

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 240 and 242

[Release No. 34-104147; File No. S7-29-22]

RIN 3235-AN22

Extension of Compliance Date for Disclosure of Order Execution Information

AGENCY: Securities and Exchange Commission.

ACTION: Final rule; extension of compliance date.

SUMMARY: The Securities and Exchange Commission (“Commission”) is extending the compliance date for the amendments to the rules requiring the disclosure of order executions in national market system (“NMS”) stocks from December 14, 2025, to August 1, 2026.

DATES: *Effective Date:* The effective date for this release is [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

Compliance Date: The compliance date for the amendments to Rules 600 and 605 of Regulation NMS, published on April 15, 2024, at 89 FR 26428, is extended from December 14, 2025, to August 1, 2026.

FOR FURTHER INFORMATION CONTACT: Kathleen Gross, Senior Special Counsel; Lauren Yates, Senior Special Counsel; Susie Cho, Special Counsel; or David Michehl, Special Counsel at (202) 551-5500, Division of Trading and Markets, Commission, 100 F Street NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION:

I. DISCUSSION

On March 6, 2024, the Commission adopted amendments to 17 CFR 242.600 and 17 CFR 242.605 (“Rule 605”), which, among other things, expand the scope of entities subject to Rule

605 (including larger broker-dealers, in addition to market centers), modify the categorization and content of information required to be disclosed in the detailed execution quality reports published under Rule 605 (including by modifying the scope of covered orders subject to disclosures), and require reporting entities to produce a summary report of execution quality in addition to the existing detailed disclosures regarding execution quality for covered orders in NMS stocks (“Rule 605 Amendments”).¹

The Commission addressed the compliance date for the Rule 605 Amendments in the Adopting Release.² The effective date of the Rule 605 Amendments was June 14, 2024 (“Effective Date”). In the Adopting Release, the Commission stated that the compliance date for the Rule 605 Amendments will be 18 months after the Effective Date (“Compliance Date”).³ Accordingly, the Compliance Date is December 14, 2025. The Commission stated that the Compliance Date was designed to allow time for participants to amend the National Market System Plan Establishing Procedures Under Rule 605 of Regulation NMS (the “Rule 605 NMS Plan”), which addresses procedures for making Rule 605 reports available in a uniform, readily accessible, and usable electronic format, and time for brokers, dealers, and market centers to comply with Rule 605 as amended.⁴ The Commission recognized that preexisting market centers and vendors will need time to update their systems and processes to ensure that data responsive

¹ See Securities Exchange Act Release No. 99679 (Mar. 6, 2024), 89 FR 26428 (Apr. 15, 2024) (“Adopting Release”).

² See Adopting Release, 89 FR at 26495-97.

³ See Adopting Release, 89 FR at 26496. Paragraphs (a)(1)(ii)(M) through (Q) of Rule 605 require reporting entities to calculate price improvement statistics relative to the best available displayed price. In the Adopting Release, the Commission stated that, notwithstanding the Compliance Date, “Rule 605’s price improvement statistics that are relative to the best available displayed price will not be required to be reported until six months after odd-lot order information needed to calculate the best available displayed price is made available pursuant to an effective national market system plan.” See Adopting Release, 89 FR at 26482. The Commission is not altering this aspect of the rule and compliance with this aspect of Rule 605 is therefore required beginning November 2026. See also *infra* note 20.

⁴ See Adopting Release, 89 FR at 26497.

to the amended Rule 605 requirements are correctly collected and formatted, and that larger broker-dealers and market centers newly subject to Rule 605 will need time to create such systems and processes.⁵

Since the Rule 605 Amendments were adopted, Commission staff has been working with market participants to address certain technical and interpretative issues relating to the implementation of the amended rule. In connection with these efforts, market participants have requested additional time to implement the Rule 605 Amendments. For instance, in March 2025, the Financial Information Forum (“FIF”) raised concerns about whether the Compliance Date was feasible. FIF stated that it had requested that the Commission provide written clarification or guidance on numerous issues and scenarios given the “complexity of the Rule 605 reporting requirements and the complexity of order types and order handling processes in the market”⁶ and that its members were unclear about the timing and content of a Rule 605 NMS Plan amendment.⁷ FIF also stated that “FIF members are unable to determine the timeline that would be required for reporting firms to implement the Rule 605 amendments.”⁸ In August 2025, FIF submitted an additional comment letter asking for an extension of the Compliance Date “as soon

⁵ See Adopting Release, 89 FR at 26496.

