



FACT SHEET

Regulation NMS Reforms

On June 11, 2026, the Securities and Exchange Commission proposed amendments to Regulation NMS to:

- Rescind Rule 611, which contains the trade-through prohibition for NMS stocks.
- Rescind Rule 610(e), which contains restrictions on locking and crossing quotations in NMS stocks.
- Rescind related defined terms in Regulation NMS.
- Make conforming changes to other related provisions.

Background

Rule 611 of Regulation NMS was adopted in 2005 and established intermarket protection against trade-throughs for all national market system (NMS) stocks. A trade-through occurs when one trading center executes an order at a price that is inferior to the price of a protected quotation displayed by another trading center. Rule 610(e) was also adopted in 2005 under Regulation NMS and contains restrictions on locking and crossing quotations in NMS stocks. A locked market occurs when the best bid price equals the best offer price, and a crossed market occurs when the best bid price is higher than the best offer price.

Proposed Rescission of Rules 611 and 610(e)

The proposal would rescind Rules 611 and 610(e) of Regulation NMS and related defined terms. Since the adoption of these rules in 2005, the structure of the U.S. equity markets has evolved dramatically, and today's markets are highly competitive, interconnected, and automated.

However, the 2005 rules have contributed to a myriad of economic consequences, including increased costs and market structure complexity. They also have limited order handling and execution choice, and contributed to fragmentation of trading.

Rescinding Rules 611 and 610(e) would reduce costs for market participants and allow competition, innovation, and other market forces to shape the continued evolution of the U.S. equity markets.

What's Next?

The public comment period will remain open for 60 days after the date of publication of the proposing release in the Federal Register.