Required fields are shown with yellow backgrounds and asterisks.

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

File No. * SR 2025 - * 04
Amendment No. (req. for Amendments *)

Filing by NYSE American 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 the NYSE American Options Fee Schedule

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 * Kathleen
Last Name * Murphy
Title * Senior Counsel, NYSE Group Inc.
E-mail * Kathleen.Murphy@ice.com
Telephone * (212) 656-4841
Fax (212) 656-8101

Signature

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

Date 01/15/2025

By Martha Redding
(Name *)

(Title *)
Corporate Secretary

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.

Martha Redding
Digitally signed by Martha Redding
Date: 2025.01.15 11:10:07 -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 * Add / Remove / View 19b4 Amex FB Prepay and Manual Ki	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 * Add / Remove / View Ex 1 Amex FB Prepay and Manual Kic	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 * Add / Remove / View	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 Add / Remove / View	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 Add / Remove / View	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 Add / Remove / View	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 Ex 5 Amex FB Prepay and Manual Kic	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 Add / Remove / View	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) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act")[1] and Rule 19b-4 thereunder,[2] NYSE American LLC ("NYSE American" or the "Exchange") proposes to modify the NYSE American Options Fee Schedule ("Fee Schedule") to amend the Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program" or "Program") by (1) increasing the manual and QCC volume required for Floor Brokers to earn an additional credit; (2) adopting a new additional Floor Broker rebate based on Firm Facilitation volume; (3) increasing the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program; and (4) permitting Floor Brokers that restructure while in FB Prepay Program to maintain their status in the Program. The Exchange proposes to implement the fee change effective January 15, 2025.[3]

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached as Exhibit 5.

(b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action is required under the Exchange's governing documents. Therefore, the Exchange's internal procedures with respect to the proposed rule change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

Kathleen E. Murphy
Senior Counsel
NYSE Group, Inc.
(212) 656-4841

1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 On December 20, 2024, the Exchange filed to amend the Fee Schedule (SR-NYSEAmer-2024-83), withdrew such filing on January 2, 2025 (SR-NYSEAmer-2025-02), then withdrew that that filing the on January 14, 2025 (SR-NYSEAmer-2025-03), which latter filing the Exchange withdrew on January 15, 2025.

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

(a) Purpose

The purpose of this filing to amend the Fee Schedule to modify the FB Prepay Program by (1) increasing the manual and QCC volume required for Floor Brokers to earn an additional credit; (2) adopting a new additional Floor Broker rebate based on Firm Facilitation volume; (3) increasing the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program; and (4) permitting Floor Brokers that restructure while in FB Prepay Program to maintain their status in the Program. The Exchange proposes to implement the fee change effective January 15, 2025.

The FB Prepay Program is a prepayment incentive program that allows Floor Brokers to prepay certain of their annual Eligible Fixed Costs in exchange for the opportunity to qualify for certain volume rebates.[4] Floor Brokers that participate in the FB Prepay Program are eligible for rebates through the Manual Billable Rebate Program payable monthly on transactions for which at least one side is subject to manual transaction fees on a monthly basis.[5] Floor Brokers who achieve a Rebate Qualification level earn the associated rebate back to the first contract.

The Exchange proposes to amend the Manual Billable Rebate Program by modifying the certain of the volume thresholds and adding a new "additional incentive" for Floor Brokers that achieve certain of the qualification "Tiers".[6] The proposed changes are reflected in the table below, with current rates/thresholds in brackets and proposed rates/thresholds underscored.

<u>Tiers</u>	Manual Billable Rebate Qualification	Rebate per Billable Side
<u>1</u>	Execute 500,000 manual billable sides	($0.05)

4 See Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program"). "Eligible Fixed Costs" include monthly ATP Fees, the Floor Access Fee, and certain monthly Floor communication, connectivity, equipment and booth or podia fees, as set forth in the table in Section III.E.1. The Exchange notes that the FB Prepay Program is currently structured similarly to the Floor Broker prepayment program offered by its affiliated exchange, NYSE Arca, Inc. ("NYSE Arca"). See NYSE Arca Options Fee Schedule, FLOOR BROKER FIXED COST PREPAYMENT INCENTIVE PROGRAM (the "FB Prepay Program").

