

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104813; File No. SR-NYSE-2026-07]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Its Price List

February 10, 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 January 30, 2026, New York Stock Exchange LLC (“NYSE” 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 its Price List (“Price List”) to (1) offer a monthly rebate for Designated Market Maker (“DMM”) units for initial public offerings and transfers, and (2) modify the rate for routing to the Nasdaq Stock Market LLC (“Nasdaq”) in Tape B and C securities at or above \$1.00. The Exchange proposes to implement the rule change on February 2, 2026. The proposed rule change is available on the Exchange’s website at www.nyse.com, and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 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 its Price List to (1) offer a monthly rebate for DMM units for initial public offerings (“IPO) and transfers, and (2) modify the rate for routing to the Nasdaq in Tape B and C securities at or above \$1.00.

Background

Current Market and Competitive Environment

The Exchange operates in a highly competitive market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, 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.”⁴

⁴ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (File No. S7-10-04) (Final Rule) (“Regulation NMS”).

While Regulation NMS has enhanced competition, it has also fostered a “fragmented” market structure where trading in a single stock can occur across multiple trading centers. When multiple trading centers compete for order flow in the same stock, the Commission has recognized that “such competition can lead to the fragmentation of order flow in that stock.”⁵ Indeed, cash equity trading is currently dispersed across 16 exchanges,⁶ numerous alternative trading systems,⁷ and broker-dealer internalizers and wholesalers, all competing for order flow. Based on publicly-available information, no single exchange currently has more than 20% market share.⁸ Therefore, no exchange possesses significant pricing power in the execution of cash equity order flow. More specifically, the Exchange’s share of executed volume of equity trades in Tapes A, B and C securities is less than 12%.⁹

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can move order flow, or discontinue or reduce use of certain categories of products. While it is not possible to know a firm’s reason for shifting order flow, the Exchange believes that one such reason is because of fee changes at any of the registered exchanges or non-exchange venues to which the firm routes order flow. Accordingly, competitive forces compel the Exchange to use exchange transaction fees and credits because market participants can readily trade on competing venues if they deem pricing

⁵ See Securities Exchange Act Release No. 61358, 75 FR 3594, 3597 (January 21, 2010) (File No. S7-02-10) (Concept Release on Equity Market Structure).

⁶ See Cboe U.S Equities Market Volume Summary, available at https://markets.cboe.com/us/equities/market_share. See generally <https://www.sec.gov/fast-answers/divisionsmarketregmrexchangesshtml.html>.

⁷ See FINRA ATS Transparency Data, available at <https://otctransparency.finra.org/otctransparency/AtsIssueData>. A list of alternative trading systems registered with the Commission is available at <https://www.sec.gov/foia/docs/atslist.htm>.

⁸ See Cboe Global Markets U.S. Equities Market Volume Summary, available at https://markets.cboe.com/us/equities/market_share/.

⁹ See *id.*

levels at those other venues to be more favorable.

The proposed change responds to the current competitive environment where order flow providers have a choice of where to direct liquidity-providing orders and closing price orders by lowering the fee to route to Nasdaq for Tape B and C securities at or above \$1.00.

Moreover, in 2022, the Commission proposed to amend certain rules under Reg NMS after taking into account the availability of “[n]ew data processing and communications techniques [that] create the opportunity for more efficient and effective market operations”¹⁰ and that is in the public interest, appropriate for investor protection and the maintenance of fair and orderly markets to assure “economically efficient execution of securities transactions,” “fair competition among brokers and dealers, among exchange markets,” and “the practicality of brokers executing investors’ orders in the best market.”¹¹ These changes included an amendment to Rule 610 of Reg NMS that prohibits a national securities exchange from imposing, or permitting to be imposed, any fee, or providing, or permitting to be provided, any rebate or other renumeration for the execution of an order in an NMS stock unless such fee, rebate, or other renumeration can be determined at the time of execution. As amended, Rule 610 of Reg NMS provides that any national securities exchange that imposes a fee or provides a rebate that is based on a certain volume threshold, or establishes tier requirements or tiered rates based on minimum volume thresholds, would be required to set such volume thresholds or tiers using volume achieved during a stated period prior to the assessment of the fee or rebate. These amendments to Rule 610 of Reg NMS were to become effective on November 3, 2025, the first business day of November 2025. On October 31, 2025, the Commission provided temporary

¹⁰ 15 U.S.C.78k-1(a)(1)(B).

