

1. Text of the Proposed Rule Change

(a) MEMX LLC (“MEMX” 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 proposal to amend Rule 2.8, Voluntary Termination of Rights as a Member, to simplify the manner in which a Member may voluntarily terminate its membership with the Exchange. 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).

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

a. Purpose

The Exchange proposes to amend Rule 2.8 (Voluntary Termination of Rights as Member) to simplify the manner in which a Member may voluntarily terminate its membership with the Exchange. Specifically, as described below, the Exchange proposes to remove the conditions related to completion of investigations and examinations to avoid unnecessary delay of voluntary termination requests.⁵

Under current Exchange Rule 2.8, a Member's voluntary termination of membership will not be effective until 30 days after the terminating Member has: (i) provided a written resignation; (ii) paid in full all indebtedness owed to the Exchange; (iii); there is a final disposition of any investigation or disciplinary action against the Member; and (iv) any examination of the Member has been completed and all exceptions resolved.⁶

The Exchange believes that these requirements are unnecessarily burdensome to both MEMX and a terminating Member. Specifically, the requirement that investigations and examinations be completed before a voluntary termination may take effect can result in significant delay in effectuating a membership termination, even though some of the

⁵ The Exchange notes its affiliate Exchange, MX2, LLC ("MX2") submitted (or will submit) a substantively similar proposal.

⁶ MEMX Rule 2.8 also authorizes the Board to declare a resignation effective at any earlier time.

investigations and examinations will not ultimately result in a conclusion that the Member violated applicable MEMX Rules.⁷

The Exchange believes that Rule 2.8, as amended, will facilitate a more efficient voluntary termination process, in which a Member may voluntarily terminate its Member status and cease being subject to Member obligations notwithstanding any ongoing disciplinary proceedings or examinations, given that the Exchange, through Rule 8.1(b) retains disciplinary jurisdiction over the Member following such voluntary termination.⁸ The proposed amendments will streamline the voluntary termination process by removing conditions that have the potential to unnecessarily prolong unwanted obligations of membership, including for example, filing annual reports with the Exchange through FINRA⁹ and maintaining certain books and records.¹⁰ As discussed below, the Exchange does not believe it is necessary to delay a membership termination until any pending investigations, disciplinary proceedings, or examinations have reached a final disposition or are completed and all exceptions have been reasonably resolved because MEMX retains jurisdiction over a terminated member or associated person and may initiate inquiries within one year of receipt of the latest written notice of termination. MEMX

⁷ The examinations that FINRA conducts on behalf of MEMX are typically routine "cycle" examinations that are not prompted by potential violative activity by the firm but may nevertheless take several months to complete. In such circumstances, examinations can delay termination.

⁸ Specially, Rule 8.1(b) states in relevant part: "Any Member or person associated with a Member shall continue to be subject to the disciplinary jurisdiction of the Exchange following the termination of such person's membership or association with a Member with respect to matters that occurred prior to such termination; provided that written notice of the commencement of an inquiry into such matters is given by the Exchange to such former Member or former associated person within one year of receipt by the Exchange of the latest written notice of the termination of such person's status as a Member or person associated with a Member."

⁹ See 17 CFR 240.17a-5.

¹⁰ See MEMX Rule 4.1.

believes this is an adequate time frame to determine whether potentially violative conduct may have occurred prior to termination.

Accordingly, the Exchange proposes to amend Rule 2.8 to remove the conditions set forth in Rule 2.8(iii) (the requirement that any Exchange investigation or disciplinary action brought against the Member has reached a final disposition) and (iv) (the requirement that any examination by the Exchange of such Member is completed and all exceptions noted have been reasonably resolved). As proposed, amended Rule 2.8 would require that a Member's voluntary termination would not be effective until a Member has provided written notice of resignation to the Exchange (current Rule 2.8(i)), completed any outstanding filings required under the Rules, and paid any outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission, or the Securities Investor Protection Corporation ("SIPC"). The proposed change would expand current Rule 2.8(ii), which requires all indebtedness due the Exchange be paid in full, to also cover all outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission or SIPC to ensure that a Member has complied with these important financial obligations before a termination may take effect.

