

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105109; File No. SR-FINRA-2026-006]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend FINRA Rule 6272 (Character of Quotations) to Modify the Operation of the Alternative Display Facility in Light of SEC Regulation NMS’s New Requirements Related to the Dissemination of Odd-Lot Quotation Information

March 30, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 27, 2026, the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4 under the Act,³ which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 17 CFR 240.19b-4(f)(6).

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

FINRA is proposing to amend Rule 6272 (Character of Quotations) to modify the operation of the Alternative Display Facility (“ADF”) in light of SEC Regulation NMS’s new requirements related to the dissemination of odd-lot quotation information.

The text of the proposed rule change is available on FINRA’s website at <http://www.finra.org> and at the principal office of FINRA.

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

In its filing with the Commission, FINRA 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 these statements may be examined at the places specified in Item IV below. FINRA 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 ADF is a FINRA-operated quotation collection and trade reporting facility that provides an ADF Market Participant (i.e., a FINRA member that is an ADF-registered market maker or electronic communications network)⁴ the ability to display quotations, compare trades, and report transactions in NMS stocks⁵ for submission to the exclusive securities information processors (“SIPs”) for consolidation and dissemination to vendors and other market participants. As a display-only facility, the ADF does not provide automated order routing

⁴ See Rule 6220(a)(3).

⁵ See 17 CFR 242.600(b)(65). For purposes of the ADF rules, an “ADF-eligible security” is defined as an NMS stock. See Rule 6220(a)(2).

functionality or execution facilities. Currently, there are no active quoting ADF Market Participants and one active trade-reporting-only ADF participant.

The FINRA Rule 6200 Series establishes the requirements for use and operation of the ADF. FINRA Rule 6272 (Character of Quotations) sets forth various requirements applicable to ADF Market Participants with respect to the display of quotations on the ADF. The ADF's quotation display functionality is limited to quotations with a size of at least one normal unit of trading (sometimes referred to as a "round lot"),⁶ and accordingly, the requirements set forth in FINRA Rule 6272 refer to quotations for at least one normal unit of trading. FINRA does not currently collect information from ADF Market Participants regarding quotations with a size less than one normal unit of trading (sometimes referred to as an "odd-lot").

In 2020, the Commission adopted amendments to Regulation NMS to modernize the information provided within the national market system for NMS stocks.⁷ Among other things, the MDI Rule amended Rule 600(b) of Regulation NMS to add a new definition of "odd-lot information" to be disseminated as part of consolidated equity market data. On September 18, 2024, the Commission adopted further amendments to Regulation NMS that, among other things, revised and accelerated the implementation of the new "odd-lot information" definition and associated dissemination through the SIPs.⁸

In the 2024 NMS Amendments, the SEC adopted amendments to Rules 600(b)(69) and 603(b)(3) of Regulation NMS. Rule 600(b)(69) of Regulation NMS defines "odd-lot

⁶ For purposes of the ADF rules, a "normal unit of trading" is defined to mean the "round lot" assigned to a security pursuant to Rule 600(b) of SEC Regulation NMS. See Rule 6220(a)(9).

⁷ See Market Data Infrastructure, Securities Exchange Act Release No. 90610 (December 9, 2020), 86 FR 18596 (April 9, 2021) (File No. S7-03-20) (the "Market Data Infrastructure Rule" or "MDI Rule").

⁸ See Regulation NMS: Minimum Pricing Increments, Access Fees, and Transparency of Better Priced Orders, Securities Exchange Act Release No. 101070 (September 18, 2024), 89 FR 81620 (October 8, 2024) (File No. S7-30-22) (the "2024 NMS Amendments").

information.”⁹ Rule 600(b)(69)(iii) of Regulation NMS includes the highest priced odd-lot order to buy that is priced higher than the national best bid, and the lowest priced odd-lot order to sell that is priced lower than the national best offer (i.e., the “BOLO”).¹⁰ Rule 603(b)(3) of Regulation NMS, among other things, requires the national securities exchanges and national securities associations to make available to the exclusive SIPs all data necessary to generate odd-lot information, and requires the exclusive SIPs to collect, consolidate, and disseminate odd-lot information. Rule 600(b)(69)(iii) of Regulation NMS will become effective the first business day of May 2026 (i.e., May 1, 2026).¹¹

