

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106301; File No. SR-NYSEARCA-2026-89]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Add a New Partial Cabinet Solution Bundle As Part of Its Co-Location Services

September 9, 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 August 26, 2026, NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II 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 add a new Partial Cabinet Solution bundle as part of its co-location services and change the wording in the existing Partial Cabinet Solution bundle. The description of the Partial Cabinet Solution bundles and related fees in the Connectivity Fee Schedule (“Fee Schedule”) would be updated accordingly. 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 add a new Partial Cabinet Solution (“PCS”) bundle as part of its co-location services and change the wording in the existing PCS bundle. Specifically, the Exchange proposes to add a 4 kW PCS bundle and change the reference to “Precision Timing Protocol” in the existing PCS bundle. The description of the PCS bundles and related fees in the Fee Schedule would be updated accordingly.

The Exchange expects that the proposed rule change would become operative no later than October 31, 2026. The Exchange will announce the date through a customer notice.

Background

Currently, the Exchange offers Users⁴ a PCS bundle which includes a 2 kW partial cabinet; access to the Liquidity Center Network (“LCN”) and internet protocol (“IP”) network,

⁴ For purposes of the Exchange’s colocation services, a “User” means any market participant that requests to receive colocation services directly from the Exchange. See Securities Exchange Act Release No. 76010 (September 29, 2015), 80 FR 60197 (October 5, 2015) (SR-NYSEArca-2015-82). As specified in the Fee Schedule, a User that incurs colocation fees for a particular colocation service pursuant thereto would not be subject to colocation fees for the same colocation service charged by the New York Stock Exchange LLC, NYSE American LLC, NYSE National, Inc. and NYSE Texas, Inc. (together, the “Affiliate SROs”). Each Affiliate SRO has submitted substantially the same proposed rule change to propose the change described herein.

the local area networks available in the data center; two NMS network⁵ connections, two fiber cross connections; and connectivity to one of two time feeds.⁶ In addition to other requirements, a User and its Affiliates⁷ must have an Aggregate Cabinet Footprint⁸ of 2 kW or less to qualify for the PCS bundle.

The PCS bundles were designed to attract smaller Users, including those with minimal power or cabinet space demands or those for which the costs attendant with having a dedicated cabinet or greater network connection bandwidth are too burdensome.⁹ That has not changed. But as hardware and other infrastructure has evolved, even those with minimal demands need more power to meet the requirements of their hardware, such that even smaller Users may find the existing 2 kW PCS bundle inadequate to meet their needs.

Proposed Changes

To respond to Users' increased power needs, the Exchange proposes to offer an additional 4 kW PCS bundle. To differentiate it from the existing 2 kW PCS bundle, the Exchange proposes to label them as Options A and B. Like the existing 2 kW PCS Option A, the proposed Option B would be sized to meet the needs of smaller Users and their current power needs.

⁵ The NMS Network is an alternate dedicated network connection that Users use to access the NMS feeds for which the Securities Industry Automation Corporation is engaged as the securities information processor. See Securities Exchange Act Release No. 88837 (May 7, 2020), 85 FR 28671 (May 13, 2020) (SR-NYSE-2019-46, SR-NYSEAMER-2019-34, SR-NYSEArca-2019-61, SR-NYSENAT-2019-19).

⁶ See Securities Exchange Act Release No. 97749 (June 16, 2023), 88 FR 41164 (June 23, 2023) (SR-NYSEArca-2023-42).

⁷ An "Affiliate" of a User is any other User or Hosted Customer that is under 50% or greater common ownership or control of the first User. Fee Schedule, p 1.

⁸ The "Aggregate Cabinet Footprint" of a User is the total kW of the User's cabinets, including both partial and dedicated cabinets. Fee Schedule, p 1.

⁹ See Securities Exchange Act No. 77070 (February 5, 2016), 81 FR 7401 (February 11, 2016) (SR-NYSEArca-2015-102).

