SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105870; File No. SR-TXSE-2026-010]

Self-Regulatory Organizations; Texas Stock Exchange LLC; Notice of Filing of a Proposed Rule Change to Amend Certain Rule Language Regarding its Handling of Orders and Other Miscellaneous Provisions

July 9, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on July 6, 2026, Texas Stock Exchange LLC (the "Exchange" or "TXSE") filed with the Securities and Exchange Commission ("Commission") a proposed rule change as described in Items I and II, 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 filed a proposal to amend certain parts of its Opening and Closing Auctions [sic], as further described below.

The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is available on the Commission's website (https://www.sec.gov/rules/sro.shtml) at the Exchange's website (https://txse.com/rule-filings), and at the principal office of the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

---

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

2 17 CFR 240.19b-4.

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 parts of such statements.

B. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes a series of targeted changes to its rules that are primarily technical, clarifying, and conforming in nature. The Exchange believes these changes do not represent material modifications to the operation of the Exchange or its trading system but rather update the rulebook to more accurately reflect planned functionality, simplify certain provisions, and enhance internal consistency. In addition, the proposed changes align the Exchange's rules with the established practices of other national securities exchanges, adopting approaches that have already been implemented and approved elsewhere. As such, the proposal reflects incremental refinements based on existing market precedent rather than the introduction of novel trading functionality or regulatory concepts.

Trading Rules

The Exchange proposes a series of amendments to Chapter 11 (Trading Rules) to conform the rule text to the operation of the Exchange's trading system, eliminate obsolete or inaccurate provisions, simplify certain order handling functionality, and align several order types with the rules and functionality of other national securities exchanges. None of the proposed changes materially alters the operation of the Exchange's trading system except as specifically described below. Rather, the proposed changes are designed to improve the clarity, transparency, and internal consistency of the Exchange's rules while reducing unnecessary complexity where appropriate.

First, the Exchange proposes to amend the description of a Market Order in Rule 11.007(a)[3] to better align the rule text with the design and operation of this order type. Although the precise wording of Market Order definitions varies among national securities exchanges, a Market Order is generally understood to be an order to buy or sell a security immediately at the best available price. Consistent with this functionality, Market Orders are non-displayed, immediately executable or cancellable, and are not assigned a limit price. Accordingly, Market Orders cannot rest on the TXSE Book at a defined price level. In addition, the Exchange accepts Market Orders only during the Market Session; any Market Order submitted outside of that session is immediately rejected.

To better reflect these characteristics, the Exchange proposes to amend Rule 11.007(a)(1) to remove references to Time-in-Force instructions that are not applicable to Market Orders. Specifically, the Exchange proposes to delete references to the Day, System Hours ("SYS"), and Regular-Hours-Only ("RHO") instructions and clarify that a Market Order may only be submitted with an Immediate-or-Cancel ("IOC") Time-in-Force instruction. Because Market Orders are either executed immediately against available liquidity or cancelled, they cannot rest on the TXSE Book and, therefore, are not compatible with Time-in-Force instructions that permit an order to remain active beyond immediate execution. The Exchange also proposes to amend Rule 11.007(a)(3) to remove an obsolete reference to Pegged Orders in Rule 11.007(c) as there are no Pegged Market Orders on the Exchange. Instead, if a Member wanted to approximate

---

3 As provided in Rule 11.007(a) a Market Order is an order to buy or sell a stated amount of a security that is to be executed at the NBBO or better when the order reaches the Exchange.

