



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105125; File No. 4-757]

Joint Industry Plan; Notice of Filing of Amendment No. 1, and Order Instituting Proceedings to Determine Whether to Approve or Disapprove an Amendment to the National Market System Plan Regarding Consolidated Equity Market Data, as Modified by Amendment No. 1, to Adopt a Fee Schedule

March 31, 2026.

I. Introduction

On December 11, 2025, the Operating Committee¹ of the Limited Liability Company Agreement of the CT Plan LLC (“CT Plan”) filed with the Securities and Exchange Commission (“Commission”), pursuant to section 11A of the Securities Exchange Act of 1934 (“Exchange Act”)² and Rule 608(a) of Regulation National Market System (“Regulation NMS”) thereunder,³ a proposal to amend the CT Plan to adopt a fee schedule (“Fee Proposal”).⁴ The Fee Proposal was published for comment in the Federal Register on December 31, 2025.⁵ The Commission received comments on the Fee Proposal, which are discussed below.⁶

¹ See Article IV, Sec. 4.1 and Article XIV, Sec. 14.1(c) of the CT Plan.

² 15 U.S.C. 78k-1(a)(3).

³ 17 CFR 242.608(a).

⁴ The Members are: 24X National Exchange LLC, Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe Exchange, Inc., Financial Industry Regulatory Authority, Inc., Investors Exchange LLC, Long Term Stock Exchange, Inc., MEMX LLC, MIAX PEARL, LLC, Nasdaq BX, Inc., Nasdaq ISE, LLC, Nasdaq PHLX LLC, The Nasdaq Stock Market LLC, New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE National, Inc., and NYSE Texas, Inc.

⁵ See Joint Industry Plan; Notice of Filing of the Second Amendment to the Limited Liability Company Agreement of CT Plan LLC to Adopt a Fee Schedule, Securities Exchange Act Release No. 104512 (Dec. 23, 2025), 90 FR 61463 (Dec. 31, 2025) (“Notice”).

⁶ Comments received in response to the Notice can be found on the Commission’s website at: <https://www.sec.gov/comments/4-757/4-757.htm>.

On March 30, 2026, the Operating Committee filed an amendment to the Fee Proposal and response to the comments (“Amendment No. 1”),⁷ which amended and superseded the Fee Proposal in its entirety, as set forth in Item II.B. The Commission is publishing this notice to solicit comments on the Fee Proposal, as modified by Amendment No. 1, and is instituting proceedings, under Rule 608(b)(2)(i) of Regulation NMS,⁸ to determine whether to approve or disapprove the Fee Proposal, as modified by Amendment No. 1, or to approve the Fee Proposal, as modified by Amendment No. 1, with any changes or subject to any conditions the Commission deems necessary or appropriate.

II. Fee Proposal

A. Summary of Notice Published December 31, 2025

The Operating Committee filed the Fee Proposal as required by Article XIV of the CT Plan, which sets out the implementation schedule for the CT Plan and deadlines for significant milestones. Specifically, Section 14.1(c) of the CT Plan provides that no later than 12 months after the Effective Date,⁹ the Operating Committee shall file with the Commission the proposed fees charged to Vendors and Subscribers for Transaction Reports and Quotation Information in Eligible Securities.¹⁰

The Fee Proposal seeks to establish the fees to be assessed across a variety of data products and the definitions to be used for purposes of distinguishing such products. The Fee Proposal would be used to assess fees for Transaction Reports and Quotation Information in Eligible Securities that is collected, consolidated and disseminated pursuant to the CT Plan once

⁷ See Letter from Jeff Kimsey, Operating Committee Chair, CT Plan LLC, dated March 30, 2026 to Vanessa Countryman, Secretary, Commission.

⁸ 17 CFR 242.608(b)(2)(i).

⁹ Capitalized terms that are not defined herein are defined in the CT Plan. The Effective Date is defined in (b) of the recitals of the CT Plan as the date when the CT Plan is approved by the Commission pursuant to Rule 608 of Regulation NMS. Accordingly, the Effective Date is November 20, 2024. See Joint Industry Plan; Order Approving, as Modified, a National Market System Plan Regarding Consolidated Equity Market Data, Securities Exchange Act Release No. 101672 (Nov. 20, 2024), 89 FR 94924 at 94925, 94962 (Nov. 29, 2024) (File No. 4-757) (“CT Plan Approval Order”).

¹⁰ Art. XIV, Sec. 14.1(c) of the CT Plan.

the CT Plan is fully implemented.¹¹ The Fee Proposal contains, among other things, proposed definitions and fees for Professional and Non-Professional Use, proposed Enterprise Caps, proposed Redistributor Fees, proposed fees for Non-Display Use, proposed fees for Derived Data, and proposed definitions of Direct and Indirect Access.

B. Notice and Description of Amendment No. 1

Set forth in this Section II.B. is the description of the proposed Amendment No. 1, along with information required by Rules 601(a) and 608(a) under the Exchange Act,¹² as prepared and submitted by the Operating Committee to the Commission.¹³ Set forth in Exhibit A is the text of the Amendment No. 1 marked to show the proposed changes, prepared and submitted by the Operating Committee as Addendum 1.

a) Rule 608(a)

1. Purpose of the Amendments

Pursuant to Section 14.1(c) of the CT Plan, the Operating Committee was required to file with the Commission proposed fees charged to vendors and subscribers for Transaction Reports and Quotation Information in Eligible Securities.¹⁴ On December 11, 2025, the Operating Committee filed a proposal to amend the CT Plan to adopt a fee schedule for the CT Plan (the

¹¹ See CT Plan Approval Order, supra note 9. The Commission ordered the then-registered self-regulatory organizations (“SROs”) to act jointly in developing and filing with the Commission a proposed new national market system plan to govern the public dissemination of real-time, consolidated equity market data for NMS stocks (“SIP data”) to replace the existing equity data plans. The three NMS Plans that currently govern SIP data are (1) the Consolidated Tape Association Plan (“CTA Plan”), (2) the Consolidated Quotation Plan (“CQ Plan”), and (3) the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation, and Dissemination of Quotation and Transaction Information For Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis (“UTP Plan”) (collectively, the Equity Data Plans”). See Order Directing the Exchanges and the Financial Industry Regulatory Authority to Submit a New National Market System Plan Regarding Consolidated Equity Market Data, Securities Exchange Act Release No. 88827 (May 6, 2020), 85 FR 28702 (May 13, 2020) (File No. 4-757) (“Governance Order”); Amended Order Directing the Exchanges and the Financial Industry Regulatory Authority, Inc., to File a National Market System Plan Regarding Consolidated Equity Market Data, Securities Exchange Act Release No. 98271 (Sept. 1, 2023), 88 FR 61630, 61631 (Sept. 7, 2023) (File No. 4-757).

¹² See 17 CFR 242.601(a); 242.608(a).

¹³ See Amendment No. 1, supra note 7.

¹⁴ All capitalized terms used herein have the same meaning as is given such terms in the CT Plan.

“Original Amendment”) to comply with the requirements of Section 14.1(c).¹⁵ The Original Amendment contained a proposed fee schedule (the “Proposed Fee Schedule”).

In response to that filing, the Securities and Exchange Commission (“SEC” or the “Commission”) received comment letters from three firms. Amendment No. 1 to the Original Amendment largely retains the Proposed Fee Schedule and instead focuses on adding explanation, rationale, and clarifying guidance in response to comments received by the Commission. In particular, Amendment No. 1 expands the narrative discussion of the process used to develop the Proposed Fee Schedule, and it adds substantially more detail supporting the contention that consolidated data fees are constrained by competitive alternatives (including expanded “synthetic SIP” benchmarking and related discussion of why a strict cost-of-service approach is not the appropriate framework for evaluating these fees). It also adds clarifying discussion around how key classifications are intended to operate in practice, most notably, additional explanation of the “good faith” reliance safe harbor for Professional versus Non-Professional Use representations, clarification of how Direct vs. Indirect Access applies to extranet connections using a location/latency-based standard, and a more detailed explanation of the Derived Data approach (including why the prior single-security construct created line-drawing disputes and how treating derived-data creation as Non-Display Use is intended to reduce administrative burden and audit risk).

