

# SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105767; File No. SR-Phlx-2026-40]

## **Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule General 8 Connectivity to Establish Fees for its TNO Cross-Connect Service**

June 24, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup>, and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on June 11, 2026, Nasdaq PHLX LLC (“Phlx” 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**

The Exchange proposes to amend Rule General 8 (Connectivity) to establish fees for its TNO Cross-Connect service, as described further below.

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/phlx/rulefilings>, and at the principal office of the Exchange.

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

<sup>2</sup> 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 Exchange 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 Exchange 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend Rule General 8 (Connectivity) to establish fees for its TNO Cross-Connect service.

TNO Cross-Connect is a telecommunications network operator (“TNO” or “telco”) connectivity service that consists of the cabling running from a TNO’s carrier cabinet to a Nasdaq-managed distribution point within the Exchange’s data center campus. The TNO Cross-Connect service constitutes a defined and Nasdaq-managed component of the telco to customer connectivity path and serves as a standardized point of access for TNO connectivity inside the Exchange’s data center.

In its proposal introducing TNO Cross-Connect as a connectivity offering,<sup>3</sup> the Exchange noted that it would submit a separate rule filing to establish fees for the TNO Cross-Connect service. This proposed rule change establishes fees for the service.

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<sup>3</sup> See Securities Exchange Act Release No. 105017 (Mar. 16, 2026), 91 FR 13349 (Mar. 19, 2026) (SR-Phlx-2026-13) (“TNO Cross-Connect Proposal”).

Specifically, the Exchange proposes to amend Rule General 8, Section 1(b) to establish an installation fee and an ongoing monthly fee for its TNO Cross-Connect service.<sup>4</sup> The proposed installation fee is \$550 and the proposed ongoing monthly fee is \$385.<sup>5</sup>

The Exchange believes that establishing fees for TNO Cross-Connect is appropriate and reasonable because the service entails Exchange-provided and Exchange-managed infrastructure, cabling, inventory management, ongoing maintenance, and operational oversight. The fees also reflect the resources required for the Exchange to implement, administer, monitor, and support the service on a non-discriminatory basis for all TNOs.

The Exchange proposes to implement the proposed changes during the third quarter of 2026 on or about July 1, 2026. The Exchange will announce the specific implementation date via Nasdaq's customer portal.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,<sup>7</sup> in particular, in

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<sup>4</sup> For purposes of this proposal, each telco provider-to-customer cross-connection would constitute a TNO Cross-Connect subject to the fees herein proposed. For example, if a telco provider provides three separate cross-connects for a single customer, each such telco-to-customer cross connect would constitute a TNO Cross Connect subject to the installation and ongoing monthly fees proposed herein.

<sup>5</sup> To effectuate this change, the Exchange proposes to amend Rule General 8, Section 1(b) to delete the acronym "TBD" in all instances where it appears in connection with the installation and ongoing monthly fee for the TNO Cross-Connect service and substitute therefor the corresponding installation fee of \$550 and ongoing monthly fee of \$385, as proposed. See proposed Rule General 8, Section 1(b). Upon implementation of the proposed rule change on or about the third quarter of 2026, the Exchange will charge the proposed installation fee only to telco providers who submit new orders for installation of TNO Cross-Connect. Such telco providers will also be subject to the proposed recurring monthly fee. The Exchange will not, however, charge the installation fee to telco providers for whom the TNO Cross-Connect has already been installed as of that implementation date. Such telco providers will, however, be assessed the ongoing monthly fee starting on the date the proposed offering is implemented by the Exchange. The Exchange does not currently charge telco providers any fee—whether an installation fee, monthly fee, or otherwise—for the proposed connectivity service and will continue not to do so until the proposed service is implemented.

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(4) and (5).

that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed fees for TNO Cross-Connect are reasonable because they reflect the Exchange's provision, operation, maintenance, and oversight of a defined, Exchange-managed telecommunications connectivity component that is required for TNOs seeking to provide services to Nasdaq data center customers. As described in the TNO Cross-Connect Proposal, the Exchange administers and manages the cabling, demarcation points, inventory, and ongoing operational support associated with this connectivity path.