At the same time, the Exchange proposes to change the reference to “Precision Timing Protocol” to “Precision Time Protocol” in the existing PCS bundle, to conform the reference to the terminology used elsewhere in the Fee Schedule.¹⁰

To implement the changes, the Exchange would amend Note 1, in relevant part, as follows (proposed additions underscored):

1. To qualify for a Partial Cabinet Solution bundle, a User must meet the following conditions: (1) it must purchase only one Partial Cabinet Solution bundle; (2) the User and its Affiliates must not currently have a Partial Cabinet Solution bundle; and (3) after the purchase of the Partial Cabinet Solution bundle, the User, together with its Affiliates, will have an Aggregate Cabinet Footprint of no more than 2 kW for Option A and 4 kW for Option B.

- A User requesting a Partial Cabinet Solution bundle will be required to certify to the Exchange (a) whether any other Users or Hosted Customers are Affiliates of the certificating User, and (b) that after the purchase of the Partial Cabinet Solution bundle, the User, together with its Affiliates, would have an Aggregate Cabinet Footprint of no more than 2 kW for Option A and 4 kW for Option B.

The Exchange would also amend the Fee Schedule to label the 2 kW PCS bundle as Option A, add the new proposed Option B and make the change to the “Precision Timing Protocol” reference. The amended Fee Schedule would read as follows (proposed deletions bracketed; proposed additions underscored):

¹⁰ See Connectivity Fee Schedule, pages 18 and 26.

Partial Cabinet Solution bundles Note: A User and its Affiliates are limited to one Partial Cabinet Solution bundle at a time. A User and its Affiliates must have an Aggregate Cabinet Footprint of 2 kW or less to qualify for [a Partial Cabinet Solution bundle]<u>Option A</u> and 4 kW or less to qualify for <u>Option B</u>. See Note 1 under “Colocation Notes.” A purchaser of a Partial Cabinet Solution bundle must select NMS Network connections of the same size (i.e. 10 Gb or 40 Gb) as the related LCN and IP network connections.	<u>Option A:</u> 2 kW partial cabinet, 1 LCN connection (10 Gb LX or 40 Gb), 1 IP network connection (10 Gb or 40 Gb), 2 NMS Network connections (10 Gb or 40 Gb each), 2 fiber cross connections and either the Network Time Protocol Feed or Precision Tim[ing]e Protocol	\$10,000 initial charge per bundle plus \$16,500 monthly charge per bundle
	<u>Option B:</u> <u>4 kW partial cabinet, 1 LCN connection (10 Gb LX or 40 Gb), 1 IP network connection (10 Gb or 40 Gb), 2 NMS Network connections (10 Gb or 40 Gb each), 2 fiber cross connections and either the Network Time Protocol Feed or Precision Time Protocol</u>	<u>\$12,000 initial charge per bundle plus \$19,000 monthly charge per bundle</u>

Application and Impact of the Proposed Change

The proposed change would apply to all PCS bundles. The proposed change would not apply differently to distinct types or sizes of market participants. Rather, it would apply to all Users equally.

Users that require other sizes or combinations of cabinets, network connections and cross connects could still request them. As is currently the case, the purchase of any colocation service, including PCS bundles, is completely voluntary and the Price List is applied uniformly to all Users.

The Exchange expects to obtain at most a handful of new Users as a result of offering the 4 kW PCS bundles. A User, including a User with a 4 kW dedicated cabinet, would be able to

convert to the 4 kW PCS bundle if it otherwise met the conditions. The Exchange does not expect to obtain new Users as a result of the other changes.

The proposed change is not otherwise intended to address any other issues relating to colocation services or related fees, and the Exchange is not aware of any problems that Users would have in complying with the proposed change.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,¹¹ in general, and furthers the objectives of Section 6(b)(5) of the Act,¹² in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest and because it is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange further believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹³ because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers.

The Proposed Change is Reasonable

The Exchange believes that the proposed rule change is reasonable.

The fees proposed for the new 4 kW PCS bundle are reasonable, as they are comparable

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(5).

