



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104891; File No. SR-IEX-2026-05]

Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Exchange’s Fee Schedule to Modify Two Aspects of the Exchange’s Incremental Fee Tiers

February 25, 2026.

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 February 12, 2026, 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, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) under the Act⁴, and Rule 19b-4 thereunder⁵, the Exchange is filing with the Commission a proposed rule change pursuant to IEX Rule 15.110(a) and (c) to amend the Exchange’s fee schedule applicable to Members⁶ (the “Fee Schedule”⁷) to modify two aspects of the Exchange’s Incremental Fee Tiers. Changes to the Fee Schedule pursuant to this proposal are effective upon filing⁸, and will be implemented on March

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 See IEX Rule 1.160(s).

⁷ See Investors Exchange Fee Schedule, available at <https://www.iexexchange.io/resources/trading/fee-schedule>.

⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

1, 2026.

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

In order to increase the accessibility of its Incremental Fee Tiers, IEX proposes to modify two aspects of the reduced \$0.0001 per share fee that is applicable to certain non-displayed trades and to make clarifying changes to the Fee Schedule.⁹ Specifically, IEX proposes to lower the threshold amount by which Members must exceed their baseline volume in order to qualify for the reduced fee, if the Members qualified for the Exchange's two highest displayed liquidity adding rebate tiers in the prior month. And IEX proposes to double the "cap" on the volume that can be charged the reduced fees, if Members qualified for the reduced fee in each of the three immediately preceding months. This fee change proposal is effective on filing and will be implemented on March 1, 2026.

Background

⁹ Nothing in this rule filing affects trades below \$1.00 per share ("sub-dollar trades"). Sub-dollar trades would not impact the Incremental Fee Tier calculations and would not be eligible for any of the Incremental Fee Tiers described herein.

IEX first began offering Incremental Fee Tiers in September 2025.¹⁰ The Incremental Fee Tiers are a volume-based fee incentive designed to incentivize Members to increase their non-displayed volume on the Exchange by providing Members that qualify for Incremental Fee Tier 2 an opportunity to pay a reduced fee of \$0.0001 per share¹¹ for applicable executions of non-displayed orders.¹² Specifically, qualifying Members are eligible to pay the reduced fee of \$0.0001 per share for any volume in excess of their Baseline non-displayed ADV¹³, where the discounted rate is applied to Incremental Fee eligible ADV up to the value of the Baseline non-displayed ADV.

Starting in March 2026, the following criteria will be used to calculate the Baseline non-displayed ADV and to determine eligibility for the reduced fee in the current month; these criteria will expire no later than February 28, 2027.¹⁴ To qualify for Incremental Fee Tier 2 in the current month, a Member's Incremental Fee eligible ADV¹⁵ in the prior (i.e., immediately preceding) month must have exceeded its Baseline non-displayed ADV by at least 15,000,000. The Baseline non-displayed ADV for any Member that has been trading on the Exchange for at least the past year will be calculated (after the last trading day in February 2026) by averaging the Incremental Fee eligible ADV for the three months from March 2025 to February 2026 in which the Member had its lowest Incremental Fee eligible ADV.

For Members that began trading on the Exchange after March 1, 2025, the Baseline non-

¹⁰ See Trading Alert #2025-024, <https://iextrading.com/alerts/#/308>; see also Securities Exchange Act Release No. 103969 (September 15, 2025), 90 FR 45071 (September 18, 2025) (SR-IEX-2025-24) (“Incremental Fee Tier Filing”).

¹¹ IEX's base rate for transactions that add or remove non-displayed liquidity is \$0.0010 per share.

¹² The fee codes to which the Incremental Fee Tiers apply are “MI” (Adds non-displayed liquidity); “MIB” (Adds non-displayed liquidity in Tape B securities); “TIY” (Post Only order removes non-displayed liquidity); “TIYB” (Post Only order removes non-displayed liquidity in Tape B securities); “TI” (Removes non-displayed liquidity); and “TIB” (Removes non-displayed liquidity in Tape B securities).

¹³ “Baseline non-displayed ADV” means executions with any of the Fee Code Combinations MI, MIB, TI, TIB, TIY, or TIYB in August 2025.

¹⁴ See Securities Exchange Act Release No. 104805 (February 10, 2026), 91 FR 6948 (SR-IEX-2026-03) (“Baseline Calculation Update Filing”).

