

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106341; File No. SR-IEX-2026-29]

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 Provide that Extranet Providers, in Addition to Data Subscribers, Are also Eligible to Earn the External Distribution Rebate by Enlisting New Data Subscribers of Real-Time IEX Market Data Products

September 11, 2026.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on August 31, 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,⁴ and Rule 19b-4 thereunder,⁵ the Exchange is filing with the Commission a proposed rule change to amend the IEX Fee Schedule (“Fee Schedule”), pursuant to IEX Rules 15.110(a) and (c), to provide that Extranet Providers, in addition to Data Subscribers, are also eligible to earn the External

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.

Distribution Rebate by enlisting new Data Subscribers of Real-Time IEX market data products. Changes to the Fee Schedule pursuant to this proposal are effective upon filing,⁶ and will be operative beginning on September 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 amend the Market Data Fees section of the IEX Fee Schedule ("Fee Schedule"),⁷ pursuant to IEX Rules 15.110(a) and (c), to provide that Extranet Providers,⁸ in addition to Data Subscribers,⁹ are also eligible to earn the External Distribution Rebate by

⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

⁷ See IEX Fee Schedule – Market Data Fees, available at <https://www.iex.io/resources/trading/fee-schedule#market-data-fees>.

⁸ See Rule 11.130(e).

⁹ "Data Subscriber" means any natural person or entity that receives Real-Time IEX market data either directly from the Exchange or from another non-affiliated Data Subscriber via uncontrolled distribution where such non-affiliated Data Subscriber does not control both the entitlement to and display of the Real-Time IEX Market Data by the Data Subscriber. A Data Subscriber must enter into a Data Subscriber Agreement with IEX in order to receive Real-Time IEX market data. A natural person or entity that receives Real-Time IEX market data from an affiliated Data Subscriber is subject to the Data Subscriber

enlisting new Data Subscribers¹⁰ of Real-Time¹¹ IEX market data products.

Background

On July 17, 2026, IEX established an External Distribution Rebate,¹² to be implemented beginning on September 1, 2026, for Data Subscribers who distribute Real-Time IEX market data to new External Data Subscribers (the “Market Data Rebate Filing”).¹³ The rebate is available for a Data Subscriber that distributes IEX market data products (referred to herein as a “Data Redistributor”) to a new External Data Subscriber(s). The External Distribution Rebate is equal to 75% of the subscription fees paid to IEX by the new External Data Subscriber(s) enlisted by the Data Redistributor to incentivize Data Redistributors to enlist new External Data Subscribers and thereby increase distribution of Real-Time IEX market data products.

IEX offers three Real-Time market data products: (i) DEEP+, an uncompressed data feed of order-by-order depth of book quotations for all displayed orders resting on the Order Book at each price level, and execution information (i.e., last sale information) for executions on the Exchange;¹⁴ (ii) DEEP, an uncompressed data feed that provides aggregated depth of book quotations for all displayed orders resting on the Order Book at each price level and execution information (i.e., last sale information) for executions on the Exchange;¹⁵ and (iii) TOPS, an

Agreement of such affiliated Data Subscriber. See Fee Schedule, supra, note 7.

¹⁰ “External Data Subscriber” means any Person who (i) receives IEX Market Data from a Data Subscriber via Uncontrolled Distribution, and (ii) is not a Data User or Affiliate of such Data Subscriber. See IEX Data Subscriber Agreement, Section 1 – Definitions, <https://www.iex.io/documents/iex-data-subscriber-agreement>.

¹¹ “Real-Time IEX market data” is IEX market data that is accessed, used or distributed less than fifteen (15) minutes after it was made available by the Exchange. See Fee Schedule, supra note 7.

¹² See supra, note 7.

¹³ See Securities Exchange Act Release No. 105972 (July 23, 2026), 91 FR 47293 (July 28, 2026) (SR-IEX-2026-22).

¹⁴ See IEX Rule 11.330(a)(3).

¹⁵ See IEX Rule 11.330(a)(2).

uncompressed data feed that provides aggregated top of book quotations for all displayed orders resting on the Order Book and execution information (i.e., last sale information) for executions on the Exchange.¹⁶

As described in the Market Data Rebate Filing, a Data Redistributor is eligible to receive a rebate of 75% of the amount of subscription fees paid to IEX by any new External Data Subscriber that begins to subscribe to one or more Real-Time IEX market data products through the Data Redistributor.¹⁷ The Data Redistributor will be eligible to earn the proposed External Distribution Rebate starting the first full month of the new External Data Subscriber's subscription. The proposed rebate applies to the subscriptions of new External Data Subscribers who, as of July 1, 2026, were not entitled to receive Real-Time IEX market data products and would not apply to a Data Subscriber's existing Data Subscriber customers.¹⁸

The Data Redistributor must report to IEX on a monthly basis any new External Data Subscribers that began subscribing to a particular IEX market data product through the Data Redistributor during the previous month.¹⁹ A Data Subscriber wishing to participate in the proposed External Distribution Rebate must opt into the program via an updated Exhibit A (Data Request Form) to the IEX Data Subscriber Agreement, and each new External Data Subscriber will be required to execute the IEX Data Subscriber Agreement.

