



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104979; File No. SR-24X-2026-07]

Self-Regulatory Organizations; 24X National Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Adopt the Initial Fees and Rebates Applicable to Retail Orders

March 12, 2026.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on February 27, 2026, 24X National Exchange LLC (“24X” 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

The Exchange proposes to adopt the initial fees and rebates applicable to retail orders⁴ executed by Retail Member Organizations (“RMOs”)⁵ of the Exchange pursuant to Exchange Rule 15.1(a) and (c). The proposed rule change is available on the Exchange’s website at <https://equities.24exchange.com/regulation> and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ See Exchange Rule 11.24(a)(2).

⁵ See Exchange Rule 11.24(a)(1).

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

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

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

1. Purpose

Below is a description of the fees and rebates that the Exchange intends to impose on retail orders, which will be applicable in all trading sessions. Under the proposed amended fee schedule (“Fee Schedule”), the Exchange will continue to operate a “Maker-Taker” model whereby it provides rebates to RMOs that provide liquidity and charges fees to those that remove liquidity, as further described below. The Exchange does not initially propose to charge different fees or provide different rebates depending on the number of retail orders submitted to, or executed on or through, the Exchange. Accordingly, all fees and rebates described below are applicable to all RMOs, regardless of the overall volume of an RMO’s trading activities on the Exchange.

(1) Standard Fee for Removed Volume

The Exchange proposes to charge a standard fee of \$0.00295 per share for executions of retail orders that remove liquidity from the 24X Book⁶ (“Removed Volume”) in all securities traded on the Exchange priced at or above \$1.00 per share.⁷

(2) Standard Rebate for Added Displayed Volume

⁶ “24X Book” refers to the Exchange system’s electronic file of orders. *See* Exchange Rule 1.5(a).

⁷ Such executions will be indicated by the following fee codes in execution reports provided by the Exchange: “102” for Removed Volume retail orders (described in the Fee Schedule as “Removed volume”), “160” for Removed Volume retail orders that remove liquidity from the Exchange upon entry into the System (*see* Exchange Rule 1.5(hh)) (described in the Fee Schedule as “Removed volume on entry”), and “161” for Removed Volume retail orders that result in immediate removal of the midpoint (described in the Fee Schedule as “Removed volume – immediate Midpoint removed”).

The Exchange proposes to provide a standard rebate of \$0.0038 per share in all securities traded on the Exchange priced at or above \$1.00 per share for executions of retail orders that are displayed on the 24X Book and add liquidity to the Exchange (“Added Displayed Volume”).⁸ The proposed standard rebate for Added Displayed Volume would apply to the Reserve Quantity⁹ of a retail order such that any replenishment amount of the Reserve Quantity of an order that is executed against would be treated as Added Displayed Volume even though such portion of the order was not displayed on the 24X Book prior to the order being replenished in accordance with the RMO’s instructions and the Exchange’s rules. The entire portion of the Reserve Quantity of an order would be eligible for this rebate, but an RMO would only receive such rebate for any portions of the Reserve Quantity that are executed against.

(3) Standard Rebate for Added Non-Displayed Volume

The Exchange proposes to provide a standard rebate of \$0.0025 per share for executions of retail orders that add liquidity to the Exchange, are not displayed on the 24X Book, and do not include a Midpoint Peg instruction (“Added Non-Displayed Volume”), in all securities traded on the Exchange priced at or above \$1.00 per share.¹⁰ The proposed amended Fee Schedule will also provide a standard rebate of \$0.0025 per share for Added Non-Displayed Volume retail transactions that include a Midpoint Peg instruction (“Added Midpoint Volume”) in all securities traded on the Exchange priced at or above \$1.00 per share.¹¹

⁸ Such executions will be indicated by the following fee codes in execution reports provided by the Exchange: “101” for Added Displayed Volume retail orders (described in the Fee Schedule as “Added displayed volume”), “153” for Added Displayed Volume retail orders that improve the National Best Bid/Offer (“NBBO”) (described in the Fee Schedule as “Added displayed volume – NBBO improved”), “154” for Added Displayed Volume retail orders that join the NBBO (described in the Fee Schedule as “Added displayed volume – NBBO joined”), and “162” for Added Displayed Volume retail orders that result in price improvement (described in the Fee Schedule as “Added displayed volume – price improvement”).

⁹ “Reserve Quantity” refers to the portion of an order that includes a Non-Displayed instruction in which a portion of that order is also displayed on the 24X Book. *See* Exchange Rule 11.6(k).

¹⁰ Such executions will be indicated by the following fee codes in execution reports provided by the Exchange: “151” for Added Non-Displayed Volume retail orders (described in the Fee Schedule as “Added non-displayed volume”) and “163” for Added Non-Displayed Volume retail orders that result in price improvement (described in the Fee Schedule as “Added non-displayed volume – price improvement”).

