



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105073; File No. SR-24X-2026-08]

Self-Regulatory Organizations; 24X National Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Exchange Rule 11.6 to Clarify the Handling of Certain Orders and Update References to Regulation NMS

March 24, 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 March 16, 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 and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend 24X Rule 11.6 to update references to Regulation NMS and to clarify the handling of orders that contain both a Post Only order handling instruction and either (i) no additional instruction or (ii) an additional Display-Price Sliding or Cancel Back instruction to facilitate compliance with Rule 610(e) of Regulation NMS. 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 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4.

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

In its filing with the Commission, the 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend 24X Rule 11.6 to update references to Regulation NMS and to clarify the handling of orders that contain both a Post Only order handling instruction and either (i) no additional instruction or (ii) an additional Display-Price Sliding or Cancel Back instruction to facilitate compliance with Rule 610(e) of Regulation NMS.

As background, the current rules state that an order entered with a Post Only instruction does not remove liquidity, except when the order is an order to buy or sell a security priced below \$1.00, or when executing as the taker of liquidity would be economically beneficial to the firm entering the order—*i.e.*, if the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the 24X Book and subsequently provided liquidity, including the applicable fees charged or rebates provided.⁵

Today, the Exchange’s rules state that this handling applies to Post Only orders entered with a Display-Price Sliding⁶ instruction, which is a re-pricing instruction used for compliance with

⁵ See 24X Rule 11.6(l)(2). To determine at the time of a potential execution whether the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the 24X book and subsequently provided liquidity, the Exchange uses the highest possible rebate paid and the highest possible fee charged for such executions on the Exchange.

⁶ “Display-Price Sliding” is an order instruction requiring that where an order would be a Locking Quotation or Crossing Quotation of an external market if displayed by the System on the 24X Book at the time of entry, will be ranked at the Locking Price in the 24X Book and displayed by the System at one Minimum Price Variation lower (higher) than the Locking Price for orders to buy (sell). See 24X Rule 11.6(j)(1)(A).

Regulation NMS. Thus, an executable order entered with a Post Only instruction is eligible to remove liquidity in the circumstances described in Rule 11.6(1)(2) instead of having its ranked price or display price adjusted pursuant to those order handling instruction.

However, the Exchange also offers a Cancel Back instruction that is not covered by 24X Rule 11.6(1)(2). An order entered with a Cancel Back instruction is immediately cancelled instead of re-priced when displaying the order at its limit price would create a violation of Regulation NMS, or if the order could not otherwise be executed or posted at its limit price.⁷ Even if Users select the Cancel Back instruction, however, orders entered with a Post Only instruction are handled in the same manner regardless of whether the Display-Price Sliding or Cancel Back instruction is selected.⁸ The Exchange therefore proposes to amend 24X Rule 11.6(1)(2) to eliminate the reference to Display-Price Sliding, given that such an instruction is not required for a Post Only instruction to remove liquidity under the noted circumstances.⁹

The Exchange believes that removing the reference to this instruction in the rule would reduce potential confusion as the order handling described in the rule today applies to all orders entered with a Post Only instruction, and not a specific subset of those orders. No changes to the Exchange's trading or other systems are contemplated by the proposed rule change, which is instead designed to increase transparency around the Exchange's process. This proposed change is based on the rules of MEMX LLC ("MEMX").¹⁰

⁷ "Cancel Back" is an instruction the User may attach to an order instructing the System to immediately cancel the order when, if displayed by the System on the 24X Book at the time of entry, or upon return to the System after being routed away, would create a violation of Rule 610(e) of Regulation NMS or Rule 201 of Regulation SHO, or the order cannot otherwise be executed or posted by the System to the 24X Book at its limit price. See 24X Rule 11.6(a).

⁸ Rule 11.6(j)(1)(A)(iv) states that any display-eligible order with a Post Only instruction that would be a Locking Quotation or Crossing Quotation of the Exchange upon entry will be cancelled. In the event the NBBO changes such that an order with a Post Only instruction subject to Display-Price Sliding instruction would be ranked at a price at which it could remove displayed liquidity from the 24X Book, the order will be cancelled.

⁹ MEMX and Cboe EDGX Exchange, Inc. similarly filed to remove the reference to Display Price Sliding from their rule text, and allow all Post Only orders to remove liquidity if economically beneficial to the firm entering the order. See Securities Exchange Act Release No. 103968 (September 15, 2025), 90 FR 45069 (September 18, 2025) (SR-MEMX-2025-29); Securities Exchange Release No. 88515 (April 4, 2019), 84 FR 14427 (April 10, 2019) (SR-CboeEDGX-2019-014).

¹⁰ The proposed rule text is substantially similar to MEMX Rule 11.6(1)(2).