⁶ See Letter from Howard Meyerson, Managing Director, FIF, dated Mar. 17, 2025 (“FIF II”), at 1-2, available at <https://fif.com/index.php/working-groups/category/271-comment-letters?download=3215:fif-letter-to-the-sec-relating-to-the-implementation-of-the-2024-amendments-to-rule-605&start=20&view=category> (citing Letter from Howard Meyerson, Managing Director, FIF, dated June 24, 2024 (“FIF I”), at 1, available at <https://fif.com/index.php/working-groups/category/271-comment-letters?download=2954:fif-letter-to-the-sec-relating-to-the-implementation-of-the-sec-s-amendments-to-rule-605&start=60&view=category>).

⁷ See FIF II, at 2. See also FIF I, at 2 (stating that the Rule 605 Amendments “can only be implemented as designed” if the participants to the Rule 605 NMS Plan update the procedures for Rule 605 reporting).

⁸ FIF II, at 2. See also FIF I, at 25 (requesting a minimum implementation period of one year from the date that the Commission provides written guidance in response to the issues and questions set forth in their letter).

as possible.”⁹ In addition, FIF requested that the Commission set the compliance date for the Rule 605 amendments as the first day of a calendar month because “implementing the Rule 605 amendments mid-month would be very costly for market participants” and would be “throwaway work that would only apply for one specific month.”¹⁰

After consideration of these requests, and for the reasons described below, the Commission is extending the compliance date for the Rule 605 Amendments to August 1, 2026. Beginning on August 1, 2026, market centers, brokers, and dealers subject to Rule 605 must begin to collect the information needed to prepare the execution quality reports required under the Rule 605 Amendments.¹¹ This extension will provide market centers, brokers, and dealers with additional time to develop or modify the systems and processes necessary to collect and make publicly available the data required by the Rule 605 Amendments, while complying with required formats and procedures.¹² The extension will also provide market participants with time to continue to work with Commission staff to address outstanding interpretative and compliance questions. An extension of the compliance date until August 1, 2026, strikes an appropriate balance between the goal of the Rule 605 Amendments to update and improve the disclosure of execution quality information and market participants’ request for additional time

⁹ Letter from Howard Meyerson, Managing Director, FIF, dated Aug. 20, 2025 (“FIF III”), at 2, [available at https://fif.com/index.php/working-groups/category/271-comment-letters?download=3359:fif-letter-to-the-sec-relating-to-the-implementation-of-rule-605&view=categorye](https://fif.com/index.php/working-groups/category/271-comment-letters?download=3359:fif-letter-to-the-sec-relating-to-the-implementation-of-rule-605&view=categorye) Implementation of Rule 605.

¹⁰ FIF III, at 3. See also FIF I, at 25.

¹¹ 17 CFR 242.605(a)(6) requires market centers, brokers, and dealers to make the Rule 605 detailed and summary reports publicly available within one month after the end of the month addressed in the report. Thus, reporting entities will have until the end of September 2026 to make their August 2026 reports publicly available.

¹² The Commission recently approved an amendment to the Rule 605 NMS Plan to reflect the Rule 605 Amendments and has issued schemas, PDF renderers, sample reports, and technical specifications for the new Rule 605 summary reports (collectively, “Rule 605 Formats and Fields Documents”). See Securities Exchange Act Release No. 103939 (Sept. 10, 2025), 90 FR 44438 (Sept. 15, 2025) and <https://www.sec.gov/data-research/taxonomies-schemas/technical-specifications-schemas>.

for implementation of the Rule 605 Amendments.¹³ In addition, to address concerns about unnecessary costs associated with implementing the requirements mid-month, the extension will align the monthly disclosure obligation with the beginning of a month.

