

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105996; File No. SR-NYSETEX-2026-29]

Self-Regulatory Organizations; NYSE Texas, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 7.35 (Auctions) for ETP IPO Securities

July 28, 2026.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”),² and Rule 19b-4 thereunder,³ notice is hereby given that on July 17, 2026, the NYSE Texas, Inc. (“NYSE Texas” or the “Exchange”) 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 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 Rule 7.35 (Auctions) to introduce an option for an exchange-traded products (“ETP”) eligible to participate in an initial public offering (“IPO”) auction to elect to commence trading in the NYSE Texas Early Trading Session. The proposed rule change is available on the Exchange’s website at www.nyse.com and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 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 those 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 parts 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 Rule 7.35(f) to provide an option for an “ETP IPO Security” as defined therein to commence trading in the Early Trading Session. The proposal is substantively identical to Cboe BZX Exchange, Inc. (“Cboe BZX”) functionality that allows similarly defined ETP IPO Securities the option to commence trading at 4:00 a.m. Eastern Time (“ET”) or in the IPO Auction at 9:30 a.m. ET on the first day of trading.⁴ The Exchange’s affiliate NYSE Arca, Inc. (“NYSE Arca”), recently adopted substantially the same rule text.⁵

⁴ See Cboe BZX Rule 11.23(a)(24) & 11.23(d)(2)(E)(i)(a). See Securities Exchange Act Release No. 104037 (Sept. 29, 2025), 90 FR 46690 (Sept. 29, 2025) (SR-CboeBZX-2025-130) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 11.23 To Introduce an Option for an Exchange-Traded Product (“ETP”) Eligible To Participate in an Initial Public Offering (“IPO”) Auction To Elect to Commence Trading in the BZX Early Trading Session) (“Cboe BZX Notice”). Nasdaq Stock Market LLC (“Nasdaq”) also offers substantially similar functionality. See Nasdaq Rule 4120; see generally Securities Exchange Act Release No. 103085 (May 20, 2025), 90 FR 22424 (May 27, 2025) (SR-Nasdaq-2025-011) (Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Introduce Functionality To Initiate a Trading Halt for Exchange-Traded Products on Launch Day) (“Nasdaq Approval Order”).

⁵ See NYSE Arca Rule 7.35-E(f). See Securities Exchange Act Release No. 105670 (June 11, 2026), 91 FR 36224 (June 16, 2026) (SR-NYSEARCA-2026-60) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to amend Rule 7.35-E).

Background and Proposed Rule Change

Currently, IPO Auctions for any security, including Derivative Securities Products,⁶ for which NYSE Texas is the primary listing market, excluding transfers, commence trading at the start of the Core Trading Session, which begins for each security at 9:30 a.m. ET.⁷ IPO Auctions follow the processing rules of a Core Open Auction subject to Rule 7.35(f).

The Exchange proposes to provide that an ETP IPO Security, defined as a Derivative Securities Product that is eligible to participate in an IPO Auction pursuant Rule 7.35-E(f), may elect to begin trading in the Early Trading Session, which begins at 4:00 a.m. ET,⁸ as an alternative to the IPO Auction. As proposed, an ETP IPO Security that elects to commence trading during the Early Trading Session would follow the processing rules of an Early Open Auction set forth in Rule 7.35(b).

To effectuate these changes, the Exchange would add the following text to Rule 7.35-E(f):

An “ETP IPO Security” as defined herein may elect to commence trading in the Early Trading Session. An ETP IPO Security that elects to commence trading during the Early Trading Session will follow the processing rules of an Early Open Auction. An “ETP IPO Security” means a Derivative Securities Product that is eligible to participate in an IPO Auction pursuant to this Rule.

⁶ Rule 1.1(k) defines “Derivative Securities Product” as a security that meets the definition of “derivative securities product” in Rule 19b-4(e) under the Act.

⁷ See Rule 7.34(a)(2).

⁸ See Rule 7.34(a)(1).

The proposed rule text is substantially the same as Cboe BZX Rule 11.23(a)(24) and Rule 11.23(d)(2)(E)(i)(a) and NYSE Arca Rule 7.35-E(f).

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁹ in general, and furthers the objectives of Section 6(b)(5) of the Act,¹⁰ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, 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 by strengthening the Exchange's ability to oversee and police its marketplace. In addition, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.¹¹

The Exchange believes that the proposed rule change will remove impediments to and perfect the mechanism of a free and open market and national market system and will benefit investors by providing market participants with additional opportunities to source and access liquidity for their orders in new issue ETPs on the Exchange. The proposed option to permit issuers to begin trading an ETP IPO Security during the Early Trading Session would provide for earlier trading opportunities in highly anticipated new issue ETPs, functionality that is already in place on other marketplaces.¹² The Exchange believes that the issuer is best situated to

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ 15 U.S.C. 78f(b)(5).

¹² See notes 4 & 5, supra.

determine whether to commence trading in its ETP IPO Security during the Early Trading Session or pursuant to the IPO Auction.

The proposed amendments will have no impact on the operation of trading in the Early Trading Session and would simply allow for an ETP IPO Security to begin trading on the Exchange at 4 a.m. ET at the issuer's option in the same manner that an ETP transferred from another securities exchange begins trading on the Exchange. The Exchange believes that amending its rules to extend trading hours for ETP IPO Securities will benefit investors in that they will now be able to trade ETP IPO Securities earlier in the day on the Exchange in the same manner as currently available on other marketplaces, thereby providing additional access to liquidity in securities that an ETP issuer deems appropriate for trading in the Early Trading Session. The Exchange also believes that offering the IPO Auction as a default for ETP IPO Securities with the option to participate in the Early Trading Session will allow issuers an alternative option if such issuer is concerned about unexpected volatility in ETP pricing during the Early Trading Session.¹³

The Exchange believes that proposed rule changes raise no novel issues as the proposed rules are consistent with early trading for ETPs already in place under the rules of other exchanges.¹⁴

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. In particular, the Exchange does not believe that the proposed rule change will impose any burden

¹³ See Cboe BZX Notice, 90 FR at 46691 (citing Nasdaq Approval Order, 90 FR at 24430).

¹⁴ See notes 4 & 5, supra.

on intra-market competition that is not necessary or appropriate in furtherance of purposes of the Act because all ETP IPO Securities may commence trading in the Exchange's Early Trading Session if requested by the issuer. The Exchange also does not believe that the proposed rule change will impose any burden on intermarket competition but instead may promote competition because the proposed early trading hours for ETP IPO Securities are identical to those on Cboe, Nasdaq, and the Exchange's affiliate NYSE Arca.¹⁵ Market participants are free to trade on the Exchange if they determine that this proposed rule change has made the Exchange a more attractive or favorable venue.

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

No written comments were solicited or received with respect to the proposed rule change.

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 Act¹⁶ and Rule 19b-4(f)(6) thereunder.¹⁷

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

¹⁵ See id.

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) 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. The Exchange has satisfied this requirement.

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 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. Please include file number SR-NYSETEX-2026-29 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-NYSETEX-2026-29. 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-NYSETEX-2026-29 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.¹⁸

Sherry R. Haywood,
Assistant Secretary.

¹⁸ 17 CFR 200.30-3(a)(12).