5 The Exchange excludes any volume calculated to achieve the Strategy Execution Fee Cap, regardless of whether the cap is achieved, from the Manual Billable Rebate Program because fees on such volume are already capped and therefore such volume does not increase billable manual volume.

6 See proposed Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program"). The Exchange proposes the non-substantive change to add a column denoting each of the main "Tiers" of the Program.

2	Execute 1.4[1.1] million manual billable sides	($0.07)
	Achieve Tier 1 or 2, plus execute 3.5 million Firm Facilitation sides	Additional ($0.02)
	Execute 5 million combined manual billable and QCC billable contracts	($0.10)
	Execute 7 million combined manual billable and QCC billable contracts	Additional ($0.01)
	Execute 10[11] million combined manual billable and QCC billable contracts	Additional ($0.02)

As shown above, the Exchange proposes to modify two of the qualification levels while keeping the associated rebates the same. Specifically, the Exchange proposes to increase from 1.1 million to 1.4 the qualification level for manual billable sides and to decrease from 11 million to 10 million the qualification level for combined manual billable and QCC billable contracts.

In addition, the Exchange proposes to offer certain Floor Brokers a new additional rebate for the execution of Firm Facilitation sides. Firm Facilitation occurs when a Firm helps -- or facilitates -- the execution of a customer order by taking the other side of a trade.[7] As proposed, Floor Brokers that execute at least 3.5 million Firm Facilitation sides would be eligible for an additional ($0.02) rebate but this rebate would only be available to Floor Brokers who execute 500,000 million manual billable sides ("Tier 1") or execute 1.1 million manual billable sides ("Tier 2"). To make this clear, the Exchange proposes to add reference to Tiers 1 and 2 in the Fee Schedule (as shown above) and to specify that the addition ($0.02) rebate is available to Floor Brokers that "[a]chieve Tier 1 or 2, plus execute 3.5 million Firm Facilitation sides."[8] The Exchange believes this new incentive would encourage Floor Brokers to conduct more manual trading on the Exchange.

The Exchange further proposes to modify Section III.E.1. and Section I.F. to increase the maximum Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program to $3,000,000 per month per Floor Broker firm, an increase from the current monthly amount of 2,500,000 (the "Maximum Combined

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7 See, e.g., Fee Schedule, Endnote 7 (providing that a Firm Facilitation and Broker Dealer facilitating a Customer – Manual applies to any transaction involving a Firm proprietary trading account that has a customer of that same Firm on the contra side of the transaction, or a broker dealer facilitating a Customer order, where the broker dealer and the Customer both clear through the same clearing firm and the broker dealer clears in the customer range).

8 See proposed Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program").

Rebate/Credit").[9] The proposed increase is designed to encourage Floor Broker firms to continue to direct transactions to the Exchange, despite increasing industry volumes making it less difficult to attain the maximum rebate.

Finally, the Exchange proposes to specify that a Floor Broker organization that restructures while enrolled in the FB Prepay Program will maintain its status in the program. This proposed change is designed to ensure that a Floor Broker does not lose the benefits of participating in the FB Prepay Program if, for example, it is acquired, merges with another entity, or otherwise reorganizes.[10]

Although the Exchange cannot predict with certainty whether the proposed changes to the FB Prepay Program would encourage Floor Brokers to participate in the program or to increase either their manual billable volume or QCC volume, the Exchange believes that the proposed changes would continue to incent Floor Brokers to participate in the FB Prepay Program, including by increasing the Maximum Combined Rebate/Credit. All Floor Brokers are eligible to participate in the FB Prepay Program and qualify for the proposed credits and rebates, and the credits and rebates are achievable in any given month without regard to volumes from any other month.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[11] in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,[12] in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The proposed changes to the Fee Schedule are reasonable, equitable, and not unfairly discriminatory. As a threshold matter, the Exchange is subject to significant competitive forces in the market for options securities transaction services that constrain its pricing determinations in that market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system "has been remarkably successful in promoting market competition in its broader forms that are most important to investors

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9 See proposed Fee Schedule, Sections III.E.1 and I.F. (providing, in relevant, part that Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program shall not combine to exceed $3,000,000 per month per Floor Broker firm).

10 See proposed Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program") ("A Floor Broker organization that restructures while enrolled in the Program will maintain its status in the Program.").