The Exchange also proposes to remove the rule text in Rule 2.8 providing that a voluntary termination will not take effect until 30 days after the Member has satisfied the stated conditions. The Exchange believes this 30 day waiting period is unnecessary because the Exchange will be able to promptly verify whether the terminating Member has satisfied the criteria to terminate.

In addition, as proposed, amended Rule 2.8 will require, as a condition of voluntary termination, that the Member make any outstanding filings required under the

Exchange's Rules. The Exchange believes this amendment is appropriate because, to the extent a Member voluntarily terminating its membership is delinquent in any filings required by MEMX Rules or FINRA rules incorporated by reference, this condition will ensure that the Member comes into compliance on required filings before the termination takes effect. This provision is substantially identical to the voluntary termination rules of Cboe BZX Exchange ("BZX") and IEX.¹¹

The Exchange also proposes to remove the proviso at the end of Rule 2.8 that the Board may declare a Member's resignation effective at any earlier time. In light of the proposed amendments, the Exchange does not expect there will be extended delays in the effectiveness of a membership termination and accordingly there is no compelling reason for the conditions in the proposed rule amendments to be subject to override by the Board. Furthermore, the other exchanges with similar rules do not include such a provision.¹² Therefore, the Exchange proposes removing this rule text from the amended rule.

Finally, the Exchange proposes amending the first sentence of Rule 2.8 to remove the terms "only" and "addressed" because they are unnecessarily duplicative and replacing the second sentence with "(a) made any outstanding filings required under the Rules; and (b) paid any outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission or the Securities Investor Protection Corporation."

b. Statutory Basis

¹¹ See, e.g., BZX Rule 2.8 and IEX Rule 2.190.

¹² Id.

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.¹³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁴ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁵ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(1) of the Act,¹⁶ which provides that the Exchange be organized and have the capacity to be able to carry out the purposes of the Act and to enforce compliance by the Exchange's Members and persons associated with its Members with the Act, the rules and regulations thereunder, and the rules of the Exchange.

In particular, the Exchange believes the proposed amendments to the conditional requirements for voluntary termination of Membership will make the termination process more efficient by allowing Members to terminate their Member status and therefore cease

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ Id.

¹⁶ 15 U.S.C. 78f(b)(1).

being subject to Member obligations notwithstanding any ongoing disciplinary actions and exams (which may continue for an indeterminate period of time), given the Exchange maintains jurisdiction over a Member or person associated with a Member following such termination for disciplinary matters under Exchange Rules. The Exchange believes the proposed amendments result in a termination process that allows for proper disciplinary jurisdiction while also ensuring that termination is not unduly prolonged due to an administrative technicality within the termination requirements, to the benefit of investors and the public interest. Further, the Exchange believes the proposed changes will serve to avoid wasting Member and Exchange resources on maintaining memberships that are no longer utilized, but unable to be terminated due to ongoing disciplinary action or examination process.

As noted above, the Exchange continues to maintain disciplinary jurisdiction over terminated firms following termination for matters that occurred prior to termination, provided written notice of the commencement of an inquiry into such matters is provided to the terminated Member within one year of the Member's written notice of termination. Therefore, the Exchange believes that the termination requirements set forth in Rule 2.8(iii) and (iv) are unnecessarily duplicative, given the Exchange maintains disciplinary jurisdiction over terminated Members via Rule 8.1(b) with respect to matters that occurred prior to such termination, thereby ensuring the Exchange may continue to enforce compliance by the Exchange's Members and persons associated with its Members with the Act, the rules and regulations thereunder, and the rules of the Exchange. The proposed changes also apply uniformly to all Members that may choose to voluntarily terminate their membership. As noted above, multiple other exchanges also

have similar termination requirements as those proposed by the Exchange.¹⁷ As such, the proposed rule change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system.

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. This proposal does not create an unnecessary or inappropriate intra-market burden on competition because the proposed change will apply uniformly to all Members that choose to voluntarily terminate their membership. Further, the proposed change is not designed to address any competitive issues. Indeed, this proposal does not create an unnecessary or inappropriate inter-market burden on competition because it merely amends the requirements for voluntary termination of rights as a Member and conforms to the rules of other exchanges.¹⁸ Finally, as noted above, the Exchange believes the proposed rule amendments will not result in any practical changes to the Exchange's disciplinary jurisdiction from an Exchange or Member perspective, given the Exchange maintains disciplinary jurisdiction over terminated Members following their termination, subject to the provisions of Rule 8.1.

