

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-96364; File No. 10-239)

In the Matter of the Application of
24X National Exchange LLC
for Registration as a National Securities Exchange

Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine
Whether to Grant or Deny an Application for Registration as a National Securities Exchange
under Section 6 of the Securities Exchange Act of 1934

November 18, 2022

I. Introduction

On March 25, 2022, 24X National Exchange LLC (“24X”) filed with the Securities and Exchange Commission (“Commission”) a Form 1 application under the Securities Exchange Act of 1934 (“Act”) seeking registration as a national securities exchange under Section 6 of the Act.¹ Notice of the application was published for comment in the Federal Register on June 6, 2022.² The Commission received comment letters on the Form 1 application and a letter from 24X responding to these comment letters.³ On September 1, 2022, the Commission instituted proceedings pursuant to Section 19(a)(1)(B) of the Act⁴ to determine whether to grant or deny 24X’s application for registration as a national securities exchange under Section 6 of the Act

¹ 15 U.S.C. 78f.

² See Securities Exchange Act Release No. 95007 (May 31, 2022), 87 FR 34333 (June 6, 2022) (“Notice”).

³ The public comment file for 24X’s Form 1 application (File No. 10-239) is available on the Commission’s website at: <https://www.sec.gov/comments/10-239/10-239.htm>.

⁴ 15 U.S.C. 78s(a)(1)(B).

(the “OIP”).⁵ The Commission received one comment letter in response to the OIP⁶, and a letter in response to the OIP from 24X.⁷ On October 21, 2022, 24X filed an amendment to its Form 1 application (“Amendment No. 1”).⁸ Among other things, Amendment No. 1 revised the corporate documents of 24X and its direct holding company; amended 24X’s proposed rules and User Manual;⁹ filed additional financial statements for 24X’s immediate holding company; and provided additional information about the finances for 24X. On November 10, 2022, 24X filed a second amendment to its Form 1 application (“Amendment No. 2”).¹⁰ In Amendment No. 2, 24X revised the Amended and Restated Limited Liability Company Operating Agreement of 24X Bermuda Holdings LLC, as well as the Member Nominating Committee Charter.

Section 19(a)(1)(B) of the Act provides that proceedings instituted to determine whether to deny an application for registration as a national securities exchange shall be concluded within 180 days of the date of a publication of notice of the filing of the application for registration.¹¹

⁵ See Securities Exchange Act Release No. 95651 (Sept.1, 2022), 87 FR 54736 (Sept. 7, 2022).

⁶ See letter from Brian Hyndman, President and Chief Executive Officer, Blue Ocean ATS, LLC, dated Sept. 28, 2022, to Vanessa A. Countryman, Secretary, Commission.

⁷ See letter from James M. Brady, Katten Muchin Rosenman LLP, outside counsel for 24X National Exchange LLC, dated Oct. 18, 2022, to Vanessa A. Countryman, Secretary, Commission.

⁸ See Securities Exchange Act Release No. 96218 (Nov. 3, 2022), 87 FR 67725 (Nov. 9, 2022). Amendment No. 1 is available on the Commission’s website at: <https://www.sec.gov/rules/other/2022/24x/24x-form-1.htm>.

⁹ For example, 24X has proposed to delete its original proposal to trade fractional shares and to have a mirrored platform in London.

¹⁰ See Securities Exchange Act Release No. 96337 (Nov. 17, 2022). Amendment No. 2 is available on the Commission’s website at: <https://www.sec.gov/rules/other/2022/24x/24x-form-1.htm>.

¹¹ 15 U.S.C. 78s(a)(1)(B).

At the conclusion of such proceedings, the Commission, by order, shall grant or deny such registration.¹² The Commission may extend the time for conclusion of such proceedings for up to 90 days if it finds good cause for such extension and publishes its reasons for so finding.¹³ The Notice was published for comment in the Federal Register on June 6, 2022.¹⁴ The 180th day after publication of the Notice is December 2, 2022. The Commission is extending the time period for granting or denying 24X’s application for registration as a national securities exchange for an additional 90 days.

The Commission finds good cause for extending the period for granting or denying 24X’s application for registration as a national securities exchange because the extension will provide additional time for the Commission to assess whether 24X’s Form 1 application, as amended, satisfies the requirements of the Act and the rules and regulations thereunder. As described in the Notice, 24X proposes to significantly expand trading outside of regular trading hours¹⁵ for NMS stocks by operating a national securities exchange 24 hours a day, seven days a week, 365 days a year, including holidays. In addition, in Amendment Nos. 1 and 2, 24X significantly amended its application for registration as a national securities exchange as originally filed. Therefore, the Commission believes that there is good cause to extend the time for conclusion of the proceedings for 90 days. Accordingly, the Commission, pursuant to Section 19(a)(1)(B) of

¹² Id.

¹³ Id.

¹⁴ See supra note 2.

¹⁵ “Regular trading hours” is defined in Rule 600(b)(77) as “the time between 9:30 a.m. and 4:00 p.m. Eastern Time.” 17 CFR 242.600(b)(77).

the Act,¹⁶ designates March 3, 2023, as the date by which the Commission shall either grant or deny 24X's Form 1 application.

By the Commission.

Sherry R. Haywood
Assistant Secretary

¹⁶ 15 U.S.C. 78s(a)(1)(B).