11 15 U.S.C. 78f(b).

12 15 U.S.C. 78f(b)(4) and (5).

and listed companies."[13]

There are currently 18 registered options exchanges competing for order flow. Based on publicly-available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades.[14] Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity & ETF options order flow. More specifically, in November of 2024, the Exchange had 6.09% market share of executed volume of multiply-listed equity & ETF options trades.[15] In such a low-concentrated and highly competitive market, no single options exchange possesses significant pricing power in the execution of option order flow. Within this environment, market participants can freely and often do shift their order flow among the Exchange and competing venues in response to changes in their respective pricing schedules.

The proposed changes to the FB Prepay Program are reasonable as they are designed to encourage Floor Brokers that have previously enrolled in the program to reenroll for the upcoming year, as well as to attract Floor Brokers that have not yet participated in the program. The FB Prepay Program continues to be designed to encourage the role performed by Floor Brokers in facilitating the execution of orders via open outcry, a function which the Exchange wishes to support for the benefit of all market participants.

The Exchange believes that the proposed changes to the Manual Billable Rebate Program, including the proposed increase in certain of the minimum volume qualifications, are reasonable because they should continue to encourage Floor Brokers to participate in the FB Prepay Program, and to provide liquidity on the Exchange. Moreover, the Exchange believes that the proposed additional incentive for Firm Facilitation sides should encourage, as the name suggests, the facilitation of Customer transactions, in open outcry. To the extent that this incentive encourage Floor Brokers to facilitate Customer transactions on the Exchange, all market participants will benefit from the increased liquidity. The Exchange believes the proposed FB Prepay Program, as modified, should incent Floor Brokers to encourage OTP Holders to aggregate their executions at the Exchange as a primary execution venue. To the extent that the proposed change achieves its purpose in attracting more volume to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for order execution, thus improving market quality for all market participants.

The Exchange believes that the proposed higher maximum monthly amount that a firm

13 See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (S7-10-04) ("Reg NMS Adopting Release").

14 The OCC publishes options and futures volume in a variety of formats, including daily and monthly volume by exchange, available here: https://www.theocc.com/Market-Data/Market-Data-Reports/Volume-and-Open-Interest/Monthly-Weekly-Volume-Statistics.

15 Based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of equity-based ETF options, see id., the Exchanges market share in equity-based options decreased slightly from 7.6%% for the month of November 2023 to 6.09% for the month of November 2024.

could earn from the Maximum Combined Rebate/Credit is reasonable because it is set at an amount that is designed to encourage OTP Holders to direct QCC transactions and manual billable volume to the Exchange to receive the existing credits and proposed rebates.

The Exchange believes that the proposed change to allow Floor Broker organizations that restructure while enrolled in the program to maintain their status in the program is reasonable because this proposed change is designed to ensure that a Floor Broker does not lose the benefits of participating in the FB Prepay Program if, for example, it is acquired, merges with another entity, or otherwise reorganizes.

The Exchange believes the proposed rule change is an equitable allocation of its fees and credits because the proposal is based on the amount and type of business transacted on the Exchange. Floor Brokers are not obligated to participate in the FB Prepay Program, and those who do can choose to execute manual billable volume and QCC transactions to earn rebates through the Manual Billable Rebate Program or not. In addition, the Manual Billable Rebate Program continues to be equally available to all Floor Brokers that participate in the FB Prepay Program and the proposed (increased) monthly limit on the amount that firms could earn from the Maximum Combined Rebate/Credit.

The Exchange believes the proposed change is not unfairly discriminatory because it is based on the amount and type of business transacted on the Exchange. Floor Brokers are not obligated to execute manual billable (or QCC) transactions or participate in the FB Prepay Program, and the proposed rebates offered through the Manual Billable Rebate Program are available to all Floor Brokers that participate in the FB Prepay Program on a non-discriminatory basis. The proposed changes are designed to add flexibility to the FB Prepay Program by offering all participating Floor Brokers the same increased maximum combined rebate/credit amount and to encourage Floor Brokers to utilize the Exchange as a primary trading venue for all transactions (if they have not done so previously) and increase manual billable volume sent to the Exchange.

