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Page 1 of * 24

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

File No. * SR - 2026 - * 04
Amendment No. (req. for Amendments *)

Filing by MX2 LLC

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

Initial * ☑ Amendment * ☐ Withdrawal ☐

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

Pilot ☐

Extension of Time Period for Commission Action * ☐

Date Expires *

Rule

☐ 19b-4(f)(1) ☐ 19b-4(f)(4)
☐ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ☑ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * ☐ Section 806(e)(2) * ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

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

Proposal to amend Exchange Rule 20.6 to eliminate the requirement regarding the maintenance of a minimum roster of representatives eligible to serve on the Exchange's Obvious Error Panel

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 * 5513701003 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 08/24/2026

By Molly Hartley (Name *)

(Title *) Counsel

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.

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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Rule 20.6 Obvious Error Panel (Inform

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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Rule 20.6 Obvious Error Panel (Exhibi

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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Rule 20.6 Obvious Error Panel (Exhibi

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 proposal to amend Exchange Rule 20.6 (Nullification and Adjustment of Options Transactions including Obvious Errors) to eliminate the requirement regarding the maintenance of a minimum roster of representatives eligible to serve on the Exchange's Obvious Error Panel. The Exchange has designated this proposal as non-controversial pursuant to Section 19(b)(3)(A) of the Act[3] 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.

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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).

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

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

James Foley
Counsel
MX2 LLC
(571) 751-2738

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 Exchange Rule 20.6 (Nullification and Adjustment of Options Transactions including Obvious Errors) to simplify the representative requirement for the Obvious Error Panel. Specifically, as described below, the Exchange proposes to eliminate the requirement regarding the maintenance of a minimum roster of representatives eligible to serve on the Exchange's Obvious Error Panel to avoid an unnecessary administrative burden on the Exchange and its Options Members.

Under Rule 20.6(l), an Options Member affected by a determination made under Rule 20.6 may request review by an Obvious Error Panel. Under Rule 20.6(l)(1), each Obvious Error Panel must be comprised of the Exchange's Chief Regulatory Officer ("CRO"), or a designee of the CRO; one representative of an Options Member engaged in market making (any such representative, a "MM Representative"); and two representatives of Options Members that satisfy specified criteria designed to ensure that such representatives are not engaged principally in options market making (any such representative, a "Non-MM Representative").

Under current Rule 20.6(l)(2), the Exchange must designate at least ten MM Representatives and at least ten Non-MM Representatives to be called upon to serve on the Obvious Error Panel as needed. That rule further provides that an Obvious Error Panel may not include a person affiliated with a party to the trade in question and that, to the extent reasonably possible, the Exchange must call upon designated representatives to participate on panels on an equally frequent basis.

The Exchange believes that the requirement to designate at least ten MM Representatives and at least ten Non-MM Representatives to be called upon to serve on the Obvious Error Panel is unnecessarily burdensome to both the Exchange and the representatives. The Exchange believes that a mandatory roster of twenty or more designated representatives is larger than necessary to administer the appeals process effectively and imposes avoidable administrative burdens on both the Exchange and its Options Members. Maintaining such a roster requires the Exchange to identify, solicit, qualify, designate, track, and periodically refresh a substantial number of representatives, even though only three industry representatives serve on a particular panel, and appeals occur only periodically and infrequently.

The Exchange believes that Rule 20.6, as amended, will facilitate a more efficient administration of the appeal process while retaining the requirement of having both MM Representatives and Non-MM Representatives on the panel. The proposed amendment will streamline the appeal process by removing the unnecessary burden of maintaining an active list of at least twenty representatives to serve on an Obvious Error Panel. The Exchange does not believe it is necessary to designate such a large number of representatives because the composition of each Obvious Error Panel will remain

unchanged, as each panel will continue to include one MM Representative and two Non-MM Representatives, in addition to the CRO or the CRO's designee. The Exchange believes this composition provides a proper balance of competing interests and helps ensure regulatory fairness when resolving trade disputes.