The rebate will expire on the earlier of (a) the termination of an External Data

¹⁶ See IEX Rule 11.330(a)(1).

¹⁷ See *supra*, note 13.

¹⁸ To the extent that a new External Data Subscriber chooses to participate in the one-time 30-day free trial that IEX offers for TOPS and DEEP, the proposed External Distribution Rebate would begin at the end of the 30-day free trial period. See Fee Schedule – Market Data Fees – Trial Usage, *supra* note 7.

¹⁹ Data Subscribers that distribute Real-Time IEX market data externally to External Data Subscribers are already required to report such distributions. See IEX Data Subscriber Agreement, Exhibit A – Data Request Form, *supra* note 10.

Subscriber’s applicable subscription, or (b) August 31, 2028 (two years from the commencement of the proposed External Distribution Rebate program).²⁰

Proposal

IEX proposes to make the External Distribution Rebate available to Extranet Providers in the same manner as it is available to Data Subscribers. Extranet Providers are not Exchange Members, but obtain authorized access to the Exchange by entering into a Connectivity Services Agreement (including the “Extranet Addendum”) with the Exchange.²¹ Extranet Providers with authorized access to the Exchange provide a means for market participants (including Members and Data Subscribers) to connect to the Exchange for order entry access or the receipt of market data.²² Extranet Providers who elect to distribute market data to their customers agree not to access or alter the market data subject to some technical exceptions set forth in the Extranet Addendum.²³ Thus, Extranet Providers receive and transmit IEX market data without signing the IEX Data Subscriber Agreement²⁴ and thus without becoming an IEX Data Subscriber.²⁵

As proposed, each Extranet Provider that transmits Real-Time IEX market data products to one or more Data Subscribers²⁶ will be eligible to receive an External Distribution Rebate of

²⁰ Should the Exchange determine to extend the proposed rebate program, it would do so subject to an effective SEC rule filing and notice to market participants.

²¹ See Rule 11.130(e).

²² See IEX Extranet Manual, available at <https://www.iex.io/documents/iex-extranet-manual>.

²³ See Section 3(b) of the Extranet Addendum to Connectivity Services Agreement, available at <https://www.iex.io/documents/iex-connectivity-services-agreement-and-forms>.

²⁴ See Section 2(1) of the IEX Market Data Policies, available at <https://www.iex.io/documents/iex-market-data-policies-rev202408>. (“All recipients of Real-Time IEX Market Data via Uncontrolled Distribution, **except extranet providers**, are required to complete, sign and deliver to IEX the IEX Data Subscriber Agreement, including the Data Request Form and List of Affiliates (if applicable).”) (emphasis added).

²⁵ IEX’s Fee Schedule, Data Subscriber Agreement, and Market Data Policies all define a Data Subscriber as a Person that both receives IEX real-time market data and is required to sign a Data Subscriber Agreement. See Fee Schedule, *supra*, note 7, IEX Data Subscriber Agreement, *supra*, note 10, and IEX Market Data Policies, *supra*, note 24.

²⁶ IEX notes that a firm that receives Real-Time IEX market data from an Extranet Provider is referred to herein and in the Fee Schedule as a “Data Subscriber”, because “External Data Subscribers” are defined as

75% of the amount of subscription fees paid to IEX by any new Data Subscriber that begins to subscribe to one or more Real-Time IEX market data products through such Extranet Provider. Each Extranet Provider will be eligible to earn the External Distribution Rebate starting the first full month of any new Data Subscriber's subscription to any Real-Time IEX market data product. To qualify for the External Distribution Rebate, an Extranet Provider must opt into the program via an updated Extranet Addendum to the Connectivity Services Agreement, report monthly to IEX any new Data Subscribers that began subscribing to a particular Real-Time IEX market data product through the Extranet Provider during the previous month, and each new Data Subscriber must execute the IEX Data Subscriber Agreement. Only Data Subscribers who, as of July 1, 2026, were not entitled to receive Real-Time IEX market data products will be eligible to be counted. The External Distribution Rebate does not apply to an Extranet Provider's existing Data Subscriber customers.

IEX believes that it is appropriate to extend the External Distribution Rebate to Extranet Providers because the same factors that are applicable to redistribution by a Data Subscriber, as described in the Market Data Rebate Filing, are also relevant to an Extranet Provider.²⁷ Specifically, making rebate payments to an Extranet Provider is designed to provide a strong incentive for the Extranet Provider to expand its distribution of IEX market data products by offering a share in the economics of the new subscriptions in the form of a rebate. As discussed in the Market Data Rebate Filing, such rebate payments are common for exchanges.