Market Order functionality with a Pegged Order they could use a Market Peg Order.[4] The proposed changes clarifies the Exchange's rules and more accurately reflects the operation of Market Orders without effecting any substantive change to Exchange functionality. The Exchange also notes that this language is consistent with the rules and treatment of Market Orders at multiple other exchanges.[5]

The Exchange proposes to eliminate part of Rule 11.007(a)(6), which provides that any portion of a Market Order that would execute at a price more than $0.50 or 5% worse than the National Best Bid or Offer ("NBBO") at the time the order initially reaches the Exchange, whichever is greater, will be cancelled. The Exchange notes that eliminating part of Rule 11.007(a)(6) would bring the Exchange's functionality in line with the effective functionality of MIAX Pearl, LLC ("MIAX Pearl").[6] Like MIAX Pearl, the Exchange does not apply this additional execution price check to Market Orders and believes that retaining this provision in its rules is unnecessary and may create confusion regarding the handling of Market Orders on the Exchange. The proposed change does not alter the manner in which Market Orders are processed on the Exchange but instead conforms the rule text to the Exchange's planned functionality. Accordingly, the proposed amendment will improve the clarity, accuracy, and transparency of its rules in a manner consistent with another national securities exchange and provide Members with a more complete understanding of the functionality of Market Orders on TXSE.

The Exchange also proposes to amend Rule 11.009(e)(3) to clarify that a Replace

---

4 A Market Peg Order is an order with instructions to peg to the NBO, for a buy order, or the NBB, for a sell order.

5 See IEX Rule 11.190(a)(2); Cboe BZX Rule 11.9(a)(2); MEMX Rule 11.8(a), Nasdaq Rule 4702(b)(1) and CBOE EDGX Rule 11.6(a)(2).

6 This provision was first adopted by Cboe BZX in 2009 but has not been universally adopted across the industry. See MIAX Pearl Rule 2614(a)(2) and IEX Rule 11.190(a)(2), which both allow for the entry of market orders without price protection.

Message may not be used to change a resting Limit Order into a Market Order. The current rule text suggests that such a modification is permitted, as the current lead-in language states "Other than changing a Limit Order to a Market Order." Under the Exchange's rules, however, Market Orders are not eligible to rest on the TXSE Book[7] and must either execute immediately or be cancelled. Accordingly, because a Replace Message applies only to orders resting on the TXSE Book, it cannot be used to convert a resting Limit Order into a Market Order. The proposed change conforms the rule text to the Exchange's planned order handling functionality and eliminates language that could otherwise create confusion regarding the permissible use of Replace Messages. The Exchange further notes that this treatment of Market Orders is consistent with the rules and operation of Market Orders on MIAX Pearl.[8] Accordingly, the proposed change improves the clarity, accuracy, and internal consistency of its rules without effecting any substantive change to Exchange functionality.

The Exchange also proposes to amend Rule 11.008(a)(4) such that a change in the Max Floor of an order with a Reserve Quantity will not retain time priority following a Replace Message. Under Rule 11.009(e)(3), certain order attributes may be modified through a Replace Message (i.e., other than changing a Limit Order to a Market Order, only the price, stop price, sell long or sell short indicator, Max Floor of a Reserve Order, and size of an order may be changed by a Replace Message), while other modifications require the existing order to be cancelled and a new order entered. In addition, pursuant to Rule 11.008(a)(4), an order that is cancelled and replaced in accordance with Rule 11.009(e)(3) retains its original time priority only for specified types of modifications. The rule currently provides that a change to the Max

---

7 <u>See</u> Rule 11.007(a)(3).

8 <u>See</u> MIAX Pearl Rule 2614(e)(3). On MIAX Pearl only the price, sell long, sell short, or short exempt indicator, and size terms of the order may be changed by a Cancel/Replace Message.

Floor of an order with a Reserve Quantity, an order modified from sell long to sell short, or an order whose size is reduced, among others, will each retain its original timestamp and priority on the TXSE Book. By contrast, other modifications, such as a change in price, receive a new timestamp and lose their existing priority. The Exchange proposes to amend Rule 11.008(a)(4) to remove the reference to a change in the Max Floor of an order with a Reserve Quantity from the list of modifications that retain time priority following a Replace Message. This change clarifies that, although a Member may modify the Max Floor of a Reserve Order through a Replace Message pursuant to Rule 11.009(e)(3), such a modification does not qualify for the limited exception permitting an order to retain its original timestamp and priority.