¹⁵ “Incremental Fee eligible ADV” means executions with any of the Fee Code Combinations MI, MIB, TI, TIB, TIY, or TIYB. Unless otherwise specified, Incremental Fee eligible ADV refers to executions in the current month.

displayed ADV for each Member will be calculated by taking the average of the Incremental Fee eligible ADV of the Member's first three full months of trading on the Exchange. For all Members, on a going forward basis, until the eligibility criteria expire in February 2027, a Member's qualification for Incremental Fee Tier 2 in the current month will be based on its Incremental Fee eligible ADV in the prior month as compared to its Baseline non-displayed ADV. More details on the updated process for calculating the Baseline non-displayed ADV can be found in the Baseline Calculation Update Filing.¹⁶

The reduced fee of \$0.0001 per share for Incremental non-displayed ADV¹⁷ is capped at a Member's Baseline non-displayed ADV, and any additional volume is charged the regular fee of \$0.0010 per share for either adding or removing non-displayed liquidity.

Proposal

IEX proposes to change two aspects of the above functionality to expand access to, and the benefits of, the Incremental Fee Tier 2 reduced fee.

First, IEX proposes to make it easier for Members who qualify for Displayed Liquidity Adding Rebate Tier 7 ("Tier 7") or Displayed Liquidity Adding Rebate Tier 8 ("Tier 8") to also qualify for Incremental Fee Tier 2. To qualify for Tier 7 in the current month, in the prior month a Member must have either: (i) added at least 30,000,000 ADV of displayed liquidity or (ii) added at least 25,000,000 ADV of displayed liquidity and traded at least 30,000,000 non-displayed ADV.¹⁸ To qualify for Tier 8 in the current month, in the prior month a Member must have added at least 40,000,000 ADV of displayed liquidity.¹⁹

To expand access to the Incremental Fee Tier 2 reduced fee to Members who qualified for Tier 7 or Tier 8 in the prior month, IEX proposes to reduce the threshold amount, from

¹⁶ See supra note 14.

¹⁷ "Incremental non-displayed ADV" means executions in the immediately preceding month of Incremental Fee eligible ADV that exceeded the Baseline non-displayed ADV. See Fee Schedule.

¹⁸ "non-displayed ADV" refers to executions with the following Fee Code Combinations: MI, MIB, TI, TIB, TIY, TIYB, TIR, TLW, TLWB, and MIA. See Fee Schedule.

¹⁹ Id.

15,000,000 to 10,000,000 ADV, by which these Members' Incremental Fee eligible ADV in the prior month must have exceeded their Baseline non-displayed ADV, in order to qualify for the Incremental Fee Tier 2 reduced fee in the current month. This proposed change, working in tandem with the Displayed Liquidity Adding Rebate Tiers, is designed to incentivize Members to add both displayed and non-displayed liquidity to the Exchange by making it easier for Members that add substantial amounts of displayed liquidity to benefit from the Incremental Fee Tier 2 reduced fee.

IEX proposes to make the following changes to the Fee Schedule to effectuate this lower Incremental Fee Tier 2 qualification threshold for Members who qualified for Tier 7 or Tier 8:

- Revise the second bullet under footnote 6 to read:
 - “A Member qualifies for the Incremental Fee (i.e., Incremental Fee Tier 2) in the current month if its Incremental Fee eligible ADV in the prior month exceeded its Baseline non-displayed ADV by at least 15,000,000 (or by at least 10,000,000 if the Member qualified for Displayed Liquidity Adding Rebate Tier 7 or Tier 8).”
- In the Incremental Fee Tier Calculation Table, change the two current references to footnote “a” in the table, and the text describing footnote “a” under the table to now refer to footnote “b”
- In the same table, add a new footnote “a” to the “Required Criteria” for both tiers, and insert the following explanatory text under the table:
 - “^a A Member that qualifies for either Displayed Liquidity Adding Rebate Tier 7 or Tier 8 (based on its prior month activity) qualifies for Incremental Fee Tier 2 in the current month if its prior month's Incremental non-displayed ADV exceeded its Baseline non-displayed ADV by at least 10,000,000. The below examples for Incremental Fee Tier Option 1 and Option 2 assume the Member did not qualify for Displayed Liquidity Added Rebate Tier 7 or Tier 8, and therefore the Member's Incremental non-displayed ADV must exceed its Baseline non-displayed ADV by at least 15,000,000 in the prior month to qualify for Incremental Fee Tier 2 in the current month.”