II. Economic Analysis

The Commission is mindful of the economic effects, including the benefits and costs, of the compliance date extension. Section 3(f) of the Securities Exchange Act of 1934 (“Exchange Act”) requires the Commission, when it is engaged in rulemaking pursuant to the Exchange Act and is required to consider or determine whether an action is necessary or appropriate in the public interest, to consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation.¹⁴ In addition, Exchange Act section 23(a)(2) requires the Commission, when making rules pursuant to the Exchange Act, to consider among other matters the impact that any such rule would have on competition and not to adopt any rule that would impose a burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.¹⁵

The baseline against which the benefits, costs, and the effects on efficiency, competition, and capital formation of the compliance date extension are measured consists of the current state of the market for NMS stocks, current practices related to reporting under preexisting Rule 605, and changes in reporting requirements brought by the Rule 605 Amendments.¹⁶ As discussed above,¹⁷ pursuant to the Adopting Release, the Compliance Date for the Rule 605 Amendments

¹³ See supra notes 6-9 and accompanying text.

¹⁴ See 15 U.S.C. 78c(f).

¹⁵ See 15 U.S.C. 78w(a)(2).

¹⁶ The changes in reporting requirements brought by the Rule 605 Amendments also include the approved amendment to the Rule 605 NMS Plan and other Rule 605 Formats and Fields Documents discussed above. See supra section I.

¹⁷ See id.

is December 14, 2025, but market participants have stated that additional time is needed to implement the Rule 605 Amendments, and that a mid-month compliance date will impose an unnecessary burden.

The Commission is extending the compliance date for the Rule 605 Amendments to August 1, 2026.¹⁸ This extension will affect market centers that currently prepare reports under preexisting Rule 605; larger brokers and dealers and new market centers¹⁹ that will need to begin preparing reports under the Rule 605 Amendments; vendors that currently prepare or will prepare Rule 605 reports for reporting entities; smaller brokers and dealers that will not be required to prepare reports under the Rule 605 Amendments; market participants that currently utilize Rule 605 reports or those that will utilize the detailed or summary reports under the Rule 605 Amendments; and investors that trade NMS stocks.

The extension of the compliance date will delay the realization of economic benefits associated with the Rule 605 Amendments.²⁰ The Rule 605 Amendments, which expand the

¹⁸ On August 1, 2026, market centers, brokers, and dealers subject to Rule 605 will need to begin collecting the information needed to prepare the execution quality reports required under the Rule 605 Amendments. Reporting entities will then need to make their detailed and summary reports covering data from August 2026 publicly available by the end of September 2026. See 17 CFR 242.605(a)(6).

¹⁹ These include single-dealer platforms and market centers that exclusively execute fractional shares.

²⁰ See Adopting Release, sections IX.A and IX.D.1. Market centers, brokers, and dealers will have six months after odd-lot order information sufficient to calculate the best available displayed price is made available pursuant to an effective national market system plan to start including price improvement statistics relative to the best available displayed price in their Rule 605 reports. See Adopting Release, 89 FR at 26497. A subsequent release set the compliance date for every national securities exchange on which an NMS stock is traded and national securities association to make available to the exclusive securities information processors (“SIPs”) all data necessary to generate odd-lot information, and for the SIPs to collect, consolidate, and disseminate odd-lot information, including the best odd-lot order to buy and the best odd-lot order to sell (“BOLO”), to the first business day of May 2026. See Securities Exchange Act Release No. 101070 (Sept. 18, 2024), 89 FR 81620, 81680 (Oct. 8, 2024) (“Tick Size and Access Fees Adopting Release”). The Commission is not extending the six-month implementation period for market centers, brokers, and dealers to include price improvement statistics relative to the best available displayed price in their Rule 605 reports. Therefore, the compliance date for including price improvement statistics relative to the best available displayed price in Rule 605 reports is still six months after the first business day in May 2026 (i.e., in November 2026) and the benefits and costs associated with these Rule 605 Amendments will not be delayed. See Adopting Release, sections IX.D.1.b)(2)(b)(vii) and IX.D.2. See *infra* note 25 and