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.

¹⁷ See supra note 11.

¹⁸ Id.

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 Act¹⁹ and Rule 19b-4(f)(6)²⁰ thereunder. The Exchange designates that the proposed rule change 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. 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.

As noted above, the proposed change is not designed to address any competitive issues. The proposal merely amends the requirements for voluntary termination of rights as a Member and conforms to the requirements of multiple other exchanges.²¹ The Exchange believes the proposed rule amendments will not result in any practical changes to the Exchange's disciplinary jurisdiction from an Exchange or Member perspective, given the Exchange maintains disciplinary jurisdiction over terminated Members

¹⁹ 15 U.S.C. 78s(b)(3)(A).

²⁰ 17 CFR 240.19b-4(f)(6).

²¹ See supra note 11.

following their termination, subject to the provisions of Rule 8.1. Rather, the Exchange believes the proposed amendments result in a termination process that allows for proper disciplinary jurisdiction while also ensuring that termination is not unduly prolonged due to an administrative technicality within the termination requirements, to the benefit of investors and the public interest. As noted above, the proposed change will apply uniformly to all Members that choose to voluntarily terminate their membership.

For the foregoing reasons, this rule filing qualifies as a “non-controversial” rule change under Rule 19b-4(f)(6), which renders the proposed rule change effective upon filing with the Commission. At any time within 60 days of the filing of this 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 will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

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

As noted above, the proposed rule change is substantially similar to the rules of multiple other exchanges, including IEX and BZX.²²

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.

²² Id.

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.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-MEMX-2026-12]

[Insert date]

Self-Regulatory Organizations; MEMX LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Rule 2.8, Voluntary Termination of Rights as a Member

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], MEMX LLC (“MEMX” 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 proposed rule change to amend Rule 2.8, Voluntary Termination of Rights as a Member, to simplify the manner in which a Member may voluntarily terminate its membership with the Exchange. 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-and-filings/>.

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.

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 Exchange proposes to amend Rule 2.8 (Voluntary Termination of Rights as Member) to simplify the manner in which a Member may voluntarily terminate its membership with the Exchange. Specifically, as described below, the Exchange proposes to remove the conditions related to completion of investigations and examinations to avoid unnecessary delay of voluntary termination requests.⁵

Under current Exchange Rule 2.8, a Member's voluntary termination of membership will not be effective until 30 days after the terminating Member has: (i) provided a written resignation; (ii) paid in full all indebtedness owed to the Exchange; (iii); there is a final disposition of any investigation or disciplinary action against the Member; and (iv) any examination of the Member has been completed and all exceptions resolved.⁶

The Exchange believes that these requirements are unnecessarily burdensome to

⁵ The Exchange notes its affiliate Exchange, MX2, LLC ("MX2") submitted (or will submit) a substantively similar proposal.

⁶ MEMX Rule 2.8 also authorizes the Board to declare a resignation effective at any earlier time.

both MEMX and a terminating Member. Specifically, the requirement that investigations and examinations be completed before a voluntary termination may take effect can result in significant delay in effectuating a membership termination, even though some of the investigations and examinations will not ultimately result in a conclusion that the Member violated applicable MEMX Rules.⁷

The Exchange believes that Rule 2.8, as amended, will facilitate a more efficient voluntary termination process, in which a Member may voluntarily terminate its Member status and cease being subject to Member obligations notwithstanding any ongoing disciplinary proceedings or examinations, given that the Exchange, through Rule 8.1(b) retains disciplinary jurisdiction over the Member following such voluntary termination.⁸ The proposed amendments will streamline the voluntary termination process by removing conditions that have the potential to unnecessarily prolong unwanted obligations of membership, including for example, filing annual reports with the Exchange through FINRA⁹ and maintaining certain books and records.¹⁰ As discussed below, the Exchange does not believe it is necessary to delay a membership termination until any pending investigations, disciplinary proceedings, or examinations have reached a final disposition or are completed and all exceptions have been reasonably resolved because MEMX

⁷ The examinations that FINRA conducts on behalf of MEMX are typically routine "cycle" examinations that are not prompted by potential violative activity by the firm but may nevertheless take several months to complete. In such circumstances, examinations can delay termination.

