SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106058; File No. SR-IEX-2026-26]

Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Pursuant to IEX Rule 15.110(a) and (c) to Amend the Exchange's Fee Schedule Applicable to Members to Modify IEX's Incremental Fee Tiers and to Make Organizational Changes to the Fee Schedule in Preparation for the Launch of IEX Options Later this Year

August 7, 2026.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 ("Act")[2] and Rule 19b-4 thereunder,[3] notice is hereby given that on July 30, 2026, the Investors Exchange LLC ("IEX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. 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,[4] and Rule 19b-4 thereunder,[5] the Exchange is filing with the Commission a proposed rule change pursuant to IEX Rule 15.110(a) and (c) to amend the Exchange's fee schedule applicable to Members[6] (the "Fee

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1 15 U.S.C. 78s(b)(1).

2 15 U.S.C. 78a.

3 17 CFR 240.19b-4.

4 15 U.S.C. 78s(b)(1).

5 17 CFR 240.19b-4.

6 See IEX Rule 1.160(s).

Schedule"[7]) to modify IEX's Incremental Fee Tiers and to make organizational changes to the Fee Schedule in preparation for the launch of IEX Options later this year. Changes to the Fee Schedule pursuant to this proposal are effective upon filing,[8] and will be implemented on August 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

The Exchange proposes to modify its Fee Schedule, pursuant to IEX Rule 15.110(a) and (c), to modify IEX's Incremental Fee Tiers[9] and to make organizational changes to the Fee Schedule in preparation for the launch of IEX Options later this year. Specifically, IEX proposes to: (1) introduce a new fee of $0.0004 per share for certain non-displayed trades of Members

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

8 15 U.S.C. 78s(b)(3)(A)(ii).

9 See footnote 6 to the Transaction Fees, Base Rates table and Fee Code Combinations and Associated Fees table of the IEX Fee Schedule, supra note 7.

who qualified for the reduced Incremental Fee in each of the three immediately preceding months; and (2) move the FINRA Registration and Processing and the Consolidated Audit Trail Funding Fees into a separate "Additional Fees" schedule, which will be linked from both the Exchange's equities and options fee schedules.[10] This fee change proposal is effective on filing and will be implemented on August 1, 2026.[11]

Incremental Fee Tiers Change

IEX's Incremental Fee Tiers are a volume-based fee incentive designed to incentivize Members to increase their ADV[12] of non-displayed trading on the Exchange by charging a reduced fee of $0.0001 per share[13] to Members that qualify for Incremental Fee Tier 2 for applicable executions of non-displayed orders.[14] A Member qualifies for the reduced fee (i.e., Incremental Fee Tier 2) for a portion of its Incremental Fee eligible ADV[15] in the current month if in the prior (i.e., immediately preceding) month, its Incremental Fee eligible ADV exceeded its Baseline non-displayed ADV[16] by at least 15,000,000. In the current month, all Members that

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10 IEX has not yet filed for any options-related fees, but when it does so it intends to place options-related fees on a separate fee schedule from the one used by equities traders.

11 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.

12 "ADV" means average daily volume calculated as the number of shares added or removed (as applicable) that execute at or above $1.00 per share, per day.

13 IEX's base rate for transactions that add or remove non-displayed liquidity is $0.0010 per share. See IEX Fee Schedule, supra note 7, Transaction Fees, Base Rates table.

14 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).

15 "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.

16 "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

qualify for Incremental Fee Tier 2 pay the regular $0.0010 fee for any Incremental Fee eligible ADV that is less than or equal to the Baseline non-displayed ADV, and pay the reduced $0.0001 fee for any Incremental Fee eligible ADV that exceeds the Baseline non-displayed ADV. However, unless the Member has qualified for Incremental Fee Tier 2 in at least the three immediately preceding months, IEX caps the volume that is eligible for the reduced $0.0001 fee at the Member's Baseline non-displayed ADV, and any additional Incremental Fee eligible ADV is charged the regular fee of $0.0010 for either adding or removing non-displayed liquidity.