scope of reporting entities, modernize the content of Rule 605 reports, and broaden the reports' accessibility, are expected to increase the relevance and use of the information contained in the reports, and promote competition among market centers and broker-dealers. This increase in competition is expected to ultimately lead to improved execution quality for investors. The extension of the compliance date will delay the improvement in transparency of order execution quality information, which will also delay the increased competition and improvements in execution quality resulting from this additional transparency.

The extension of the compliance date will also delay the ongoing costs of complying with the Rule 605 Amendments. We estimate these compliance cost savings from the delay to be about \$7.1 million in aggregate.²¹ Additional time to work with Commission staff to address outstanding interpretative and compliance questions may also reduce the likelihood that reporting entities incur additional implementation costs associated with re-programming systems to comply with the requirements of the Rule 605 Amendments.²² Further, extending the compliance date could reduce the likelihood that reporting entities report the Rule 605 Amendments in an inconsistent manner and help ensure that amended Rule 605 reports are comparable across reporting entities.²³ Extending the compliance date and aligning it with the

accompanying text for a discussion of the effects of the extension of the compliance date on the costs associated with incorporating odd-lot information into the Rule 605 Amendment price improvement statistics relative to the best available displayed price.

²¹ The Rule 605 Amendments are estimated to have aggregate annual ongoing compliance costs of \$11.3 million dollars for all reporting entities. See Adopting Release, section IX.D.2.(a). This extension will extend the compliance date for the Rule 605 Amendments by approximately 7.5 months. Therefore, the compliance date extension will result in a savings of approximately $\$11.3 \text{ million} * 7.5/12 \text{ months} = \7.1 million in ongoing compliance costs.

²² See FIF III, at 3.

²³ See id.

beginning of a calendar month will also avoid any additional costs to reporting entities to develop processes for generating partial-month reports.

In addition to delaying compliance costs, the extension of the compliance date will also delay the realization of other economic costs that may result from market participants adjusting their behavior in response to increased transparency and competition on the basis of execution quality caused by the Rule 605 Amendments.²⁴ Extending the compliance date will reduce the implementation costs of the Rule 605 Amendment metrics that are affected by other adopted Commission Rules with earlier compliance dates and also mitigate the potential costs associated with overlapping compliance dates. This includes the separate implementation periods for the round lot definition and odd-lot information definition,²⁵ as well as other provisions of the Market Data Infrastructure Rules (“MDI Rules”)²⁶ and other adopted Commission Rules.²⁷

²⁴ See Adopting Release, section IX.D.2.(b). For example, the extension would delay costs that reporting entities may need to incur to update or improve their routing or execution systems due to increased competition on the basis of execution quality caused by the Rule 605 amendments. See Adopting Release, section IX.D.2.(b).(1).

²⁵ The compliance date for implementing the round lot definition and round lot indicator is the first business day of November 2025. See Tick Size and Access Fee Adopting Release, 89 FR at 81681. Extending the Compliance Date for the Rule 605 Amendments from December 14, 2025 to August 1, 2026 will allow more time for reporting entities to incorporate the round lot definition changes into their implementation of the Rule 605 Amendments, which may reduce compliance costs. The compliance date for the SIPs to collect, consolidate, and disseminate odd-lot information is the first business day of May 2026, with an implementation period for reporting entities to include this information in their Rule 605 reports ending the first business day of November 2026. See *supra* note 20. Extending the compliance date for the Rule 605 Amendments until after odd-lot information becomes available may reduce compliance costs by allowing reporting entities, if they so choose, to incorporate this information into their initial Rule 605 Amendment metrics calculating price improvement statistics relative to the best available displayed price, rather than having to make initial reports without these metrics and then updating their reporting systems after the information becomes available.