⁸ Specially, Rule 8.1(b) states in relevant part: "Any Member or person associated with a Member shall continue to be subject to the disciplinary jurisdiction of the Exchange following the termination of such person's membership or association with a Member with respect to matters that occurred prior to such termination; provided that written notice of the commencement of an inquiry into such matters is given by the Exchange to such former Member or former associated person within one year of receipt by the Exchange of the latest written notice of the termination of such person's status as a Member or person associated with a Member."

⁹ See 17 CFR 240.17a-5.

¹⁰ See MEMX Rule 4.1.

retains jurisdiction over a terminated member or associated person and may initiate inquiries within one year of receipt of the latest written notice of termination. MEMX believes this is an adequate time frame to determine whether potentially violative conduct may have occurred prior to termination.

Accordingly, the Exchange proposes to amend Rule 2.8 to remove the conditions set forth in Rule 2.8(iii) (the requirement that any Exchange investigation or disciplinary action brought against the Member has reached a final disposition) and (iv) (the requirement that any examination by the Exchange of such Member is completed and all exceptions noted have been reasonably resolved). As proposed, amended Rule 2.8 would require that a Member's voluntary termination would not be effective until a Member has provided written notice of resignation to the Exchange (current Rule 2.8(i)), completed any outstanding filings required under the Rules, and paid any outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission, or the Securities Investor Protection Corporation ("SIPC"). The proposed change would expand current Rule 2.8(ii), which requires all indebtedness due the Exchange be paid in full, to also cover all outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission or SIPC to ensure that a Member has complied with these important financial obligations before a termination may take effect.

The Exchange also proposes to remove the rule text in Rule 2.8 providing that a voluntary termination will not take effect until 30 days after the Member has satisfied the stated conditions. The Exchange believes this 30 day waiting period is unnecessary because the Exchange will be able to promptly verify whether the terminating Member has satisfied the criteria to terminate.

In addition, as proposed, amended Rule 2.8 will require, as a condition of voluntary termination, that the Member make any outstanding filings required under the Exchange's Rules. The Exchange believes this amendment is appropriate because, to the extent a Member voluntarily terminating its membership is delinquent in any filings required by MEMX Rules or FINRA rules incorporated by reference, this condition will ensure that the Member comes into compliance on required filings before the termination takes effect. This provision is substantially identical to the voluntary termination rules of Cboe BZX Exchange ("BZX") and IEX.¹¹

The Exchange also proposes to remove the proviso at the end of Rule 2.8 that the Board may declare a Member's resignation effective at any earlier time. In light of the proposed amendments, the Exchange does not expect there will be extended delays in the effectiveness of a membership termination and accordingly there is no compelling reason for the conditions in the proposed rule amendments to be subject to override by the Board. Furthermore, the other exchanges with similar rules do not include such a provision.¹² Therefore, the Exchange proposes removing this rule text from the amended rule.

Finally, the Exchange proposes amending the first sentence of Rule 2.8 to remove the terms "only" and "addressed" because they are unnecessarily duplicative and replacing the second sentence with "(a) made any outstanding filings required under the Rules; and (b) paid any outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission or the Securities Investor Protection Corporation."

¹¹ See, e.g., BZX Rule 2.8 and IEX Rule 2.190.

¹² Id.

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.¹³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁴ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁵ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(1) of the Act,¹⁶ which provides that the Exchange be organized and have the capacity to be able to carry out the purposes of the Act and to enforce compliance by the Exchange's Members and persons associated with its Members with the Act, the rules and regulations thereunder, and the rules of the Exchange.

In particular, the Exchange believes the proposed amendments to the conditional requirements for voluntary termination of Membership will make the termination process

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ Id.

¹⁶ 15 U.S.C. 78f(b)(1).

more efficient by allowing Members to terminate their Member status and therefore cease being subject to Member obligations notwithstanding any ongoing disciplinary actions and exams (which may continue for an indeterminate period of time), given the Exchange maintains jurisdiction over a Member or person associated with a Member following such termination for disciplinary matters under Exchange Rules. The Exchange believes the proposed amendments result in a termination process that allows for proper disciplinary jurisdiction while also ensuring that termination is not unduly prolonged due to an administrative technicality within the termination requirements, to the benefit of investors and the public interest. Further, the Exchange believes the proposed changes will serve to avoid wasting Member and Exchange resources on maintaining memberships that are no longer utilized, but unable to be terminated due to ongoing disciplinary action or examination process.

