

# SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104805; File No. SR-IEX-2026-03]

## **Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Exchange’s Fee Schedule to Modify the Required Criteria for the Incremental Fee Tiers**

February 10, 2026.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the “Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on January 30, 2026, the Investors Exchange LLC (“IEX” 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**

Pursuant to the provisions of Section 19(b)(1) under the Act<sup>4</sup>, and Rule 19b-4 thereunder<sup>5</sup>, the Exchange is filing with the Commission a proposed rule change to amend the Exchange’s fee schedule applicable to Members<sup>6</sup> (the “Fee Schedule”<sup>7</sup>) pursuant to IEX Rule 15.110(a) and (c) to modify the required criteria for the Incremental Fee Tiers. Changes to the

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> 15 U.S.C. 78s(b)(1).

<sup>5</sup> 17 CFR 240.19b-4.

<sup>6</sup> See IEX Rule 1.160(s).

<sup>7</sup> See Investors Exchange Fee Schedule, available at <https://www.iexexchange.io/resources/trading/fee-schedule>.

Fee Schedule pursuant to this proposal are effective upon filing<sup>8</sup>, and will be implemented on March 1, 2026.

The text of the proposed rule change is available at the Exchange's website at <https://www.iexexchange.io/resources/regulation/rule-filings> and at the principal office of the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and the 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 these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

IEX proposes to modify the required criteria for the Incremental Fee Tiers that are applicable to certain non-displayed trades and to make conforming and clarifying changes to the Fee Schedule.<sup>9</sup> This fee change proposal is effective on filing and will be implemented on March 1, 2026.

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<sup>8</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>9</sup> Nothing in this rule filing affects trades below \$1.00 per share ("sub-dollar trades"). Sub-dollar trades would not impact the Incremental Fee Tier calculations and would not be eligible for any of the Incremental Fee Tiers described herein.

## Background

IEX first began offering Incremental Fee Tiers<sup>10</sup> in September 2025.<sup>11</sup> The Incremental Fee Tiers are a volume-based fee incentive designed to incentivize Members to increase their non-displayed volume on the Exchange by providing Members that qualify for Incremental Fee Tier 2 an opportunity to pay a reduced fee of \$0.0001 per share<sup>12</sup> for certain executions of non-displayed orders.<sup>13</sup> To qualify for the reduced fee, a Member's Incremental Fee eligible ADV<sup>14</sup> in the current month must exceed its Baseline non-displayed ADV<sup>15</sup> by at least 10,000,000.

Currently, the Baseline non-displayed ADV is calculated using a Member's Incremental Fee eligible ADV in the month of August 2025. As reflected in the Fee Schedule, the criteria to qualify for Incremental Fee Tier 2 will expire no later than February 28, 2026.

Starting in February 2026, as provided by Commission Rule 610(d) under Regulation NMS, exchange transaction fees and rebates must be determinable at the time of the execution.<sup>16</sup> In accordance with Rule 610(d), IEX filed a rule change with the Commission pursuant to Rule 19b-4 under the Act to make all transaction fees and rebates determinable at the time of

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<sup>10</sup> See Footnote 6 to the Transaction Fees section of the Fee Schedule.

<sup>11</sup> See Trading Alert #2025-024, <https://iextrading.com/alerts/#/308>; see also Securities Exchange Act Release No. 103969 (September 15, 2025), 90 FR 45071 (September 18, 2025) (SR-IEX-2025-24) ("Incremental Fee Tier Filing").

<sup>12</sup> IEX's base rate for transactions that add or remove non-displayed liquidity is \$0.0010 per share.

<sup>13</sup> The fee codes to which the Incremental Fee Tiers apply are "MI" (Adds non-displayed liquidity); "MIB" (Adds non-displayed liquidity in Tape B securities); "TIY" (Post Only order removes non-displayed liquidity); "TIYB" (Post Only order removes non-displayed liquidity in Tape B securities); "TI" (Removes non-displayed liquidity); and "TIB" (Removes non-displayed liquidity in Tape B securities).

<sup>14</sup> "Incremental Fee eligible ADV" means executions with any of the Fee Code Combinations MI, MIB, TI, TIB, TIY, or TIYB. Unless otherwise specified, Incremental Fee eligible ADV refers to executions in the current month.