The proposal will not alter the eligibility criteria for Non-MM Representatives. In addition, Rule 20.6(l)(2) will retain the requirements that an Obvious Error Panel may not include a person affiliated with a party to the trade in question and that, to the extent reasonably possible, the Exchange must call upon designated representatives to participate on panels on an equally frequent basis. These provisions will continue to promote impartiality and equitable participation in the appeal process.

The Exchange expects to continue designating a sufficient number of qualified MM Representatives and Non-MM Representatives to convene panels promptly, taking into account representative availability, potential conflicts, and the applicable review timeframes. Eliminating the fixed minimum roster size will provide the Exchange flexibility to maintain a roster appropriately sized to its operational needs without affecting the composition, independence, or substantive authority of the Obvious Error Panel.

The Exchange notes that the proposed approach is consistent with the rules of other national securities exchanges.[5]

b. Statutory Basis

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[5] Nasdaq Options 3, Section 20(l)(1) provides that a Nasdaq Review Council panel will be comprised minimally of one representative of a member engaged in market making and two industry representatives not engaged in market making, and that no more than 50% of the panel may be engaged in market making. The rule does not require Nasdaq to designate or maintain a minimum roster of potential panel representatives. Nasdaq ISE and Nasdaq MRX maintain materially similar panel-composition provisions in Options 3, Section 20(k)(1) of their respective rulebooks, likewise without imposing a minimum roster requirement.

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.[6] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[7] 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)[8] 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,[9] 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 amendment to eliminate the requirement regarding the maintenance of a minimum roster of representatives eligible to serve on the Exchange's Obvious Error Panel will make the administration of the appeal

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6 15 U.S.C. 78f(b).

7 15 U.S.C. 78f(b)(5).

8 Id.

9 15 U.S.C. 78f(b)(1).

process more efficient by reducing an unnecessary numerical condition while preserving the provisions governing panel composition, representative qualifications, conflicts of interest, review timing, and decisional authority. The required panel composition, the eligibility criteria for Non-MM Representative, and the prohibition on participation by a person affiliated with a party to the trade will remain unchanged. The Exchange believes these retained safeguards provide a proper balance of competing interests and protect investors and the public interest.

The Exchange does not believe that requiring a roster of at least twenty designated representatives is necessary to ensure fair review. Rather, fairness is achieved through the composition of the panel that hears the appeal, the qualifications and independence of its representatives, and the substantive and procedural protections in Rule 20.6. The proposed change also will serve to avoid wasting Options Member and Exchange resources on maintaining an excessive list of Options Member representatives.

The Exchange further believes that the proposal's consistency with the rules of Nasdaq and its affiliated options exchanges supports the conclusion that the fixed roster requirement is not necessary to protect investors or ensure fair review. Those exchanges rely on panel-composition safeguards similar to those that will remain in Rule 20.6, but do not require the maintenance of a roster of at least ten market-maker and ten non-market-maker representatives.

Finally, the proposal is not designed to permit unfair discrimination. Rather, the proposal relates only to the Exchange's administrative requirements for maintaining a roster of eligible representatives and will apply uniformly to all Options Members and all appeals under Rule 20.6. The Exchange will continue to maintain a roster of qualified

representatives appropriately sized to its operational needs and will continue to select representatives in accordance with the rule's objective criteria and, to the extent reasonably possible, call upon designated representatives on an equally frequent basis.

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 intramarket burden on competition because the proposed change will apply uniformly to all Members and will not affect any Member's ability to request or obtain review of an obvious error determination. Further, the proposal will not impact the fairness or impartiality of the appeal process. The Exchange will continue to appoint qualified individuals to serve on the Obvious Error Panel and to administer the appeals process in a fair and consistent manner, and all similarly situated parties will continue to have access to the same appeal procedures and protections under Rule 20.6. The Exchange also does not believe the proposed rule change will impose any burden on intermarket competition because the proposal relates solely to the Exchange's internal administration of the Obvious Error Panel and does not affect the standards for determining whether a transaction is erroneous, the relief available for market participants, the rights or obligations of any Member, the Exchange's trading functionality or the ability of Members to compete on the Exchange or across markets.