The Exchange notes that the treatment of this type of modification is consistent with the rules of The Nasdaq Stock Market LLC ("Nasdaq").[9] The proposed amendment therefore harmonizes the Exchange's rules with established industry practice and eliminates language that could otherwise create confusion regarding which order modifications are eligible to retain time priority. The proposal improves the clarity, accuracy, and internal consistency of its rules without effecting any substantive change to the operation of the Exchange.

Order Handling Rules

The Exchange also proposes to make several updates to its order handling rules to align the treatment of certain orders on the Exchange with the rules and functionality of other national securities exchanges.

First, the Exchange proposes to amend Rule 11.007(b)(8) to modify the treatment of

---

9 See Nasdaq Rule 4756(a)(3). Under the Nasdaq rules Participants may modify a previously entered Order without cancelling it or affecting the priority of the Order on the Nasdaq Book solely for the purpose of modifying the marking of a sell Order as long, short, or short exempt; or reducing the share size. All other modifications of orders will result in the replacement of the original order with a new order with a new time stamp.

certain non-displayed Limit Orders that would otherwise be cancelled. Under the current rule, if an incoming Limit Order with a Non-Displayed instruction would constitute a Crossing Quotation if displayed at its limit price, the order executes against available interest on the TXSE Book at prices up to and including the Locking Price,[10] and any remaining balance is cancelled by the System. Likewise, a resting Limit Order with a Non-Displayed instruction that would constitute a Crossing Quotation if displayed at the price at which it is ranked is cancelled by the System. Consistent with the rules of both Investors Exchange LLC ("IEX") and Nasdaq,[11] the Exchange proposes instead to permit both incoming and resting non-displayed Limit Orders to remain on the TXSE Book as non-displayed interest at the Locking Price until they are executed, cancelled by the entering Member, or otherwise expire. Because these orders remain non-displayed, permitting them to rest on the TXSE Book does not result in the dissemination of a locking or crossing quotation and therefore remains consistent with Regulation NMS. This amendment will harmonize its rules with planned exchange practice while reducing unnecessary order cancellations and increasing opportunities for execution.

Finally, the Exchange proposes to amend Rule 11.007(c)(7) governing Pegged Orders. Under the current rule, a Pegged Order received when a valid NBBO is unavailable is rejected or cancelled back to the entering Member. In addition, a Pegged Order resting on the TXSE Book is cancelled if the NBBO to which the order is pegged subsequently becomes unavailable. Consistent with the rules of BYX, the Exchange proposes instead to permit a Pegged Order to be entered and remain on the TXSE Book when a valid NBBO is unavailable. During such period,

---

10 See Rule 11.006(d). The Locking Price is the price at which an order to buy (sell), that if displayed by the System on the TXSE Book, upon entry into the System would be a Locking Quotation.

11 See Nasdaq Rule 4702(b)(3)(A) which allows non-displayed orders to be posted at the Locking Price. See also IEX Rule 11.190(h)(2). Under IEX's Non-Displayed Price Sliding Rule a non-displayed limit order posting to the Order Book which has a limit price more aggressive than the NBBO is booked and ranked on the Order Book non-displayed at the contra-side protected quotation.

the order would remain resting on the TXSE Book but would not be eligible for execution until a valid NBBO again becomes available. This approach better aligns its rules with established exchange practice,[12] avoids unnecessary order cancellations resulting from temporary interruptions in the availability of the NBBO, and provides Members with additional execution opportunities without compromising the requirement that Pegged Orders execute only when they can be properly priced by reference to a valid NBBO.

Post Only

The Exchange next proposes several amendments to the treatment of Post Only instructions under its rules to harmonize the Exchange's functionality with the rules of another national securities exchange, simplify the operation of the Post Only instruction, and eliminate unnecessary or inaccurate rule text. First, the Exchange proposes to amend Rule 11.006(l)(2) to clarify that a Post Only instruction is available only for displayed orders. This clarification is consistent with the rules of IEX[13] and reflects the operation of the Exchange's System. Because the purpose of a Post Only instruction is to post displayed liquidity to the TXSE Book rather than immediately execute against resting interest, expressly providing that the instruction applies only to displayed orders improves the clarity and accuracy of the Exchange's rules.

