



SECURITIES AND EXCHANGE COMMISSION S-2025-426-ENF

[Release No. 34-103489; File No. SR-IEX-2025-16]

Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Make a Non-Substantive Change to Amend and Conform a Definition in the Exchange’s Fee Schedule

July 17, 2025.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on July 14, 2025, the Investors Exchange LLC (“IEX” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I 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

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Exchange Act” or “Act”),⁴ and Rule 19b-4 thereunder,⁵ the Exchange is filing with the Commission a proposed rule change to make the definition of “Data Subscriber” in the Market Data Fees section of the Exchange’s Fee Schedule consistent with the IEX Data Subscriber Agreement and the IEX Market Data Policies (“Market Data Policies”). The Exchange has designated this proposal as non-controversial under Section 19(b)(3)(A) of the Act⁶ and provided the Commission with the notice required by Rule

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ 15 U.S.C. 78s(b)(1).

⁵ 17 CFR 240.19b-4.

⁶ 15 U.S.C. 78s(b)(3)(A).

19b-4(f)(6)(iii) under the Act.⁷

The text of the proposed rule change is available at the Exchange's website at <https://www.iexexchange.io/resources/regulation/rule-filings> and at the principal office of the Exchange.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of the proposed rule change is to make a non-substantive, clarifying change to the definition of "Data Subscriber" in the Market Data Fees section of the Exchange's Fee Schedule⁸ to be consistent with the definition of that term in the IEX Data Subscriber Agreement and the Market Data Policies.

Currently the Exchange defines "Data Subscriber" in the Market Data Fees section of the Exchange's Fee Schedule as follows:

any natural person or entity that receives Real-Time IEX market data either directly from the Exchange or from another non-affiliated Data Subscriber. A Data Subscriber must enter into a Data Subscriber Agreement with IEX in order to receive Real-Time IEX market data. A natural person or entity that receives Real-Time IEX market data from an affiliated Data Subscriber is subject to the Data Subscriber Agreement of such affiliated Data Subscriber.⁹

⁷ 17 CFR 240.19b-4(f)(6)(iii).

⁸ See IEX Fee Schedule, available at <https://www.iexexchange.io/resources/trading/fee-schedule>.

⁹ See *id.* "Real-Time IEX Market Data" is "IEX Market Data that is accessed, used or distributed less than fifteen (15) minutes after such IEX Market Data is made available by the IEX System."

On October 2, 2024, the Exchange announced via Trading Alert (the “October 2024 Trading Alert”) that it would be making certain changes to the IEX Data Subscriber Agreement, the IEX Market Data Policies, and the IEX Fee Schedule on or after February 1, 2025, subject to filing and effectiveness of an SEC rule filing.¹⁰ The changes announced included modifications to the definitions of Real-Time and Delayed IEX Data so that the delay interval would be fifteen (15) minutes instead of fifteen (15) milliseconds, consistent with the practice at all other exchanges and the SIPs.¹¹ Thereafter, in January 2025 the Exchange filed an immediately effective rule filing with the Commission modifying the definitions of Real-Time IEX and Delayed IEX Data in the Fee Schedule.¹²

Contemporaneously with the rule filing and as set forth in the October 2024 Trading Alert, the Exchange also modified certain aspects of the Market Data Policies and the Data Subscriber Agreement to add new definitions applicable to the distribution of IEX Market Data by Data Subscribers.¹³ Specifically, the Exchange modified the Market Data Policies to appropriately differentiate between controlled and uncontrolled distribution recipients. The modified Market Data Policies define “Controlled Distribution” as “distribution of IEX Market Data by a Data Subscriber where such Data

Market Data Policies, Section 1, available at <https://www.iexexchange.io/resources/trading/market-data>.

¹⁰ See IEX Trading Alert #2024-030.