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 Act[10] and Rule 19b-4(f)(6)[11] 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 simply removes the administrative requirement that the Exchange maintain a roster consistent of ten MM representatives and ten non-MM representatives for service on the Obvious Error Panel, while continuing to ensure the fair and impartial administration of the appeals process. The proposal does not alter the standards governing obvious error determination, the procedures for appealing determinations, or the substantive rights of Members. The proposed change will apply uniformly to all Members and will not affect any Member's ability to request or obtain

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10 15 U.S.C. 78s(b)(3)(A).

11 17 CFR 240.19b-4(f)(6).

review of an obvious error determination, and all similarly situated parties will continue to have access to the same appeal procedures and protections under Rule 20.6. Accordingly, the Exchange believes that the proposed rule change does not significantly affect the protection of investors or public interest and does not impose any significant burden on competition. The proposed rule change does not introduce any novel regulatory issues for the Commission to consider, as the proposed approach to the administration of the Obvious Error Panel is similar to and consistent with the rules of other exchanges.[12]

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 discussed above, the proposed rule is similar to the rules of other exchanges.[13]

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

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12 See supra note 5.

13 Id.

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.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-MX2-2026-04]
[Insert date]

Self-Regulatory Organizations; MX2 LLC; Notice of Filing and Immediate Effectiveness of a Proposal to Amend Rule 20.6 (Nullification and Adjustment of Options Transactions including Obvious Errors) Regarding the Roster Requirements for the Obvious Error Panel

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 Act[3] 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 Exchange Rule 20.6 (Nullification and Adjustment of Options Transactions including Obvious Errors) to eliminate the requirement regarding the maintenance of a minimum roster of representatives eligible to serve on the Exchange's Obvious Error Panel. The

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.

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/.

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 Exchange Rule 20.6 (Nullification and Adjustment of Options Transactions including Obvious Errors) to simplify the representative requirement for the Obvious Error Panel. Specifically, as described below, the Exchange proposes to eliminate the requirement regarding the maintenance of a minimum roster of representatives eligible to serve on the Exchange's Obvious Error Panel to avoid an unnecessary administrative burden on the Exchange and its Options Members.

Under Rule 20.6(l), an Options Member affected by a determination made under Rule 20.6 may request review by an Obvious Error Panel. Under Rule 20.6(l)(1), each Obvious Error Panel must be comprised of the Exchange's Chief Regulatory Officer ("CRO"), or a designee of the CRO; one representative of an Options Member engaged in market making (any such representative, a "MM Representative"); and two representatives of Options Members that satisfy specified criteria designed to ensure that

such representatives are not engaged principally in options market making (any such representative, a "Non-MM Representative").

Under current Rule 20.6(l)(2), the Exchange must designate at least ten MM Representatives and at least ten Non-MM Representatives to be called upon to serve on the Obvious Error Panel as needed. That rule further provides that an Obvious Error Panel may not include a person affiliated with a party to the trade in question and that, to the extent reasonably possible, the Exchange must call upon designated representatives to participate on panels on an equally frequent basis.

The Exchange believes that the requirement to designate at least ten MM Representatives and at least ten Non-MM Representatives to be called upon to serve on the Obvious Error Panel is unnecessarily burdensome to both the Exchange and the representatives. The Exchange believes that a mandatory roster of twenty or more designated representatives is larger than necessary to administer the appeals process effectively and imposes avoidable administrative burdens on both the Exchange and its Options Members. Maintaining such a roster requires the Exchange to identify, solicit, qualify, designate, track, and periodically refresh a substantial number of representatives, even though only three industry representatives serve on a particular panel, and appeals occur only periodically and infrequently.