¹³ 15 U.S.C. 78f(b)(4).

to the fees charged for the 2 kW PCS bundle. Indeed, the monthly charge for the 4 kW PCS bundle would be lower per kW than the existing charge for the 2 kW PCS bundle.¹⁴ The Exchange notes that the equipment for the two services is not the same: different cabinets are needed for the 4 kW PCS bundle as compared to the 2 kW PCS bundle.

The proposed rule change would allow the Exchange to offer an option to smaller Users that find the existing 2 kW PCS bundle inadequate to meet their needs but otherwise meet the requirements. The addition of a 4 kW PCS bundle would permit current or potential Users to tailor their service selection and fees to meet their own individual business models.

The Exchange does not believe that FIDS has a competitive advantage by virtue of the fact that it owns and operates the MDC's meet-me-rooms. Users purchasing the proposed 4 kW PCS bundles—like Users of any other colocation service—would require a circuit connecting out of the MDC, and in most cases, such circuits are provided by third-party telecommunications service providers that have installed their equipment in the MDC's two meet-me-rooms ("Telecoms").¹⁵ Currently, 17 Telecoms operate in the meet-me-rooms and provide a variety of circuit choices. It is in the Exchange's best interest to set the fees that Telecoms pay to operate in the meet-me-rooms at a reasonable level¹⁶ so that market participants, including Telecoms, will maximize their use of the MDC. By setting the meet-me-room fees at a reasonable level, the Exchange encourages Telecoms to participate in the meet-me-rooms and to sell circuits to Users for connecting into and out of the MDC. These Telecoms then compete with each other by

¹⁴ The monthly charge per kW of the 2 kW PCS bundle is \$8,250, and the proposed monthly charge for a 4 kW PCS bundle would be \$4,750.

¹⁵ Note that in the case of wireless connectivity, a User in colocation still requires a fiber circuit to transport data. If a Telecom is used, the data is transmitted wirelessly to the relevant pole, and then from the pole to the meet-me-room using a fiber circuit.

¹⁶ See Securities Exchange Act Release No. 98000 (July 26, 2023), 88 FR 50244 (August 1, 2023) (SR-NYSEArca-2023-47).

pricing such circuits at competitive rates. These competitive rates for circuits help draw in more Users and Hosted Customers to the MDC, which directly benefits the Exchange by increasing the customer base to whom the Exchange can sell its colocation services, which include cabinets, power, ports, and connectivity to many third-party data feeds, and because having more Users and Hosted Customers leads, in many cases, to greater participation on the Exchange. In this way, by setting the meet-me-room fees at a level attractive to telecommunications firms, the Exchange spurs demand for all of the services it sells at the MDC, while setting the meet-me-room fees too high would negatively affect the Exchange's ability to sell its services at the MDC.¹⁷ Accordingly, there are real constraints on the meet-me-room fees the Exchange charges, such that the Exchange does not have an advantage in terms of costs when compared to third parties that enter the MDC through the meet-me-rooms to provide services to compete with the Exchange's services.

The proposed change to the "Precision Timing Protocol" language would conform the reference to the existing references elsewhere in the Fee Schedule. There would be no ambiguity as to what the language referred to, and so the change is reasonable.

For these reasons, the proposed change is reasonable.

The Proposed Change Is Equitable

The Exchange believes that the proposed change provides for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers because it is not designed to permit unfair discrimination between market participants. Rather, it

¹⁷ See id. at 50246. Importantly, the Exchange is prevented from making any alteration to its meet-me-room services or fees without filing a proposal for such changes with the Commission.

would apply to all market participants equally.

The 2 kW PCS bundle was designed to attract smaller Users, including those with minimal power or cabinet space demands or those for which the costs attendant with having a dedicated cabinet or greater network connection bandwidth are too burdensome. As equipment has evolved, even those with minimal demands need more power to meet the requirements of their hardware, such that even smaller Users may not find the existing 2 kW PCS bundle meets their needs adequately. The proposed 4 kW PCS bundle would be responsive to the evolution of equipment, and so the Exchange believes that its introduction is equitable because it would not force customers to accept a “one-size-fits-all” PCS bundle but would instead permit them to tailor their service selection and fees to meet their own individual business models.