¹¹ See, e.g., NYSE Comprehensive Market Data Policies, Section 7 (Delayed Data Policy), available at https://www.nyse.com/publicdocs/data/Policy-ComprehensivPackage_PDP.pdf; Cboe Global Markets North American Data Policies, Section 5 (Delayed Data), available at https://cdn.batstrading.com/resources/membership/Market_Data_Policies.pdf; Nasdaq U.S. Equities and Options Data Policies, Section 4 (Delayed Data), available at <https://www.nasdaqtrader.com/content/AdministrationSupport/Policy/USEquitiesandOptionsDataPolicies.pdf>; Consolidated Tape Association Delayed Market Data (Network A and Network B) Policy, available at https://www.ctaplan.com/publicdocs/ctaplan/Policy_Delayed_Market_Data.pdf; and Unlisted Trading Privileges Data Policies, available at <https://utpplan.com/DOC/Datapolicies.pdf>.

¹² See Securities Exchange Act Release No. 102295 (January 28, 2025), 90 FR 8821 (February 3, 2025) (SR-IEX-2025-01).

¹³ On October 11, 2024, IEX filed a Form 1 Amendment with the Commission that included the Data Subscriber Agreement that became effective on February 1, 2025. <https://www.sec.gov/Archives/edgar/vpr/2400/24003476.pdf>

Subscriber controls both the entitlement to and display of the IEX Market Data” and define “Uncontrolled Distribution” as “distribution of IEX Market Data by a Data Subscriber where such Data Subscriber does not control both the entitlement to and display of the IEX Market Data.”¹⁴ The Exchange also added a corresponding definition of “Controlled Data Recipient” to the Data Subscriber Agreement.¹⁵

In connection with these changes, the Exchange modified the Market Data Policies to specify the circumstances in which recipients of Real-Time IEX Market Data obtained through Data Subscribers would be required to sign the Data Subscriber Agreement or the IEX Controlled Data Recipient Agreement.¹⁶ Specifically, the amended Market Data Policies provide that “recipients of Real-Time IEX Market Data via Controlled Distribution who are not Data Users of the Data Subscriber providing such Real-Time IEX Market Data are required to complete, sign and deliver to the Data Subscriber providing such Real-Time IEX Market Data the IEX Controlled Data Recipient Agreement or equivalent agreement . . . Once the IEX Controlled Data Recipient Agreement or equivalent agreement is signed by both Data Subscriber and the Controlled Data Recipient, IEX considers such Controlled Data Recipient to be authorized to receive IEX Market Data.” The Exchange does not require Controlled Data Recipients to enter into the Data Subscriber Agreement with the Exchange. Instead, such recipients are required to enter into an IEX Controlled Data Recipient Agreement with the Data Subscriber, or an equivalent agreement, as specified in Section 2(2)(ii) of the Market Data Policies. In contrast, a person or entity wishing to receive IEX Real-Time Market Data from a Data Subscriber who does not control the entitlement to and display

¹⁴ See IEX Market Data Policies, *supra* note 9.

¹⁵ “‘Controlled Data Recipient’ means any Person who (i) receives IEX Market Data from a Data Subscriber via Controlled Distribution, and (ii) is not a Data User or Affiliate of such Data Subscriber.” IEX Data Subscriber Agreement, Section 1, available at <https://www.iexexchange.io/resources/trading/documents>.

¹⁶ The IEX Controlled Data Recipient Agreement is available at <https://www.iexexchange.io/resources/trading/documents>.

of the IEX Market Data (i.e., uncontrolled distribution) would be required to execute the Data Subscriber Agreement with the Exchange.

In addition to the policy changes described above, in January 2025 the Exchange also modified the definition of “Data Subscriber” in the Data Subscriber Agreement as follows:

‘Data Subscriber’ means the undersigned, or as context requires any other Person that receives IEX Market Data, either directly from IEX or from another Data Subscriber, and is required to sign an IEX Data Subscriber Agreement pursuant to the IEX Market Data Policies. Data Subscriber does not include any Service Facilitator.¹⁷

This revised definition expressly incorporates the Market Data Policies and by extension, the above-described distinctions set forth in the Market Data Policies between recipients who receive IEX Market Data through “Controlled Distribution” versus “Uncontrolled Distribution.”

The current Data Subscriber definition in the Fee Schedule does not refer to the Market Data Policies or the fact that Controlled Data Recipients are not required to enter into the Data Subscriber Agreement. Accordingly, the current definition of “Data Subscriber” in the Market Data Fees section of the Fee Schedule is incomplete and could create confusion or be misinterpreted as requiring a Controlled Data Recipient, who receives IEX Market Data from a non-affiliated Data Subscriber where such Data Subscriber controls both the entitlement to and display of the IEX Market Data, to enter into a Data Subscriber Agreement in order to receive the data.