<sup>15</sup> "Baseline non-displayed ADV" means executions with any of the Fee Code Combinations MI, MIB, TI, TIB, TIY, or TIYB in August 2025.

<sup>16</sup> See 17 CFR 242.610(d).

execution.<sup>17</sup> As specified therein, beginning February 1, 2026, Members can qualify for Incremental Fee Tier 2 in the current month if their Incremental Fee eligible ADV in the immediately preceding month exceeded their Baseline non-displayed ADV by at least 10,000,000. Concurrently, starting in February 2026, Members will have two options for calculating trading fees for Incremental Fee Tier 2, each of which achieves fee determinism.<sup>18</sup> The two options are described in detail in the Fee Determinism Filing; notably, both options use the Baseline non-displayed ADV as a cap on the volume of Incremental Fee eligible ADV that will be charged the \$0.0001 reduced per share fee.<sup>19</sup>

### Proposal

Given the expiration of the current criteria to qualify for Incremental Fee Tier 2 at the end of February 2026, starting on March 1, 2026, IEX proposes to replace the current criteria for qualifying for Incremental Fee Tier 2 with a new process for determining the Baseline non-displayed ADV and criteria to qualify for Incremental Fee Tier 2, as described below. IEX proposes that these criteria will expire no later than February 28, 2027.

As proposed, starting March 1, 2026, the Baseline non-displayed ADV for Members that were trading on the Exchange for at least the past year will be each Member's average of the three months from March 2025 to February 2026 with the lowest Incremental Fee eligible ADV. Each Member's Baseline non-displayed ADV will be calculated after the market close on the last trading day in February 2026 (because February 2026 could be one of the three months averaged together to calculate the Baseline non-displayed ADV) and will be used to determine both a

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<sup>17</sup> See Trading Alert #2025-039, <https://iextrading.com/alerts/#/326>; see also Securities Exchange Act Release No. 104541 (January 5, 2026), 91 FR 737 (January 8, 2026) (SR-IEX-2025-39) ("Fee Determinism Filing").

<sup>18</sup> See Fee Determinism Filing, supra note 17.

<sup>19</sup> Id.

Member's eligibility for Incremental Fee Tier 2 in the following month, as well as in the calculations of the fees charged to the Member for March 2026. And on a going forward basis, until these eligibility criteria expire in February 2027, a Member's qualification for Incremental Fee Tier 2 in the current month will be based on its Incremental Fee eligible ADV in the prior month as compared to its Baseline non-displayed ADV.

IEX also proposes to increase the threshold volume by which Members must exceed their Baseline non-displayed ADV to qualify for Incremental Fee Tier 2 from 10,000,000 to 15,000,000 Incremental Fee eligible ADV. This proposed increase is designed to reflect recent higher trading volumes in securities priced at or above \$1.00. The Exchange believes that the proposed change to the threshold volume requirement will continue to incentivize Members to grow their non-displayed volume on the Exchange. Moreover, IEX notes that increased volume on the Exchange contributes to a deeper and more liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.

The following example demonstrates how this will work:

#### Example 1

- Member A's Incremental Fee eligible ADV in the twelve months between March 2025 to February 2026 is: 10,000,000 for the month of March 2025; 15,000,000 for the month of April 2025; 36,000,000 for the months of May 2025 to January 2026; and 35,000,000 for the month of February 2026.
- At the end of February 2026, IEX determines Member A's Baseline non-displayed ADV to be 20,000,000 (the average of the three lowest volume months, i.e., 10,000,000 in March 2025; 15,000,000 in April 2025; and 35,000,000 in February 2026).
- Member A qualifies for Incremental Fee Tier 2 in March 2026 because its prior month Incremental Fee eligible ADV of 35,000,000 is at least 15,000,000 greater than its Baseline non-displayed ADV of 20,000,000.
- Member A's Incremental Fee eligible ADV in March 2026 is 35,000,000.
- Member A qualifies for Incremental Fee Tier 2 in April 2026 because its prior month Incremental Fee eligible ADV of 35,000,000 is at least 15,000,000 greater than its Baseline non-displayed ADV of 20,000,000.