Amendment No. 1 also supplements and refines the rationale for specific fee components without materially changing the overall structure of the Proposed Fee Schedule as filed. For example, it adds additional explanation regarding the operation and policy objectives of the Non-Professional tiered “sliding scale” (including its interaction with the Non-Professional Enterprise Cap), expands the justification for excluding Professionals from the enterprise caps to address competitive neutrality concerns, and provides additional support for

¹⁵ See Letter from Jeff Kimsey, Operating Committee Chair, to Vanessa Countryman, Secretary, Commission, dated December 11, 2025.

the inflation-related adjustments to Non-Display, Access, and Real-Time Redistribution fees (including additional discussion of technology investment and performance improvements and the choice of a data-processing-related inflation metric). Finally, it provides additional explanation for the tape harmonization decisions, both where charges are aligned across tapes (e.g., Multiple Feed Charges and Late/Clearly Erroneous Reporting Charges) and where Tape C-only legacy fees are eliminated (e.g., delayed redistributor, delayed access, and voice response port charges), emphasizing that these changes are intended primarily to improve clarity and administrability and reduce unnecessary tape-by-tape asymmetry.

For ease of readability, the Operating Committee has included a description of the Proposed Fee Schedule included in the Original Amendment, with supplemental information to provide additional support for the proposed fees as well as to respond to comments. This amendment supplants the Original Amendment in its entirety.

Process for Developing Fee Schedule

As detailed in the Original Amendment, beginning in March 2025, the Operating Committee formed the Fees and Policies Subcommittee (the “Subcommittee”) to discuss and develop a fee schedule for the CT Plan for approval by the full Operating Committee. The Subcommittee consisted of representatives of the Members and the Advisory Committee. The Subcommittee generally met on a bi-weekly basis, and as the filing deadline approached, the Subcommittee began meeting more often, first weekly, then two times per week, and then daily.

As part of the process, the Subcommittee utilized the services of an outside consultant to help develop the Proposed Fee Schedule. In June 2025, the Operating Committee engaged Watchdog Data Services, LLC (the “Consultant”). The Consultant was originally engaged to aid in the Request for Proposal (“RFP”) process to select an independent Administrator. The Subcommittee determined that the Consultant’s expertise in the market data industry would also be helpful in developing and modeling a proposed fee schedule.

As stated in the Governance Order,¹⁶ the Commission directed the Operating Committee to be responsible for assessing the marketplace for equity market data products and ensuring that SIP data offerings are priced in a manner that is fair and reasonable, and designed to ensure the widespread availability of SIP data to investors and market participants.¹⁷ This requirement was codified in the CT Plan in Article IV, Section 4.1. The driving goal of the Subcommittee and the Consultant was to meet this requirement, by (1) discussing the Proposed Fee Schedule with the Advisory Committee, (2) conducting extensive outreach with market participants to make improvements to the fees for equity data products, and (3) analyzing competing products to develop fees that were fair and reasonable.¹⁸

While developing the Proposed Fee Schedule, the Subcommittee instructed the Consultant to conduct two surveys of market data subscribers. The first survey asked respondents about their usage of proprietary data feeds as an alternative to the SIP and focused on the administrative burdens currently experienced by consolidated tape subscribers that they believed need to be addressed. The second survey consisted of a deeper dive into the topics discussed in the first survey as well as obtaining feedback on potential pricing options the Subcommittee was considering.

¹⁶ Order Directing the Exchanges and the Financial Industry Regulatory Authority to Submit a New National Market System Plan Regarding Consolidated Equity Market Data, Securities Exchange Act Release No. 88827 (May 6, 2020), 85 FR 28702 (May 13, 2020) (File No. 4-757) (“Governance Order”).

¹⁷ See *id.* at 28730.

¹⁸ The Operating Committee does not believe that a cost-based ratemaking is an appropriate methodology. An Advisory Committee appointed by the Commission in 2001 to review market data issues concluded that “the ‘public utility’ cost-based ratemaking approach is resource-intensive, involves arbitrary judgments on appropriate costs, and creates distortive economic incentives.” Report of the Advisory Committee on Market Information: A Blueprint for Responsible Change, at § VII.D.3 (SEC Sept. 14, 2001); see also Stephen G. Breyer, *Analyzing Regulatory Failure: Mismatches, Less Restrictive Alternatives, and Reforms*, 92 Harv. L. Rev. 547, 565 (1979) (“[I]nsofar as one advocates price regulation . . . as a ‘cure’ for market failure, one must believe the market is working very badly before advocating regulation as a cure. Given the inability of regulation to reproduce the competitive market’s price signals, only severe market failure would make the regulatory game worth the candle.”). In response, and consistent with the purposes of the Exchange Act, the Commission has increasingly permitted competitive forces to determine the prices of market data fees.

As a result of the surveys, the Subcommittee developed an understanding that many market participants were shifting their data usage away from the SIP to competing proprietary market data products, or using delayed data to avoid real-time market data fees completely. While this movement has occurred with respect to various types of usages, it was most prevalent with respect to displayed usage, i.e., Professional and Non-Professional display usage. Consequently, the Subcommittee developed a Proposed Fee Schedule with the aim of lowering or maintaining the fees for displayed usage in order to prevent further attrition from SIP data to competing proprietary products.

Additionally, the Subcommittee was concerned that audit-related burdens and risk might affect the widespread availability of SIP data where, again, market participants shifted their real-time market data usage to proprietary market data products offering simplified fee schedules that reduced such issues. Nearly all survey respondents stated that the CQ/CTA/UTP Plan fee schedules (the “Existing Fee Schedules”) imposed on them an excessive administrative burden and, accordingly, requested the Subcommittee focus on:

1. Reducing administrative burden associated with Professional versus Non-Professional definitions;
2. Removing outdated terminology (e.g., unit of count); and
3. Clarifying definitions to reduce audit risk.

As an example, 25 of 27 respondents in the second survey classified their challenges with SIP data primarily as administration-related rather than fee-related. Concerns regarding audits were the most reported issue. The second survey also showed that market data subscribers have replaced or are considering replacement of SIP usage with proprietary feeds that offer enterprise licenses, particularly because the enterprise license results in virtually no audit risk. As a result of the survey and Advisory Committee feedback, the Operating Committee focused on revisions that (1) add clarity to the application of the fee schedule, and (2) address those issues that the Operating Committee believes create the most audit risk.

Following extensive discussions, the Subcommittee developed the Proposed Fee Schedule and referred it to the Operating Committee for approval. The Proposed Fee Schedule was approved by a supermajority of the Members.

Proposed Fee Schedule

Based on the Consultant's surveys, the Operating Committee understands that market usage of the consolidated data feed has decreased in favor of top-of-book proprietary data feeds and/or delayed data. The Operating Committee developed the Proposed Fee Schedule with the aim of recapturing this market and addressing the concerns of those market data subscribers who have shifted their usage away from the consolidated data feed. As one consideration in developing a proposed fee schedule, the Subcommittee analyzed the Existing Fee Schedules under the CQ/CTA Plans and the UTP Plan. The various components of the Existing Fee Schedules were discussed, with the Subcommittee determining which components to carry over into the Proposed Fee Schedule, as well as developing improvements to reduce administrative burden.

Generally, the Proposed Fee Schedule modifies the Existing Fee Schedules in two ways: (1) modifications to reduce administrative burden; and (2) modifications to the actual fees charged. These changes are described below.

Changes to Reduce Administrative Burden

As part of the Subcommittee's work, the Operating Committee developed solutions to issues identified in the surveys and issues that, based on prior experience, have led to audit-related risks among market data subscribers. Members of the Advisory Committee, in particular, provided invaluable suggestions in this regard. These solutions are incorporated into the Proposed Fee Schedule and summarized below.

Professional versus Non-Professional Usage

The Operating Committee proposes to modify the approach to labeling users as Professional or Non-Professional, focusing on the usage of the data, rather than the status of the individual. Currently, a Non-Professional is defined as a natural person who is neither:

- (1) registered or qualified in any capacity with the Commission, the Commodities Futures Trading Commission, any state securities agency, any securities exchange or association or any commodities or futures contract market or association;
- (2) engaged as an "investment adviser" as that term is defined in Section 202(a)(11) of the Investment Advisers Act of 1940 (whether or not registered or qualified under that Act); nor
- (3) employed by a bank or other organization exempt from registration under federal or state securities laws to perform functions that would require registration or qualification if such functions were performed for an organization not so exempt.

If a person is not a Non-Professional, then that person is considered a Professional.

As part of the Consultant's first survey, almost all respondents stated that the Professional versus Non-Professional definition creates significant administrative burdens that are time-consuming and expose market data subscribers to substantial audit risk, particularly for individuals registered with regulators who open personal trading accounts.

