

# SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105259; File No. SR-IEX-2026-09]

## **Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend IEX Rule 11.240 (Trade Execution, Reporting, and Dissemination of Quotations) to Conform with Amendments to Rules 600 and 603 of Regulation NMS Recently Approved by the Commission that Concern the Reporting and Dissemination of Odd-Lot Information**

April 16, 2026.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the “Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on April 10, 2026, the Investors Exchange LLC (“IEX” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II 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**

Pursuant to the provisions of Section 19(b)(1) under the Act,<sup>4</sup> and Rule 19b-4 thereunder,<sup>5</sup> the Exchange is filing with the Commission a proposed rule change to amend IEX Rule 11.240, Trade Execution, Reporting, and Dissemination of Quotations, to conform with amendments to Rules 600 and 603 of Regulation NMS recently approved by the Commission

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> 15 U.S.C. 78s(b)(1).

<sup>5</sup> 17 CFR 240.19b-4.

that concern the reporting and dissemination of odd-information.<sup>6</sup> The Exchange has designated this proposal as non-controversial and provided the Commission with the notice required by Rule 19b-4(f)(6)(iii) under the Act.<sup>7</sup>

The text of the proposed rule change is available at the Exchange’s website at <https://www.iexexchange.io/resources/regulation/rule-filings> and at the principal office of the Exchange.

II. Self-Regulatory Organization’s Statement of the Purpose of, and the 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 these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend IEX Rule 11.240, Trade Execution, Reporting, and Dissemination of Quotations, to conform with amendments to Rules 600 and 603 of Regulation NMS recently approved by the Commission, which are to be implemented on May 1, 2026.<sup>8</sup> Specifically, the Exchange proposes to adopt subparagraph (c)(3) under IEX Rule 11.240 to address the Exchange’s odd-lot reporting obligations under Rules 600 and 603 of Regulation

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<sup>6</sup> 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) (“Adopting Release”).

<sup>7</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>8</sup> See Adopting Release, *supra* note 6 at 81681.

NMS.

In February 2020, the SEC proposed several changes to Regulation NMS through its Market Data Infrastructure Rules (“MDIR”) Proposal.<sup>9</sup> In the MDIR Proposal, the Commission discussed the increasing importance of odd-lot quotations in modern equity markets and observed that odd-lot quotations were frequently priced at or better than round-lot quotations, particularly in higher-priced securities.<sup>10</sup> However, such odd-lot quotation information was generally excluded from SIP data feeds and instead available primarily through proprietary data products. The Commission concluded that this created a significant information asymmetry between market participants with access to proprietary feeds and those relying on consolidated data.<sup>11</sup>

Thus, the SEC added to Regulation NMS the concept of “odd-lot information”<sup>12</sup>, which it included in the definition of “core data” that must be included in the “consolidated market data” disseminated by the exclusive Securities Information Processor (“SIPs”) pursuant to Rule 603(b)(3) of Regulation NMS.<sup>13</sup> The MDIR Final Rule defined odd-lot information as:

- i) odd-lot transaction information;<sup>14</sup> and
- ii) odd-lot quotations that are at a price greater than or equal to the NBB<sup>15</sup>

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<sup>9</sup> See Securities Exchange Act Release No. 88216 (February 14, 2020), 85 FR 16726 (Mar. 24, 2020) (File No. S7-03-20) (“MDIR Proposal”).

<sup>10</sup> See MDIR Proposal, *supra* note 9 at 16732-33.

<sup>11</sup> See MDIR Proposal, *supra* note 9 at 16733.

<sup>12</sup> See Securities Exchange Act Release No. 90610 (December 9, 2020), 86 FR 18596 (April 9, 2021) (File No. S7-03-20) (“MDIR Final Rule”).

<sup>13</sup> See MDIR Final Rule, *supra* note 12 at 18610-15. 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 Securities Information Processor (“SIPs”) all data necessary to generate odd-lot information, and require the exclusive SIPs to collect, consolidate and disseminate odd-lot information.

<sup>14</sup> 17 CFR 242.600(b)(69)(i). The SIPs already collect, consolidate and disseminate odd-lot transaction information, but it was not required under Regulation NMS until the MDIR Final Rule.

<sup>15</sup> See IEX Rule 1.160(u).

and less than or equal to the NBO<sup>16</sup>, aggregated at each price level at each securities exchange and FINRA;<sup>17</sup>

The MDIR Final Rule set the compliance date for the exchanges and SIPs to include odd-lot information in the core data disseminated through the SIPs as 180 calendar days after the Commission’s approval of certain amendments to the SIP Plans required by the MDIR Final Rule.<sup>18</sup> Because the Commission disapproved those amendments to the SIP Plans in September 2022, the compliance date for disseminating odd-lot information through the SIPs was not set at that time.<sup>19</sup>

Thus, on September 18, 2024, in the Adopting Release, the Commission set a compliance date of the first business day of May 2026 for the addition of odd-lot information to the core data disseminated by the SIPs, as required by Rule 603(b) of Regulation NMS.<sup>20</sup>

Additionally, the Commission expanded the definition of odd-lot information to include the “best odd-lot order to buy and best odd-lot order to sell”, which it defined as follows:

- iii) Best odd-lot order to buy and best odd-lot order to sell (collectively the “BOLO”). Best odd-lot order to buy is the highest-priced odd-lot order to buy that is priced higher than the NBB, and Best odd-lot order to sell is the lowest-priced odd-lot order to sell that is priced lower than the NBO. The BOLO to buy/sell is calculated and disseminated on a continuing basis by the SIP Plans.<sup>21</sup>

The Commission recently issued an Exemptive Order allowing the exclusive SIPs to defer implementation of the reporting and dissemination of depth of book odd-lot information

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<sup>16</sup> See IEX Rule 1.160(u).