¹¹ 15 U.S.C. 78k-1(a)(1)(c)(i), (ii), and (iv).

exemptive relief to the exchanges to adjust their fee schedules to comply with the requirements of Rule 610 that exchange fees be determinable at the time of execution until the first business day of February 2026.¹² Going forward, transaction fees and credits in a billing month, including those applicable to DMM units, will be based on the member organization’s trading activity in the prior billing month in order to comply with the changes to Reg NMS.¹³ Given the absence of a prior billing month as a reference for IPOs and transfers, the proposal would permit DMM units to achieve rebates in the first month of listing only for transactions in those securities.

Proposed Rule Change

The Exchange’s Price List currently sets out different monthly rebate amounts available to DMM units for adding liquidity, other than MPL Orders, for securities at or above \$1.00 depending on the CADV of the security and the DMM quoting percentage and size in any month in which the DMM meets the More Active Securities Quoting Requirement and the Less Active Securities Quoting Requirement, as well as DMM providing as a percent of the NYSE’s total intraday adding liquidity, as those terms are defined in the Price List.

The Exchange proposes to amend this section of the Price List to add a \$0.0035 rebate for DMM units when adding liquidity, other than MPL Orders, for securities at or above \$1.00 for DMM unit transactions in IPO securities and securities transferred from another marketplace. As set forth in proposed footnote ***, the proposed rebate would only be available in the first month of listing on the Exchange of an IPO and the first month that the security transfers to the

¹² See Securities Exchange Act Release No. 104172 (October 31, 2025), 90 FR 51418 (November 17, 2025) (Order Granting Temporary Exemptive Relief, Pursuant to Section 36(a)(1) of the Securities Exchange Act of 1934 and Rules 610(f) and 612(d) of Regulation NMS, From Compliance With Rule 600(b)(89)(i)(F), Rule 610(c), Rule 610(d) and Rule 612 of Regulation NMS, as Amended). The lapse in appropriations began on October 1, 2025, and ended on November 12, 2025.

¹³ The Exchange will be submitting a separate rule filing amending its Price List in order to achieve compliance with these Reg NMS changes.

Exchange from another marketplace. The proposed footnote would also provide that reallocation of an already listed security from one DMM unit to another will not count as a transfer. The Exchange notes that the rate is in line or the same as the current rebates available to DMM units for adding liquidity, other than MPL Orders, for securities at or above \$1.00 that meet the requirements set forth in the same section of the Price List.

In addition, the Exchange proposes to modify the rate for routing securities priced at or above \$1.00 to the Nasdaq in Tape B and C securities. Currently, the Exchange charges a fee of \$0.0010 per share for executions in securities with a price at or above \$1.00 in Away Market Auctions at venues other than NYSE American. The Exchange proposes to charge a lower fee of \$0.0009 per share for executions in securities with a price at or above \$1.00 that route and execute in a Nasdaq Auction, which would exclude Nasdaq Auctions from the current \$0.0010 per share charge.

The proposed changes are not otherwise intended to address other issues, and the Exchange is not aware of any significant problems that market participants would have in complying with the proposed changes.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,¹⁴ in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,¹⁵ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(4) & (5).

As discussed above, the Exchange operates in a highly competitive market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, 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.”¹⁶ While Regulation NMS has enhanced competition, it has also fostered a “fragmented” market structure where trading in a single stock can occur across multiple trading centers. When multiple trading centers compete for order flow in the same stock, the Commission has recognized that “such competition can lead to the fragmentation of order flow in that stock.”¹⁷

The Proposed Change is Reasonable

In light of the competitive environment in which the Exchange currently operates, the proposed rule change is a reasonable attempt to increase liquidity on the Exchange and improve the Exchange’s market share relative to its competitors. The Exchange believes the proposed change is also reasonable because it is designed to attract higher volumes of orders transacted on the Exchange by member organizations that are DMM units, which would benefit all market participants by offering greater price discovery and an increased opportunity to trade on the Exchange, both intraday and during the closing auction.