As a result, in the Proposed Fee Schedule, the Operating Committee proposes simplified, use-based definitions. Professional use would be defined as:

- (i) any use of market data by or on behalf of any entity (for example, a corporation, company, partnership, limited partnership, limited liability company, or association), except trusts not for compensation; or
- (ii) use of market data by an individual to provide a service to a third party for compensation.

Usage will be considered Non-Professional if it does not fall within the above categories. The Operating Committee believes these proposed definitions eliminate the burden on data subscribers of determining whether an individual trading for their own account is a Professional due to regulatory registration.

Further, the Operating Committee is including a safe harbor to further reduce administrative burden and audit risk where any real-time redistributor that relies in “good faith” on a representation by the user regarding the user’s Professional usage versus Non-Professional usage of the data shall be exempt from audit liability based on such representations. Currently, a real-time redistributor could have audit liability where a market data user it distributes to claims they are not a Professional but where publicly-available resources (such as FINRA’s BrokerCheck database) demonstrate that the individual is in fact a Professional. Because there is no such publicly-available source that would demonstrate that a user is or is not engaged in Professional use, the Operating Committee believes it is appropriate to offer a safe harbor where the real-time redistributor has obtained the necessary representations from its user base regarding their data usage, or otherwise engaging in misrepresentations or other fraudulent practices. The Operating Committee has included a requirement that the real-time redistributor’s reliance be in “good faith”, in order to disincentivize redistributors from instructing their user base to provide false representations.¹⁹ The Operating Committee believes that the safe harbor will lessen compliance and audit burdens. It will allow real-time redistributors to rely on representations without having to worry about those representations later proving to be untrue; currently, it is possible that during an audit, an individual lists themselves as a Non-Professional but they are found to work in the financial industry. As a

¹⁹ One commenter raised concerns regarding what is considered “good faith” and what such a standard requires operationally. See Massive Letter at 8. The Operating Committee does not believe that the “good faith” standard requires any specific operational standard. Instead, the “good faith” requirement is simply designed to prevent redistributors from notifying their user base to provide representations in a misleading manner. As long as the redistributor obtains the representations in an unbiased manner, the Operating Committee believes that such approach will be in “good faith”.

result, during audits, the Operating Committee's expectation is that such redistributors will be able to provide their process for obtaining the necessary representation by a user as opposed to having to discuss individual users' Professional/Non-Professional status.

The administrative simplifications reflected in the Proposed Fee Schedule are consistent with the Exchange Act because they are designed to remove impediments to, and perfect the mechanisms of, a national market system by reducing unnecessary compliance and administrative friction that can discourage broad and efficient access to consolidated equity market data. In particular, by moving to use-based Professional/Non-Professional definitions, providing a safe harbor for "good faith" reliance on user representations, and otherwise simplifying classifications and reporting/compliance exposure, the proposals discussed above support fair and orderly markets and the protection of investors through wider practical availability of the consolidated tape on terms that are easier to administer and less prone to interpretive disputes.

Direct versus Indirect Access

The Operating Committee proposes simplifying the definitions of Direct and Indirect Access. Currently, the definitions do not align between the CQ/CTA and UTP Plans. For instance, Direct Access is defined in the CQ/CTA Plans as:

[A] direct computer-to-computer linkage with the computer facilities that the Participants make available at the site of the CTA/CQ Plans' Processor, Securities Industry Automation Corporation ("SIAC") in New York City. Access to data feeds through an extranet service subjects the data feed recipient to direct access charges.

On the other hand, Direct Access is defined in the UTP Plan as:

[A] connection that receives access to any one or more UTP Real-Time Uncontrolled Products by means of a linkage or interface directly with the Plan's Securities Information Processor (SIP) via an extranet or other connection that the SIP has approved. Direct access includes indirect access. Examples: Extranet Connections; Nasdaq Direct (direct circuit connection or point of presence); Nasdaq Co-location that do not further redistribute to downstream connections; and Connections located within any co-location facility.

With respect to Indirect Access, the CQ/CTA Plans define it as:

[A] computer-to-computer linkage with facilities provided by Vendors, rather than by SIAC. For example, parties that receive market data via a Vendor data feed service, and who gain control over the subsequent use and redistribution of the data, are generally viewed as having indirect access.

Indirect Access is defined in the UTP Plan as:

Indirect Access means any other connection to a UTP Real-Time Uncontrolled Product, including Vendors with a Nasdaq Co-location connection that further redistribute to downstream connections outside any Nasdaq Colocation facility.

The Operating Committee proposes simplifying the definition of Direct Access by defining it as “any connection within any data center in which a Processor is located.” The Indirect Access definition will also be simplified to be “any connection that is not Direct Access.” The Operating Committee believes that these proposed definitions simplify the fee schedule by providing clarity as to when access is considered direct, ensures that the higher fees associated with direct access are correlated to reduced latency, and also prevents gaming. The Operating Committee believes that it is appropriate to differentiate between connections within a data center in which a Processor is located versus connections outside of such data centers, as connections outside such data centers most likely have increased latency and therefore should be subject to lower fees.

Further, the Operating Committee believes that the proposed definition helps to prevent gaming as it prevents firms from inserting extranet service providers between the firms and the processors solely to take advantage of the lower indirect access fees while still obtaining the advantage of reduced latency. One commenter raised questions regarding whether extranet connections constitute Indirect Access under the proposed definitions.²⁰ The application of whether a connection is Direct Access or Indirect Access does not turn on whether it is an extranet connection, but instead turns on where such connection takes place. In alignment with the latency-based rationale, if the connection to an extranet occurs outside a data center in which a Processor is located, then such connection would have increased latency and should pay the

²⁰ See Massive Letter at 2.

lower fee. If the extranet connection occurs inside a data center in which a Processor is located, then adding in that connection should not allow a firm to avoid paying the Direct Access fee while still maintaining latency benefits from connecting inside the same data center as the Processor.

The Proposed Fee Schedule's latency-based focus in defining Direct versus Indirect Access is consistent with the Exchange Act approval standard because it is designed to promote fair and orderly markets and perfect the mechanisms of a national market system by basing access fees on how the data is used as opposed to technical delivery differences that may not have functional differences. Specifically, by defining "Direct Access" as connections within a data center in which a Processor is located (and "Indirect Access" as all other connections), the Proposed Fee Schedule draws a clear, administrable line that tracks a key economic attribute, i.e., lower latency, that is particularly valuable for latency-sensitive workflows, while recognizing that connections outside the Processor's data center most likely have increased latency and therefore should be subject to lower fees. This approach supports the public interest and investor protection by facilitating predictable, transparent access terms that reduce disputes and opportunities for "gaming" (e.g., inserting intermediaries solely to obtain lower-fee treatment while retaining data center latency advantages), thereby improving the integrity and efficiency of consolidated data access within the national market system.

Derived Data

Under the Existing Fee Schedules, Derived Data is generally not fee-liable, except single-security Derived Data may be fee-liable at the underlying rate for Tape C. Tape A and Tape B do not contain a corresponding single-security Derived Data fee liability. The Existing Fee Schedules also do not currently charge Non-Display Use for the creation of Derived Data.

To replace the current construct, the Operating Committee proposes to include in the definition of Non-Display Use that Non-Display Use will include the creation of Derived Data. As a result, the creation of Derived Data will now be fee liable. Based on a review of other

market data providers, the Operating Committee has found that the industry approach is to have a separate Non-Display Use category solely related to the creation of Derived Data. Rather than taking that approach here, the Operating Committee instead proposes to incorporate the creation of Derived Data within existing Non-Display Use categories (internal usage or on behalf of customers). Many firms' overall fee liability would not be affected by specifying that the creation of Derived Data is Non-Display Use, because for the large majority of broker-dealers, vendors, and other market participants that engage in any non-display activity, the Non-Display fee is assessed as a flat, monthly entitlement (i.e., a one-time monthly fee per tape/category as applicable), and those firms already pay Non-Display fees today for other non-display workflows (such as internal analytics, automated processing, routing support, surveillance, risk, and similar machine-processing uses). As a result, clarifying that derived-data creation falls within Non-Display Use generally does not add an incremental charge for firms that are already non-display subscribers; instead, it primarily clarifies treatment and reduces disputes about whether particular processing steps are "display" versus "non-display" when generating transformed outputs. The principal firms that could experience a changed fee outcome are those that previously were not paying Non-Display fees but nonetheless create derived products from consolidated data, e.g., certain index providers/index creators, analytics publishers, or other firms whose primary activity is producing derived values.

