

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-75925; File No. 10-222)

September 15, 2015

Investors' Exchange, LLC; Notice of Filing of Application, as Amended, for Registration as a National Securities Exchange under Section 6 of the Securities Exchange Act of 1934

On August 21, 2015, Investors' Exchange, LLC ("IEX") submitted to the Securities and Exchange Commission ("Commission") a Form 1 application under the Securities Exchange Act of 1934 ("Exchange Act"), seeking registration as a national securities exchange under Section 6 of the Exchange Act.¹ On September 9, 2015, IEX submitted Amendment No. 1 to its Form 1 application.² IEX's Form 1 application, as amended, provides detailed information on how it proposes to satisfy the requirements of the Exchange Act.

The Commission is publishing this notice to solicit comments on IEX's Form 1 application, as amended. The Commission will take any comments it receives into consideration in making its determination about whether to grant IEX's request to register as a national securities exchange. The Commission will grant the registration if it finds that the requirements of the Exchange Act and the rules and regulations thereunder with respect to IEX are satisfied.³

IEX currently operates an alternative trading system ("ATS") for the trading of equity securities. If the Commission approves IEX's application to become a national securities exchange, IEX would transition trading in each symbol to the exchange and ultimately close its

¹ 15 U.S.C. 78s(f).

² In Amendment No. 1, IEX submitted updated portions of its Form 1 application, including revised exhibits, a revised version of the proposed IEX Rule Book, and revised Addenda C-2, C-3, C-4, D-1, D-2, F-1, F-2, F-3, F-4, F-5, F-6, F-7, F-8, F-9, F-10, F-11, F-12, F-13.

³ See 15 U.S.C. 78s(a). Alternatively, if the Commission does not grant the registration, it will institute proceedings to determine whether registration should be approved or denied. See 15 U.S.C. 78s(a)(1)(B).

ATS. IEX would operate a fully automated electronic book for orders to buy or sell securities with a continuous, automated matching function. IEX would not have a physical trading floor. Liquidity would be derived from orders to buy and orders to sell submitted to IEX electronically by its registered broker-dealer members from remote locations, as well as from quotes submitted electronically by members that chose to register under IEX rules as market makers on IEX and be subject to certain specified requirements and obligations. One notable feature of IEX's proposed trading rules is the proposed "Midpoint Price Constraint" price sliding process for non-displayed orders, which would prevent non-displayed limit orders from posting at a price more aggressive than the midpoint of the national best bid and offer.⁴ In addition, IEX is proposing a discretionary peg order type, which, if unexecuted upon entry, would post non-displayed and would exercise discretion only when IEX does not consider that the national best bid or national best offer for a particular security is in the process of changing based on a pre-determined set of conditions described in IEX's proposed rule.⁵

IEX would be wholly owned by its parent company, IEX Group, Inc. ("IEXG"), which would appoint IEX's initial Board of Directors. If approved by the Commission, within 90 days after the date of its approval to operate as a national securities exchange, IEX would undertake a

⁴ See proposed IEX Rule 11.190(h)(2). See also Exhibit E to IEX's Form 1 submission, at 17. Specifically, a non-displayed order on IEX with a limit price more aggressive than the midpoint of the NBBO would be priced at the midpoint, and the price would automatically be adjusted in response to changes in the NBBO to be equal to the less aggressive of the order's limit price or the midpoint of the NBBO. See also proposed IEX Rule 11.230(a)(4)(D) (concerning the "Book Recheck" functionality), and Exhibit E to IEX's Form 1 submission, at 19 (describing the "Book Recheck" functionality).

⁵ See proposed IEX Rule 11.190(b)(10) (concerning the discretionary peg order type) and 11.190(g) (concerning quote stability). See also Exhibit E to IEX's Form 1 submission, at 14-15.

petition process by which members could elect Member Representative Directors to the Board, as specified in the proposed Amended and Restated Operating Agreement of IEX.⁶

A description of the manner of operation of IEX's proposed system can be found in Exhibit E to IEX's Form 1 application. The proposed rulebook for the proposed IEX exchange can be found in Exhibit B to IEX's Form 1 application, and the governing documents for both IEX and IEXG can be found in Exhibits A and C, respectively. A listing of the officers and directors of IEX can be found in Exhibit J to IEX's Form 1 application. IEX's Form 1 application, as amended, including all of the Exhibits referenced above, is available online at www.sec.gov/rules/other.shtml as well as at the Commission's Public Reference Room.

Interested persons are invited to submit written data, views, and arguments concerning IEX's Form 1, as amended, including whether the application is consistent with the Exchange Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number 10-222 on the subject line.

Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number 10-222. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more

⁶ See IEX Amended and Restated Operating Agreement Article III, Section 4(g). See also Exhibit J to IEX's Form 1 submission, at 37.

efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/other.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to IEX's Form 1 filed with the Commission, and all written communications relating to the application between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make publicly available. All submissions should refer to File Number 10-222 and should be submitted on or before [insert date 45 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Brent J. Fields
Secretary

⁷ 17 CFR 200.30-3(a)(71)(i).