For Members that began trading on the Exchange after March 1, 2025, starting March 1, 2026, as proposed, the Baseline non-displayed ADV for each Member will be the average of the Incremental Fee eligible ADV of the Member's first three full months of trading on the Exchange. And, as noted above, on a going forward basis, until the eligibility criteria expire in February 2027, a Member's qualification for Incremental Fee Tier 2 in the current month will be based on its Incremental Fee eligible ADV in the prior month as compared to the Baseline non-displayed ADV. The following example demonstrates how this will work:

- Member B began trading on the Exchange on November 15, 2025. Thus, Member B was not previously eligible for the reduced Incremental Fee Tier 2 fee because it did not have a Baseline non-displayed ADV for August 2025.
- Member B's Incremental Fee eligible ADV in December 2025 was 10,000,000, in January 2026 was 15,000,000, and in February 2026 was 35,000,000.
- At the end of February 2026, IEX determines Member B's Baseline non-displayed ADV to be 20,000,000 (the average of the first three full months of trading on the Exchange).
- Member B qualifies for Incremental Fee Tier 2 in March 2026 because its prior month Incremental Fee eligible ADV of 35,000,000 is at least 15,000,000 greater than its Baseline non-displayed ADV of 20,000,000.
- Member B's Incremental Fee eligible ADV in March 2026 is 25,000,000.
- Member B does not qualify for Incremental Fee Tier 2 in April 2026 because its prior month Incremental Fee eligible ADV of 25,000,000 is not at least 15,000,000 greater than its Baseline non-displayed ADV of 20,000,000.

The Fee Schedule contains examples of how these Members' fees would be calculated depending on whether a Member that qualifies for Incremental Fee Tier 2 were to elect Incremental Fee Tier Option 1 or Option 2, as well as for a Member that does not qualify.

IEX believes that this proposed process for determining the Baseline non-displayed ADV will fairly and equitably allow both current and new Exchange Members a means of qualifying for the Incremental Fee Tier 2 reduced fee for non-displayed trading. IEX notes that this proposal benefits not only newer Members of the Exchange (i.e, Members that began trading after August 2025) by providing the opportunity to qualify for the reduced Incremental Fee Tier 2 fee, but

also benefits future new Members, who will have an “on-ramp” for establishing a Baseline non-displayed ADV after three months of trading on the Exchange, thereby allowing them to potentially benefit from the reduced fee sooner (as opposed to waiting for a rule filing to establish a new baseline month).

#### Conforming and Clarifying Changes

First, to reflect the above-described changes, IEX proposes to update the definition of “Baseline non-displayed ADV” in the Definitions subheading of the Transaction Fees section of the Fee Schedule. Currently, Baseline non-displayed ADV “means executions of Incremental Fee eligible ADV in August 2025.” IEX proposes to delete the quoted text in the above sentence, and to update the definition to read:

- “Baseline non-displayed ADV” is calculated as follows:
  - The Baseline non-displayed ADV is calculated by taking the average of the Member’s Incremental Fee eligible ADV in the three months with the lowest Incremental Fee eligible ADV between March 1, 2025 and February 28, 2026.
  - For Members that joined IEX after March 1, 2025, the Baseline non-displayed ADV is calculated by taking the average of the Member’s Incremental Fee eligible ADV in its first three full months of trading on the Exchange.

Second, IEX proposes to amend the “Required Criteria” in the Incremental Fee Tier Calculation Table to replace 10,000,000 with 15,000,000 as the threshold value to qualify for Incremental Fee Tier 2 (the same change will be made to the Tier 1 and Tier 2 rows).

Third, IEX proposes to amend the second sentence in footnote “a” to the Incremental Fee Tier Fee Calculation Table to replace the expiration date for the criteria of February 28, 2026 with a new expiration date of February 28, 2027.

Fourth, for purposes of clarity, IEX proposes to define the term TAV, which is used as part of the Incremental Fee Tier Option 2 fee calculations. Thus, in the first bullet under

“Incremental Fee Tier Option 2”, IEX proposes to add a parenthetical after the words “total shares traded” that reads “(total actual volume or “TAV”)”.