Treating the creation of Derived Data as Non-Display Use is consistent with (and in practical operation closely parallels) other established Non-Display use cases because the relevant fee classification should turn on the act of accessing and processing consolidated data for analytical/functional purposes, not on the specific output from such use. As described in the Proposed Fee Schedule's definition of Non-Display Use, non-display already encompasses "accessing, processing, or consuming" data for purposes other than solely facilitating delivery to a display, and the creation of Derived Data fits naturally within that same category: it involves manipulating and transforming the consolidated data, often through aggregation, calculation,

normalization, or model inputs, in a manner that is operationally indistinguishable from other non-display workflows (e.g., automated processing, analytics, alerting, routing support, risk calculations).

The Operating Committee believes this approach is fair and reasonable because fee liability should turn on the use made of the CT Plan data, i.e., the act of accessing, processing, or consuming consolidated data, rather than on the form of the downstream output. That use-based approach is consistent with the structure of the Proposed Fee Schedule's Non-Display definition, which already turns on whether a recipient is "accessing, processing, or consuming" data for purposes other than merely facilitating delivery for display or redistribution. The creation of Derived Data fits naturally within that framework because it necessarily involves transforming the underlying consolidated data through calculation, aggregation, normalization, weighting, modeling, or similar machine-processing steps. In operational terms, that activity is not meaningfully different from other well-established Non-Display uses, such as analytics, risk processing, alerting, routing support, or surveillance. Classifying Derived Data creation as Non-Display Use therefore treats like processing activity alike, and is a fair and reasonable fee structure.

This approach also avoids the conceptual flaw in the prior derived-data policy that, in effect, made fee liability depend on the nature of the output (e.g., whether derived data was displayed, and how), rather than on the underlying use of the CT Plan data to generate derived information in the first place. Non-Display Use is intended to classify the *use* of market data, accessing and processing it for functional value beyond simply putting the raw feed on a display, and it does not (and should not) change based on whether the downstream product is later visualized, distributed, or embedded in another workflow. By treating derived-data creation as Non-Display, the Proposed Fee Schedule adopts an intuitive, administrable rule: when a recipient uses consolidated data to create a transformed informational product, that activity is properly categorized as Non-Display regardless of the eventual presentation format.

Consequently, the Operating Committee believes that applying Non-Display treatment to derived-data creation is consistent with the Exchange Act because it (i) aligns fee liability with a distinct, value-bearing use of consolidated data (transforming it into a new informational product), (ii) promotes an administrable, predictable framework that reduces line-drawing and compliance disputes, (iii) ensures fair treatment among market data users by aligning fee structures based on use, and thus (iv) is necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, and to remove impediments to, and perfect the mechanisms of, a national market system.

Additionally, the proposed approach is intended to reduce administrative burden and improve clarity: it eliminates downstream fee liability tied to the display of solely “single-security derived data”. Tapes A and B do not currently have a derived data fee, and Tape C has fee liability solely for single-security derived data. This distinction created line-drawing issues that resulted in administrative burden and uncertainty. By eliminating single-security derived data fee liability, the new Administrator and market data users will not be required to determine fee liability based on highly fact-specific and evolving technical implementation choices. For those users that were previously receiving single-security derived data, such users will therefore experience a decrease in their fees since single-security derived data is no longer fee liable.

Therefore, the Operating Committee believes that removing downstream fee liability associated with the display of single-security derived data is consistent with the Exchange Act because it is designed to remove impediments to, and perfect the mechanisms of, a national market system by replacing an administratively difficult line-drawing regime with a clearer, more enforceable framework. Eliminating that category reduces unnecessary administrative friction while improving predictability and compliance, which supports the public interest, investor protection, and fair and orderly markets by facilitating broader, more reliable use and redistribution of consolidated market data on administrable terms.

Simplified Definitions and Non-Billable Services

In reviewing the Existing Fee Schedules and combining the fee schedules into a single fee proposal under the CT Plan, the Operating Committee has adopted definitions and approaches to Non-Billable Services that are substantively similar to the same definitions and non-billable services under the Existing Fee Schedules, with alterations to make them easier to understand and implement. In many instances, this involved choosing a definition or approach that currently exists under the CQ/CTA Plans or UTP Plan, and potentially further refining it or adding clarity to reduce confusion regarding the Proposed Fee Schedule's applicability. In general, in selecting between competing definitions in the Existing Fee Schedules, the Operating Committee selected the definition deemed to offer greater ease of administration. The relevant definitions and selected approach are described below.

Non-Display Use. The Operating Committee proposes to define Non-Display Use as “accessing, processing or consuming data, whether received via Direct and/or Redistributor Data Feeds, for a purpose other than solely facilitating the delivery of the data to the Data Feed Recipient's display or for the purpose of further internally or externally redistributing the data.” This definition proposed herein matches the UTP Plan's definition, but with the addition of Derived Data creation as discussed above. While there were no substantive differences between the CQ/CTA Plans' and the UTP Plan's definitions, selecting a single, harmonized set of definitions where the legacy CQ/CTA and UTP Plans previously differed is consistent with the Exchange Act because it directly advances the statutory objective to “remove impediments to, and perfect the mechanisms of, a national market system” by reducing avoidable administrative complexity and interpretive risk for subscribers, redistributors, and the Administrator.

Derived Data. The Operating Committee proposes to define Derived Data as “pricing data or other information that is created in whole or in part from the CT Plan Information” and “[t]o be considered Derived Data: (1) the Derived Data cannot be reverse engineered to recreate the Information, and (2) the Derived Data cannot be used to create other data that is recognized to be a reasonable facsimile for the Information.” This definition matches the UTP Plan's

definition. While there were no substantive differences between the CQ/CTA Plans' and the UTP Plan's definitions, selecting a single, harmonized set of definitions where the legacy CQ/CTA and UTP Plans previously differed is consistent with the Exchange Act because it directly advances the statutory objective to "remove impediments to, and perfect the mechanisms of, a national market system" by reducing avoidable administrative complexity and interpretive risk for subscribers, redistributors, and the Administrator.

Broadcast/Cable Television. The Operating Committee proposes to revise the Broadcast definition to consist of any broad-based dissemination of information to the general public through cable, satellite, internet, or traditional means, excluding transmission of a data feed or transmission via Application Programming Interface ("API"). The Operating Committee believes this definition accounts for broader methods of distribution, including through "cable, satellite, internet, or traditional means." The Operating Committee believes that this update to the Broadcast definition is necessary given the changes in technology since the current definition in the Existing Fee Schedules was adopted. The updated definition ensures that similar methods of transmission are treated similarly under the Proposed Fee Schedule. In addition to updating the definition, the Operating Committee also proposes to simplify the Proposed Fee Schedule by adopting the same rate schedule across all three Tapes for Broadcast Fees. Currently, each Tape has a different rate for such usage, with the Tape C rate falling between the Tape A and Tape B rates. To simplify the fee schedule and maintain similar usage levels, the Operating Committee proposes to adopt the Tape C rate for Tape A and Tape B as well.

The Proposed Fee Schedule's expansion of the Broadcast/Cable Television category is consistent with the Exchange Act because it updates the fee schedule to reflect changed market realities in how "broadcast content" is delivered and consumed, and thereby removes impediments to, and perfects the mechanisms of, a national market system by applying a coherent, technology-neutral treatment to functionally equivalent mass-distribution uses. In particular, "broadcast" dissemination of market data is no longer limited to traditional over-the-

air television; it now commonly occurs through cable and satellite channels and streaming/Internet-based distribution that reaches comparable broad audiences and presents substantially similar compliance and monitoring challenges. Harmonizing treatment across these delivery methods promotes administrability and consistency without turning on legacy transmission technology, supporting the public interest, investor protection, and fair and orderly markets by enabling broad public access to market data through modern distribution channels on clear terms.

Service Facilitator. The Operating Committee proposes to define Service Facilitator as “a third party to which a user outsources the responsibility for managing some portion of its technical, financial, legal, or operational role in distributing the Information.” This definition is largely based on the UTP Plan’s definition. The proposed definition, however, contains a reference to the operational/administrative use exemption because the Operating Committee believes that the exception for Service Facilitators should be similar to that exemption. The operational/administrative use exemption should be applicable regardless of whether such use is internal or outsourced to a third party; referencing the exemption in the Service Facilitator definition ensures such an outcome.