The Exchange further believes that the proposed fees are reasonable because they are comparable to, and lower than, fees charged by another national securities exchange for a similar telecommunications carrier connectivity service. Specifically, NYSE offers a Carrier Connection Fee service<sup>8</sup> for a recurring monthly charge of \$1,150.00 per connection, while the Exchange proposes an ongoing monthly fee of \$385.00 for TNO Cross-Connect. The Exchange's proposed monthly fee is therefore \$765.00 lower than NYSE's comparable monthly fee, or approximately 66.5% lower. In addition, even including the Exchange's proposed one-time installation fee of \$550, the total first-month cost of the Exchange's service would be \$935, which remains below NYSE's \$1,150 recurring monthly charge.

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<sup>8</sup> See The New York Stock Exchange LLC, Connectivity Fee Schedule (Mar. 27, 2026), available at [https://www.nyse.com/publicdocs/nyse/Wireless\\_Connectivity\\_Fees\\_and\\_Charges.pdf](https://www.nyse.com/publicdocs/nyse/Wireless_Connectivity_Fees_and_Charges.pdf) (setting forth a recurring monthly charge of \$1,150.00 per connection for the Carrier Connection Fee service). To the best of the Exchange's knowledge, the NYSE offering is comparable to the proposed TNO Cross-Connect. Specifically, the Exchange believes that the NYSE recurring charge of \$1,150 per connection for its Carrier Connection Fee is a service priced on a per telco-provider-to-customer connection basis, such that if a telco provider has multiple connections to a customer, each such connection would be assessed the recurring \$1,150 per connection ongoing monthly fee. The Exchange is aware of no bundling or other incentive-based pricing for such NYSE service.

The Exchange believes that the proposed fees represent an equitable allocation and are not unfairly discriminatory because they apply uniformly to all telecommunications network operators that provide services to Nasdaq colocation customers. All TNOs seeking to connect to customers within the Exchange's data center campus are subject to the same service requirements and the same fees for TNO Cross-Connect. As the Exchange discussed in the TNO Cross-Connect Proposal,<sup>9</sup> all TNOs seeking to offer their services to Exchange customers must use the connectivity offered by TNO Cross-Connect. The Exchange does not differentiate among TNOs based on size, affiliation, volume, or any other characteristic. The proposed fees therefore allocate charges fairly among similarly situated persons using the Exchange's facilities.

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 competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed fees will not impose an undue burden on intramarket competition because they apply uniformly to all telecommunications network operators seeking to provide services to Nasdaq data center customers. As described above, all TNOs that wish to serve Nasdaq customers must connect through TNO Cross-Connect, and the Exchange will charge the same installation and monthly fees to all such TNOs. The Exchange will not differentiate among TNOs based on size, affiliation, business model, or any other characteristic. Accordingly, the proposed fees do not favor or disadvantage any particular TNO relative to another, but instead apply equally to all similarly situated users of the Exchange's facilities.

The Exchange also believes that the proposed fees will not impose an undue burden on intermarket competition. The proposed fees are for a telecommunications connectivity service

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<sup>9</sup> See TNO Cross-Connect Proposal, supra note 3.

offered within the Exchange's data center campus and reflect the Exchange's provision, management, and support of that service. In addition, the proposed fees are comparable to, and in important respects lower than, the fees charged by another national securities exchange for a similar telecommunications carrier connectivity service. Specifically, NYSE offers a Carrier Connection Fee service for a recurring monthly charge of \$1,150.00 per connection, while the Exchange proposes an ongoing monthly fee of \$385.00 for TNO Cross-Connect. The Exchange's proposed monthly fee is therefore \$765.00 lower than NYSE's comparable monthly fee, or approximately 66.5% lower. Even including the Exchange's proposed one-time installation fee of \$550, the total first-month cost of the Exchange's service would be \$935, which remains below NYSE's \$1,150 recurring monthly charge. The Exchange therefore does not believe that the proposed fees will impose any inappropriate burden on competition among exchanges.

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

No written comments were either solicited or 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) of the Act.<sup>10</sup>

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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action,

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-Phlx-2026-40 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-Phlx-2026-40. 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-Phlx-2026-40 and should be submitted on or before

[INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>11</sup> 17 CFR 200.30-3(a)(12).