⁹ Rule 600(b)(69)(i) of Regulation NMS’s definition of “odd lot information” includes, among other things, odd-lot last sale data, which is already included in SIP consolidated data. Separate from its functionality with respect to the dissemination of quotation information, the ADF already supports the reporting and dissemination of odd-lot last sale data for transmission to the SIPs. See Rule 6282; see also Securities Exchange Act Release No. 56669 (October 17, 2007), 72 FR 60398 (October 24, 2007) (SR-FINRA-2007-017) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rules Relating to Reporting of Odd-Lot Transactions to FINRA).

¹⁰ Separately, Rule 600(b)(69)(ii) of Regulation NMS includes “odd-lots at a price greater than or equal to the national best bid and less than or equal to the national best offer, aggregated at each price level at each national securities exchange and national securities association.” The SEC has granted temporary exemptive relief from compliance with Rule 600(b)(69)(ii) of Regulation NMS—which effectively requires the dissemination of depth-of-book (“DOB”) odd-lot quotation data for each national securities exchange and national securities association (each a “SIP Plan Participant”) for odd-lot quotations priced at or better than the national best bid and offer (“NBBO”)—until the first business day of May 2028 (i.e., May 2, 2028). See Securities Exchange Act Release No. 104612 (January 15, 2026), 91 FR 2577 (January 21, 2026) (Order Granting Temporary Exemptive Relief, Pursuant to Section 36(a)(1) of the Securities Exchange Act of 1934 from Compliance with Rule 600(b)(69)(ii) of Regulation NMS). However, FINRA understands that the SIPs plan to begin disseminating the best odd-lot bid and offer priced at or better than the NBBO from each SIP Plan Participant—effectively the top-of-book (“TOB”) odd-lot quotation data from each SIP Plan Participant—at the same time as the SIPs begin disseminating the BOLO. FINRA is therefore proposing in the instant filing to collect odd-lot information required for the SIPs to disseminate both the BOLO and the TOB odd-lot quotations for the ADF. FINRA will consider whether further amendments to the ADF rules may be appropriate in connection with the future implementation of DOB odd-lot quotation data under Rule 600(b)(69)(ii).

¹¹ See 2024 NMS Amendments, supra note 8, at 81681. FINRA understands that the SIPs intend to implement the collection and dissemination of odd-lot information under Rule 600(b)(69)(iii) (i.e., the BOLO), as well as the TOB odd-lot quotation data for each SIP Plan Participant, on April 27, 2026, so that the implementation date occurs on a Monday. See, e.g., Consolidated Tape Plan, Regulation NMS Mandated Odd Lot Requirement Changes – SEC Grants Temporary Exemption, Updates to Specs and FAQ Documents (February 3, 2026), available at <https://www.ctaplan.com/announcements#110000954100>.

As noted above, FINRA does not currently collect any odd-lot quotation information from ADF Market Participants. FINRA is therefore proposing an amendment to FINRA Rule 6272 requiring ADF Market Participants to provide specified odd-lot quotation information to FINRA so that FINRA can provide to the exclusive SIPs the data necessary to generate the odd-lot information required by Rule 600(b)(69)(iii) of Regulation NMS (i.e., the BOLO), as well as the data necessary to generate the TOB odd-lot quotation data.¹² Specifically, new paragraph (e) of FINRA Rule 6272 would require that, for ADF-eligible securities, an ADF Market Participant shall provide to FINRA its highest priced order to buy in an amount less than a normal unit of trading that is priced at or higher than the national best bid and its lowest priced order to sell in an amount less than a normal unit of trading that is priced at or lower than the national best offer.¹³ FINRA will collect and disseminate this data directly to the exclusive SIPs to permit them to generate the required odd-lot information.