Second, the Exchange proposes to remove the reference to a Post Only instruction in Rule 11.007(c)(5). As discussed above, Pegged Orders are non-displayed orders, while a Post Only instruction is available only for displayed orders. Accordingly, a Pegged Order cannot be entered with a Post Only instruction, and the existing cross-reference is inaccurate. Removing this reference conforms the rule text to the Exchange's planned functionality and improves the

---

12 See BYX Rule 11.9(c)(8).

13 See IEX Rule 11.190(a)(20). IEX defines a Post-Only instruction as a "displayed, non-routable order that will not remove liquidity from the IEX Order Book."

internal consistency of the Exchange's rules without effecting any substantive change to Exchange operations.

Finally, the Exchange proposes to make several changes to its Rulebook in order to make clear that orders with a Post-Only instruction will not remove liquidity. First, the Exchange proposes to amend the definition of a Post Only instruction in Rule 11.006(l)(2) such that a Post Only order will never remove liquidity from the TXSE Book. Under the current rule, the System may permit a Post Only order to execute as the remover of liquidity if the fee of removing liquidity equals or exceeds the fee that would result if the order instead posted to the TXSE Book and subsequently provided liquidity. The Exchange proposes to eliminate this exception so that a Post Only order will either post to the TXSE Book or be cancelled, as applicable, but will not remove liquidity. The proposal better aligns the operation of the Post Only instruction with its intended purpose and as Members would expect it to operate. A Post Only instruction is designed for Members seeking to add liquidity to the TXSE Book rather than remove liquidity. By eliminating the fee comparison analysis, the Exchange will ensure that an order entered with a Post Only instruction will either post to the TXSE Book or be cancelled, as applicable, but will not execute as the remover of liquidity. The Exchange notes that national securities exchanges have adopted different approaches with respect to the limited circumstances in which a Post Only order may remove liquidity, including fee comparison analyses and price improvement analyses.[14] Rather than retaining an exception that requires the System to evaluate whether a Post

[14] EDGA Rule 11.6(n)(4), MEMX Rule 11.6(l)(2) and MIAX Pearl Rule 2614(c)(2)(i) all have the fee comparison exception for Post Only instructions. However, NYSE Arca Rule 7.31-E(e)(2) has historically had the Add Liquidity Only Order (the equivalent of a Post Only instruction) which only allows an ALO Order to remove liquidity if the Order receives price improvement. IEX recently deleted its fee comparison provision to move toward a more predictable approach that would not vary based on the Exchange's fee schedule. See Securities Exchange Act Release No. 102961 (May 1, 2025), 90 FR 19359 (May 7, 2025) (SR-IEX-2025-05) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Modify the Circumstances Under Which Post Only Orders May Remove Liquidity on Entry). The proposed change is generally consistent with the policy arguments and reasoning underlying the IEX proposal. The Exchange

Only order should remove liquidity, it is appropriate to adopt a more straightforward and deterministic approach that consistently treats a Post Only instruction as an instruction to provide, and not remove, liquidity. Accordingly, the proposal provides Members with greater certainty regarding the handling of Post Only orders, simplifies the Exchange's order handling logic, reduces unnecessary complexity in the Exchange's rules, and, combined with the changes below, avoids potential confusion regarding the circumstances under which a Post Only order could execute as the remover of liquidity notwithstanding the Member's selection of a Post Only instruction.

The Exchange also proposes to amend Rule 11.009(a)(4) by deleting paragraph (D) in its entirety and removing the corresponding reference in the second sentence of Rule 11.009(a)(4)(C) in order to further make clear that orders with a Post-Only instruction from removing liquidity from the Exchange. Rule 11.009(a)(4)(D) currently provides that, for bids or offers equal to or greater than $1.00 per share, where an incoming Market or Limit Order is priced more aggressively than a displayed order resting on the TXSE Book, the incoming order will execute at a price one-half of the minimum price variation better than the price of the displayed order. While not explicit in the rule text, the scenario outlined above can only occur when an order with a Post-Only instruction locks a non-displayed order resting on the TXSE Book. Under the current rule text, an incoming Market or Limit Order at or above $1.00 per share that is priced more aggressively than the locking order will execute at a price one-half of