IEX also proposes to update some of the language in the examples for Incremental Fee Tier Option 1 and 2 to make the examples more generally applicable (removing specific reference months), and to no longer make reference to the pre-February 2026 fees that were not determinable at the time of the execution. Specifically, IEX proposes making the following changes to the table of examples for Option 1:

- Rename the column heading that reads “August 2025 Vol. (Baseline non-displayed ADV)” to read “Baseline non-displayed ADV”
- Rename the column heading that reads “Jan. 2026 ADV\*” to read “Prior Month ADV”
- Rename the column heading that reads “Feb. 2026 ADV\*” to read “Month 1 ADV”
- Rename the column heading that reads “Mar. 2026 ADV\*” to read “Month 2 ADV”
- Delete the column showing “January Fees”
- Rename the column heading that reads “February Fees” to read “Month 1 Fees”
- Rename the column heading that reads “March Fees” to read “Month 2 Fees”
- In the Example 1 row, under the new column heading “Prior Month ADV\*”, change the value from 30mm to 35mm. With this change, Example 1 will still reflect a Member that qualifies for Incremental Fee Tier 2 based on its Incremental Fee Eligible ADV being at least 15,000,000 greater than its Baseline non-displayed ADV.
- In the Example 1 row, under the new column heading “Month 1 Fees”, change the value from \$0.0007 to \$0.00061 per share. This change reflects that the blended average rate for Month 1 is now calculated by averaging the base rate of \$0.0010 per share for 20,000,000 and the reduced fee of \$0.0001 per share for 15,000,000 (because the Prior Month ADV was changed from 30,000,000 to 35,000,000). In the footnotes to the table, change references to “January” to refer to the “Prior Month”, change references to “February” to refer to “Month 1”, and change references to “March” to refer to “Month 2”
- In the second footnote to the table, change the Incremental Fee eligible ADV from 30,000,000 to 35,000,000 and the blended rate from \$0.0007 to \$0.00061 per share, to reflect the changes to Example 1 described above
- In the third footnote to the table, delete the first sentence, because the text is now duplicative of the text in footnote 2. In the second sentence, in order to consistently apply terms defined in the Fee Schedule, replace the word “volumes” with “Incremental Fee eligible ADV” and replace the word “baseline” with “Baseline non-displayed ADV by at least 15,000,000.”



And IEX proposes making the following changes to the table of examples for Option 2:

- Rename the two column headings that read “August 2025 ADV\*” to read “Baseline non-displayed ADV”
- Rename the column heading that reads “Jan. 2026 ADV\*” to read “Prior Month ADV\*”
- Rename the column heading that reads “February 2026 (19 Trading Days)” to read “Month 1 (19 Trading Days)”
- Rename the column heading that reads “February 2026 Fees” to read “Month 1 Fees”
- Rename the column heading that reads “Feb. 2026 ADV\*” to read “Month 1 ADV\*”
- Rename the column heading that reads “March 2026 (22 Trading Days)” to read “Month 2 (22 Trading Days)”
- Rename the column heading that reads “March 2026 Fees” to read “Month 2 Fees”
- In the Example 1 row, under the new column heading “Prior Month ADV\*”, change the value from 30mm to 35mm. With this change, Example 1 will still reflect a Member that qualifies for Incremental Fee Tier 2 based on its Incremental Fee Eligible ADV being at least 15,000,000 greater than its Baseline non-displayed ADV.
- In the Example 2 row, under the new column heading “Month 2 (22 Trading Days) Baseline Volume\*\*\*”, amend the cell that currently reads “N/A (Feb 2026 ADV did not exceed Aug. 2025 ADV by at least 10mm)” to read “N/A (Month 1 ADV did not exceed Baseline ADV by at least 15mm)”. With this change, Month 2 of Example 2 will still reflect a Member that does not qualify for Incremental Fee Tier 2 based on its Incremental Fee Eligible ADV not being at least 15,000,000 greater than its Baseline non-displayed ADV.

As noted above, the Exchange is not proposing to change the fees applicable to executions of and with orders with an execution price below \$1.00 per share.