The Proposed Fee Schedule’s treatment of Service Facilitators, including its express reference to an operational/administrative use exemption, is consistent with the Exchange Act approval standard because it promotes a consistent, technology-neutral application of the fee schedule and thereby helps “remove impediments to, and perfect the mechanisms of, a national market system.” Specifically, when consolidated market data is accessed and used solely for operational or administrative purposes (e.g., billing, entitlement management, recordkeeping, internal systems administration), those activities are substantively similar whether performed internally by a subscriber/redistributor or externally by a third-party service provider acting on that firm’s behalf. Treating the same operational/administrative function differently depending only on whether it is performed in-house or outsourced would introduce artificial distinctions

and compliance friction, potentially discouraging efficient outsourcing and creating inconsistent outcomes for economically equivalent uses. By recognizing the operational/administrative exemption in the Service Facilitator context, the Proposed Fee Schedule treats like activity alike, reduces avoidable administrative complexity, and supports fair and orderly markets through clearer, more administrable rules.

Quote/Query. The Operating Committee proposes to define a “Quote” packet as “any data element or all data elements in respect of a single issue” and “[l]ast, open, high, low, volume, net change, bid, offer, size, and best bid and offer with size are examples of data elements.” This definition matches the definition in the CQ/CTA Plans. The Operating Committee believes that adopting the CTA/CQ Plans’ definition of “Quote” (i.e., defining the unit as a “quote packet” that includes any data element or all data elements in respect of a single issue) is consistent with the Exchange Act because it provides a clear, content-based, technology-neutral billing unit that is easier to administer than the UTP Plan’s “Query” construct, which contains a definition focused on the act of requesting quotation information as opposed to defining what a “Quote” is. Using the CTA/CQ “Quote” definition therefore promotes more consistent and non-discriminatory treatment of similarly situated users by tying fee liability to an objective unit of information rather than the mechanics of how a recipient’s system happens to retrieve it, and it reduces compliance friction and audit risk in a manner that helps “remove impediments to, and perfect the mechanisms of, a national market system,” while supporting a fee framework that is “fair and reasonable” and “not unreasonably discriminatory” under Section 11A.

The Proposed Fee Schedule also maintains the per-Quote cap as a monthly ceiling on a Data Recipient’s aggregate fees attributable to Quote activity for the applicable tape(s): the Data Recipient continues to count and report its quote volume for the month, and fees accrue under the per-quote rate only until total Quote charges reach the applicable cap, after which additional Quote volume in that month is not charged (or is effectively reversed through a credit/true-up

mechanism). The Operating Committee believes this cap is consistent with the Exchange Act because it provides an objective, non-discriminatory mechanism that allows market participants to obtain the lowest price available under the Fee Schedule for their particular usage profile, i.e., recipients with lower quote volumes pay under the per-Quote methodology, while recipients whose quote volumes would otherwise produce charges exceeding the cap are not forced to pay more than the effective flat-fee amount reflected in the cap. By limiting fees to a predictable maximum and preventing quote-driven charges from exceeding the cap solely due to volume, the cap promotes the “widespread availability” of consolidated data and supports fees that are “fair and reasonable” and “not unreasonably discriminatory” under Section 11A.

Finally, the per-Quote fee is not changing from the Existing Fee Schedules. The Operating Committee believes that maintaining the per-Quote rate at \$0.0075 per Quote is consistent with the Exchange Act because it preserves stable, predictable pricing for a core unit of CT Plan information while the Plan simultaneously modernizes definitions and billing constructs. Keeping the rate unchanged (i) promotes the “widespread availability” of consolidated market data by maintaining existing pricing, (ii) supports a fee framework that is “fair and reasonable” and “not unreasonably discriminatory” by applying a uniform, objective per-Quote rate to all similarly situated recipients, with any differences in total charges driven by measured Quote activity, and (iii) provides continuity with established industry practice.

The relevant non-billable services and selected approach are described below:

Consolidated Volume Only. The Operating Committee proposes a simpler approach to Consolidated Volume Only. Replacing longer definitions in the Existing Fee Schedules, the Proposed Fee Schedule would simply provide that “real-time trading volume occurring on all Members” is considered “Consolidated Volume,” which may be displayed with no additional fees. The Operating Committee believes that the Proposed Fee Schedule’s simplified “Consolidated Volume Only” provision is consistent with the Exchange Act because it promotes the widespread availability of consolidated market data by enabling investor-facing platforms to

provide an important transparency metric without incremental cost or complex entitlement logic, thereby helping to “remove impediments to, and perfect the mechanisms of, a national market system.”

Academic Waivers. The Operating Committee proposes to adopt an Academic Waiver policy that largely matches the CQ/CTA Plans’ policy, stating that the waiver covers “[d]ata used for academic research, teaching, or other educational purposes.” The exemption makes clear that it excludes use of market data for securities trading or for any commercial purpose. The Operating Committee does not believe that the updated exemption would result in a change to its application, but instead would simply make the exemption easier to understand as to the circumstances which Academic Waiver can be utilized. As a result, the Operating Committee believes that the Academic Waiver policy is consistent with the Exchange Act as it promotes predictable, non-discriminatory application, which in turn helps “remove impediments to, and perfect the mechanisms of, a national market system.”

System Migration. The Operating Committee proposes to adopt a System Migration exemption that largely matches the UTP Plan’s exemption, providing that the exemption covers “[u]sers in the process of migrating from one system to another. The proposed exemption, however, contains a requirement that the migration must take place over a reasonable period of time. The Operating Committee believes that the addition of this language is necessary to prevent abuse of the System Migration exemption where a firm may utilize two systems simultaneously for extended periods of time, potentially unrelated to a system migration, but claim the System Migration exemption to avoid fee liability.

The Operating Committee believes that adopting a System Migration exemption that largely matches the UTP Plan’s approach, with the added requirement that the migration occur over a reasonable period of time, is consistent with the Exchange Act because it accommodates legitimate, time-limited duplicative entitlements needed to execute operational transitions without disruption, while preventing the exemption from being used as an open-ended

mechanism to avoid fee liability for ongoing parallel production environments. This “reasonable period” limitation promotes an equitable allocation of fees by ensuring similarly situated recipients are treated similarly (i.e., the exemption is available for genuine migrations, not indefinite dual-system usage), and it improves administrability and auditability.

Disaster Recovery. The Disaster Recovery exemption in the Proposed Fee Schedule matches the Existing Fee Schedules, permitting users to “activate back-up systems, networks, or facilities to be used solely in the event of a primary system outage or natural disaster” without additional fee liability. The Operating Committee believes that retaining the Disaster Recovery exemption as reflected in the Existing Fee Schedules is consistent with the Exchange Act because it supports market resiliency and continuity, core components of fair and orderly markets, by permitting firms to activate back-up systems during outages or disasters without incurring duplicative fees for the same functional usage.

Administrative/Operational Use. The Operating Committee proposes to adopt an Administrative/Operational Use exemption that largely matches the UTP Plan exemption, covering “[d]ata usage for operational or administrative functions that support the delivery of market data to users.” The Operating Committee, however, has adopted revisions to the language as to when the exemption is not applicable, specifically when using real-time market data for securities transactions or to support customers in the trading of securities. The Operating Committee believes that the revisions will make it easier to understand when the Administrative/Operational Use applies. The Operating Committee has removed the Administrative Usage Credit that was in the CTA Plan, which applied a credit of the greater of 10 Display Devices or 5 percent of the total number of professional devices reported on a monthly basis. The Operating Committee proposes that instead of providing a credit, a market data subscriber would simply not be fee liable for its Administrative/Operational Use that is not based on its reported usage.

The Operating Committee believes the revised Administrative/Operational Use exemption is consistent with the Exchange Act because it clarifies that non-trading, back-office, technical, testing, and other operational uses that support delivery of market data to users may be treated as non-fee-liable, while making equally clear that the exemption does not apply where real-time market data is used to execute securities transactions or to support customers' trading. This clarification promotes fair and non-discriminatory application by drawing a practical, use-based line that reduces interpretive disputes and audit risk, and it removes impediments to efficient dissemination by ensuring firms are not charged for incidental operational functions unrelated to trading value. In addition, replacing the CTA Plan's "Administrative Usage Credit" with a straightforward non-fee-liable treatment for qualifying administrative/operational use improves administrability and equitable allocation by tying fee liability to actual usage categories rather than a credit construct that can create avoidable complexity.