In general, the Exchange believes that exchanges, in setting fees of all types, should meet very high standards of transparency to demonstrate why each new fee or fee increase meets the

receiving Real-Time IEX market data from a Data Subscriber, and as described above, Extranet Providers are not Data Subscribers. See Fee Schedule, supra, note 7.

²⁷ See supra, note 13.

Exchange Act requirements. The Exchange believes this high standard is especially important when an exchange imposes fees for market participants to access an exchange's marketplace. The Exchange believes the proposed rebate, as applied to Extranet Providers, is reasonable when compared with similar fee waivers and credits offered by other equities exchanges.²⁸

The Exchange plans to implement the proposed fee change on September 1, 2026, subject to effectiveness of this proposed rule change. The Exchange announced the planned implementation of the External Distribution Rebate program set forth in the Market Data Rebate Filing on July 31, 2026²⁹ and will issue an updated announcement regarding this proposed fee change upon effectiveness.

Accordingly, the Exchange proposes to amend the Market Data Fees section of the Fee Schedule as follows:

- Add a new paragraph to the "External Distribution Rebate" section prior to the last sentence of the existing paragraph with the following text:

Each Extranet Provider that transmits Real-Time IEX market data products to one or more Data Subscribers will be eligible to receive an External Distribution Rebate of 75% of the amount of subscription fees paid to IEX by any new Data Subscriber that begins to subscribe to one or more Real-Time IEX market data product through such Extranet Provider. Each Extranet Provider will be eligible to earn the External Distribution Rebate starting the first full month of any new Data Subscriber's subscription to any Real-Time IEX market data product. To qualify for the External Distribution Rebate, an

²⁸ The Cboe U.S. equities exchanges (EDGX, EDGA, BYX, and BZX) waive external distribution fees for new uncontrolled external distributors of certain Cboe market data feeds until such time as they enlist one or more users to receive the applicable data feeds: Summary Depth, Top and aggregated market data feeds, Cboe One Summary and Cboe One Premium. See Cboe EDGX U.S. Equities Fee Schedule, effective July 1, 2026, available at https://www.cboe.com/us/equities/membership/fee_schedule/edgx; Cboe EDGA U.S. Equities Fee Schedule, effective July 1, 2026, available at https://www.cboe.com/us/equities/membership/fee_schedule/edga; Cboe BYX U.S. Equities Fee Schedule, effective July 1, 2026, available at https://www.cboe.com/us/equities/membership/fee_schedule/byx; Cboe BZX U.S. Equities Fee Schedule, effective July 1, 2026, available at https://www.cboe.com/us/equities/membership/fee_schedule/bzx. NYSE also provides a redistribution credit up to the amount of the external distribution fee for the external distribution of the Pillar Depth data feed. See NYSE Proprietary Market Data Pricing Guide, effective May 14, 2026, available at https://www.nyse.com/publicdocs/nyse/data/NYSE_Market_Data_Pricing.pdf.

²⁹ See Trading Alert #2026-012, available at <https://notifications.iex.io/tradingalerts/77>.

Extranet Provider must opt into the program by providing IEX with an updated Extranet Addendum to the Connectivity Services Agreement, report monthly to IEX any new Data Subscribers that began subscribing to a particular Real-Time IEX market data product through the Extranet Provider during the previous month, and each new Data Subscriber must execute the IEX Data Subscriber Agreement. Only Data Subscribers who, as of July 1, 2026, were not entitled to receive Real-Time IEX market data products will be eligible to be counted. The External Distribution Rebate does not apply to an Extranet Provider's existing Data Subscriber customers.

IEX also proposes to make one clarifying edit to the now third paragraph of the External Distribution Rebate section of the Fee Schedule. Specifically, IEX proposes to add “or Data Subscriber’s” after the words “External Data Subscriber’s”, so the paragraph will now read in full:

The External Distribution Rebate shall automatically expire on the earlier of (a) the termination of an External Data Subscriber’s or Data Subscriber’s applicable subscription, or (b) August 31, 2028.

IEX makes this change so the Fee Schedule is clear that Extranet Providers and Data Subscribers who qualify for the External Distribution Rebate are treated identically if the new Data Subscriber introduced by an Extranet Provider or External Data Subscriber introduced by a Data Subscriber terminates its subscription for IEX Real-Time market data.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b)³⁰ of the Act in general and furthers the objectives of Section 6(b)(4)³¹ 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 recipients of Exchange market data products. The Exchange also believes that the proposed rule change is designed to promote just and

³⁰ 15 U.S.C. 78f(b).

