth in Rule 11.6(1)(2) or cancelled.

¹¹ EDGX similarly filed to remove the reference to Display Price Sliding from their rule text, and allows all Post Only orders to remove liquidity if economically beneficial to the firm entering the order. See Securities Exchange Release No. 88515, (April 4, 2019), 84 FR 14427, (April 10, 2019), SR-CboeEDGX-2019-014.

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(5).

with the public interest and the protection of investors as it would avoid potential confusion about how an order is handled if entered with both a Post Only and Cancel Back instruction or no additional instruction at all. Today, the Exchange's rules provide that an order entered into the MX2 Book with a Post Only instruction would remove liquidity in certain circumstances, such as when economically beneficial for the firm entering the order. In addition, the rules specify that this handling applies to orders entered with a Post Only and a Display-Price Sliding instruction. The rules, however, are silent as to the handling applied if an order with a Post Only instruction contains a Cancel Back instruction or no additional instruction at all. The Exchange's order handling will, in fact, be the same regardless of which of these instructions are chosen by the member. As such, the Exchange believes that it is appropriate to amend MX2 Rule 11.6(1)(2) to eliminate the reference to the Display-Price Sliding instruction, thereby making clear that this handling will apply to all orders entered with a Post Only instruction and not only those that also contain a Display-Price Sliding instruction.

The Exchange believes that this order handling is appropriate regardless of whether an order entered with a Post Only instruction also contains a Display-Price Sliding, Cancel Back, or no additional instruction. Specifically, the Exchange believes that it is consistent with just and equitable principles of trade to permit an order entered with a Post Only instruction to remove liquidity when the order is an order to buy or sell a security priced below \$1.00, or when executing as the taker of liquidity would be economically beneficial to the firm entering the order. This handling is designed to ensure that orders entered with a Post Only instruction are eligible to trade in certain circumstances where the entering firm may have an interest in securing an execution on

entry – i.e., as the taker of liquidity – notwithstanding the member’s use of the Post Only instruction. Although the Exchange’s rules currently mention order handling for the Display-Price Sliding instruction specifically, this functionality should be applied equally to any order entered with a Post Only instruction. Thus, amending the rule as proposed would provide additional transparency into a feature that will be offered by the Exchange that is potentially beneficial to members that utilize the Post Only instruction.

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 that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the proposed rule change would remove ambiguity in the MX2 rules. No change to the Exchange's order handling is contemplated by this proposed rule change, which would merely clarify the handling for all orders entered with a Post Only instruction. The Exchange therefore believes that the proposed rule change would increase transparency around the operation of the Exchange to the benefit of members and investors without imposing any significant burden on competition.

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

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

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

The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act¹⁴ and Rule 19b-4(f)(6)¹⁵ thereunder. The Exchange has designated this

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4(f)(6).

proposal as one that effects a change that rule does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. Additionally, the Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

The Exchange believes that the proposed rule change would not adversely affect investors or the public interest, and would not impose a significant burden on competition. As proposed, the amended rule would clarify the way the Exchange intends to handle orders entered with a Post Only instruction. Specifically, the proposed rule change would clarify that an order entered with a Post Only instruction will remove liquidity in the circumstances specified in MX2 Rule 11.6(l)(2), regardless of whether an instruction is chosen for compliance with the Locked and Crossed Markets Rule – i.e., Display-Price Sliding, Cancel Back, or no additional instruction at all. Today, the rule mentions only the Display-Price Sliding instruction, which could lead to confusion around how orders entered with the Cancel Back or no additional instruction at all will be handled. Therefore, the Exchange has accordingly designated this rule filing as “non-controversial” under Section 19(b)(3)(A) of the Act and paragraph (f)(6) of Rule 19b-4 thereunder.

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 respectfully requests that the Commission waive the operative delay. Waiver of the operative delay is consistent with the protection of investors and the public interest as it would allow the Exchange to immediately amend its rules to avoid potential confusion around the operation of the Post Only instruction. At any time within sixty (60) days of the filing of such proposed rule change, the Commission may summarily 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:

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-MX2-2025-04 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-MX2-2025-04. 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-MX2-2025-04 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.¹⁶

¹⁶ 17 CFR 200.30-3(a)(12).

Sherry R. Haywood,

Assistant Secretary.

Exhibit 5

Proposed new language is underlined; Proposed deletions are in [brackets].

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CHAPTER 11. TRADING RULES

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Rule 11.6. Definitions

(a) - (k) (No changes.)

(1) Routing/Posting Instructions

(1) (No change.)

(2) Post Only. An instruction that may be attached to an order that is to be ranked and executed on the Exchange pursuant to Rule 11.9 and Rule 11.10(a)(4) or cancelled, as appropriate, without routing away to another trading center except that the order will not remove liquidity from the MX2 Book, except as described below. An order with a Post Only instruction[and a Display-Price Sliding instruction] will remove contra-side liquidity from the MX2 Book if the order is an order to buy or sell a security priced below \$1.00 or if the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the MX2 Book and subsequently provided liquidity, including the applicable fees charged or rebates provided. To determine at the time of a potential execution whether the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the MX2 Book and subsequently provided liquidity, the Exchange will use the highest possible rebate paid and highest possible fee charged for such executions on the Exchange.

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