also notes that the proposal is consistent with the policy argument behind Nasdaq eliminating Trade Now functionality for post only orders, specifically that the functionality is "inconsistent with the designs" of post only orders and that post only orders "are liquidity-adding Order Types, whereas Orders with Trade Now are designed to be liquidity taking Orders. Because of this incompatibility, the Exchange [Nasdaq] finds that market participants rarely, as a practical matter, select Trade Now for their Midpoint Peg Post-Only Orders or their Post Only Orders. Insofar as Trade Now serves no apparent utility as an Attribute of these Order Types, the Exchange [Nasdaq] proposes to eliminate its applicability thereto." See Securities Exchange Act Release No. 99792 (March 20, 2024), 89 FR 21065 (March 26,2024) (SR-NASDAQ-2024-014).

the minimum price variation better than the price of the locking order with the Post-Only instruction. The Exchange proposes to eliminate this exception in order to ensure that orders with a Post-Only instruction will not remove liquidity. Instead, both the displayed order with a Post-Only instruction and the resting Non-Display order will remain available for execution at the locking price. This change is consistent with the rules of Nasdaq,[15] which has stated that allowing both orders to become executable a the locking prices is consistent with the intent and use of Post-Only orders, which are essential to price formation and order interaction as they allow members to rest liquidity on the Nasdaq Order Book.[16] Accordingly, eliminating Rule 11.009(a)(4)(D) will harmonize Exchange rules with established industry practice, simplify the Exchange's execution logic, ensure that orders with a Post-Only instruction behave as expected, and promote greater transparency and predictability in the operation of its trading system without altering the fundamental manner in which orders are matched or executed. The Exchange further believes that removing the cross-reference in Rule 11.009(a)(4)(C) is a conforming change that improves the clarity and internal consistency of the Exchange's rules.

Chapter 13 (Miscellaneous Provisions)

First, the Exchange proposes to update and amend the data feeds table Rule 13.004 (Usage of Data Feeds), which sets forth on a market-by-market basis the specific proprietary and network processor feeds that the Exchange utilizes for the handling, routing, and execution of orders, and for performing the regulatory compliance processes related to each of those functions. Specifically, the table would be amended to include 24X Exchange (“24X”) by stating

---

15 See Nasdaq Equity Rule 4702(b)(4)(A), which, in part, states: "If the Post-Only Order...would lock or cross a non-displayed Order on the Nasdaq Book, the Post-Only Order will be posted, ranked, and displayed at its limit price."

16 See Release No. 34-79290, File No. SR-NASDAQ-2016-111, 81 FR 81184 (Nov. 17, 2016).

it will utilize 24X Exchange market data from the Consolidated Quotation System ("CQS")/UTP Quotation Data Feed ("UQDF") for purposes of order handling, routing, execution, and related compliance processes. Additionally, the table will be updated to reflect that the Exchange will receive a direct feed from Cboe BYX Exchange, Inc. ("BYX") and Cboe EDGA Exchange, Inc. ("EDGA") as its primary quotation data source for these exchanges, and the Exchange will use CQS/UQDF as the secondary data source for these exchanges. Lastly, the table will be updated to reflect the current name of an exchange that was recently renamed (i.e.: Nasdaq Texas, LLC).

Next, the Exchange proposes to update and amend Rule 13.008 (Data Products) to rename the Exchange's proprietary data products. Specifically, the TXSE Depth data product will now be called TXSE FEED and the TXSE Top and TXSE Last Sale data products will be combined into one single data product called TXSE BALE. There are no changes to the information contained within each of the Exchange's proprietary data products.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[17] in general, and furthers the objectives of Section 6(b)(5) of the Act,[18] in particular, in that it is designed to promote just and equitable principles of trade, 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.

The Exchange believes that the proposed rule change removes impediments to and perfects the mechanism of a free and open market because updating its data feeds table to add a new market center for which the exchange will consume quotation data through direct and

---

17 15 U.S.C. 78f(b).