²⁶ Securities Exchange Act Release No. 90610 (Dec. 9, 2020), 86 FR 18596 (Apr. 9, 2021).

²⁷ The Adopting Release discussed potential costs arising from the overlap in compliance dates between the Rule 605 Amendments and the additional MDI Rule amendments besides the round lot definition and odd-lot information definition. The Adopting Release estimated that the full implementation of the MDI Rules would be at least two years after the Commission’s approval of amendments to the effective national market system plan(s) as required by Rule 614(e). See Adopting Release, 89 FR at 26506. The Commission believes that the extension of the compliance date for the Rule 605 Amendments and the expected two-year implementation period for the additional MDI Rules will mitigate the cost of any overlapping compliance period between these two rules. The Adopting Release also discussed potential costs arising from the

The extension of the compliance date will delay the effects on efficiency, competition, and capital formation of the Rule 605 Amendments.²⁸ The extension of the compliance date will delay the increase in transparency of order execution quality information, which will delay the expected increase in competition among reporting entities on the basis of execution quality resulting from this increased transparency.²⁹ Finally, the extension of the compliance date will delay the increase in price efficiency, and the associated improvement in capital allocation and promotion of capital formation, that may result from improved order execution quality caused by the Rule 605 Amendments.³⁰

The Commission considered reasonable alternatives to the new compliance date, namely a shorter or longer extension. A shorter extension would realize some of the benefits arising from the Rule 605 Amendments sooner. However, to the degree that a shorter extension would result in inconsistent readiness and inconsistent reporting outcomes across broker-dealers and market centers, a key benefit of the Rule 605 Amendments—the ability to compare order execution

overlap in compliance dates between the Rule 605 Amendments and Securities Exchange Act Release No. 96930 (Feb. 15, 2023), 88 FR 13872 (Mar. 6, 2023) (“Settlement Cycle Adopting Release”). See Adopting Release, 89 FR at 26508 & n.1050. But the compliance period of the Settlement Cycle Adopting Release concluded on May 28, 2024, so the overlap in compliance periods ended over a year ago. Additionally, the Financial Industry Regulatory Authority has stated that its Trade Reporting Facilities and the exclusive SIPs will begin reporting and disseminating fractional share transaction quantities on February 23, 2026. See Technical Notice, Update – Fractional Shares Reporting Effective Date Set for February 23, 2026 and UAT Schedule Beginning in November 2025 (Mar. 28, 2025), FINRA, <https://www.finra.org/filing-reporting/technical-notices/update-fractional-shares-reporting-20250328>. See also SIP Fractional Share Reporting Enhancements – Update 2, CTA (Mar. 28, 2025, at 12:58 ET), <https://www.ctaplan.com/announcements#110000948153>. Delaying the compliance date for the Rule 605 Amendments may reduce compliance costs by allowing reporting entities to incorporate this information into their initial Rule 605 Amendment updates, rather than having to make additional updates later to include this information if it became available after they implemented the Rule 605 Amendments.

²⁸ See Adopting Release, section IX.D.3.

²⁹ See Adopting Release, section IX.D.1. The extension of the compliance date will also delay additional affects the Rule 605 Amendments may have on competition, such as increasing the extent to which Rule 605 reporting entities compete within other quality areas (such as rebates and transaction fees) and increasing competition in related markets (such as the market for Transaction Cost Analysis services). See Adopting Release, section IX.D.3.b).

³⁰ See Adopting Release, sections IX.D.3.a), IX.D.3.c).

quality across reporting entities—would not fully be realized.³¹ A shorter extension might not allow reporting entities sufficient time to implement additional clarification and guidance on implementing the Rule 605 Amendments, which could increase their implementation costs as well as contribute to inconsistent reporting outcomes.