## 2. Statutory Basis

IEX believes that the proposed rule change is consistent with the provisions of Section 6(b)<sup>20</sup> of the Act in general and furthers the objectives of Sections 6(b)(4)<sup>21</sup> of the Act, in particular, in that it is designed to not be unfairly discriminatory and to provide for the equitable

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<sup>20</sup> 15 U.S.C. 78f.

<sup>21</sup> 15 U.S.C. 78f(b)(4).

allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

First, as described in the Purpose section, this proposed fee change will continue to make IEX's fees determinable at the time of execution, as required by Rule 610(d) of Regulation NMS.

IEX also believes that this proposal provides for the equitable allocation of reasonable fees among its Members and is not designed to be unfairly discriminatory because the proposed new approach to calculating a Member's Baseline non-displayed ADV is designed to address the different "states" of Members' usage. For example, longer-term Members have an established volume level on the Exchange, and taking an average of those Members' three lowest volume months between March 2025 and February 2026 allows those Members to set an appropriate baseline that such Members must exceed to qualify for the Incremental Fee Tier 2 reduced fee.

Similarly, IEX believes that taking the average of a new Member's first three full months of trading on the Exchange to calculate their Baseline non-displayed ADV is fair and equitable because it allows the Members time to "ramp up" their trading on the Exchange and to set a Baseline non-displayed ADV that is high enough to allow the Member to pay the reduced fee for a meaningful volume of its Incremental Fee eligible ADV, while setting the Baseline non-displayed ADV at an appropriate baseline that the Member may reasonably be able to exceed to qualify for the reduced fee.

IEX believes this approach to setting the Baseline non-displayed ADV will balance the two purposes of the Baseline non-displayed ADV (as both a barrier to overcome for qualification and a threshold that caps the benefit of the lower fee) in a fair and equitable manner that may incentivize Members to increase non-displayed trading activity on the Exchange, to the benefit of

all market participants.

Additionally, IEX believes that its proposal to increase the threshold volume Members must satisfy to qualify for Incremental Fee Tier 2 reflects a reasonable pricing structure, made for business and competitive reasons in response to increasing market volumes. The Exchange further believes the proposed increase to the threshold volume requirement to qualify for Incremental Fee Tier 2 will continue to incentivize Members to grow their non-displayed volume on the Exchange. And increased volume on the Exchange contributes to a deeper and more liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.

Further, IEX notes that this fee proposal is equitable and not designed to permit unfair discrimination because all similarly situated Members will be treated the same. Thus, IEX does not believe that any aspect of this proposal raises new or novel issues not already considered by the Commission.

Additionally, IEX believes that the proposed conforming and clarifying changes to the IEX Fee Schedule set forth in the Purpose section further the purposes of the Act because they provide greater clarity and consistency to the Fee Schedule, thereby reducing the potential for confusion of any market participants. The Exchange believes that the proposed conforming and clarifying changes will provide greater clarity to Members and the public regarding the Exchange's Fee Schedule, and are therefore consistent with the protection of investors and the public interest.

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. Within that context, the proposed changes to the Incremental Fee Tier structure are

designed to keep IEX's non-displayed trading prices competitive with those of other exchanges.

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

IEX 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. 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. The Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if fee schedules at other venues are viewed as more favorable. Consequently, the Exchange believes that the degree to which IEX fees could impose any burden on competition is extremely limited and does not believe that such fees would burden competition between Members or competing venues. Moreover, as noted in the Statutory Basis section, the Exchange does not believe that the proposed changes raise any new or novel issues not already considered by the Commission.

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, while different fees are assessed on Members, these fees are not based on the type of Member entering the orders that match, but rather on the Member's own trading activity. Further, the proposed fee change is intended to encourage market participants to bring increased order flow to the Exchange, which benefits all market participants.

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

Written comments were neither solicited nor received.

### 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)(ii)<sup>22</sup> of the Act.

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>23</sup> of the 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-IEX-2026-03 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.

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<sup>22</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>23</sup> 15 U.S.C. 78s(b)(2)(B).

All submissions should refer to file number SR-IEX-2026-03. 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-IEX-2026-03 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>24</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>24</sup> 17 CFR 200.30-3(a)(12).