As noted above, the Exchange continues to maintain disciplinary jurisdiction over terminated firms following termination for matters that occurred prior to termination, provided written notice of the commencement of an inquiry into such matters is provided to the terminated Member within one year of the Member's written notice of termination. Therefore, the Exchange believes that the termination requirements set forth in Rule 2.8(iii) and (iv) are unnecessarily duplicative, given the Exchange maintains disciplinary jurisdiction over terminated Members via Rule 8.1(b) with respect to matters that occurred prior to such termination, thereby ensuring the Exchange may continue to enforce compliance by the Exchange's Members and persons associated with its Members with the Act, the rules and regulations thereunder, and the rules of the Exchange. The proposed changes also apply uniformly to all Members that may choose

to voluntarily terminate their membership. As noted above, multiple other exchanges also have similar termination requirements as those proposed by the Exchange.¹⁷ As such, the proposed rule change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system.

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. This proposal does not create an unnecessary or inappropriate intra-market burden on competition because the proposed change will apply uniformly to all Members that choose to voluntarily terminate their membership. Further, the proposed change is not designed to address any competitive issues. Indeed, this proposal does not create an unnecessary or inappropriate inter-market burden on competition because it merely amends the requirements for voluntary termination of rights as a Member and conforms to the rules of other exchanges.¹⁸ Finally, as noted above, the Exchange believes the proposed rule amendments will not result in any practical changes to the Exchange's disciplinary jurisdiction from an Exchange or Member perspective, given the Exchange maintains disciplinary jurisdiction over terminated Members following their termination, subject to the provisions of Rule 8.1.

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.

¹⁷ See supra note 11.

¹⁸ Id.

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 Act¹⁹ and Rule 19b-4(f)(6)²⁰ thereunder. The Exchange designates that the proposed rule change 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. 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.

As noted above, the proposed change is not designed to address any competitive issues. The proposal merely amends the requirements for voluntary termination of rights as a Member and conforms to the requirements of multiple other exchanges.²¹ The Exchange believes the proposed rule amendments will not result in any practical changes to the Exchange's disciplinary jurisdiction from an Exchange or Member perspective, given the Exchange maintains disciplinary jurisdiction over terminated Members following their termination, subject to the provisions of Rule 8.1. Rather, the Exchange believes the proposed amendments result in a termination process that allows for proper

¹⁹ 15 U.S.C. 78s(b)(3)(A).

²⁰ 17 CFR 240.19b-4(f)(6).

²¹ See supra note 11.

disciplinary jurisdiction while also ensuring that termination is not unduly prolonged due to an administrative technicality within the termination requirements, to the benefit of investors and the public interest. As noted above, the proposed change will apply uniformly to all Members that choose to voluntarily terminate their membership.

For the foregoing reasons, this rule filing qualifies as a “non-controversial” rule change under Rule 19b-4(f)(6), which renders the proposed rule change effective upon filing with the Commission. At any time within 60 days of the filing of this 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 will institute proceedings to determine whether the proposed rule change 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. Please include file number SR-MEMX-2026-12 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-MEMX-2026-12. 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 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-MEMX-2026-12 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.²²

Sherry R. Haywood,

Assistant Secretary.

²² 17 CFR 200.30-3(a)(12).

Exhibit 5

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

* * * * *

CHAPTER 2. MEMBERS OF THE EXCHANGE

* * * * *

Rule 2.8. Voluntary Termination of Rights as a Member

A Member may voluntarily terminate its rights as a Member [only] by submitting a written resignation [addressed] to the Exchange's Secretary or another officer designated by the Exchange. A termination will not be effective until the terminating Member has: [Such resignation shall not take effect until 30 days after all of the following conditions have been satisfied: (i) receipt of such written resignation; (ii) all indebtedness due the Exchange shall have been paid in full; (iii) any Exchange investigation or disciplinary action brought against the Member has reached a final disposition; and (iv) any examination of such Member in process is completed and all exceptions noted have been reasonably resolved; provided, however, that the Board may declare a resignation effective at any time.](a) made any outstanding filings required under the Rules; and (b) paid any outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission or the Securities Investor Protection Corporation.

* * * * *