

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-100665; File No. SR-CboeEDGX-2024-009)

August 6, 2024

Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change to Amend the Definition of Retail Order, and Codify Interpretations and Policies Regarding Permissible Uses of Algorithms by RMOs

On January 25, 2024, Cboe EDGX Exchange, Inc. (“Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² a proposed rule change to amend the definition of Retail Order,³ and codify interpretations and policies regarding permissible uses of algorithms by Retail Member Organizations.⁴ The proposed rule change was published for comment in the Federal Register on February 13, 2024.⁵ On March 20, 2024, pursuant to Section 19(b)(2) of the Act,⁶ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁷ On May 13, 2024, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁸ to determine whether to approve or disapprove the proposed rule change.⁹ On July 10, 2024, the Exchange submitted Amendment

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The term “Retail Order” is defined in Exchange Rule 11.21(a)(2).

⁴ The term “Retail Member Organization” (or “RMO”) is defined in Exchange Rule 11.21(a)(1) to mean a member of the Exchange (or a division thereof) that has been approved by the Exchange under Exchange Rule 11.21 to submit Retail Orders.

⁵ See Securities Exchange Act Release No. 99490 (February 7, 2024), 89 FR 10129 (“Notice”). The Commission has not received any comments on the proposed rule change.

⁶ 15 U.S.C. 78s(b)(2).

⁷ See Securities Exchange Act Release No. 99811, 89 FR 21077 (March 26, 2024).

⁸ 15 U.S.C. 78s(b)(2)(B).

⁹ See Securities Exchange Act Release No. 100114 (May 13, 2024), 89 FR 43462 (May 17, 2024).

No. 1 to the proposed rule change, which replaced and superseded the proposed rule change as originally filed. On July 17, 2024, the Exchange withdrew Amendment No. 1.

Section 19(b)(2) of the Act¹⁰ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of the Notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the Federal Register on February 13, 2024.¹¹ The 180th day after publication of the Notice is August 11, 2024. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change and the issues raised therein. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹² designates October 10, 2024, as the date by which

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ See supra note 5.

¹² 15 U.S.C. 78s(b)(2).

the Commission shall either approve or disapprove the proposed rule change (File No. SR-CboeEDGX-2024-009).

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)(57).