¹⁶ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37495, 37499 (June 29, 2005) (S7-10-04) (Final Rule) (“Regulation NMS”).

¹⁷ See Securities Exchange Act Release No. 61358, 75 FR 3594, 3597 (January 21, 2010) (File No. S7-02-10) (Concept Release on Equity Market Structure).

The Exchange believes that offering DMMs units a rebate for IPOs and assigned securities in the first month those securities trade on the Exchange is a reasonable means to ensure that DMM unit transactions when adding liquidity during that period are incentivized in view of changes to Reg NMS that all exchange fees and rebates to be determinable at the time of execution. As noted, the Exchange will be utilizing trading and quoting activity in a prior billing month on order to determine transaction fees and credits in a billing month, which would exclude new IPO securities and securities that transfer to the Exchange from another market since there would be no prior month trading or quoting activity on the Exchange. The proposal would thus foster liquidity provision and stability in the marketplace by continuing to provide incentives for DMM units, to the benefit of all market participants. The Exchange notes that, following the first month of trading in a new listing for an IPO or transfer, the current rebates applicable to DMM units would apply.

Similarly, the Exchange believes that the proposed to lower the routing fee for orders at or above \$1.00 that route to a Nasdaq auction is reasonable because the fee would be comparable to the current fee of \$0.0005 per share for orders that route to an NYSE American auction. Moreover, the proposed fee would be consistent with or lower than fees charged on other exchanges.¹⁸ The Exchange notes that operates in a highly competitive market in which market participants can readily select between various providers of routing services with different product offerings and different pricing.

The Proposal is an Equitable Allocation of Fees

The Exchange believes the proposal equitably allocates fees and credits among market

¹⁸ For instance, the Nasdaq Stock Market charges from a top rate of .0008 to .0016. See <https://www.nasdaqtrader.com/Trader.aspx?id=PriceListTrading2>.

participants because all member organizations that participate on the Exchange may qualify for the proposed credits and fees on an equal basis. The Exchange believes its proposal equitably allocates its fees and credits among its market participants by fostering liquidity provision and stability in the marketplace.

The Exchange believes the proposal equitably allocates its fees among market participants because it would apply to all similarly situated member organizations. Specifically, the proposed rebate for adding liquidity in IPOs and transfers would apply equally to all member organizations that are DMMs on the Exchange. The Exchange believes the proposal is an equitable allocation of fees because it would continue to reward DMM units for their increased risks and heightened quoting and other obligations generally and in connection with IPOs and securities transferred from another marketplace during the securities' first listing month on the Exchange. The proposed rebate is also equitable because it would apply equally to any DMM unit. The Exchange believes that the proposal would provide an equal incentive to any member organization to maintain a DMM unit, and that the proposal constitutes an equitable allocation of fees because all similarly situated member organizations would be eligible for the same rebate.

Similarly, the Exchange believes that the proposed changes to the routing fees also represent an equitable allocation of fees because it would apply uniformly to all member organizations that route orders in securities at or above \$1.00 to a Nasdaq auction, and each such member organization would be charged the proposed lower fee when utilizing the functionality. Without having a view of member organizations' activity on other exchanges and off-exchange venues, the Exchange has no way of knowing whether the proposed fee would result in any member organization from reducing or discontinuing its use of the routing functionality. Moreover, the proposed fee would be equitable because it is consistent with or lower than fees

charged on other exchanges.¹⁹

The Proposal is Not Unfairly Discriminatory

The Exchange believes that the proposal is not unfairly discriminatory. In the prevailing competitive environment, member organizations are free to disfavor the Exchange's pricing if they believe that alternatives offer them better value.

The proposal does not permit unfair discrimination because the proposed criteria would be applied to all similarly situated member organizations, who would all be eligible for the proposed rebates and lower fees on an equal and non-discriminatory basis. The Exchange notes in this regard that submission of orders to the Exchange is optional for member organizations in that they could choose whether to submit orders to the Exchange and, if they do, the extent of its activity in this regard.