The Exchange believes that Rule 20.6, as amended, will facilitate a more efficient administration of the appeal process while retaining the requirement of having both MM Representatives and Non-MM Representatives on the panel. The proposed amendment will streamline the appeal process by removing the unnecessary burden of maintaining an active list of at least twenty representatives to serve on an Obvious Error Panel. The

Exchange does not believe it is necessary to designate such a large number of representatives because the composition of each Obvious Error Panel will remain unchanged, as each panel will continue to include one MM Representative and two Non-MM Representatives, in addition to the CRO or the CRO's designee. The Exchange believes this composition provides a proper balance of competing interests and helps ensure regulatory fairness when resolving trade disputes.

The proposal will not alter the eligibility criteria for Non-MM Representatives. In addition, Rule 20.6(l)(2) will retain the requirements that an Obvious Error Panel may not include a person affiliated with a party to the trade in question and that, to the extent reasonably possible, the Exchange must call upon designated representatives to participate on panels on an equally frequent basis. These provisions will continue to promote impartiality and equitable participation in the appeal process.

The Exchange expects to continue designating a sufficient number of qualified MM Representatives and Non-MM Representatives to convene panels promptly, taking into account representative availability, potential conflicts, and the applicable review timeframes. Eliminating the fixed minimum roster size will provide the Exchange flexibility to maintain a roster appropriately sized to its operational needs without affecting the composition, independence, or substantive authority of the Obvious Error Panel.

The Exchange notes that the proposed approach is consistent with the rules of other national securities exchanges.[5]

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[5] Nasdaq Options 3, Section 20(l)(1) provides that a Nasdaq Review Council panel will be comprised minimally of one representative of a member engaged in market making and two industry representatives not engaged in market making, and that no more than 50% of the panel

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.[6] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[7] 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)[8] 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,[9] 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.

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may be engaged in market making. The rule does not require Nasdaq to designate or maintain a minimum roster of potential panel representatives. Nasdaq ISE and Nasdaq MRX maintain materially similar panel-composition provisions in Options 3, Section 20(k)(1) of their respective rulebooks, likewise without imposing a minimum roster requirement.

6 15 U.S.C. 78f(b).

7 15 U.S.C. 78f(b)(5).

8 Id.

9 15 U.S.C. 78f(b)(1).

In particular, the Exchange believes the proposed amendment to eliminate the requirement regarding the maintenance of a minimum roster of representatives eligible to serve on the Exchange's Obvious Error Panel will make the administration of the appeal process more efficient by reducing an unnecessary numerical condition while preserving the provisions governing panel composition, representative qualifications, conflicts of interest, review timing, and decisional authority. The required panel composition, the eligibility criteria for Non-MM Representative, and the prohibition on participation by a person affiliated with a party to the trade will remain unchanged. The Exchange believes these retained safeguards provide a proper balance of competing interests and protect investors and the public interest.

The Exchange does not believe that requiring a roster of at least twenty designated representatives is necessary to ensure fair review. Rather, fairness is achieved through the composition of the panel that hears the appeal, the qualifications and independence of its representatives, and the substantive and procedural protections in Rule 20.6. The proposed change also will serve to avoid wasting Options Member and Exchange resources on maintaining an excessive list of Options Member representatives.

The Exchange further believes that the proposal's consistency with the rules of Nasdaq and its affiliated options exchanges supports the conclusion that the fixed roster requirement is not necessary to protect investors or ensure fair review. Those exchanges rely on panel-composition safeguards similar to those that will remain in Rule 20.6, but do not require the maintenance of a roster of at least ten market-maker and ten non-market-maker representatives.