Without this proposed rule change, potential Users would have fewer usable options. This would be a detriment for them, especially for potential Users with minimal power or cabinet space demands or those for which the costs attendant with having a dedicated cabinet or greater network connection bandwidth are too burdensome.

In addition, the Exchange believes that the proposal is equitable because only Users that voluntarily select a 4 kW PCS bundle would be charged for it. As is true now, 4 kW PCS bundles would be available to all Users on an equal basis, and all Users that voluntarily choose to purchase a 4 kW PCS bundle would be charged the same amount, and be subject to the same restrictions, for that bundle.

The proposed changes to label the 2 kW PCS bundle as Option A, add the new proposed Option B and make the change to the “Precision Timing Protocol” reference would add clarity to the Fee Schedule.

The Proposed Change is Not Unfairly Discriminatory

The Exchange believes its proposal is not unfairly discriminatory.

The proposed rule change would allow the Exchange to offer an option to smaller Users that find the existing 2 kW PCS bundle inadequate to meet their needs but otherwise meet the requirements. The addition of a 4 kW PCS bundle would permit current or potential Users to tailor their service selection and fees to meet their own individual business models.

The fees proposed for the new 4 kW PCS bundle are not unfairly discriminatory, as they are comparable to the fees charged for the 2 kW PCS bundle. Indeed, the monthly charge for the 4 kW PCS bundle would be lower per kW than the existing charge for the 2 kW PCS bundle. The Exchange notes that the equipment for the two services is not the same: different cabinets are needed for the 4 kW PCS bundle as compared to the 2 kW PCS bundle.

In addition, the proposed changes to add “Option A” and “Option B” would add clarity. Similarly, the proposed change to amend the “Precision Timing Protocol” language would add clarity and conform the reference to the existing references elsewhere in the Fee Schedule. These proposed changes would therefore make the Fee Schedule more transparent and reduce any potential ambiguity.

For the reasons above, the proposed changes do not unfairly discriminate between or among market participants that are otherwise capable of satisfying any applicable co-location fees, requirements, terms and conditions established from time to time by the Exchange.

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

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

The proposed rule changes will not impose any burden on competition that is not

necessary or appropriate in furtherance of the purposes of Section 6(b)(8) of the Act.¹⁸

The proposed change does not affect competition among national securities exchanges or among members of the Exchange. The proposed changes would enhance competition by giving smaller Users the option to have a 4 kW PCS bundle to meet their needs. The proposed change may make PCS bundles more attractive to current or potential Users who might otherwise opt to purchase 4 kW partial cabinets and other co-location services, or 2 kW PCS bundles. It would therefore enhance the competitive environment for potential Users, as they would have more options from which to select. This could be especially beneficial for potential Users with minimal power or cabinet space demands or those for which the costs attendant with having a dedicated cabinet or greater network connection bandwidth are too burdensome. At the same time, however, no potential or current User would be obligated to purchase a 4 kW PCS bundle.

The Exchange operates in a highly competitive market in which exchanges and other vendors offer co-location services as a means to facilitate the trading and other market activities of those market participants who believe that co-location enhances the efficiency of their operations.

The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, 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.”¹⁹

¹⁸ 15 U.S.C. 78f(b)(8).

¹⁹ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

The proposed changes to add “Option A” and “Option B” and to amend the “Precision Timing Protocol” language would not address competition but rather would make the Fee Schedule more transparent and reduce any potential ambiguity.

For the reasons described above, the Exchange believes that the proposed rule changes reflect this competitive environment.

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

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act²⁰ and Rule 19b-4(f)(6) thereunder.²¹ Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.²²

At any time within 60 days of the filing of such 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

²⁰ 15 U.S.C. 78s(b)(3)(A)(iii).

²¹ 17 CFR 240.19b-4(f)(6).

²² 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Commission shall institute proceedings under Section 19(b)(2)(B)²³ 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-NYSEARCA-2026-89 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-NYSEARCA-2026-89. 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.

²³ 15 U.S.C. 78s(b)(2)(B).

All submissions should refer to file number SR-NYSEARCA-2026-89 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).