In addition, the Exchange proposes to amend the references to Rule 610(d) of Regulation NMS that appear in 24X Rule 11.6(a), (b), (e), and (j) to reflect the fact that on September 18, 2024, the Commission adopted several amendments to Regulation NMS¹¹ which became effective on February 2, 2026.¹² These amendments resulted in the renumbering of former Rule 610(d) (“Locking or crossing quotations”) as Rule 610(e). The Exchange proposes to correspondingly amend its rules so that all references to former Rule 610(d) now correctly refer to Rule 610(e).

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b) of the Act,¹³ in general, and Section 6(b)(5) of the Act,¹⁴ in particular, in that it is designed to remove impediments to and perfect the mechanism of a free and open market and a national market system, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

Specifically, the Exchange believes that the proposed rule change is consistent with the public interest and the protection of investors as it would avoid potential confusion about how an order is handled if entered with both a Post Only and Cancel Back instruction or no additional instruction at all. Today, the Exchange’s rules provide that an order entered into the 24X Book with a Post Only instruction would remove liquidity in certain circumstances, such as when economically beneficial for the firm entering the order. In addition, the rules specify that this handling applies to orders entered with a Post Only and a Display-Price Sliding instruction. The

¹¹ See Securities Exchange Act Release No. 101070 (Sept. 18, 2024), 89 FR 81620 (Oct. 8, 2024) (File No. S7-30-22) (Regulation NMS: Minimum Pricing Increments, Access Fees, and Transparency of Better Priced Orders.) (“Rule 610(d) Adopting Release”).

¹² See Securities Exchange Act No. 104172 (Oct. 31, 2025), 90 FR 51418 (Nov. 17, 2025) (Order Granting Temporary Exemptive Relief, Pursuant to Section 36(a)(1) of the Securities Exchange Act of 1934 and Rules 610(f) and 612(d) of Regulation NMS, From Compliance With Rule 600(b)(89)(i)(F), Rule 610(c), Rule 610(d) and Rule 612 of Regulation NMS, as Amended).

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

rules, however, are silent as to the handling applied if an order with a Post Only instruction contains a Cancel Back instruction or no additional instruction at all. The Exchange's order handling is, in fact, the same regardless of which of these instructions are chosen by the member. As such, the Exchange believes that it is appropriate to amend 24X Rule 11.6(l)(2) to eliminate the reference to the Display-Price Sliding instruction, thereby making clear that this handling applies to all orders entered with a Post Only instruction and not only those that also contain a Display-Price Sliding instruction.

The Exchange believes that this order handling is appropriate regardless of whether an order entered with a Post Only instruction also contains a Display-Price Sliding, Cancel Back, or no additional instruction. Specifically, the Exchange believes that it is consistent with just and equitable principles of trade to permit an order entered with a Post Only instruction to remove liquidity when the order is an order to buy or sell a security priced below \$1.00, or when executing as the taker of liquidity would be economically beneficial to the firm entering the order. This handling is designed to ensure that orders entered with a Post Only instruction are eligible to trade in certain circumstances where the entering firm may have an interest in securing an execution on entry—*i.e.*, as the taker of liquidity—notwithstanding the member's use of the Post Only instruction. Although the Exchange's rules currently mention order handling for the Display-Price Sliding instruction specifically, this functionality should be applied equally to any order entered with a Post Only instruction. Thus, amending the rule as proposed would provide additional transparency into a feature offered by the Exchange that is potentially beneficial to members that utilize the Post Only instruction.

The Exchange also believes that the proposed change to update references to Rule 610(e) of Regulation NMS is consistent with the Act because it will update references that are currently out of date and reduce confusion surrounding such references, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the proposed rule change would remove ambiguity and outdated references in the 24X rules. No change to the Exchange's order handling is contemplated by this proposed rule change. The Exchange therefore believes that the proposed rule change would increase transparency around the operation of the Exchange to the benefit of members and investors without imposing any significant burden on 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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act¹⁵ and Rule 19b-4(f)(6)¹⁶ thereunder. 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, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁷ and Rule 19b-4(f)(6)¹⁸ thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)¹⁹ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule

¹⁵ 15 U.S.C. 78s(b)(3)(A).

¹⁶ 17 CFR 240.19b-4(f)(6).

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires the Exchange 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.

¹⁹ 17 CFR 240.19b-4(f)(6).

19b-4(f)(6)(iii),²⁰ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. 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 avoid potential confusion around the operation of the Post Only instruction. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because the proposal will clarify the current handling of orders entered with a Post Only instruction and does not raise any novel regulatory issues and will allow the Exchange to immediately update outdated references. Accordingly, 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 shall 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 proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

²⁰ 17 CFR 240.19b-4(f)(6)(iii).

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

- 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-2026-08 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-2026-08. 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-24X-2026-08 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.

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²² 17 CFR 200.30-3(a)(12) and (59).