To the extent that the proposed continuation of (and modifications to) the FB Prepay Program and Manual Billable Rebate Program attract more manual transactions (and QCCs) to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for order execution. Thus, the Exchange believes the proposed rule change would improve market quality for all market participants on the Exchange and attract more order flow to the Exchange, thereby improving market-wide quality and price discovery. The resulting increased volume and liquidity would provide more trading opportunities and tighter spreads to all market participants and thus would promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors and the public interest.

Finally, the Exchange believes that it is subject to significant competitive forces, as described below in the Exchange's statement regarding the burden on competition.

4. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for all market participants. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."[16]

Intramarket Competition. The proposed rebates available through the Manual Billable Rebate Program would be available to all Floor Brokers that choose to participate in the FB Prepay Program and meet the qualifying criteria for such rebates. The proposed increase of the Maximum Combined Rebate/Credit would likewise apply equally to all similarly-situated Floor Brokers. To the extent that there is an additional competitive burden on non-Floor Brokers, the Exchange believes that any such burden would be appropriate because Floor Brokers serve an important function in facilitating the execution of orders and price discovery for all market participants.

Intermarket Competition. The Exchange operates in a highly competitive market in which market participants can readily favor one of the 17 competing option exchanges if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow to the Exchange. Based on publicly-available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades. Therefore, currently no exchange possesses significant pricing power in the execution of multiply-listed equity & ETF options order flow. More specifically, in November 2024, the Exchange had 6.09% market share of executed volume of multiply-listed equity and ETF options trades.

The Exchange believes that the proposed changes reflect this competitive environment because they modify the Exchange's fees and credits in a manner designed to continue to incent Floor Brokers to direct trading interest (particularly QCC transactions and manual orders, including Firm Facilitation sides) to the Exchange, to provide liquidity and to attract order flow. To the extent that Floor Brokers are encouraged to participate in the FB Prepay Program and/or incentivized to utilize the Exchange as a primary trading venue for all transactions, all the Exchange's market participants should benefit from the improved market quality and increased opportunities for price improvement. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange

16 See Reg NMS Adopting Release, supra note 13, at 37499.

must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

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

The Exchange has neither solicited nor received written 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 foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)(ii) of the Act[17] because it establishes a due, fee, or other charge imposed by the Exchange. At any time within 60 days of the filing of such 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 shall institute proceedings under Section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.[18]

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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

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.

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17 15 U.S.C. 78s(b)(3)(A)(ii).

18 15 U.S.C. 78s(b)(2)(B).

11. Exhibits

Exhibit 1 – Form of Notice of the Proposed Rule Change for Publication in the Federal Register

Exhibit 5 – Amendment to the Exchange's Fee Schedule

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSEAMER-2025-04)

[Date]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Change to amend the NYSE American Options Fee Schedule

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 ("Act")[2] and Rule 19b-4 thereunder,[3] notice is hereby given that, on January 15, 2025, NYSE American LLC ("NYSE American" 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 self-regulatory organization. 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 proposes to modify the NYSE American Options Fee Schedule ("Fee Schedule") to amend the Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program" or "Program") by (1) increasing the manual and QCC volume required for Floor Brokers to earn an additional credit; (2) adopting a new additional Floor Broker rebate based on Firm Facilitation volume; (3) increasing the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program; and (4) permitting Floor Brokers that restructure while in FB Prepay Program to maintain their status in the Program. The Exchange proposes to implement the fee change effective January 15, 2025.[4]

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1 15 U.S.C. 78s(b)(1).

2 15 U.S.C. 78a.

3 17 CFR 240.19b-4.

4 On December 20, 2024, the Exchange filed to amend the Fee Schedule (SR-NYSEAmer-2024-83),

The proposed rule change is available on the Exchange's website at www.nyse.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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 self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The purpose of this filing to amend the Fee Schedule to modify the FB Prepay Program by (1) increasing the manual and QCC volume required for Floor Brokers to earn an additional credit; (2) adopting a new additional Floor Broker rebate based on Firm Facilitation volume; (3) increasing the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program; and (4) permitting Floor Brokers that restructure while in FB Prepay Program to maintain their status in the Program. The Exchange proposes to implement the fee change effective January 15, 2025.

