

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106563; File No. SR-NYSEAMER-2026-54]

Self-Regulatory Organizations; NYSE American LLC; Order Instituting Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change to Amend Rules 903G and 906G

October 1, 2026.

I. Introduction

On June 29, 2026, NYSE American LLC (“Exchange” or “NYSE American”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ a proposed rule change to permit cash settlement for up to 50 non-ETF Flexible Exchange (“FLEX”) Equity Options. The proposed rule change was published for comment in the Federal Register on July 7, 2026.⁴ On August 19, 2026, pursuant to Section 19(b)(2)(A) of the Act,⁵ the Commission designated a longer period within which to take action on the proposed rule change.⁶ The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act⁷ to determine whether to approve or disapprove the proposed rule change.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ See Securities Exchange Act Release No. 105831 (July 1, 2026), 91 FR 41696 (“Notice”).

⁵ 15 U.S.C. 78s(b)(2)(A).

⁶ See Securities Exchange Act Release No. 106165, 91 FR 54778 (August 24, 2026). The Commission designated October 5, 2026, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁷ 15 U.S.C. 78s(b)(2)(B).

II. Description of the Proposed Rule Change

As described more fully in the Notice,⁸ the Exchange proposes to: (i) amend paragraph (c)(3)(ii) of Rule 903G to permit cash settlement for up to 50 non-ETF FLEX Equity Options whose underlying security meets the same criteria that currently must be met to qualify for the cash settlement program for ETF FLEX Equity Options; (ii) amend paragraph (c)(3)(ii)(A) of Rule 903G to provide that, where more than 50 underlying ETFs or 50 underlying non-ETFs qualify, the Exchange will select the 50 qualifying securities with the highest average daily notional value, replacing the current usage of highest average daily share volume; (iii) and correspondingly revise Rule 906G, which addresses FLEX Equity Option position limits.

III. Proceedings to Determine Whether to Approve or Disapprove SR-NYSEAMER-2026-54 and Grounds for Disapproval Under Consideration

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act⁹ to determine whether the Exchange's proposed rule change should be approved or disapproved. Institution of proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, as described below, the Commission seeks and encourages interested persons to provide additional comment on the proposed rule change to inform the Commission's analysis of whether to approve or disapprove the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,¹⁰ the Commission is providing notice of the grounds for disapproval under consideration. The Commission is instituting proceedings to allow

⁸ See Notice, supra note 4.

⁹ 15 U.S.C. 78s(b)(2)(B).

¹⁰ See id.

for additional analysis of, and input from commenters with respect to, the proposed rule change's consistency with the Act and, in particular, Section 6(b)(5) of the Act,¹¹ which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, 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.

The Commission asks that commenters address the sufficiency of the Exchange's statements in support of the proposal, which are set forth in the Notice,¹² in addition to any other comments they may wish to submit about the proposed rule change. By way of example, the Commission recently granted exemptive relief—to permit p.m. settlement for cash-settled security futures—that was conditioned on the collection and provision of certain data elements.¹³ Commenters may submit comments regarding the potential utility of the same or similar data collection commitments here, in addition to any other comments they may wish to submit about the proposed rule change.

IV. Procedure: Request for Written Comments

The Commission requests that interested persons provide written submissions of their views, data, and arguments with respect to the concerns identified above, including the issues raised by commenters, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposed rule change is consistent with Section 6(b)(5), or any other provision of the Act, or

¹¹ 15 U.S.C. 78f(b)(5).

¹² See Notice, supra note 4.

¹³ See Securities Exchange Act Release No. 105882 (July 10, 2026), 91 FR 43410 (July 15, 2026).

the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4 under the Act,¹⁴ any request for an opportunity to make an oral presentation.¹⁵

Interested persons are invited to submit written data, views, and arguments regarding whether the proposed rule change should be approved or disapproved by [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by [INSERT DATE 35 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

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-2026-54 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.

¹⁴ 17 CFR 240.19b-4.

¹⁵ Section 19(b)(2) of the Act, as amended by the Securities Act Amendments of 1975, Public Law 94-29 (June 4, 1975), grants to the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. *See* Securities Acts Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

All submissions should refer to file number SR-NYSEAMER-2026-54. 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-NYSEAMER-2026-54 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. Rebuttal comments should be submitted by [INSERT DATE 35 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁶

Sherry R. Haywood,
Assistant Secretary.

¹⁶ 17 CFR 200.30-3(a)(57).