¹¹ Such executions will be indicated by fee code “152” in execution reports provided by the Exchange and described as “Added Midpoint” in the Fee Schedule.

The Exchange proposes to provide a higher rebate for executions of Added Displayed Volume retail transactions than for executions of Added Non-Displayed Volume retail transactions to incentivize displayed liquidity over non-displayed liquidity on the Exchange, including retail orders with a displayed component and a non-displayed component (*i.e.*, orders with a Reserve Quantity), in order to encourage and facilitate price discovery and price formation, which the Exchange believes benefits all Members¹² and investors.

(4) Standard Fee for Routed Removed Volume

The Exchange proposes to charge a standard fee of \$0.0030 per share for all retail orders routed to another market that are executed on an away market and remove liquidity from the market to which they were routed (“Routed Removed Volume”), in all securities traded on the Exchange priced at or above \$1.00 per share.¹³ All charges by the Exchange for routing are applicable only in the event that a retail order is executed; there is no charge for orders that are routed away from the Exchange but are not filled. The Exchange notes that the fees for routing relate to retail orders routed through the Exchange’s third-party broker-dealers. Routing services offered by the Exchange are completely optional and market participants can readily select between various providers of routing services, including other exchanges and broker-dealers.

(5) Securities Priced Below \$1.00 per Share

The Exchange proposes to charge a standard fee of 0.15% of the total dollar value of any retail transaction in securities priced below \$1.00 per share (“Sub-Dollar Securities”) that removes liquidity from the Exchange (“Removed Sub-Dollar Volume”).¹⁴ The Exchange also proposes to provide a standard rebate of 0.15% of the total dollar value of any retail transaction in Sub-Dollar Securities that adds displayed liquidity to the Exchange (“Added Sub-Dollar Volume”).¹⁵ The Exchange also proposes to provide a standard rebate of 0.065% of the total

¹² See Exchange Rule 1.5(u).

¹³ Such executions will be indicated by fee code “103” in execution reports provided by the Exchange and described as “Routed removed volume” in the Fee Schedule.

¹⁴ Such executions correspond to fee codes “102,” “160,” and “161.” See *supra* note 7.

¹⁵ Such executions correspond to fee codes “101,” “153,” “154,” and “162.” See *supra* note 8.

dollar value of any retail transaction in Sub-Dollar Securities that adds non-displayed liquidity to the Exchange and does not include a Midpoint Peg instruction (“Added Non-Displayed Sub-Dollar Volume”).¹⁶ The Exchange also proposes to provide a standard rebate of 0.065% of the total dollar value of any retail transaction in Sub-Dollar Securities that adds non-displayed liquidity to the Exchange and includes a Midpoint Peg instruction (“Added Midpoint Sub-Dollar Volume”).¹⁷ The Exchange also proposes to charge a standard fee of 0.30% of the total dollar value of any retail transaction in Sub-Dollar Securities that is routed to and executed at another market center (“Routed Removed Sub-Dollar Volume”).¹⁸

The proposed rebate for executions of Added Sub-Dollar Volume is intended to promote retail order flow in Sub-Dollar Securities to the Exchange by incentivizing RMOs to increase the liquidity-providing retail orders in Sub-Dollar Securities they submit to the Exchange, which would support price discovery on the Exchange and provide additional liquidity for incoming orders.

The proposed rule change does not include different fees or rebates for retail transactions in Sub-Dollar Securities that depend on the number of orders submitted to, or transactions executed on or through, the Exchange. Accordingly, all fees and rebates described above are applicable to all RMOs, regardless of the overall volume of an RMO’s trading activities on the Exchange.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b)¹⁹ of the Act in general, and furthers the objectives of Section 6(b)(4)²⁰ of the Act, in particular, in that it is designed to provide for the equitable allocation of reasonable dues,

¹⁶ Such executions correspond to fee codes “151” and “163.” *See supra* note 10.

¹⁷ Such executions correspond to fee code “152.” *See supra* note 11.

¹⁸ Such executions correspond to fee code “103.” *See supra* note 13.

¹⁹ 15 U.S.C. 78f.

²⁰ 15 U.S.C. 78f(b)(4).

fees, and other charges among its Members and other persons using its facilities. Additionally, the Exchange believes that the proposed fees and rebates are consistent with the objectives of Section 6(b)(5)²¹ of the Act in that they are designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and national market system, and, in general, to protect investors and the public interest, and, particularly, are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

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 or incentives to be insufficient. The Exchange believes that the proposed amended Fee Schedule reflects a simple and competitive pricing structure designed to incentivize market participants to add aggressively priced displayed liquidity and direct their retail order flow to the Exchange, which the Exchange believes would promote price discovery and price formation and deepen liquidity that is subject to the Exchange's transparency, regulation, and oversight as an exchange, thereby enhancing market quality to the benefit of all Members and investors.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues, and also recognized that current regulation of the market system "has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies."²²

²¹ 15 U.S.C. 78f(b)(5).

²² Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) ("Regulation NMS Adopting Release").

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to charge a standard fee of \$0.00295 per share for Removed Volume retail transactions, and a standard fee of 0.15% of the total dollar value for Removed Sub-Dollar Volume retail transactions, because they are comparable to the retail transaction fees charged by other exchanges for removing liquidity.²³ The Exchange further believes that these fees are equitably allocated and not unfairly discriminatory because they apply equally to all RMOs and, when coupled with higher rebates for adding retail liquidity, as described below, are designed to facilitate increased activity on the Exchange to the benefit of all Members by providing more trading opportunities and promoting price discovery.

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to provide a standard rebate of \$0.0038 per share for Added Displayed Volume retail transactions, and a standard rebate of 0.15% of the total dollar value for Added Sub-Dollar Volume retail transactions, because these rebates are comparable to retail transaction rebates provided by other exchanges.²⁴ The Exchange further believes that this rebate structure is equitably allocated and not unfairly discriminatory because it applies equally to all RMOs.

The Exchange believes that charging a fee to the liquidity remover, and providing a rebate to the liquidity adder, is reasonable, equitable, and not unfairly discriminatory because it incentivizes liquidity provision on the Exchange. The Exchange also notes that several other exchanges charge fees for removing liquidity and provide rebates for adding liquidity, and that this aspect of the Exchange's proposed amended Fee Schedule does not raise any new or novel issues that have not previously been considered by the Commission in connection with the fees and rebates of other exchanges.

²³ See, e.g., MEMX LLC ("MEMX") Equities Fee Schedule, available at: <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>; MIAX PEARL LLC ("MIAX Pearl") Equities Fee Schedule, available at: https://www.miaxglobal.com/sites/default/files/fee_schedule-files/MIAX_Pearl_Equities_Fee_Schedule_08012025.pdf. MEMX and MIAX Pearl are appropriate comparisons because their market share is similar to that of the Exchange.

²⁴ *Id.*

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to provide a standard rebate of \$0.0025 per share for Added Non-Displayed Volume and Added Midpoint Volume retail transactions, and a standard rebate of 0.065% of the total dollar value for Added Non-Displayed Sub-Dollar Volume and Added Midpoint Sub-Dollar Volume retail transactions, because they are comparable to the rebates provided by other exchanges for similar transactions.²⁵

The Exchange also believes that it is reasonable, equitable, and not unfairly discriminatory to provide a higher rebate for Added Displayed Volume retail transactions than for Added Non-Displayed Volume retail transactions, as this rebate structure is designed to incentivize RMOs to send the Exchange displayable retail orders, thereby contributing to price discovery and price formation, consistent with the overall goal of enhancing market quality. Moreover, the Exchange notes that there are precedents for exchanges to provide rebates that distinguish between displayed and non-displayed volume to incentivize displayed orders and facilitate price discovery.²⁶

The Exchange notes that under the proposed amended Fee Schedule it will pay a higher rebate for Added Displayed Volume retail transactions than the fee it charges for removing such volume for transactions priced at or above \$1.00 per share, and as such the Exchange will have negative net capture with respect to such transactions. As noted above, the Exchange operates in a highly competitive market, and the Exchange believes this pricing structure will enable it to effectively compete with other exchanges by attracting RMOs and retail order flow to the Exchange, which will help the Exchange to gain market share for executions. The Exchange may determine to modify its pricing structure after it has gained sufficient participation from market participants to instead be profitable with respect to such transactions. The Exchange

²⁵ *Id.*

²⁶ *See, e.g.*, Long-Term Stock Exchange Inc. fee schedule, available at: <https://ltse.com/trading/fee-schedules>; MIAX Pearl fee schedule, available at: https://www.miaxglobal.com/sites/default/files/fee_schedule-files/MIAX_Pearl_Equities_Fee_Schedule_08012025.pdf.

believes the initial retail pricing structure, including the negative net capture for Added Displayed Volume retail transactions priced at or above \$1.00 per share, is designed to incentivize market participants to add aggressively priced displayed liquidity and direct their retail order flow to the Exchange, which the Exchange believes would promote price discovery and price formation and deepen liquidity that is subject to the Exchange's transparency, regulation, and oversight as an exchange, thereby enhancing market quality to the benefit of all Members and investors. The Exchange does not believe that the negative net capture with respect to Added Displayed Volume retail transactions priced at or above \$1.00 per share will materially impact the capitalization of the Exchange or otherwise impair the Exchange's ability to operate or regulate itself. The Exchange is well-capitalized and the Exchange's parent company, 24X US Holdings LLC, has agreed to provide adequate funding for the Exchange's operations, including the regulation of the Exchange.