The FB Prepay Program is a prepayment incentive program that allows Floor Brokers to prepay certain of their annual Eligible Fixed Costs in exchange for the opportunity to qualify for certain volume rebates.[5] Floor Brokers that participate in the FB Prepay Program are eligible for

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withdrew such filing on January 2, 2025 (SR-NYSEAmer-2025-02), then withdrew that that filing the on January 14, 2025 (SR-NYSEAmer-2025-03), which latter filing the Exchange withdrew on January 15, 2025.

[5] See Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB

rebates through the Manual Billable Rebate Program payable monthly on transactions for which at least one side is subject to manual transaction fees on a monthly basis.[6] Floor Brokers who achieve a Rebate Qualification level earn the associated rebate back to the first contract.

The Exchange proposes to amend the Manual Billable Rebate Program by modifying the certain of the volume thresholds and adding a new "additional incentive" for Floor Brokers that achieve certain of the qualification "Tiers".[7] The proposed changes are reflected in the table below, with current rates/thresholds in brackets and proposed rates/thresholds underscored.

Tiers		Manual Billable Rebate Qualification	Rebate per Billable Side
1		Execute 500,000 manual billable sides	($0.05)
2		Execute 1.4[1.1] million manual billable sides	($0.07)
		Achieve Tier 1 or 2, plus execute 3.5 million Firm Facilitation sides	Additional ($0.02)
		Execute 5 million combined manual billable and QCC billable contracts	($0.10)

Prepay Program"). "Eligible Fixed Costs" include monthly ATP Fees, the Floor Access Fee, and certain monthly Floor communication, connectivity, equipment and booth or podia fees, as set forth in the table in Section III.E.1. The Exchange notes that the FB Prepay Program is currently structured similarly to the Floor Broker prepayment program offered by its affiliated exchange, NYSE Arca, Inc. ("NYSE Arca"). See NYSE Arca Options Fee Schedule, FLOOR BROKER FIXED COST PREPAYMENT INCENTIVE PROGRAM (the "FB Prepay Program").

6 The Exchange excludes any volume calculated to achieve the Strategy Execution Fee Cap, regardless of whether the cap is achieved, from the Manual Billable Rebate Program because fees on such volume are already capped and therefore such volume does not increase billable manual volume.

7 See proposed Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program"). The Exchange proposes the non-substantive change to add a column denoting each of the main "Tiers" of the Program.

		Execute 7 million combined manual billable and QCC billable contracts	Additional ($0.01)
		Execute 10[11] million combined manual billable and QCC billable contracts	Additional ($0.02)

As shown above, the Exchange proposes to modify two of the qualification levels while keeping the associated rebates the same. Specifically, the Exchange proposes to increase from 1.1 million to 1.4 the qualification level for manual billable sides and to decrease from 11 million to 10 million the qualification level for combined manual billable and QCC billable contracts.

In addition, the Exchange proposes to offer certain Floor Brokers a new additional rebate for the execution of Firm Facilitation sides. Firm Facilitation occurs when a Firm helps -- or facilitates -- the execution of a customer order by taking the other side of a trade.[8] As proposed, Floor Brokers that execute at least 3.5 million Firm Facilitation sides would be eligible for an additional ($0.02) rebate but this rebate would only be available to Floor Brokers who execute 500,000 million manual billable sides ("Tier 1") or execute 1.1 million manual billable sides ("Tier 2"). To make this clear, the Exchange proposes to add reference to Tiers 1 and 2 in the Fee Schedule (as shown above) and to specify that the addition ($0.02) rebate is available to Floor Brokers that "[a]chieve Tier 1 or 2, plus execute 3.5 million Firm Facilitation sides."[9] The Exchange believes this new incentive would encourage Floor Brokers to conduct more manual trading on the Exchange.

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8 See, e.g., Fee Schedule, Endnote 7 (providing that a Firm Facilitation and Broker Dealer facilitating a Customer – Manual applies to any transaction involving a Firm proprietary trading account that has a customer of that same Firm on the contra side of the transaction, or a broker dealer facilitating a Customer order, where the broker dealer and the Customer both clear through the same clearing firm and the broker dealer clears in the customer range).