For Members that qualified for Incremental Fee Tier 2 in at least the three immediately preceding months, IEX doubles the cap on the amount of Incremental Fee eligible ADV that qualifies for the $0.0001 reduced fee. Thus, for these Members (herein referred to as "Eligible Members"), the $0.0001 reduced fee is applicable to Incremental non-displayed ADV[17] that is less than or equal to two times the Baseline non-displayed ADV. Any additional Incremental Fee eligible ADV for Eligible Members is currently charged the regular fee of $0.0010 for either adding or removing non-displayed liquidity.

Because of the cap on Incremental Fee eligible ADV that qualifies for the $0.0001 reduced fee, IEX's Incremental Fee Tiers only incentivize non-displayed trading on the Exchange up to a point, after which Eligible Members return to paying the regular $0.0010 fee for non-displayed trading. To better incentivize these Eligible Members to bring more non-displayed trading to the Exchange, IEX now proposes to introduce a $0.0004 per share reduced fee for any Incremental Fee eligible ADV in excess of the two-times Baseline non-displayed ADV cap on the $0.0001 reduced fee.

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full months of trading on the Exchange. See IEX Fee Schedule, supra note 7, Transaction Fees, Definitions.

17 "Incremental non-displayed ADV" means executions in the immediately preceding month of Incremental Fee eligible ADV that exceeded the Baseline non-displayed ADV. See IEX Fee Schedule, supra note 7.

IEX chose $0.0004 as the fee for qualifying executions because it represents the lowest possible blended rate an Eligible Member would pay if it had traded exactly enough to maximize the current Incremental Fee Tier 2 benefit, as represented in the following example:

Example 1:

- Member A qualified for Incremental Fee Tier 2 in each of the three immediately preceding months (Months 1-3). The current month, Month 4, has twenty (20) trading days.

- In Month 4, Member A's Baseline non-displayed ADV is 10,000,000 (in a twenty-day month, this equals 200,000,000 shares) and its Incremental Fee eligible ADV is 30,000,000 (in a twenty-day month, this equals 600,000,000 shares), meaning its Incremental non-displayed ADV is 20,000,000 (in a twenty-day month, this equals 400,000,000 shares).

- Member A pays $0.0010 per share for the 200,000,000 shares that represent its Baseline non-displayed ADV, which totals $200,000.

- Member A pays $0.0001 per share for the 400,000,000 shares that represent its Incremental non-displayed ADV (because it is less than or equal to two times its Baseline non-displayed ADV), which totals $40,000.

- Member A's total costs for its Incremental Fee eligible ADV in Month 4 is $240,000 ($200,000 + $40,000). Member A's per share cost is $0.0004 ($240,000 total cost/600,000,000 shares traded).

An example of how this fee change proposal will work in practice can be found in the proposed changes to footnote a to the Fee Schedule's "Incremental Fee Tier Fee Calculation Table (used by both Options 1 and 2)." The last sentence of that footnote includes an example of the fees currently applicable to an Eligible Member whose Incremental Fee eligible ADV is greater than three times its Baseline non-displayed ADV. It currently reads:

> For example, if such a Member's Baseline non-displayed ADV is 15,000,000 and its Incremental Fee eligible ADV is 50,000,000 (i.e., its Incremental non-displayed ADV is 35,000,000), the $0.0001 fee is applicable to 30,000,000 of its Incremental Fee eligible ADV (two times the Member's Baseline non-displayed ADV), and the $0.0010 fee is applicable to 20,000,000 of its Incremental Fee eligible ADV.

IEX proposes to change this sentence to reflect that for this Eligible Member, only the Baseline non-displayed ADV (15,000,000) will be assessed the $0.0010 fee, two times the Baseline non-displayed ADV (30,000,000) will be assessed the $0.0001 fee, and the 5,000,000 of Incremental Fee eligible ADV that is greater than three times the Baseline non-displayed ADV will now be assessed the $0.0004 fee.

IEX notes that this fee change will not affect a Member who has not qualified for Incremental Fee Tier 2 in at least the three immediately preceding months.

To effect the above proposed fee change, IEX proposes making the following changes to the Fee Schedule:

- Amend the first bullet in the Incremental Fee Tiers subsection (footnote 6 in the Transaction Fees section) to remove the words "of $0.0001 per share)", so the bullet now reads in full: "IEX's Incremental Fee Tiers provide Members an opportunity to pay a reduced fee (the 'Incremental Fee') for Incremental Fee eligible ADV in the current month." IEX proposes to make this change because the reduced fee can now be either $0.0001 per share or $0.0004 per share.