18 15 U.S.C. 78f(b)(5).

secondary feeds will provide clarity to market participants. Additionally, it is necessary and consistent with the public interest and the protection of investors to update the Exchange’s table of market centers in Rule 13.004 in order to provide transparency with respect to all the direct proprietary and network processor feeds from which the Exchange obtains market data, as well as amend and update Rule 13.008 to rename Exchange’s data products.

The Exchange believes the proposed amendments to the Chapter 11 Trading Rules promote just and equitable principles of trade by ensuring that the Exchange's rules accurately describe the operation of its trading system and the manner in which orders are handled. Market participants rely on exchange rules to understand how their orders will be processed and executed. By eliminating obsolete, inaccurate, or internally inconsistent provisions and conforming the rule text to the Exchange's planned functionality, the proposal provides Members with greater certainty regarding the handling of their orders and reduces the potential for misunderstanding or inconsistent interpretation of the Exchange's rules. The Exchange believes that improving the accuracy and transparency of its rulebook protects investors and the public interest by providing a clearer and more reliable description of the Exchange's trading functionality.

The Exchange further believes the proposal removes impediments to and perfects the mechanism of a free and open market and a national market system by simplifying the Exchange's order handling logic and reducing unnecessary complexity in its rules. Several of the proposed amendments eliminate exceptions, special-case processing, and legacy provisions that no longer reflect the operation of the Exchange's System or that impose unnecessary distinctions between similarly situated orders. The Exchange believes that a simpler and more transparent rulebook benefits Members by making the operation of the Exchange's trading system easier to understand and promotes the efficient operation of the national market system.

The Exchange also believes the proposal promotes just and equitable principles of trade by aligning several aspects of the Exchange's order handling functionality with the rules and functionality of other national securities exchanges. Consistent treatment of commonly used order types and order modifiers across exchanges reduces unnecessary differences in order handling that may otherwise create confusion for Members accessing multiple trading venues. The Exchange believes that harmonizing its rules with established industry practice, where appropriate, facilitates more efficient participation in the national market system while preserving competition among exchanges.

The Exchange further believes that several of the proposed amendments are designed to protect investors and the public interest by reducing unnecessary order cancellations while continuing to ensure compliance with Regulation NMS. For example, the proposal would permit certain non-displayed Limit Orders and Pegged Orders to remain on the TXSE Book under circumstances in which they cannot be executed immediately but may become eligible for execution at a later time. Rather than cancelling these orders outright, the proposed functionality provides Members with additional opportunities for execution without resulting in the dissemination of locking or crossing quotations or otherwise compromising the Exchange's obligations under Regulation NMS. The Exchange believes these changes promote fair and orderly markets by increasing execution opportunities while maintaining appropriate regulatory safeguards.

In addition, the Exchange believes that the proposed amendments relating to Post Only instructions further protect investors and the public interest by providing Members with greater certainty regarding the handling of their orders. Under the proposal, a Post Only order will either post to the TXSE Book or be cancelled, as applicable, but will not remove liquidity. The Exchange believes this deterministic approach better reflects the purpose of a Post Only instruction, eliminates the need for the System to perform an economic analysis before determining whether an order should remove liquidity, and provides Members with a clearer understanding of how orders entered with a Post Only instruction will be handled.

The Exchange also believes that removing unnecessary execution pricing adjustments and clarifying the treatment of Market Orders and Replace Messages promotes transparency and predictability in the operation of the Exchange's trading system. These amendments do not materially alter the Exchange's matching logic but instead eliminate provisions that are inconsistent with the Exchange's functionality or that unnecessarily complicate the Exchange's rules. The Exchange believes that a rulebook that accurately reflects the operation of the Exchange's System promotes investor confidence, facilitates compliance by Members, and contributes to the orderly operation of the Exchange. Additionally, the Exchange believes that removing the execution price collar for Market Orders is consistent with the protection of investors and the public interest. The proposal will eliminate rule text that does not reflect the Exchange's current operational behavior, thereby improving the accuracy and transparency of the Exchange's rules. Selecting an order type is at the discretion of each Member and the Exchange believes that clear and accurate rules enable Members to better understand the functionality available on the Exchange and make informed order-entry decisions, including the selection of the order type that best meets their trading objectives.