The Exchange believes the proposed rebate for DMM units adding liquidity in IPOs and transfers during the first month of listing on and transfer to the Exchange, respectively, does not permit unfair discrimination because the proposed changes would apply to all similarly situated member organizations that are DMM units. The Exchange believes that offering a rebate during the first month of listing and transfer for these securities without a prior month of trading and quoting with a DMM unit that would determine the credits for that security in a billing month going forward would provide an incentive for DMM units to quote and trade these assigned securities on the Exchange during the first month of listing and transfer, and will generally allow the Exchange and DMM units to better compete for order flow, thus enhancing competition. The Exchange believes that the proposal would provide an equal incentive to any member organization to operate and maintain a DMM unit, and that the proposal would not be unfairly

¹⁹ See note 20 [sic], supra.

discriminatory because the incentive would be offered on an equal and non-discriminatory basis to all similarly situated member organizations.

The Exchange believes that its proposed routing fee is not unfairly discriminatory because the fee would be applicable to all member organizations on an equal and non-discriminatory basis. The Exchange believes it is not unfairly discriminatory as the proposal to charge a lower fee would be assessed on an equal basis to all member organizations that route orders in securities at or above \$1.00 to Nasdaq. Moreover, the proposed rule change neither targets nor will it have a disparate impact on any particular category of market participant. The Exchange believes that this proposal does not permit unfair discrimination because the changes described in this proposal would be applied to all similarly situated member organizations. Accordingly, no member organization already operating on the Exchange would be disadvantaged by the proposed allocation of fees. The Exchange further believes that the proposed rule change would not permit unfair discrimination among member organizations because the ability to route to Nasdaq would remain available to all member organizations on an equal basis and each such participant would be charged the same fee for using the functionality.

For the foregoing reasons, the Exchange believes that the proposal is consistent with the Act.

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

In accordance with Section 6(b)(8) of the Act,²⁰ the Exchange believes that the proposed rule change would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional liquidity to a public

²⁰ 15 U.S.C. 78f(b)(8).

exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for member organizations. As a result, the Exchange believes that the proposed change furthers the Commission’s goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes “more efficient pricing of individual stocks for all types of orders, large and small.”²¹

Intramarket Competition. The proposed change is designed to attract additional order flow to the Exchange. The Exchange believes that the proposed changes would continue to incentivize DMM units to add liquidity to the Exchange during the first month of an IPO or transfer. Greater liquidity benefits all market participants on the Exchange by providing more execution opportunities on the Exchange and encourages member organizations to send orders, thereby contributing to robust levels of liquidity, which also benefits all market participants on the Exchange. Greater overall order flow, trading opportunities, and pricing transparency benefit all market participants on the Exchange by enhancing market quality and continuing to encourage member organizations to send orders, thereby contributing towards a robust and well-balanced market ecosystem. Moreover, the proposed fees and rebate would be available to all similarly-situated market participants, and, as such, the proposed changes would not impose a disparate burden on competition among market participants on the Exchange. Accordingly, the proposed change would not impose a disparate burden on competition among market participants on the Exchange.

Intermarket Competition. The Exchange operates in a highly competitive market in which market participants can readily choose to send their orders to other exchange and off-exchange venues if they deem fee levels at those other venues to be more favorable. In such an

²¹ See Regulation NMS, 70 FR at 37498-99.

environment, the Exchange must continually adjust its fees and rebates to remain competitive with other exchanges and with off-exchange venues. Because competitors are free to modify their own fees and credits in response, and because market participants may readily adjust their order routing practices, the Exchange does not believe its proposed fee change can impose any burden on intermarket 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

Pursuant to Section 19(b)(3)(A)(ii) of the Act,²² and Rule 19b-4(f)(2) thereunder²³ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing. 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.

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:

²² 15 U.S.C. 78s(b)(3)(A)(ii).

²³ 17 CFR 240.19b-4.

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-NYSE-2026-07 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-NYSE-2026-07. 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-NYSE-2026-07 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.²⁴

Sherry R. Haywood,

Assistant Secretary.

²⁴ 17 CFR 200.30-3(a)(12).