- Add "or $0.0004" to the Incremental Fee Tier Calculation Table (used by both Options 1 and 2), so that it now shows that for Tier 2, if Member's Incremental non-displayed ADV was greater than or equal to 15,000,000, the Fee for Incremental non-displayed ADV is "$0.0001 or $0.0004."

- Amend footnote a to the Incremental Fee Tier Calculation Table (used by both Options 1 and 2) as follows:
    - At the beginning of the first sentence, delete "This fee" and replace with "The $0.0001 fee…" This change modifies the part of footnote a that refers to Members who have not qualified for Incremental Fee Tier 2 in at least the three immediately preceding months, and who therefore are only eligible for the $0.0001 reduced fee on Incremental non-displayed ADV that does not exceed the Baseline non-displayed ADV.
    - In the second sentence replace the word "reduced" with "$0.0001." This change reflects the specific fee that will be charged for Incremental non-displayed ADV for a Member that qualified for Incremental Fee Tier 2 in at least the three immediately preceding months.
    - Add a new third sentence that reads in full: "Incremental non-displayed ADV that exceeds **two times** the Baseline non-displayed ADV will be assessed the

$0.0004 fee."

  - In the last sentence of the paragraph (now the fourth sentence), update the example by removing the words: "the $0.0001 fee is applicable to 30,000,000 of its Incremental Fee eligible ADV (two times the Member's Baseline non-displayed ADV), and the $0.0010 fee is applicable to 20,000,000 of its Incremental Fee eligible ADV" and inserting the following: "15,000,000 is assessed the $0.0010 fee, 30,000,000 is assessed the $0.0001 fee, and 5,000,000 is assessed the $0.0004 fee."

- Amend the "Incremental non-displayed TAV" bullet under the Incremental Fee Tier Option 2 subsection as follows:

  - In the last sentence replace "the reduced Incremental Fee is capped at two times the Baseline non-displayed ADV" with "the $0.0001 fee is capped at two times the Baseline non-displayed ADV." And add to the end of the sentence ", and any volume greater than three times the Baseline non-displayed ADV is eligible for the $0.0004 fee." These changes reflect that only the $0.0001 reduced fee is capped at two times the Baseline non-displayed ADV, and there will now be a $0.0004 reduced fee applied to any volume greater than three times the Baseline non-displayed ADV.

IEX also proposes to correct a typographical error in one of the examples to the Incremental Fee Tier Option 1 section of the Fee Schedule. Specifically, IEX proposes to update the explanatory text in the second footnote, which is marked with two asterisks ("**"), under the table in the Incremental Fee Tier Option 1 section, so that it states that the Member has Incremental Fee eligible ADV of 35,000,000. Currently, the explanatory text states that the Member has Incremental Fee eligible ADV of 30,000,000 in the Prior Month, but the example in the table and the calculations in the footnote all correctly reflect the Member having Incremental Fee eligible ADV of 35,000,000, not 30,000,000, in the Prior Month.

<u>Organizational Fee Schedule Changes</u>

On September 18, 2025, the Commission approved IEX's rule change proposal to adopt rules governing the trading of options on the Exchange in a new facility called "IEX Options";[18]

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[18] <u>See</u> Securities Exchange Act Release No. 103998 (September 18, 2025), 90 FR 45861 (September 23,

IEX Options has announced its plan to commence trading options on October 2, 2026.[19] In preparation for the launch of IEX Options, IEX proposes to rename the current Fee Schedule to reflect that it specifically applies to equities trading, and to move fees that apply to both equities and options trading into a separate "Additional Fees" schedule, which will be linked from the equities or options specific fee schedules.