FINRA has filed the proposed rule change for immediate effectiveness. The operative date will be April 27, 2026.¹⁴

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,¹⁵ which requires, among other things, that FINRA rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles

¹² The proposed rule change would require an ADF Market Participant to provide its best odd-lot quotations priced “at or higher” than the national best bid and “at or lower” than the national best offer so that FINRA can provide the information required for the SIPs to disseminate BOLO and TOB odd-lot quotation data. Currently, the ADF’s quotation display functionality is limited to round lot quotations.

¹³ See Rule 600(b)(69)(iii) of Regulation NMS.

¹⁴ The proposed rule change will become operative on April 27, 2026 to align with the industry-wide implementation of the new odd-lot quotation information requirements. See supra note 11.

¹⁵ 15 U.S.C. 78q-3(b)(6).

of trade, to remove impediments to and perfect the mechanism of a free and open market and national market system, and, in general, to protect investors and the public interest. The proposed rule change is also consistent with Section 15A(b)(11) of the Act,¹⁶ which requires, among other things, that FINRA rules include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be distributed or published by any member or person associated with a member, and the persons to whom such quotations may be supplied.

The proposed rule change would modify FINRA's rules governing the operation of the ADF in light of SEC amendments under Regulation NMS with respect to the collection, consolidation, and dissemination of odd-lot information. Specifically, the proposed rule change would require ADF Market Participants to provide specified odd-lot quotation information to FINRA so that FINRA can provide the information required for the SIPs to disseminate consolidated odd-lot information. Thus, FINRA believes the proposed rule change is consistent with the SEC's goals with respect to the dissemination of odd-lot information, including providing investors with access to better-priced quotations and allowing the market to trade in a more informed, competitive, and efficient manner.¹⁷ Further, FINRA believes that the proposed rule change facilitates the increased availability of quotation data to market participants, thereby enhancing price transparency and price discovery—supporting market participants' ability to identify and access better execution opportunities through more complete market information.

¹⁶ 15 U.S.C. 78o-3(b)(11).

¹⁷ See MDI Rule, supra note 7, at 18601.

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

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change modifies FINRA rules in light of the SEC’s amendments under Regulation NMS.

Economic Impact Assessment

FINRA has undertaken an economic impact assessment, as set forth below, to analyze the potential economic impacts of the proposed rule change, including anticipated costs, benefits, and distributional and competitive effects, relative to the current baseline.

Regulatory Need

The proposed rule change would modify FINRA rules regarding the operation of the ADF in light of the SEC’s amendments to Regulation NMS to add the new definition of “odd-lot information” under Rule 600(b)(69) of Regulation NMS and require dissemination of odd-lot information under Rule 603(b)(3) of Regulation NMS.¹⁸

Economic Baseline

The economic baseline consists of current FINRA Rule 6272, which establishes requirements for ADF Market Participants. FINRA does not currently collect information from ADF Market Participants regarding their odd-lot quotations. The ADF’s quotation display functionality is limited to quotations of at least one normal unit of trading. As of early 2026, there are no active quoting ADF Market Participants.

Economic Impacts

¹⁸ See supra notes 8, 9, and 10.

The proposed rule change would require ADF Market Participants to provide specified odd-lot quotation information to FINRA so that FINRA can provide the information required for the SIPs to disseminate both the BOLO and the TOB odd-lot quotation data for the ADF.¹⁹ Because there are currently no active quoting ADF Market Participants, the proposed rule change would not have an immediate economic impact; however, the proposed rule change would update FINRA's rules in light of amendments to Regulation NMS with respect to the collection, consolidation, and dissemination of odd-lot information if the ADF has active quoting Market Participants in the future.

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

Written comments were neither solicited nor 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) of the Act²⁰ and Rule 19b-4(f)(6) thereunder.²¹

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

¹⁹ See *supra* note 10.

²⁰ 15 U.S.C. 78s(b)(3)(A).

²¹ 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, along with a brief description and text of 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. FINRA has satisfied this requirement.

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. Please include file number SR-FINRA-2026-006 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-FINRA-2026-006. 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 FINRA.

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-FINRA-2026-006 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.²²

Sherry R. Haywood,
Assistant Secretary.

²² 17 CFR 200.30-3(a)(12).