Finally, the Exchange believes the proposal is consistent with the protection of investors and the public interest because it does not diminish existing investor protections or alter the

Exchange's obligations under the federal securities laws. Instead, the proposal modernizes and clarifies the Exchange's rules, harmonizes several aspects of the Exchange's functionality with established industry practice, reduces unnecessary complexity, and improves the transparency and predictability of the Exchange's order handling. Accordingly, the Exchange believes the proposed rule change removes impediments to and perfects the mechanism of a free and open market and a national market system and is consistent with the requirements of Section 6(b)(5) of the Act.

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

The Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes to Rule 13.004 and Rule 13.008 are not designed to address any competitive issue; instead, its purpose is to enhance transparency with respect to the operation of the Exchange and its naming and use of market data feeds.

The Exchange does not believe that the proposed rule changes to Section 11 (Trading Rules) will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes are primarily intended to conform the Exchange's rules to the operation of its trading system, eliminate obsolete or inaccurate rule text, simplify certain aspects of the Exchange's order handling functionality, and harmonize several order handling provisions with the rules and functionality of other national securities exchanges. As such, the Exchange does not believe the proposal will impose any burden on either intra-market or inter-market competition.

The Exchange does not believe the proposal will impose any burden on intra-market competition because the proposed amendments will apply uniformly to all Members. The proposal does not modify the rights or obligations of any particular category of Member, nor does it provide any Member with a competitive advantage over another. Instead, the proposal clarifies the operation of optional order types and order instructions, removes unnecessary complexity from the Exchange's rules, and provides all Members with greater certainty regarding the handling of their orders. To the extent the proposal reduces unnecessary order cancellations and simplifies order handling, those benefits will be available equally to all Members.

The Exchange also does not believe the proposal will impose any burden on inter-market competition. To the contrary, many of the proposed amendments adopt functionality or order handling practices that are already available on other national securities exchanges. By conforming its rules to established industry practices where appropriate, the Exchange believes the proposal will reduce unnecessary differences in order handling among exchanges, facilitate Members' ability to interact with multiple trading venues, and promote greater consistency across the national market system.

To the extent the proposal modifies the treatment of optional order instructions, Members remain free to determine whether to utilize those optional order types or to employ alternative order types or trading strategies. Likewise, because market participants may choose to direct their order flow to any competing national securities exchange, alternative trading system, or other execution venue, the proposal will not impair the ability of market participants to choose among competing execution venues.

Rather than burdening competition, the Exchange believes the proposal will enhance competition by improving the clarity, transparency, and predictability of the Exchange's rules, reducing unnecessary operational complexity, and increasing opportunities for execution in circumstances where orders would otherwise be unnecessarily cancelled while continuing to comply with Regulation NMS. Accordingly, the Exchange does not believe that the proposed rule change imposes any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

Because the foregoing 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 for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act[19] and Rule 19b-4(f)(6)[20] thereunder.

The Exchange requested that the Commission waive the 30-day operative delay so that the proposed rule change may become operative immediately upon filing. The Exchange states that waiver of the operative delay is consistent with the protection of investors and the public interest because it would allow the Exchange to immediately amend its rules to clarify and simplify its rules and to harmonize certain order handling provisions with functionality that has previously been implemented by other national securities exchanges. Because the proposed rule

19 15 U.S.C. 78s(b)(3)(A)(iii).

20 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.

change does not raise any novel issues, the Commission hereby waives the operative delay and designates the proposed rule change to be operative upon filing.[21]

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 will institute proceedings 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 proposal is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-TXSE-2026-010 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 No. SR-TXSE-2026-010. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your

[21] For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (http://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-TXSE-2026-010 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.[22]

Sherry R. Haywood,

Assistant Secretary.

[22] 17 CFR 200.30-3(a)(12).