Specifically, the Exchange proposes to make the following organizational changes to the Fee Schedule:

- Rename the Fee Schedule from "Investors Exchange Fee Schedule" to "IEX Equities Fee Schedule" and insert the words "Investors Exchange LLC" above "IEX Equities Fee Schedule."
- Remove the "Registration and processing fees" and "Consolidated Audit Trail Funding Fees" sections of the Fee Schedule.
- Insert text at the bottom of the Fee Schedule that reads:
    - "Additional Fees: Fees collected through the CRD registration system for registration and processing of associated persons of Members that are not also FINRA members, and the Consolidated Audit Trail Funding Fees are set forth on the Additional Fees schedule:"
    - Have the words "Additional Fees schedule" be hyperlinked to a new Additional Fees schedule.
- Create a new "Additional Fees" schedule that will contain the "Registration and processing fees" and "Consolidated Audit Trail Funding Fees" that are currently on the Fee Schedule.
- Set the effective date of the Additional Fees schedule as May 1, 2026, to reflect the most recent update to the "Registration and processing fees" and "Consolidated Audit Trail Funding Fees" found on the schedule.[20]

2025) (SR-IEX-2025-02).

19 See https://www.iex.io/options/resources#important-dates.

20 See Securities Exchange Act Release No. 105407 (May 7, 2026), 91 FR 26252 (May 12, 2026) (SR-IEX-2026-12) (filing introducing "Historical CAT Assessment 1A" fees).

2. Statutory Basis

IEX believes that the proposed rule change is consistent with the provisions of Section 6(b)[21] of the Act in general and furthers the objectives of Section 6(b)(4)[22] of the Act, in particular, in that it is designed to not be unfairly discriminatory and to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

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. Accordingly, IEX has designed the change to its Incremental Fee Tiers to encourage more trading on the Exchange while providing a fee structure that is fair, equitable, and not designed to permit unfair discrimination because they will be applied equally to all Members who satisfy the criteria.

Within that context, the proposed introduction of a new $0.0004 fee for Members who have qualified for Incremental Fee Tier 2 in at least the three immediately preceding months, and whose Incremental Fee eligible ADV in the current month is greater than three times their Baseline non-displayed ADV is within the range of rebate and fee tier requirements applied by other exchanges. IEX also believes that offering a reduced fee of $0.0004 per share for the non-displayed trading of Members that have qualified for Incremental Fee Tier 2 in at least the three immediately preceding months, and whose volume in the current month is greater than three times their Baseline non-displayed ADV furthers the objectives of the Act. This aspect of the proposal, which IEX also makes for business and competitive reasons, is designed to incentivize

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21 15 U.S.C. 78f(b).

22 15 U.S.C. 78f(b)(4).

Members to increase their volume of non-displayed trading on the Exchange and to maintain that volume in subsequent months. IEX believes that this increased non-displayed volume on the Exchange will contribute to a deeper and more liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.

Further, IEX believes that the correction of the footnote related to one of the examples in the Incremental Fee Option 1 section of the Fee Schedule is consistent with Section 6(b)(5) of the Act because it is designed to eliminate any potential confusion regarding IEX fees by correcting an inadvertent typographical error that made the example inconsistent with the fee as specified in the Fee Schedule.

Additionally, IEX believes that this proposal provides for the equitable allocation of reasonable fees among its Members and is not designed to be unfairly discriminatory because all Members are eligible to increase their non-displayed volume to qualify for the reduced fee of $0.0004, as described in the Purpose section, and therefore all similarly situated Members will be treated the same by this proposal. Thus, IEX does not believe that any aspect of this proposal raises new or novel issues not already considered by the Commission.

Furthermore, the Exchange believes that the proposed reorganization of its Fee Schedule to establish a separate fee schedule for Additional Fees (the Registration and Processing and CAT Funding fees) that apply to Members who trade either equities, options or both, is reasonable and equitable because it is a non-substantive change and does not involve changing any existing fees or rebates that apply to trading activity on IEX. Further, the changes are designed to make the fee schedule easier to read. The Exchange also believes this reorganization is non-discriminatory because it applies uniformly to all Members. The Exchange believes the proposed reorganized Fee Schedule will be clearer and less confusing for Members of the

Exchange and will eliminate potential Member confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and in general, protecting investors and the public interest.

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

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. As discussed in the Statutory Basis section, 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)[23] 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)[24] 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. Please include file number SR-IEX-2026-26 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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23 15 U.S.C. 78s(b)(3)(A)(ii).

24 15 U.S.C. 78s(b)(2)(B).

All submissions should refer to file number SR-IEX-2026-26. 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-2026-26 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.[25]

J. Matthew DeLesDernier,

Deputy Secretary.

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[25] 17 CFR 200.30-3(a)(12).