³¹ 15 U.S.C. 78f(b)(4).

equitable principles of trade, will not be unfairly discriminatory, and is consistent with the objectives of Section 6(b)(5)³² of the Act.

The Exchange believes that the proposed rule change is equitable and not unfairly discriminatory because the External Distribution Rebate would be available to any Extranet Provider that distributes IEX's market data products to new customers. As such, the External Distribution Rebate, as proposed to be modified, is narrowly tailored to increase external distribution of IEX market data and attract new External Data Subscribers. The Exchange believes that the proposed External Distribution Rebate will not only lower the effective costs for Extranet Providers that successfully enlist new External Data Subscribers by defraying their technical and operational costs³³ but will also potentially reward them with rebates exceeding such costs. The Exchange believes the proposed External Distribution Rebate is reasonably designed because the amount of the rebate will ultimately be a function of the ability of an Extranet Provider to enlist new External Data Subscribers for IEX market data products.

Similarly, the Exchange believes it is reasonable that the proposed rebate is not available with respect to the distribution of IEX market data products to existing Data Subscribers because such distribution would not increase the number of Data Subscribers or expand the distribution of IEX market data to new customers.³⁴ As such, the proposed rebate is not based on the type of Extranet Provider but on the business model as determined by the Extranet Provider.

In addition, IEX believes that it is reasonable to condition eligibility for the 75% rebate to

³² 15 U.S.C. 78f(b)(5).

³³ Extranet Providers are not subject to IEX market data fees because they are not Data Subscribers. See supra, notes 24 and 25. However, Extranet Providers incur costs to satisfy IEX's requirement that they own and maintain "reliable, redundant physical connectivity" to the Exchange. See IEX Extranet Manual, supra, note 22.

³⁴ IEX does not charge incremental fees for internal distribution of its market data.

the subscriptions of those downstream customers of Extranet Providers that, as of July 1, 2026, were not entitled to receive Real-Time IEX market data. This clarifies which downstream customers are eligible to be new Data Subscribers, and is consistent with the Exchange's launch of the program.

Furthermore, the Exchange believes that the proposed rule change is consistent with charging fees that are reasonable, fair, and equitable, and not unfairly discriminatory because the proposed rule change does not alter the level of fees that the Exchange currently charges for Real-Time market data products. The proposed External Distribution Rebate would apply equally to all Extranet Providers that are eligible for the rebate and in the same manner as it is currently applicable to Data Subscribers who are eligible for the rebate for enlisting new External Data Subscribers.

In addition, the Exchange believes that the proposed rule change is consistent with Section 11A of the Exchange Act³⁵ in that it is designed to facilitate the economically efficient execution of securities transactions, fair competition among brokers and dealers, exchange markets and markets other than exchange markets, and the practicability of brokers executing investors' orders in the best market. As noted above, the proposed External Distribution Rebate is designed to expand access to IEX market data to a broader range of users and thereby supports the economically efficient execution of securities transactions on IEX.

As discussed in the Purpose section, other exchanges have similar credits or fee waiver programs designed to incentivize external distribution of market data products.³⁶ As discussed in the Market Data Rebate Filing, although other exchanges that offer such credits or fee waiver

³⁵ 15 U.S.C. 78k-1.

³⁶ See supra note 28.

programs cap such credits or waivers at the amount of fees payable by the upstream distributor, IEX does not believe this difference is material in that it merely reflects a difference in degree rather than substance.³⁷ And IEX notes that exchanges routinely provide rebate payments to their members with respect to transaction fees. Thus, the Exchange does not believe that the proposed rule change raises any new or novel issues not already considered by the Commission. For the foregoing reasons, the Exchange believes that the proposed rule change is consistent with charging fees that are reasonable, fair, equitable, and not unfairly discriminatory.

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 intramarket or intermarket 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. To the contrary, the proposal is designed to enhance the Exchange's competitiveness by incentivizing Extranet Providers to enlist new Data Subscribers and increase distribution of IEX market data products, thereby expanding access to IEX market data. Other exchanges are free to offer similar External Distribution Rebates to compete with the Exchange's offering, subject to the Commission's rule filing process.

Further, the Exchange believes that the proposed rebate program does not impose a burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because all Extranet Providers, as well as Data Subscribers, are eligible for the proposed rebate. The proposed rebate is not based on the type of Extranet Provider or Data

³⁷ See supra, note 13.

Subscriber but on their respective business models as determined by the Extranet Provider or Data Subscriber.

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)³⁸ 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)³⁹ 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-2026-29

³⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

³⁹ 15 U.S.C. 78s(b)(2)(B).

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-IEX-2026-29. 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-2026-29 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.⁴⁰

Sherry R. Haywood,

Assistant Secretary.

⁴⁰ 17 CFR 200.30-3(a)(12).