Finally, selecting a single, harmonized set of definitions where the legacy CQ/CTA and UTP Plans previously differed is consistent with the Exchange Act because it directly advances the statutory objective to "remove impediments to, and perfect the mechanisms of, a national market system" by reducing avoidable administrative complexity and interpretive risk for subscribers, redistributors, and the Administrator. A unified CT Plan necessarily benefits from a single baseline taxonomy: where identical economic activity could be treated differently solely due to tape-specific definitional variance, firms historically were required to maintain parallel compliance logic, reporting, and audit support, creating friction that is unrelated to investor protection or market integrity. Harmonization addresses that friction, promotes more consistent application, and supports a more efficient consolidated market data framework.

Setting of Fee Levels

In setting fees for the Proposed Fee Schedule, the Operating Committee focused on two objectives: (1) incentivizing the continued and potentially expanded dissemination of the consolidated feed; and (2) making inflation-related adjustments for certain components of the

Existing Fee Schedules that have remained stagnant for ten years or more. These objectives led to a Proposed Fee Schedule that (1) leaves display-related fees largely unchanged or potentially reduced to incentivize display to both Professional and Non-Professional use; and (2) adjusts certain discrete fees for inflation based on a widely-accepted metric.

These changes are discussed below.

Professional Fees

As part of the Proposed Fee Schedule, the Operating Committee proposes a Professional fee for Tape A that collapses the four existing Tape A tiers into a single flat fee, which aligns with the fee structure applied to Tapes B and C. Under the Existing Fee Schedules, Tape A employs tiered per-device pricing (\$45 for one to two devices; \$27 for three to 999 devices; \$23 for 1,000 to 9,999 devices; and \$19 for 10,000 or more devices), while Tape B and Tape C each apply a flat per-device rate of \$23 and \$24, respectively. The proposal simplifies the Tape A fee structure by establishing a flat per-device professional rate of \$26 for Tape A, while maintaining the existing \$23 rate for Tape B and \$24 rate for Tape C. The Operating Committee calculated the \$26 per Professional fee for Tape A by reviewing the current distribution of fee tiers across market data subscribers and selecting a fee that resulted in fee neutrality across the entire universe of subscribers. Of the firms currently paying for Tape A, 99.9 percent of firms currently pay either \$45 or \$27 for their device fee, and therefore, almost all firms will see a decrease in their Tape A Professional fee as a result of this change. While larger users may experience a slight increase in their fees, the Operating Committee believes that the new fee is reasonable as it is in line with the fees charged for Tape B and Tape C. Additionally, the Operating Committee believes that the changes made to reduce administrative burden will help to offset the potential increase in fees that larger users may experience; those larger users will most likely be the biggest beneficiaries of the changes designed to reduce administrative burden.

Commenters had issue with the Operating Committee's use of top-of-book ("TOB") proprietary data feeds to assess the reasonableness of the fees in the Proposed Fee Schedule. The

Operating Committee agrees that proprietary TOB products and the consolidated feed are not identical in all respects, and the Proposal does not rely on TOB pricing as the *only* support for fee reasonableness. But TOB pricing remains a relevant competitive reference point because it reflects what sophisticated market data consumers actually can pay to assemble a consolidated view from proprietary sources (a “synthetic SIP”), and, importantly, it highlights that the CT Plan product is priced at or below the economic alternative of a synthetic SIP created from proprietary products.

The largest exchange families offer consolidated TOB products priced at \$18.00, \$10.00, and \$28.50 per Professional user, and other exchanges add per-user and/or per–data-recipient charges (including examples of \$2.00 per Professional user, \$0.10 per Professional user, \$0.01 per Professional user, and \$500 per Data Recipient for two exchanges), which together yield a “synthetic” TOB input cost of \$58.61 per Professional user plus \$1,000 per Data Recipient, all before a subscriber incurs the additional costs associated with its integration, normalization, entitlement, monitoring, and operations required to consolidate and maintain a comparable view across disparate proprietary sources.²¹ Against that backdrop, the Proposed Fee Schedule’s \$73 combined Professional fee for Tapes A, B, and C represents a competitively reasonable all-in alternative that also allows subscribers to avoid the cost and operational burden of building and maintaining their own synthetic consolidation product. Looking at just Professional usage, if a Data Recipient has fewer than 70 users, the Proposed Fee Schedule provides a cheaper alternative than the proprietary TOB products being used to create a synthetic SIP. Because

²¹ The relevant fee schedules for the consolidated TOB products can be found at the following locations: (1) for NYSE Best Quotes and Trades, https://www.nyse.com/publicdocs/nyse/data/NYSE_Market_Data_Pricing.pdf; (2) for Nasdaq Basic, <https://data.nasdaq.com/price-list#NasdaqBasic>; (3) for Cboe One Feed, https://www.cboe.com/market_data_services/us/equities/cboe_one/; (4) for IEX TOPS Feed, <https://www.iex.io/resources/trading/fee-schedule#market-data-fees>; (5) for MEMX MEMOIR Top and Last Sale Feeds, <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>; (6) for LTSE Top of Book Feed, https://cdn.prod.website-files.com/6462417e8db99f8baa06952c/6927783009a1256edf61c295_LTSE%20Fee%20Schedule_December%201%2C%202025.pdf; (7) for MIAX Pearl Equities Top of Market Feed, https://www.miax.com/equities-fee-schedule_02012026_2.pdf; and (8) 24X Top Feed, <https://equities.24exchange.com/api/media/file/SR-24X-2025-09-Market-Data-Fees-Website.pdf>.

Tape A previously tiered charges based on number of devices, the billing distribution for Tape A can be illustrative in determining what percentage of firms would fall within this bucket. Based on an analysis of the prior Tape A professional tier breakdown, 84 percent of firms had only one or two Professional devices reported. Given the fact that an overwhelming majority of market data recipients had fewer than 70 Professional Users, the Operating Committee believes that the Proposed Fee Schedule is fair and reasonable. Therefore, in response to commenters, the Proposed Fee Schedule is not “anchoring to the upper end” of TOB pricing, but instead offering a consolidated product that compares favorably to the *aggregate* costs a subscriber would incur to replicate similar functionality through proprietary inputs.

Additionally, the Professional fee structure in the Proposed Fee Schedule is consistent with the Exchange Act because it advances the public interest and investor protection by simplifying administration and reducing compliance friction while maintaining broad access to consolidated data on stable, predictable terms. In particular, by collapsing legacy tape-by-tape tiers into a simpler Professional fee approach, the Proposal reduces the operational burden on market data recipients to track, classify, and report Professional usage under multiple, tape-specific constructs. Reducing these administrative burdens is “necessary or appropriate” to “remove impediments to, and perfect the mechanisms of, a national market system” because complexity and audit exposure operate as practical barriers to wider distribution and use of consolidated data, particularly in investor-facing contexts.

Moreover, contrary to the suggestion that the Proposal is solely “repackaging” fees, for a majority of customers, the applicable Professional fees are either unchanged or reduced, with the principal changes directed at simplification and administrability, rather than increasing Professional charges. This design choice is consistent with the Exchange Act because it supports fair and orderly markets and investor protection by (i) limiting compliance-driven barriers that can impede dissemination of core consolidated information, and (ii) making the consolidated

product easier to use and audit on an ongoing basis, without changing fees merely because one legacy structure is replaced with another.

Non-Professional Fees

The Operating Committee is proposing to decrease Non-Professional Fees from the Existing Fee Schedule, proposing to adopt a tiered fee structure that is based on Non-Professional usage.

Under the Current Schedules, Non-Professionals are charged \$1 on each of Tapes A, B, and C. The Proposed Fee Schedule introduces the following sliding scale per Tape based on the number of Non-Professionals reported:

Individuals Engaged in Non-Professional Use		Current Non-Professional Fee	Proposed Fee per Individual Engaged in Non-Professional Use
1	2,000	\$1	\$0.90
2,001	50,000	\$1	\$0.75
50,001	250,000	\$1	\$0.60
250,001	1,000,000	\$1	\$0.40
1,000,001+		\$1	\$0.25

The sliding scale operates in a manner similar to tax brackets, where a subscriber will pay the per Non-Professional fee for the portion of their Non-Professional customer base falling within each tier before moving to the next tier. For example, for the first 2,000 Non-Professionals, a subscriber will be charged \$0.90 per Non-Professional. For the next tier (between 2,001 and 50,000 Non-Professionals), a subscriber will be charged \$0.75 per Non-Professional. The remaining tiers follow a similar pattern. In establishing these tiers, the Operating Committee reviewed reported Non-Professional user data and, based on current usage

levels, structured the tiers both to reflect existing patterns and to incentivize increased Non-Professional use through achievable thresholds.

