

## **SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-104593; File No. SR-GEMX-2026-01]**

### **Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Options 5, Sections 5 and 7**

January 13, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 6, 2026, Nasdaq GEMX, LLC (“GEMX” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. 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 amend Options 3, Section 5 (Entry and Display of Orders); and Options 3, Section 7 (Types of Orders and Order and Quote Protocols).

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/gemx/rulefilings>, and at the principal office of the Exchange.

**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

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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 Options 3, Section 5 (Entry and Display of Orders) and Options 3, Section 7 (Types of Orders and Order and Quote Protocols). Each rule change will be described below.

**Options 3, Section 5**

The Exchange proposes to amend Options 3, Section 5, Entry and Display of Orders, to align the rule text at Options 3, Section 5(c) with Nasdaq Phlx LLC (“Phlx”) Options 3, Section 5(c). Today, GEMX Options 3, Section 5(c) states,

The System automatically executes eligible orders using the Exchange’s displayed best bid and offer (“BBO”) or the Exchange’s non-displayed order book (“internal BBO”) if the best bid and/or offer on the Exchange has been re-priced pursuant to subsection (d) below and Options 3, Section 4(b)(6) above.

At this time, the Exchange proposes to state,

The System automatically executes eligible orders using the Exchange’s displayed best bid and offer (“BBO”) or the Exchange’s non-displayed order book (“internal BBO”) if there are non-displayed orders on the order book or the best bid and/or offer on the Exchange has been re-priced pursuant to subsection (d) below and Options 3, Section 4(b)(6) above.

The amendment is non-substantive because, today, a non-displayed order on the order book will be executed at the best price on the Exchange whether that best price is displayed or non-displayed.

### **Options 3, Section 7**

The Exchange proposes to amend the language of GEMX Supplementary .03 to Options 3, Section 7 to align with Phlx Supplementary .03 to Options 3, Section 7. Specifically, the Exchange proposes to amend the “Financial Information eXchange” or “FIX” at Supplementary .03(a) to Options 3, Section 7 to align the rule text with Phlx Supplementary .03(a) to Options 3, Section 7 and note that the interface allows Members and their Sponsored Customers to connect, send, and receive messages related to orders and auction orders *and responses to and from* the Exchange. This amendment reflects current System operation.

Similarly, the Exchange proposes to amend the “Ouch to Trade Options” or “OTTO” at Supplementary .03(b) to Options 3, Section 7 to align the rule text with Phlx Supplementary .03(b) to Options 3, Section 7 and note that the interface allows Members and their Sponsored Customers to connect, send, and receive messages related to orders, auction orders, and auction responses to *and from* the Exchange. This amendment reflects current System operation.

Finally, the Exchange proposes to amend the “Specialized Quote Feed” or “SQF” at Supplementary .03(c) to Options 3, Section 7 to align the rule text with Phlx Supplementary .03(c) to Options 3, Section 7 and note that the interface allows Market Makers to connect, send, and receive messages related to quotes, Immediate-or-Cancel Orders, and auction responses to *and from* the Exchange. This amendment reflects current System operation.

## **2. Statutory Basis**

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>3</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>4</sup> in particular, in

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<sup>3</sup> 15 U.S.C. 78f(b).

<sup>4</sup> 15 U.S.C. 78f(b)(5).

that it is designed to promote just and equitable principles of trade, 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.

### **Options 3, Section 5**

The Exchange's proposal to note that the System automatically executes eligible orders using the Exchange's displayed best bid and offer ("BBO") or the Exchange's non-displayed order book ("internal BBO") if there are non-displayed orders on the order book or the best bid and/or offer on the Exchange has been re-priced pursuant to subsection (d) below and Options 3, Section 4(b)(6) is consistent with the Act because, today, a non-displayed order on the order book will be executed at the best price on the Exchange whether that best price is displayed or non-displayed. This rule text aligns GEMX Options 3, Section 5(c) with Phlx Options 3, Section 5(c).

### **Options 3, Section 7**

The Exchange's proposal to amend FIX at Supplementary .03(a) to Options 3, Section 7 to align the rule text with Phlx Supplementary .03(a) to Options 3, Section 7 and note that the interface allows Members and their Sponsored Customers to connect, send, and receive messages related to orders and auction orders *and responses to and from* the Exchange is consistent with the Act as the interface is designed for Members to communicate to the Exchange with responses and receive messages from the Exchange. This rule text aligns with Phlx Supplementary .03(a) to Options 3, Section 7. Similar changes are proposed for OTTO at Supplementary .03(b) to Options 3, Section 7 and SQF at Supplementary .03(c) and those changes align with Phlx Supplementary .03(b) and (c) to Options 3, Section 7. The amendments reflects current System operation.

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.

**Options 3, Section 5**

Amending Options 3, Section 5(c) does not impose an undue burden on intra-market competition because the Exchange will automatically execute each transaction at the best price available on the Exchange.

Amending Options 3, Section 5(c) does not impose an undue burden on inter-market competition because all options Exchange execute at the best price available on that market regardless of the displayed price.

**Options 3, Section 7**

Amending the protocols at Supplementary .03 to Options 3, Section 7 to specify the protocols permit communications to and from the Exchange, including responses, does not impose an undue burden on intra-market competition because this is true for all Members.

Amending the protocols at Supplementary .03 to Options 3, Section 7 to specify the protocols permit communications to and from the Exchange, including responses, does not impose an undue burden on inter-market competition because other options exchange such as Phlx have identical protocols.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition;

and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>5</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>6</sup>

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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-GEMX-2026-01 on the subject line.

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<sup>5</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>6</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

**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-GEMX-2026-01. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>).

Copies of the filing 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-GEMX-2026-01 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.<sup>7</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

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<sup>7</sup> 17 CFR 200.30-3(a)(12).