Finally, the proposal is not designed to permit unfair discrimination. Rather, the

proposal relates only to the Exchange's administrative requirements for maintaining a roster of eligible representatives and will apply uniformly to all Options Members and all appeals under Rule 20.6. The Exchange will continue to maintain a roster of qualified representatives appropriately sized to its operational needs and will continue to select representatives in accordance with the rule's objective criteria and, to the extent reasonably possible, call upon designated representatives on an equally frequent basis.

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 intramarket burden on competition because the proposed change will apply uniformly to all Members and will not affect any Member's ability to request or obtain review of an obvious error determination. Further, the proposal will not impact the fairness or impartiality of the appeal process. The Exchange will continue to appoint qualified individuals to serve on the Obvious Error Panel and to administer the appeals process in a fair and consistent manner, and all similarly situated parties will continue to have access to the same appeal procedures and protections under Rule 20.6. The Exchange also does not believe the proposed rule change will impose any burden on intermarket competition because the proposal relates solely to the Exchange's internal administration of the Obvious Error Panel and does not affect the standards for determining whether a transaction is erroneous, the relief available for market participants, the rights or obligations of any Member, the Exchange's trading functionality or the ability of Members to compete on the Exchange or across markets.

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 Act[10] and Rule 19b-4(f)(6)[11] 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 simply removes the administrative requirement that the Exchange maintain a roster consistent of ten MM representatives and ten non-MM representatives for service on the Obvious Error Panel, while continuing to ensure the fair and impartial administration of the appeals process. The proposal does not alter the standards governing obvious error determination, the procedures for appealing determinations, or the substantive rights of Members. The proposed change will apply uniformly to all Members and will not affect any Member's ability to request or obtain

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10 15 U.S.C. 78s(b)(3)(A).

11 17 CFR 240.19b-4(f)(6).

review of an obvious error determination, and all similarly situated parties will continue to have access to the same appeal procedures and protections under Rule 20.6. Accordingly, the Exchange believes that the proposed rule change does not significantly affect the protection of investors or public interest and does not impose any significant burden on competition. The proposed rule change does not introduce any novel regulatory issues for the Commission to consider, as the proposed approach to the administration of the Obvious Error Panel is similar to and consistent with the rules of other exchanges.[12]

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:

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[12] See supra note 5.

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-MX2-2026-04 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-MX2-2026-04. 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-MX2-2026-04 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.[13]

Sherry R. Haywood,

Assistant Secretary.

[13] 17 CFR 200.30-3(a)(12).

Exhibit 5

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

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CHAPTER 20. REGULATION OF TRADING ON MX2 OPTIONS

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Rule 20.6. Nullification and Adjustment of Options Transactions including Obvious Errors

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(l) Appeals.

If an Options Member affected by a determination made under this Rule so requests within the time permitted below, the Obvious Error Panel ("Obvious Error Panel") will review decisions made by the MX2 Official under this Rule, including whether an obvious error occurred and whether the correct determination was made.

(1) The Obvious Error Panel will be comprised of the Exchange's Chief Regulatory Officer ("CRO") or a designee of the CRO, a representative of one (1) Options Member engaged in market making (any such representative, a "MM Representative") and representatives from two (2) Options Members satisfying one or both of the criteria set forth as (A) and (B) below (any such representative, a "Non-MM Representative"). To qualify as a representative of an Options Member other than an Options Member engaged in market making, a person must:

(A) be employed by an Options Member whose revenues from options market making activity do not exceed ten percent (10%) of its total revenues; or

(B) have as his or her primary responsibility the handling of Public Customer orders or supervisory responsibility over persons with such responsibility, and not have any responsibilities with respect to market making activities.

(2) [The Exchange shall designate at least ten (10) MM Representatives and at least ten (10) Non-MM Representatives to be called upon to serve on the Obvious Error Panel as needed.] In no case shall an Obvious Error Panel include a person affiliated with a party to the trade in question. To the extent reasonably possible, the Exchange shall call upon the designated representatives to participate on an Obvious Error Panel on an equally frequent basis.

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