Before arriving at the sliding scale proposed above, the Operating Committee considered a number of alternative fee structures for Non-Professional Fees, including a flat Non-Professional usage fee and a tiered flat-fee approach where firms would be charged a flat fee based on the number of reported Non-Professionals.

The Operating Committee ultimately decided on proposing the sliding scale described above, which it believes will incentivize firms to increase their dissemination to Non-Professionals and meet the goals of the Governance Order to ensure the widespread availability of consolidated data to investors. Based on the results of the Consultant's second survey, respondents stated that they preferred a Non-Professional model that rewarded scale and promoted fairness. The Operating Committee believes that the proposed sliding scale aligns with the results of the survey because the sliding scale ensures that firms can take advantage of decreased pricing as their usage increases.

It is important to note the interaction between the Non-Professional tiered fee schedule described above and the Enterprise Cap described below. The Operating Committee adopted a tiered Non-Professional pricing structure (rather than relying solely on a single enterprise cap level) because Non-Professional usage among Data Feed Recipients varies dramatically, i.e., a small number of firms sit at the extreme high end of Non-Professional user counts, while most firms are at materially lower levels. In that environment, setting one cap that "works for everyone" is inherently difficult: a cap set low enough to benefit firms with modest-to-moderate Non-Professional bases would be reached almost immediately by the highest-volume firms, while a cap set high enough to reflect the high-volume outliers would provide little or no practical benefit to the majority of firms. The Proposed Fee Schedule's sliding-scale tiers are designed to solve for that gap by extending meaningful marginal-cost reductions (and thus more cap-like benefits) to lower and mid-range user levels (where most firms sit) while still providing

a rational, scalable schedule for firms with very large Non-Professional populations. This design supports Section 11A objectives by reducing barriers to broad retail distribution of consolidated data without relying on a one-size-fits-all cap threshold.

The Proposed Fee Schedule's Non-Professional pricing is competitively reasonable when evaluated against assembling a consolidated TOB view by purchasing multiple proprietary exchange products and integrating them internally. As detailed above, the largest exchange families offer consolidated TOB products priced at \$1.00, \$1.00, and \$0.25 per Non-Professional user, while other exchanges add charges such as \$0.10 per Non-Professional user (for two exchanges), \$0.01 per Non-Professional user, and \$500 per Data Recipient (for two exchanges). Those inputs imply an estimated monthly proprietary "bundle" cost of approximately \$2.46 per Non-Professional user plus \$1,000 per Data Recipient. By contrast, the CT Plan's combined Non-Professional pricing begins at \$2.70 across Tapes A, B, and C, and then declines with scale under the sliding scale (down to \$0.75 at the highest tier), while delivering a single consolidated product that avoids the operational and compliance burdens associated with stitching together multiple proprietary products. In that sense, the Non-Professional fees are consistent with the Exchange Act because they reflect a transparent, market-referenced pricing approach that promotes broad retail availability of consolidated data on administrable terms, in furtherance of Section 11A objectives.

Enterprise Cap

Under the Existing Fee Schedules, Tape A, Tape B, and Tape C offer enterprise caps of \$686,400, \$520,000, and \$648,000, respectively. For Tape A and Tape B, the enterprise cap includes both Professional and Non-Professional usage while Tape C includes only Non-Professional usage. The Proposed Fee Schedule maintains a cap, but aligns the Tape A and Tape B caps with the Tape C cap by eliminating Professionals from inclusion in the cap. Because of the removal of Professionals from the cap, the Operating Committee proposes reducing the Tape A cap from \$686,400 to \$648,000 in order to align with the Tape C cap. Because the Tape C cap

already excludes Professionals, the Operating Committee believes the Tape C cap is the appropriate level at which to set the Tape A cap. Additionally, while the Tape B cap was at a lower level in the Existing Fee Schedules than that of Tape A and Tape C, the Operating Committee proposes reducing the Tape B cap by the same percentage that the Tape A cap is reduced, such that the new Tape B cap for Non-Professional usage will be \$490,000.²²

The Operating Committee determined it was appropriate to maintain a cap on Non-Professionals in order to incentivize continued widespread availability of consolidated data to the same number of Non-Professionals. The Operating Committee was concerned that, if a cap was removed, the firms taking advantage of the cap today would decrease their usage to ensure that their overall market data spend remained the same. This would have resulted in decreased availability of the consolidated data to Non-Professionals. This concern was supported by the results of the Consultant's surveys.

The Proposed enterprise caps are consistent with the Exchange Act and are not unreasonably discriminatory because they operate in tandem with the tiered Non-Professional sliding scale to allocate benefits on an objective, volume-based basis across *all* data recipients, rather than conferring an advantage only on the very largest firms. As commenters themselves recognize, Non-Professional usage levels vary widely and only a subset of firms will reach any given cap. The Operating Committee addressed this reality by pairing caps with a declining marginal-rate schedule so that firms at lower- and mid-usage levels (where most firms sit) receive meaningful pricing benefits through lower tier rates, while very large firms receive additional predictability and constraint through the cap once reached. This structure promotes the Exchange Act objectives of broad availability of consolidated data and administrable, equitable pricing because it treats similarly situated recipients similarly (by usage volume), and

²² Unlike the other fees in the Proposed Fee Schedule, the Operating Committee did not make a comparison between the proposed Enterprise Cap and enterprise licenses offered by exchanges for their proprietary data feeds. Given the differences in what is permitted under the various enterprise licenses, the Operating Committee did not believe that it is a relevant comparison.

any differences in outcome flow from measurable differences in scale rather than arbitrary classifications. The Operating Committee believes it is also important to note that even for those firms falling within the smallest usage tier, those firms would still see a decrease in their per Non-Professional fee from \$1.00 to \$0.90.

The Operating Committee also decided to exclude Professional usage from the enterprise cap because, in practice, including Professionals allowed a subset of the largest firms (those with very large Non-Professional user bases that can reach the cap) to realize an effective reduction (or elimination) of Professional fees that smaller firms could not access, solely by virtue of their retail scale. In the Operating Committee's view, that dynamic can distort competition among broker-dealers and vendors by advantaging firms that happen to have large Non-Professional populations, even where their Professional usage (and corresponding willingness to pay for professional-facing consolidated data) is similar to peers. Separately, the Operating Committee did not observe evidence that including Professionals in a cap meaningfully advances a public-interest objective, i.e., it does not appear to materially increase dissemination to Professionals, based on the Plan's comparison of dissemination patterns where Tape A historically included Professionals in the cap while Tape C did not, yet Professional dissemination among cap-eligible firms was relatively similar across those tapes. Accordingly, the Committee concluded that retaining Professional inclusion in the cap would primarily operate as a windfall for a limited set of large firms without a commensurate benefit to investors or market quality, and that removing Professionals from the cap better aligns the fee design with the Exchange Act approval standard by promoting a more even competitive landscape while preserving the cap's intended role in supporting broad retail availability through Non-Professional pricing.

Further, the Operating Committee believes that reducing the caps for Tape A and Tape B will help to offset increases in fees as a result of removing Professional usage from the cap. In particular, with an approximately \$40,000 decrease in the Tape A cap and \$30,000 decrease in the Tape B cap, those firms effected by the proposed change would have additional funds

available to pay for new Professional usage fees before seeing an increase in their combined Professional and Non-Professional usage fees. Additionally, the Operating Committee believes that the changes made to reduce administrative burden will help to offset the potential increase in fees that these largest firms may experience; these firms will most likely be the biggest beneficiaries of the changes designed to reduce administrative burden.