<sup>17</sup> 17 CFR 242.600(b)(69)(ii).

<sup>18</sup> See MDIR Final Rule, *supra* note 12 at 18700 n. 1355.

<sup>19</sup> See Securities Exchange Act Release No. 95849, 87 FR 58592 (September 21, 2022) (File No. S7-24-89) (Order disapproving the UTP Plan amendment) and Securities Exchange Act Release No. 95851 (September 21, 2022), 87 FR 58613 (SR-CTA/CQ-2021-03) (Order disapproving the CTA/CQ Plan amendment).

<sup>20</sup> 17 CFR 242.603(b)(3).

<sup>21</sup> 17 CFR 242.600(b)(69)(iii).

required by Rule 600(b)(69)(ii) for two years until May 2028.<sup>22</sup> Thus, starting on May 1, 2026, the SIPs will begin disseminating the BOLO and the best odd-lot bid and offer priced at or better than the NBBO from each exchange and FINRA.<sup>23</sup> And the SIPs will disseminate odd-lot quotations priced between each exchange's and FINRA's best odd-lot bid or offer and the NBBO for each NMS stock on or before May 2028.<sup>24</sup> The Exchange will provide the required odd-lot information to the SIPs in accordance with the above implementation dates.

Thus, the Exchange proposes to amend IEX Rule 11.240, Trade Execution, Reporting, and Dissemination of Quotations, to adopt subparagraph (b)(3) to address the Exchange's odd-lot reporting obligations under Rules 600 and 603 of Regulation NMS. As proposed, subparagraph (b)(3) to IEX Rule 11.240 would provide that “[p]ursuant to Rule 603 of Regulation NMS under the Exchange Act and the January 15, 2026 Exemptive Order issued by the Commission, the Exchange will transmit for display to the appropriate network processor the data necessary to generate ‘odd-lot information’, as the term is defined in Rule 600 of Regulation NMS for each NMS Stock.”

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>25</sup> in general, and furthers the objectives of Section 6(b)(1),<sup>26</sup> in particular, in that it

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<sup>22</sup> 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).

<sup>23</sup> See Press Release, SEC Grants Request for Exemption Related to Dissemination of Odd-Lot Depth of Book, dated January 22, 2026, available at <https://www.prnewswire.com/news-releases/sec-grants-request-for-exemption-related-to-dissemination-of-odd-lot-depth-of-book-302668045.html#:~:text=NEW%20YORK%2C%20Jan.%202022%2C,quotation%20for%20each%20NMS%20stock.>

<sup>24</sup> Id.

<sup>25</sup> 15 U.S.C. 78f(b).

<sup>26</sup> 15 U.S.C. 78f(b)(1).

enables the Exchange to be so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its exchange members and person associated with the exchange members, with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange. The Exchange also believes that the proposed rule change is consistent with Section 6(b)(5)<sup>27</sup> of the Act in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and 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.

As described in the Purpose section, the proposed change to IEX Rule 11.240 is being made solely to conform the Exchange's dissemination of consolidated market data to the SIPs with the reporting obligations set forth in Rules 600 and 603 of Regulation NMS.<sup>28</sup> Specifically, the change will codify in the IEX's rules its obligations under Rule 603(b) of Regulation NMS, which requires it to report to the exclusive SIPs all data necessary to generate odd-lot information.<sup>29</sup> Thus, IEX believes that the proposed rule change would reduce potential investor and market participant confusion and therefore remove impediments to and perfect the mechanism of a free and open market and a national market system by ensuring that the Exchange's rules properly reflect the requirements of Rule 603(b)(3) of Regulation NMS. The Exchange also believes that the proposed rule change would remove impediments to and perfect the mechanism of a free and open market by ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public can more easily navigate and understand the

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<sup>27</sup> 15 U.S.C. 78f(b)(5).

<sup>28</sup> See Adopting Release, supra note 6

<sup>29</sup> 17 CFR 242.603(b)(3).

Exchange's rules. The proposed rule change would be consistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from the increased transparency and clarity, thereby reducing potential confusion.

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. The Exchange believes the proposed rule changes do not impose any burden on intramarket or intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. This proposed rule change is not intended to address competitive issues but rather is concerned solely with amending the Exchange's Rules to address the Exchange's odd-lot reporting obligations under Rules 600 and 603 of Regulation NMS.<sup>30</sup>

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

The Exchange has designated this rule filing as non-controversial under Section 19(b)(3)(A)<sup>31</sup> of the Act and Rule 19b-4(f)(6)<sup>32</sup> thereunder. Because the 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

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<sup>30</sup> See Adopting Release, supra note 6

<sup>31</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>32</sup> 17 CFR 240.19b-4(f)(6).

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 Act and Rule 19b-4(f)(6) thereunder.<sup>33</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>34</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>35</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay period. The Commission believes that the proposal would allow the Exchange to comply with the odd-lot reporting obligations under Rules 600 and 603 of Regulation NMS that are to be implemented on May 1, 2026. For these reasons, the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest, and designates the proposed rule change to be operative upon filing with the Commission.<sup>36</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.<sup>37</sup> If the Commission takes such action, the

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<sup>33</sup> In addition, Rule 19b-4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange's 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. The Exchange has satisfied this requirement.

<sup>34</sup> 17 CFR 240.19b-4(f)(6).

<sup>35</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>36</sup> For purposes only of waiving the operative delay for this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>37</sup> 15 U.S.C. 78s(b)(3)(C).

Commission shall institute proceedings to determine whether the proposed rule change 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-IEX-2026-09 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-IEX-2026-09. 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-IEX-2026-09 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>38</sup>

**Vanessa A. Countryman,**  
*Secretary.*

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<sup>38</sup> 17 CFR 200.30-3(a)(12) and (59).