9 See proposed Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program").

The Exchange further proposes to modify Section III.E.1. and Section I.F. to increase the maximum Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program to $3,000,000 per month per Floor Broker firm, an increase from the current monthly amount of 2,500,000 (the "Maximum Combined Rebate/Credit").[10] The proposed increase is designed to encourage Floor Broker firms to continue to direct transactions to the Exchange, despite increasing industry volumes making it less difficult to attain the maximum rebate.

Finally, the Exchange proposes to specify that a Floor Broker organization that restructures while enrolled in the FB Prepay Program will maintain its status in the program. This proposed change is designed to ensure that a Floor Broker does not lose the benefits of participating in the FB Prepay Program if, for example, it is acquired, merges with another entity, or otherwise reorganizes.[11]

Although the Exchange cannot predict with certainty whether the proposed changes to the FB Prepay Program would encourage Floor Brokers to participate in the program or to increase either their manual billable volume or QCC volume, the Exchange believes that the proposed changes would continue to incent Floor Brokers to participate in the FB Prepay Program, including by increasing the Maximum Combined Rebate/Credit. All Floor Brokers are eligible to participate in the FB Prepay Program and qualify for the proposed credits and rebates, and the credits and rebates are achievable in any given month without regard to volumes from any other month.

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[10] See proposed Fee Schedule, Sections III.E.1 and I.F. (providing, in relevant, part that Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program shall not combine to exceed $3,000,000 per month per Floor Broker firm).

[11] See proposed Fee Schedule, Section III.E.1., Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program") ("A Floor Broker organization that restructures while enrolled in the Program will maintain its status in the Program.").

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[12] in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,[13] in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The proposed changes to the Fee Schedule are reasonable, equitable, and not unfairly discriminatory. As a threshold matter, the Exchange is subject to significant competitive forces in the market for options securities transaction services that constrain its pricing determinations in that market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system "has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies."[14]

There are currently 18 registered options exchanges competing for order flow. Based on publicly-available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades.[15] Therefore, currently no exchange possesses significant pricing power in the execution of

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12 15 U.S.C. 78f(b).

13 15 U.S.C. 78f(b)(4) and (5).

14 See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (S7-10-04) ("Reg NMS Adopting Release").

15 The OCC publishes options and futures volume in a variety of formats, including daily and monthly volume by exchange, available here: https://www.theocc.com/Market-Data/Market-Data-Reports/Volume-and-Open-Interest/Monthly-Weekly-Volume-Statistics.

multiply-listed equity & ETF options order flow. More specifically, in November of 2024, the Exchange had 6.09% market share of executed volume of multiply-listed equity & ETF options trades.[16] In such a low-concentrated and highly competitive market, no single options exchange possesses significant pricing power in the execution of option order flow. Within this environment, market participants can freely and often do shift their order flow among the Exchange and competing venues in response to changes in their respective pricing schedules.

The proposed changes to the FB Prepay Program are reasonable as they are designed to encourage Floor Brokers that have previously enrolled in the program to reenroll for the upcoming year, as well as to attract Floor Brokers that have not yet participated in the program. The FB Prepay Program continues to be designed to encourage the role performed by Floor Brokers in facilitating the execution of orders via open outcry, a function which the Exchange wishes to support for the benefit of all market participants.

The Exchange believes that the proposed changes to the Manual Billable Rebate Program, including the proposed increase in certain of the minimum volume qualifications, are reasonable because they should continue to encourage Floor Brokers to participate in the FB Prepay Program, and to provide liquidity on the Exchange. Moreover, the Exchange believes that the proposed additional incentive for Firm Facilitation sides should encourage, as the name suggests, the facilitation of Customer transactions, in open outcry. To the extent that this incentive encourage Floor Brokers to facilitate Customer transactions on the Exchange, all market participants will benefit from the increased liquidity. The Exchange believes the proposed FB Prepay Program, as modified, should incent Floor Brokers to encourage OTP

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16 Based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of equity-based ETF options, see id., the Exchanges market share in equity-based options decreased slightly from 7.6%% for the month of November 2023 to 6.09% for the month of November 2024.

Holders to aggregate their executions at the Exchange as a primary execution venue. To the extent that the proposed change achieves its purpose in attracting more volume to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for order execution, thus improving market quality for all market participants.