With respect to orders routed to other markets, the Exchange also believes that it is appropriate, reasonable, and consistent with the Act to charge a standard fee of \$0.0030 for Routed Removed Volume retail transactions and 0.30% of the total dollar value for Routed Removed Sub-Dollar Volume retail transactions because these fees are similar to the fees charged by other exchanges for routed orders that remove liquidity from the destination market.²⁷ This fee is intended to be a simple and transparent fee for RMOs that wish to use routing services provided by the Exchange. The Exchange reiterates that the routing services offered by the Exchange are completely optional and that the Exchange operates in a highly competitive market in which market participants can readily select between various providers of routing services with different product offerings and different pricing. The Exchange believes that its flat fee structure for retail orders routed to all away venues is a fair and equitable approach to pricing, as it will provide certainty with respect to execution fees. The Exchange

²⁷

See supra note 23.

also believes the standard fee for Routed Removed Volume retail transactions is an equitable and not an unfairly discriminatory allocation of fees because it applies equally to all RMOs.

In conclusion, the Exchange submits that its proposed retail fee structure satisfies the requirements of Sections 6(b)(4) and 6(b)(5) of the Act for the reasons discussed above in that it provides for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities, does not permit unfair discrimination between customers, issuers, brokers, or dealers, and 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, particularly as the proposal neither targets nor will it have a disparate impact on any particular category of market participant. As described more fully below in the Exchange's statement regarding the burden on competition, the Exchange believes that it is subject to significant competitive forces, and that its proposed fee and rebate structure is an appropriate effort to address such forces.

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

The Exchange 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. Rather, as discussed above, the Exchange believes that the proposed change would encourage the submission of additional retail order flow to a public exchange, thereby promoting market depth, execution incentives, and enhanced execution opportunities, as well as price discovery and transparency for all Members. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."²⁸

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. To the contrary, the Exchange believes that the proposed pricing structure will increase competition and is intended to draw volume to the Exchange. The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow or reduce use of certain categories of products in response to new or different pricing structures being introduced into the market. Accordingly, competitive forces constrain the Exchange's transaction fees and rebates, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. As a new exchange, the Exchange faces intense competition from other exchanges and non-exchange venues that provide markets for equities trading. With respect to the Exchange's initial pricing whereby it will operate with negative net capture with respect to retail transactions involving Added Displayed Volume priced at or above \$1.00 per share, the Exchange is proposing this pricing in an effort to encourage market participants to join, connect to, and participate on the Exchange. The Exchange expects to modify its pricing structure after it has gained sufficient participation from market participants to eliminate the negative net capture and instead be profitable with respect to such transactions.

Although this pricing incentive is intended to attract liquidity to the Exchange, most other exchanges in operation today already offer multiple incentives to their participants, including tiered pricing that provides higher rebates or discounted executions, and other exchanges will be able to modify such incentives in order to compete with the Exchange. As noted above, the Exchange's proposed retail fees and rebates are comparable to those offered by other national securities exchanges.²⁹ Accordingly, with respect to a market participant deciding to either submit a retail order to add or remove liquidity, there are multiple exchanges that will be competitively priced for such orders when compared to the Exchange's pricing. Further,

²⁹ See *supra* note 23.

while pricing incentives do cause shifts of liquidity between trading centers, market participants make determinations on where to provide liquidity or route orders to take liquidity based on factors other than pricing, including technology, functionality, and other considerations.

Consequently, the Exchange believes that the degree to which its retail fees and rebates could impose any burden on competition is extremely limited, and does not believe that such fees and rebates would burden competition of Members or competing venues in a manner 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 intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed fees and rebates apply equally to all RMOs. The proposed pricing structure is intended to encourage market participants to add displayed and non-displayed retail liquidity to the Exchange by providing rebates that are comparable to those offered by other exchanges as well as to provide a competitive rate charged for removing retail liquidity, which the Exchange believes will help to encourage RMOs to send retail orders to the Exchange to the benefit of all Exchange participants. As the proposed rates are equally applicable to all market participants, the Exchange does not believe there is any burden on intramarket competition.

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

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

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)³⁰ of the Act and subparagraph (f)(2) of Rule 19b-4 thereunder,³¹ because it establishes a due, fee, or other charge imposed by the Exchange. At any time within 60 days of the filing of the proposed

³⁰ 15 U.S.C. 78s(b)(3)(A).

³¹ 17 CFR 240.19b-4(f)(2).

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)³² 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-24X-2026-07 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-24X-2026-07. 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.

³² 15 U.S.C. 78s(b)(2)(B).

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-24X-2026-07 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.³³

Sherry R. Haywood,

Assistant Secretary.

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