

# SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-104976; File No. SR-24X-2026-06)

## Self-Regulatory Organizations; 24X National Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Transaction Rebates Applicable to Members of the Exchange

March 11, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 26, 2026, 24X National Exchange LLC (“24X” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III 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

The Exchange proposes to amend the transaction rebates applicable to Members<sup>3</sup> of the Exchange pursuant to Exchange Rule 15.1(a) and (c). The proposed rule change is available on the Exchange’s website at <https://equities.24exchange.com/regulation> and at the principal office of the Exchange.

### 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

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Exchange Rule 1.5(u).

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 the transaction rebates applicable to Members of the Exchange. Specifically, the Exchange proposes the following: (i) to increase the rebate for executions of orders that are displayed on the 24X Book<sup>4</sup> and add liquidity to the Exchange (“Added Displayed Volume”) in all securities traded on the Exchange priced at or above \$1.00 per share from \$0.00295 per share to \$0.0034 per share, and (ii) to decrease the rebate for executions of orders that are not displayed on the 24X Book, add liquidity to the Exchange, and include a Midpoint Peg instruction (“Added Midpoint”) in all securities traded on the Exchange priced at or above \$1.00 per share from \$0.00295 per share to \$0.0025 per share, and in all securities traded on the Exchange priced below \$1.00 per share from 0.075% of total dollar value to 0.065% of total dollar value.

The proposed increased rebate for Added Displayed Volume transactions and decreased rebates for Added Midpoint transactions are consistent with or higher than the rebates provided by other exchanges for similar executions,<sup>5</sup> and are intended to incentivize Members to increase the liquidity-providing orders they submit to the Exchange, which would support price discovery

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<sup>4</sup> “24X Book” refers to the Exchange system’s electronic file of orders. *See* Exchange Rule 1.5(a).

<sup>5</sup> *See* Cboe EDGA Exchange, Inc. (“Cboe EDGA”) fee schedule, available at: [https://www.cboe.com/us/equities/membership/fee\\_schedule/edga/](https://www.cboe.com/us/equities/membership/fee_schedule/edga/); MIAX PEARL, LLC (“MIAX Pearl”) fee schedule, available at: [https://www.miaxglobal.com/sites/default/files/fee\\_schedule-files/MIAX\\_Pearl\\_Equities\\_Fee\\_Schedule\\_08012025.pdf](https://www.miaxglobal.com/sites/default/files/fee_schedule-files/MIAX_Pearl_Equities_Fee_Schedule_08012025.pdf); and NYSE Texas, Inc. (“NYSE Texas”) fee schedule, available at: [https://www.nyse.com/publicdocs/nyse/markets/nyse-texas/NYSE\\_Texas\\_Fee\\_Schedule.pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-texas/NYSE_Texas_Fee_Schedule.pdf); MEMX LLC (“MEMX”) fee schedule, available at: <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>.

on the Exchange and provide additional liquidity for incoming orders.

The proposed rule change does not include different rebates depending on the number of orders submitted to, or transactions executed on or through, the Exchange. Accordingly, the rebates described above are applicable to all Members, regardless of the overall volume of a Member's trading activities on the Exchange.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b)<sup>6</sup> of the Act in general, and furthers the objectives of Section 6(b)(4)<sup>7</sup> of the Act in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities. Additionally, the Exchange believes that the proposed amended rebates are consistent with the objectives of Section 6(b)(5)<sup>8</sup> of the Act in that they are designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and national market system, and, in general, to protect investors and the public interest, and, particularly, are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that the proposed amended rebates reflect a simple and competitive pricing structure designed to incentivize market

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<sup>6</sup> 15 U.S.C. 78f.

<sup>7</sup> 15 U.S.C. 78f(b)(4).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

participants to add aggressively priced displayed liquidity and direct their order flow to the Exchange, which the Exchange believes would promote price discovery and price formation and deepen liquidity that is subject to the Exchange’s transparency, regulation, and oversight as an exchange, thereby enhancing market quality to the benefit of all Members and investors.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues, and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>9</sup>

As illustrated in the following table, the Exchange notes that the proposed amended rebates are comparable to those in place on other exchanges:<sup>10</sup>

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<sup>9</sup> Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

<sup>10</sup> See supra note 6. If a particular exchange provides different rebates depending on transaction volume, the highest available rebate is included in the above table.

<b>Exchange</b>	<b>Rebate for Added Displayed Volume <math>\geq</math> \$1.00</b>	<b>Rebate for Added Midpoint <math>\geq</math> \$1.00</b>	<b>Rebate for Added Midpoint <math>&lt;</math> \$1.00</b>
24X	(\$0.0034)	(\$0.0025)	(0.065% of total dollar value)
Cboe EDGA	(\$0.0027)	(\$0.0025)	(0.15% of total dollar value)
MIAX Pearl	(\$0.00335)	(\$0.0029)	(0.15% of total dollar value)
NYSE Texas	(\$0.0029)	(\$0.0014)	(0.10% of total dollar value)
MEMX	(\$0.0033)	(\$0.0028)	(0.15% of total dollar value)

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to provide a rebate of \$0.0034 for Added Displayed Volume transactions because it is comparable to the transaction rebates provided by other exchanges for similar transactions.<sup>11</sup> The Exchange further believes that this rebate is equitably allocated and not unfairly discriminatory because it applies equally to all Members, and is designed to facilitate increased activity on the Exchange to the benefit of all Members by providing more trading opportunities and promoting price discovery.