Accordingly, the Exchange proposes to modify the Market Data Fees section of the Fee Schedule to revise the definition of Data Subscriber to specifically include recipients of Real-Time IEX Market Data who receive it via uncontrolled distribution from a non-affiliated Data Subscriber who does not control both the entitlement to and

¹⁷ IEX Data Subscriber Agreement, Section 1, supra note 15.

the display of the IEX Market Data. Accordingly, the Exchange proposes to update and clarify the existing definition of “Data Subscriber” in the Fee Schedule so that it reads as follows (adding the underlined language):

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

This proposed change would align the definition of Data Subscriber in the Fee Schedule with the Data Subscriber Agreement and Market Data Policies, and thereby promote clarity and consistency between the Fee Schedule, the Data Subscriber Agreement, and the Market Data Policies. Apart from this additional clarifying language, the Exchange is not proposing any other change to the definition of Data Subscriber in the Fee Schedule, nor is the Exchange proposing to make any changes to the pricing or definition of any IEX Market Data as set forth in the Fee Schedule.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b)¹⁸ of the Act in general and furthers the objectives of Section 6(b)(5)¹⁹ of the Act, in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, 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 modifying the definition of “Data Subscriber” in the Fee Schedule is consistent with the requirements above.

¹⁸ 15 U.S.C. 78f(b).

¹⁹ 15 U.S.C. 78f(b)(5).

Specifically, the Exchange believes the proposed change is designed to reduce any potential confusion regarding the definition of “Data Subscriber” in the Fee Schedule with the way that term is defined in the Data Subscriber Agreement and the Market Data Policies, thereby protecting investors and the public interest by providing more clarity and consistency with respect to that defined term, and would contribute to reasonably ensuring that the contractual obligations of Data Subscribers, Uncontrolled Data Recipients, and Controlled Data Recipients described in the Fee Schedule are clear, accurate, and consistent with the Data Subscriber Agreement and the Market Data Policies.

Additionally, the Exchange believes that the clarity this rule change will provide will remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange believes that it is reasonable to add the additional text describing Uncontrolled Data Recipients to the definition of “Data Subscriber” because, as discussed in the Purpose section above, the current definition of “Data Subscriber” in the Fee Schedule does not refer to the fact that Controlled Data Recipients, who receive IEX Market Data from a non-affiliated Data Subscriber who controls both the entitlement to and display of the IEX Market Data, are not required to enter into the Data Subscriber Agreement and could create confusion or be misinterpreted as requiring a Controlled Data Recipient to enter into a Data Subscriber Agreement in order to receive IEX Market Data. Thus, the Exchange does not believe that this proposal raises any new or novel issues that have not already been considered by the Commission.

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 will not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not

²⁰ 15 U.S.C. 78f(b)(8).

designed to address any competitive issues but rather is designed to enhance the clarity of the Fee Schedule and alleviate possible confusion that may arise from a definition of “Data Subscriber” in the Fee Schedule that is incomplete and inconsistent with the definition set forth in the Data Subscriber Agreement and Market Data Policies.

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

Written comments were neither solicited nor received.

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

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 Act²¹ and subparagraph (f)(6) of Rule 19b-4 thereunder.²²

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act²³ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)²⁴ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. According to the Exchange, waiver of the operative delay will allow to Exchange to immediately align the definition of “Data Subscriber” in the Fee Schedule with how that term is defined in the Data Subscriber

²¹ 15 U.S.C. 78s(b)(3)(A)(iii).

²² 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of 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.

²³ 17 CFR 240.19b-4(f)(6).

²⁴ 17 CFR 240.19b-4(f)(6)(iii).

Agreement and the Market Data Policies, thereby providing more clarity and consistency. The Commission believes that the proposed rule change raises no new or novel issues and that waiver of the operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposal operative upon filing.²⁵

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)²⁶ of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-IEX-2025-16 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.

²⁵ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁶ 15 U.S.C. 78s(b)(2)(B).

All submissions should refer to file number SR-IEX-2025-16. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-IEX-2025-16 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.²⁷

Sherry R. Haywood,

Assistant Secretary.

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