The Exchange believes that the proposed higher maximum monthly amount that a firm could earn from the Maximum Combined Rebate/Credit is reasonable because it is set at an amount that is designed to encourage OTP Holders to direct QCC transactions and manual billable volume to the Exchange to receive the existing credits and proposed rebates.

The Exchange believes that the proposed change to allow Floor Broker organizations that restructure while enrolled in the program to maintain their status in the program is reasonable because this proposed change is designed to ensure that a Floor Broker does not lose the benefits of participating in the FB Prepay Program if, for example, it is acquired, merges with another entity, or otherwise reorganizes.

The Exchange believes the proposed rule change is an equitable allocation of its fees and credits because the proposal is based on the amount and type of business transacted on the Exchange. Floor Brokers are not obligated to participate in the FB Prepay Program, and those who do can choose to execute manual billable volume and QCC transactions to earn rebates through the Manual Billable Rebate Program or not. In addition, the Manual Billable Rebate Program continues to be equally available to all Floor Brokers that participate in the FB Prepay Program and the proposed (increased) monthly limit on the amount that firms could earn from the Maximum Combined Rebate/Credit.

The Exchange believes the proposed change is not unfairly discriminatory because it is based on the amount and type of business transacted on the Exchange. Floor Brokers are not obligated to execute manual billable (or QCC) transactions or participate in the FB Prepay Program, and the proposed rebates offered through the Manual Billable Rebate Program are available to all Floor Brokers that participate in the FB Prepay Program on a non-discriminatory basis. The proposed changes are designed to add flexibility to the FB Prepay Program by offering all participating Floor Brokers the same increased maximum combined rebate/credit amount and to encourage Floor Brokers to utilize the Exchange as a primary trading venue for all transactions (if they have not done so previously) and increase manual billable volume sent to the Exchange.

To the extent that the proposed continuation of (and modifications to) the FB Prepay Program and Manual Billable Rebate Program attract more manual transactions (and QCCs) to the Exchange, this increased order flow would continue to make the Exchange a more competitive venue for order execution. Thus, the Exchange believes the proposed rule change would improve market quality for all market participants on the Exchange and attract more order flow to the Exchange, thereby improving market-wide quality and price discovery. The resulting increased volume and liquidity would provide more trading opportunities and tighter spreads to all market participants and thus would promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors and the public interest.

Finally, the Exchange believes that it is subject to significant competitive forces, as described below in the Exchange's statement regarding the burden on competition.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for all market participants. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."[17]

Intramarket Competition. The proposed rebates available through the Manual Billable Rebate Program would be available to all Floor Brokers that choose to participate in the FB Prepay Program and meet the qualifying criteria for such rebates. The proposed increase of the Maximum Combined Rebate/Credit would likewise apply equally to all similarly-situated Floor Brokers. To the extent that there is an additional competitive burden on non-Floor Brokers, the Exchange believes that any such burden would be appropriate because Floor Brokers serve an important function in facilitating the execution of orders and price discovery for all market participants.

Intermarket Competition. The Exchange operates in a highly competitive market in which market participants can readily favor one of the 17 competing option exchanges if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow to the Exchange. Based on publicly-available information, and excluding index-based options, no single exchange has more than 16% of the market share of executed volume of multiply-listed equity and ETF options trades. Therefore, currently no exchange possesses significant pricing

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[17] See Reg NMS Adopting Release, supra note 14, at 37499.

power in the execution of multiply-listed equity & ETF options order flow. More specifically, in November 2024, the Exchange had 6.09% market share of executed volume of multiply-listed equity and ETF options trades.

The Exchange believes that the proposed changes reflect this competitive environment because they modify the Exchange's fees and credits in a manner designed to continue to incent Floor Brokers to direct trading interest (particularly QCC transactions and manual orders, including Firm Facilitation sides) to the Exchange, to provide liquidity and to attract order flow. To the extent that Floor Brokers are encouraged to participate in the FB Prepay Program and/or incentivized to utilize the Exchange as a primary trading venue for all transactions, all the Exchange's market participants should benefit from the improved market quality and increased opportunities for price improvement. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act, and Rule 19b-4(f)(2) thereunder the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing. At any time within 60 days of the filing of the 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.

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-NYSEAMER-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-NYSEAMER-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-NYSEAMER-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.[18]

Sherry R. Haywood,

Assistant Secretary.