While a longer extension would further delay both the benefits and costs arising from the Rule 605 Amendments, reporting entities might not need additional time beyond the extended compliance date to update their systems and reporting methods. Therefore, a longer extension might not result in significant reductions to reporting entity implementation costs compared to the current extension.

III. Procedural and Other Matters

The Administrative Procedure Act (“APA”) generally requires an agency to publish notice of a rulemaking in the *Federal Register* and provide an opportunity for public comment. This requirement does not apply, however, if the agency “for good cause finds . . . that notice and public procedure are impracticable, unnecessary, or contrary to the public interest.”³²

The Commission, for good cause, finds that notice and solicitation of comment regarding the extension of the compliance date set forth herein is impracticable, unnecessary, or contrary to the public interest.³³ This rule does not impose any new substantive regulatory requirements on any person and merely reflects the extension of the compliance date for the Rule 605 Amendments. As discussed above, the Commission has been engaging with market participants

³¹ See FIF III, at 3 (“broker-dealers reporting in an inconsistent manner. . . . would defeat a primary objective of the Rule 605 amendments, which is to allow for a quantitative comparison of order handling performance across broker-dealers and execution venues”).

³² 5 U.S.C. 553(b)(B).

³³ See *id.* (stating that an agency may dispense with prior notice and comment when it finds, for good cause, that notice and comment are “impracticable, unnecessary, or contrary to the public interest”).

regarding the implementation of the Rule 605 Amendments and has become aware of various logistical, operational, and interpretive challenges that raise questions about the ability of firms to come into compliance by the initial December 14, 2025, compliance date. Accordingly, the Commission has determined that an extension of the compliance date is needed in order to ensure an orderly implementation of the Rule 605 Amendments. Given the time constraints, a notice and comment period could not reasonably be completed before the December 14, 2025, compliance date. Further, given the operational challenges and associated costs firms would face in to meet the December compliance date, providing immediate certainty that the compliance date is extended will enable firms to adjust their implementation plans accordingly and facilitates an orderly implementation of the Rule 605 Amendments, consistent with the intended purpose of the extension.³⁴

For similar reasons, although the publication of a rule is generally required at least 30 days before its effective date, the requirements of 5 U.S.C. 553(d)(3) and 808(2) are satisfied (notwithstanding the requirement of 5 U.S.C. 801)³⁵ and therefore the good cause exception applies to this action.

The Office of Management and Budget has determined that this action is not a significant regulatory action as defined in Executive Order 12866, as amended, and therefore it was not subject to Executive Order 12866 review. Pursuant to the Congressional Review Act, the Office

³⁴ The compliance date extension set forth in this release is effective upon publication in the *Federal Register*. Section 553(d)(1) of the APA allows effective dates that are less than 30 days after publication for a “substantive rule which grants or recognizes an exemption or relieves a restriction.” 5 U.S.C. 553(d)(1).

³⁵ See 5 U.S.C. 553(d)(3) (the publication of a substantive rule may be less than 30 days before its effective date for good cause found and published with the rule); 5 U.S.C. 808(2) (if a Federal agency finds that notice and public comment are impracticable, unnecessary or contrary to the public interest, a rule shall take effect at such time as the Federal agency promulgating the rule determines). This rule also does not require analysis under the Regulatory Flexibility Act. See 5 U.S.C. 604(a) (requiring a final regulatory flexibility analysis only for rules required by the APA or other law to undergo notice and comment). Finally, this rule does not contain any collection of information requirements as defined by the Paperwork Reduction Act of 1995 (“PRA”). 44 U.S.C. 3501 *et seq.* Accordingly, the PRA is not applicable.

of Information and Regulatory Affairs has designated the extension of the compliance date not a “major rule,” as defined by 5 U.S.C. 804(2).

IV. Conclusion

The Commission extends until August 1, 2026, the compliance date for the Rule 605 Amendments.

By the Commission.

Dated: September 30, 2025.

Vanessa A. Countryman,

Secretary.