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to provide a rebate of \$0.0025 for Added Midpoint transactions in securities priced at or above \$1.00 per share and a rebate of 0.065% of total dollar value for Added Midpoint transactions in securities priced below \$1.00 per share because those rebates are also comparable to rebates provided by other exchanges for similar transactions.<sup>12</sup> The Exchange further believes that this rebate structure is equitably allocated and not unfairly discriminatory because it applies equally to all Members.

The Exchange notes that under the proposed amended rebate structure, it will pay a greater rebate for Added Displayed Volume than the fee it charges for removing such volume, and as such the Exchange will have negative net capture with respect to such transactions. As

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<sup>11</sup> Id.

<sup>12</sup> Id.

noted above, the Exchange operates in a highly competitive market, and the Exchange believes this pricing structure will enable it to effectively compete with other exchanges by attracting Members and order flow to the Exchange, which will help the Exchange to gain market share for executions. The Exchange may determine to modify its pricing structure after it has gained sufficient participation from market participants to instead be profitable with respect to such transactions. The Exchange believes this pricing structure, including the negative net capture for Added Displayed Volume transactions, is designed to incentivize market participants to add aggressively priced displayed liquidity and direct their order flow to the Exchange, which the Exchange believes would promote price discovery, price formation, and narrower spreads, and deepen liquidity that is subject to the Exchange's transparency, regulation, and oversight as an exchange, thereby enhancing market quality to the benefit of all Members and investors. The Exchange does not believe that the negative net capture with respect to Added Displayed Volume transactions will materially impact the capitalization of the Exchange or otherwise impair the Exchange's ability to operate or regulate itself. The Exchange is well-capitalized and the Exchange's parent company, 24X US Holdings LLC, has agreed to provide adequate funding for the Exchange's operations, including the regulation of the Exchange.

In conclusion, the Exchange submits that its proposed amended rebate structure satisfies the requirements of Sections 6(b)(4)<sup>13</sup> and 6(b)(5)<sup>14</sup> of the Act for the reasons discussed above in that it provides for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities, does not permit unfair discrimination between customers, issuers, brokers, or dealers, and is designed to promote just and equitable principles

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<sup>13</sup> 15 U.S.C. 78f(b)(4).

<sup>14</sup> 15 U.S.C. 78f(b)(5).

of trade, 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, particularly as the proposal neither targets nor will it have a disparate impact on any particular category of market participant. As described more fully below in the Exchange's statement regarding the burden on competition, the Exchange is subject to significant competitive forces, and believes that its proposed amended rebate structure is an appropriate effort to address such forces.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, as discussed above, the Exchange believes that the proposed changes would encourage the submission of order flow to a public exchange, thereby promoting market depth, execution incentives, and enhanced execution opportunities, as well as price discovery and transparency for all Members. As a result, the Exchange believes that the proposed changes further the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."<sup>15</sup>

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the Exchange believes that the proposed amended pricing structure will increase competition and is intended to draw volume to the Exchange. The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow or reduce use of certain categories of products in response to new or different pricing structures being introduced into the market. Accordingly,

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<sup>15</sup> Regulation NMS Adopting Release at 37499.

competitive forces constrain the Exchange's transaction fees and rebates, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. As a new exchange, the Exchange faces intense competition from existing exchanges and other non-exchange venues that provide markets for equities trading. With respect to the Exchange's proposal to operate with negative net capture for transactions involving Added Displayed Volume, the Exchange is proposing this pricing in an effort to encourage market participants to join, connect to, and participate on the Exchange. The Exchange may modify its pricing structure after it has gained sufficient participation from market participants to eliminate the negative net capture and instead be profitable with respect to such transactions.

Although these pricing incentives are intended to attract liquidity to the Exchange, most other exchanges in operation today already offer multiple incentives to their participants, including tiered pricing that provides higher rebates or discounted executions, and other exchanges will be able to modify such incentives in order to compete with the Exchange. As discussed above, the Exchange notes that the proposed amended rebates are comparable to those in place on other exchanges. Accordingly, with respect to a market participant deciding to submit an order to add liquidity, there are multiple exchanges that will continue to be competitively priced for such orders when compared to the Exchange's pricing. Further, while pricing incentives do cause shifts of liquidity between trading centers, market participants make determinations on where to provide liquidity or route orders to take liquidity based on factors other than pricing, including technology, functionality, and other considerations. Consequently, the Exchange believes that the degree to which its proposed amended rebates could impose any burden on competition is extremely limited, and does not believe that such pricing structure

would burden competition of Members or competing venues in a manner that is not necessary or appropriate in furtherance of the purposes of the Act.

The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed amended rebates apply equally to all Members. The proposed pricing structure is intended to encourage market participants to add displayed liquidity on the Exchange by providing rebates that are comparable to those offered by other exchanges, which the Exchange believes will help to encourage Members to send orders to the Exchange to the benefit of all Exchange participants. As the proposed rates are equally applicable to all market participants, the Exchange does not believe there is any burden on intramarket competition.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)<sup>16</sup> of the Act and subparagraph (f)(2) of Rule 19b-4 thereunder,<sup>17</sup> because it establishes a due, fee, or other charge imposed by the Exchange. 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. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)<sup>18</sup> of the

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<sup>16</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>17</sup> 17 CFR 240.19b-4(f)(2).

<sup>18</sup> 15 U.S.C. 78s(b)(2)(B).

Act 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-24X-2026-06 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-24X-2026-06. 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-24X-2026-06 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>19</sup>

**Vanessa A. Countryman,**

*Secretary.*

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<sup>19</sup> 17 CFR 200.30-3(a)(12).