[18] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Additions underscored
Deletions [bracketed]

NYSE AMERICAN OPTIONS FEE SCHEDULE*

*NYSE American Options is the options trading facility of NYSE American LLC

Effective as of January [14]15, 2025

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Section I. Options Transaction Fees and Credits

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F. QCC Fees & Credits. The table below describes the per contract fees and credits applicable to volume executed as part of a QCC trade.

Participant	**Per Contract Fee or Credit**
Customer and Professional Customer	$0.00
Market Maker, Firm, or Broker Dealer	$0.20
Floor Brokers executing Customer or Professional Customer vs. Market Maker, Firm, or Broker Dealer QCC Transaction[1]	($0.12)
Floor Brokers executing Market Maker, Firm, or Broker Dealer vs. Market Maker, Firm, or Broker Dealer QCC Transaction[1]	($0.18)

[1] Floor Brokers will not receive a credit for QCC trades that have a Customer or Professional Customer, or both, on both sides of the trade. For example, a Floor Broker executing as a QCC trade an order from a Customer buying 1,000 ABC Dec 40 Calls and an order from a Professional Customer selling 1,000 ABC Dec 40 Calls at $2.00 will not be eligible for the Floor Broker

credits. The Floor Broker credit will not apply to any QCC trades that are included in the Strategy Cap (per Section I.J.). Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program (as described in Section III.E.1. below) shall not combine to exceed $3,000,000[$2,750,000] per month per Floor Broker firm.

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Section III. Monthly Trading Permit, Rights, Floor Access and Premium Product Fees

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E. Floor Broker Incentive and Rebate Programs

1. Floor Broker Fixed Cost Prepayment Incentive Program (the "FB Prepay Program")

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Participants in the FB Prepay Program qualify for rebates by achieving billable manual volume of certain amounts (the "Manual Billable Rebate Program"). The calculation of volume on which rebates earned through the Manual Billable Rebate Program would be paid is based on transactions including at least one side for which manual transaction fees are applicable and unless otherwise indicated excludes QCCs. Any volume calculated to achieve the Strategy Execution Fee Cap, regardless of whether the cap is achieved, will likewise be excluded from the Manual Billable Rebate Program because fees on such volume are already capped and therefore such volume does not increase billable manual volume.

Participants in the FB Prepay Program that achieve the following monthly qualifications will be eligible for rebates through the Manual Billable Rebate Program, payable on a monthly basis:

Tier	Manual Billable Rebate Qualification	Rebate per Billable Side
1	Execute 500,000 manual billable sides	($0.05)
2	Execute 1.4[1.1] million manual billable sides	($0.07)
	Achieve Tier 1 or 2, plus execute 3.5 million	Additional ($0.02)

	Firm Facilitation sides	
	Execute 5 million combined manual billable and QCC billable contracts	($0.10)
	Execute 7 million combined manual billable and QCC billable contracts	Additional ($0.01)
	Execute 10[11] million combined manual billable and QCC billable contracts	Additional ($0.02)

The Manual Billable Rebate (including the "Additional" rebates) is payable back to the first billable side. Qualifying Participants are eligible to receive only one "Additional" rebate.

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Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program shall not combine to exceed $3,000,000[$2,750,000] per month per Floor Broker firm.

To participate in the FB Prepay Program, Floor Broker organizations must notify the Exchange in writing by emailing optionsbilling@nyse.com, indicating a commitment to submit prepayment for the following calendar year, by no later than the last business day of December in the current year. The email to enroll in the Program must originate from an officer of the Floor Broker organization and represents a binding commitment through the end of the following calendar year. Payment must be received in full by the close of business on the last business day of January. A Floor Broker organization that commits to the Program will be invoiced in January for Eligible Fixed Costs, based on annualizing their Eligible Fixed Costs incurred in November of the current year. A Floor Broker may join the Program after the first of the year by notifying the Exchange and prepaying Eligible Fixed Costs equating to $10,000 for each remaining calendar month. Eligibility for rebates under the Program will begin on the first day of the month after payment to the Exchange. A Floor Broker organization that restructures while enrolled in the Program will maintain its status in the Program. The Exchange will not issue any refunds in the event that a Floor Broker organization's prepaid Eligible Fixed Costs exceeds actual annual costs.

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