Second, IEX proposes to double the cap on the amount of Incremental Fee eligible ADV for which a Member may pay the reduced fee of \$0.0001 in the current month, if that Member qualified for Incremental Fee Tier 2 in at least each of the three immediately preceding months. For example, if a Member qualifies for Incremental Fee Tier 2 in December 2025; January 2026; and February 2026, the Member will be eligible to pay the reduced fee for up to twice its Baseline non-displayed ADV in March 2026. Thus, if the Member's Baseline non-displayed

ADV in March 2026 is 15,000,000 and its Incremental Fee eligible ADV is 50,000,000 (i.e., its Incremental non-displayed ADV is 35,000,000), the \$0.0001 fee is applicable to 30,000,000 of its Incremental Fee eligible ADV in March (two times the Member's Baseline non-displayed ADV of 15,000,000), and the \$0.0010 fee is applicable to 20,000,000 of its Incremental Fee eligible ADV.

To effect these proposed changes, IEX proposes to make the following revisions to the Fee Schedule:

- Amend the new footnote “b” to the Incremental Fee Tier Calculation Table by adding text to the end of the first sentence. As proposed, the first sentence of footnote “b” will read in full:
 - “^b This fee is only applicable to Incremental non-displayed ADV that does not exceed the Baseline non-displayed ADV for Members that have not qualified for Incremental Fee Tier 2 in each of the three immediately preceding months. For Members that have qualified for Incremental Fee Tier 2 for at least the three immediately preceding months, the reduced fee is only applicable to Incremental non-displayed ADV that is less than or equal to **two times** the Baseline non-displayed ADV. For example, if such a Member's Baseline non-displayed ADV is 15,000,000 and its Incremental Fee eligible ADV is 50,000,000 (i.e., its Incremental non-displayed ADV is 35,000,000), the \$0.0001 fee is applicable to 30,000,000 of its Incremental Fee eligible ADV (two times the Member's Baseline non-displayed ADV), and the \$0.0010 fee is applicable to 20,000,000 of its Incremental Fee eligible ADV.”
- Add language before the example tables under Incremental Fee Tier Option 1 and Option 2 explaining that “these examples all assume that the Members' reduced fees are capped at their Baseline non-displayed ADV (i.e., the Members did not qualify for Incremental Fee Tier 2 in each of the three immediately preceding months).”
- Add text to the end of the definition of “Incremental non-displayed TAV” in the Incremental Fee Tier Option 2 section to clarify how Incremental non-displayed TAV is calculated for a Member that has qualified for Incremental Fee Tier 2 in at least the three immediately preceding months. The last two sentences of the definition will now read in full:
 - “If this value exceeds the Baseline non-displayed TAV, the number of shares eligible for the reduced Incremental Fee is capped at the Baseline non-displayed TAV for Members that have not qualified for Incremental Fee Tier 2 in each of the three immediately preceding months. For Members that have qualified for Incremental Fee Tier 2 for at least the three immediately preceding months, the number of shares eligible for the reduced Incremental Fee is capped at two times the Baseline non-displayed ADV.”

Finally, IEX proposes making a clarifying edit to the Fee Schedule. The last sentence of the renamed footnote “b” to the Incremental Fee Tier Calculation Table states that “Additionally, IEX notes that the above criteria to qualify for Incremental Fee Tier 2 will expire no later than February 28, 2027.” As described above, footnote “b” now contains text describing the doubling of the cap on the reduced fee for Members that qualify for Incremental Fee Tier 2 in at least the three immediately preceding months. That aspect of the Incremental Fee Tiers is not a qualifying criteria that will expire on February 28, 2027; the text in the footnote is meant to refer to the manner in which the Baseline non-displayed ADV is calculated for all Exchange Members. Thus, IEX proposes to delete this sentence from footnote “b”, and to add a new fifth bullet (sub-bullet four to the first bullet) at the top of the Incremental Fee Tiers section of the Fee Schedule, which reads: “The criteria to qualify for Incremental Fee Tier 2 will expire no later than February 28, 2027.”

As noted above, changes to the Fee Schedule pursuant to this proposal are effective upon filing²⁰, and will be implemented on March 1, 2026. The “Fee Transparency” requirements in Rule 610(d) of Regulation NMS require that transaction fees and rebates must be determinable at the time of the execution. This fee filing is fully consistent with the Fee Transparency requirements because a Member will know at the start of the month if it is eligible for the lower threshold to qualify for Incremental Fee Tier 2 because the Member will know whether it qualified for Tier 7 or Tier 8 in the prior month. Similarly, a Member that qualified for Incremental Fee Tier 2 in the months of December 2025, January 2026, and February 2026 will know at the end of February that, for March, the cap on its Incremental Fee eligible ADV eligible for the reduced fee of \$0.0001 will be double the Member’s Baseline non-displayed ADV.

Finally, as noted above, the Exchange is not proposing to change the fees applicable to

²⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

executions of and with orders with an execution price below \$1.00 per share.

2. Statutory Basis

IEX believes that the proposed rule change is consistent with the provisions of Section 6(b)²¹ of the Act in general and furthers the objectives of Sections 6(b)(4)²² of the Act, in particular, in that it is designed to not be unfairly discriminatory and to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

First, as described in the Purpose section, this proposed fee change will continue to make IEX's fees determinable at the time of execution as required by Rule 610(d) of Regulation NMS.

Additionally, IEX believes that the proposed lower threshold to qualify for Incremental Fee Tier 2 for Members that add a substantial amount of displayed liquidity and order flow seeking to trade with displayed orders to the Exchange is consistent with the purposes of the Act. This part of the proposal, which IEX makes for business and competitive reasons, is designed to further incentivize Members to add more displayed liquidity to the Exchange, thereby contributing to a deeper and more liquid market, to the benefit of all market participants.

IEX also believes that doubling the cap on the volume to which the Incremental Fee Tier 2 reduced fee will apply for Members that qualified for Incremental Fee Tier 2 in at least the three preceding months furthers the objectives of the Act. This aspect of the proposal, which IEX also makes for business and competitive reasons, is designed to incentivize Members to increase their volume of non-displayed trading on the Exchange and to maintain that volume in subsequent months. IEX believes that this increased non-displayed volume on the Exchange will contribute to a deeper and more liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.

IEX also believes that this proposal provides for the equitable allocation of reasonable

²¹ 15 U.S.C. 78f.

²² 15 U.S.C. 78f(b)(4).

fees among its Members and is not designed to be unfairly discriminatory because any Member that qualifies for Tier 7 or Tier 8 will be able to qualify for Incremental Fee Tier 2 using the lower threshold of Incremental Fee eligible ADV in the prior month exceeding the Baseline non-displayed ADV by at least 10,000,000. And all Members, irrespective of their displayed liquidity adding activity, will be eligible to double their non-displayed volume that will be eligible for the Incremental Fee Tier 2 reduced fee of \$0.0001 per share, by qualifying for Incremental Fee Tier 2 in three consecutive months. All similarly situated Members will be treated the same by this proposal. Thus, IEX does not believe that any aspect of this proposal raises new or novel issues not already considered by the Commission.

Further, IEX believes that the proposed clarifying change to the IEX Fee Schedule set forth in the Purpose section furthers the purposes of the Act because it provides greater clarity about what criteria will expire no later than February 28, 2027, thereby reducing the potential for confusion of any market participants, which is consistent with the protection of investors and the public interest.

The Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. Within that context, these proposed changes to the Incremental Fee Tier structure are designed to keep IEX's non-displayed trading prices competitive with those of other exchanges.

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

IEX does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if fee schedules at other venues are viewed as more favorable. Consequently, the Exchange believes that the degree to which IEX fees could impose any burden

on competition is extremely limited and does not believe that such fees would burden competition between Members or competing venues. Moreover, as noted in the Statutory Basis section, the Exchange does not believe that the proposed changes raise any new or novel issues not already considered by the Commission.

The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because, while different fees are assessed on Members, these fees are not based on the type of Member entering the orders that match, but rather on the Member's own trading activity. Further, the proposed fee change is intended to encourage market participants to bring increased order flow to the Exchange, which benefits all market participants.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii)²³ of the Act.

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)²⁴ 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

²³ 15 U.S.C. 78s(b)(3)(A)(ii).

²⁴ 15 U.S.C. 78s(b)(2)(B).

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-2026-05 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-IEX-2026-05. 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-2026-05 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.²⁵

Sherry R. Haywood,

²⁵ 17 CFR 200.30-3(a)(12).

Assistant Secretary.

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