Inflation-Adjusted Fees

The Operating Committee proposes an inflation-related adjustment to certain of its fees for subscribing to the consolidated feed. The fees include: (1) Non-Display Fees; (2) Access Fees; and (3) Redistribution Fee. Under the Existing Fee Schedules, these fees are as follows:

	Existing Fee Schedules		
	Tape A	Tape B	Tape C
Non-Display (Electronic Trading System (“ETS”))	Last Sale: \$2,000/ETS Bid-Ask: \$2,000/ETS	Last Sale: \$1,000/ETS Bid-Ask: \$1,000/ETS	\$3,500/ ETS
Non-Display (Own Behalf)	Last Sale: \$2,000 Bid-Ask: \$2,000	Last Sale: \$1,000 Bid-Ask: \$1,000	\$3,500
Non-Display (For Customer)	Last Sale: \$2,000 Bid-Ask: \$2,000	Last Sale: \$1,000 Bid-Ask: \$1,000	\$3,500
Direct Access	Last Sale: \$1,250 Bid-Ask: \$1,750	Last Sale: \$750 Bid-Ask: \$1,250	\$2,500
Indirect Access	Last Sale: \$750 Bid-Ask: \$1,250	Last Sale: \$400 Bid-Ask: \$600	\$500

Real-Time	\$1,000	\$1,000	\$1,000
Redistributor			

The Operating Committee proposes setting these fees to the following levels²³:

	Proposed Fee Schedule		
	Tape A	Tape B	Tape C ²⁴
Non-Display (ETS) (Per ETS)	Last Sale: \$2,315 Bid-Ask: \$2,315	Last Sale: \$1,155 Bid-Ask: \$1,155	Last Sale: \$2,025 Bid-Ask: \$2,025
Non-Display (Own Behalf)	Last Sale: \$2,315 Bid-Ask: \$2,315	Last Sale: \$1,155 Bid-Ask: \$1,155	Last Sale: \$2,025 Bid-Ask: \$2,025
Non-Display (For Customer)	Last Sale: \$2,315 Bid-Ask: \$2,315	Last Sale: \$1,155 Bid-Ask: \$1,155	Last Sale: \$2,025 Bid-Ask: \$2,025
Direct Access	Last Sale: \$1,445 Bid-Ask: \$2,025	Last Sale: \$865 Bid-Ask: \$1,445	Last Sale: \$1,155 Bid-Ask: \$1,735
Indirect Access	Last Sale: \$865 Bid-Ask: \$1,445	Last Sale: \$460 Bid-Ask: \$695	Last Sale: \$230 Bid-Ask: \$345
Real-Time Redistributor	\$1,155	\$1,155	\$1,155

²³ The definitions in the Proposed Fee Schedule have remained the same unless noted elsewhere in this filing.

²⁴ As part of the Proposed Fee Schedule, the Operating Committee decided to offer the same optionality on Tape C that previously existed on Tapes A and B, i.e., the ability to purchase Last Sale or Bid-Ask without purchasing the other.

Of these fees, the latest one to be established/modified is the Non-Display fee in 2014, with an effective date of January 1, 2015.²⁵ The other fees have been in place even longer without adjustment. Over the past decade, the Members have expended significant resources to improve the operation of the SIPs to meet customer expectations, including continued investment in all aspects of the technology ecosystem (e.g., software, hardware, and network). The Members continue to invest heavily in enhancing the SIP for the benefit of its users, and these investments have increased the performance of the SIPs. Yet the Operating Committee has not adjusted any of the fees discussed in this section since at least 2014. As discussed below, the Operating Committee proposes to adjust these three fees by an industry- and product-specific inflationary measure. It is reasonable and consistent with the Exchange Act for the Members to recoup their investments, at least in part, by adjusting the fees described herein. Continuing to operate at fees frozen at 2014 levels impacts the Operating Committee’s ability to enhance the SIP and the interests of market participants and investors.

Since 2015, the Security Information Processors (“SIPs”) have committed significant resources and infrastructure to ensure the ongoing support of the ever-increasing data needs of the Participants and Data Recipients. For example, with respect to SIAC, the Processor has increased system throughput (over 720 percent on CQS and 560 percent on CTS), processing nearly 250 percent more daily messages, while reducing median latency by 95 percent. These statistics for are reflected in the chart below:

	2015	2025
System Capacity -	CTS - 75K	CTS - 425K
MPMH*	CQS - 375k	CQS - 2.7M

²⁵ See Securities Exchange Act Release No. 73279 (Oct. 1, 2014), 79 FR 60522, (October 7, 2014).

Peak Daily	CTS - 56M on 8/24/15	CTS - 135M on 4/9
Messages	CQS - 1.3B on 12/14/15	CQS - 3.7B on 4/7
Median System	CTS - 450 microseconds	CTS -18 microseconds
Latency	CQS - 350 microseconds	CQS - 17 microseconds

*MPHM = Messages per 100 milliseconds

Similar improvements have been made with respect to the UTP Processor:

	2016	2025
System Capacity -	Trades – 133K	Trades – 4.1M
MPMH	Quotes – 215K	Quotes – 5.4M
Peak Daily	Trades – 21M	Trades – 86M
Messages	Quotes – 366M	Quotes – 1.4B
Median System	Trades – 485 microseconds	Trades – 12 microseconds
Latency	Quotes – 471 microseconds	Quotes – 11 microseconds

These improvements in the Processors’ services have coincided with increased costs during the same time period, due to both investment and inflation.

The fee increases the Operating Committee proposes in this section are based on an industry-specific Producer Price Index (“PPI”), which is a tailored measure of inflation.²⁶ As a general matter, the PPI is a family of indexes that measures the average change over time in selling prices received by domestic producers of goods and services. PPI measures price change from the perspective of the seller. This contrasts with other metrics, such as the Consumer Price Index (“CPI”), that measures price change from the purchaser's perspective.²⁷ About 10,000 PPIs

²⁶ See <https://fred.stlouisfed.org/series/PCU51825182#0>, (as viewed on December 7, 2025).

²⁷ See <https://www.bls.gov/ppi/overview.htm>.

for individual products and groups of products are tracked and released each month.²⁸ PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector's output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the Data Processing and Related Services PPI (“Data PPI”), which is an industry net-output PPI that measures the average change in selling prices received by companies that provide data processing services. The Data PPI was introduced in January 2002 by the Bureau of Labor Statistics (“BLS”) as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is identified as NAICS - 518210 in the North American Industry Classification System.²⁹ According to the BLS “[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists of vendors who use their own computer systems—often utilizing proprietary software—to process customers’ transactions and data. Companies that offer processing services collect, organize, and store a customer’s transactions and other data for record-keeping purposes. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in the index calculation are the actual prices billed for the selected service contract.”³⁰

²⁸ Id.

²⁹ NAICS appears in table 5 of the PPI Detailed Report and is available at <https://data.bls.gov/timeseries/PCU518210518210>.

³⁰ See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-services-industry-naics-518210.htm>.

The Operating Committee believes the Data PPI is an appropriate measure to be considered in the context of the proposal to modify the fees described in this section because the Members and the Processors use their “own computer systems” and “proprietary software,” i.e., their own data center and proprietary matching engine software, respectively, to collect, organize, store and report customers’ transactions in U.S. equity securities. The production of consolidated market data depends on intertwined, shared, and continually evolving investments across multiple markets and systems by the Members and the Processors, e.g., market operations, technology, security, resiliency, surveillance/compliance, testing and change management, and governance. In other words, the Members and the Processors are in the business of data processing and related services.

For purposes of the Proposed Fee Schedule, the Operating Committee examined the Data PPI value for the period from January 2015 to May 2025.³¹ The Data PPI had a starting value of 101 in January 2015 and an ending value of 124.185 in May 2025, a 15.95 percent increase. This indicates that companies that are also in the data storage and processing business have generally increased prices for a specified service covered under NAICS 518210 by an average of 15.95 percent during this period. Based on that percentage change, the Operating Committee proposes to make a fee increase by up to 15.95 percent for the fees described in this section, which reflects an increase covering the entire period since the last adjustment was made.³²

The Operating Committee further believes the Data PPI is an appropriate measure for purposes of the proposed rule change on the basis that it is a stable metric with limited volatility, unlike other consumer-side inflation metrics. In fact, the Data PPI has not experienced a greater than 2.16 percent increase for any one calendar year period since Data PPI was introduced into the PPI in January 2002.

³¹ The Operating Committee utilized the data from the last month that was not designated as Preliminary and potentially subject to revision.

³² The Operating Committee rounded some fees downward to the closest multiple of five.

The Operating Committee also believes that the proposed fees are reasonable because the Non-Display fees for each Tape are comparable to similar fees offered by the largest exchange families. While the consolidated feeds provide more data than the exchange families' TOB proprietary data feeds, the Operating Committee believes that these products are helpful benchmarks in determining whether the proposed fees are fair and reasonable.

The Proposed Fee Schedule's pricing for Non-Display, Access, and Real-Time Redistribution is competitively reasonable in light of the practical "synthetic SIP" alternative: a subscriber that elects not to purchase a consolidated CT Plan product can assemble a consolidated view by purchasing and integrating multiple proprietary exchange TOB products, incurring parallel categories of fees (non-display entitlements, connectivity/access charges, and redistribution rights) across separate sources.

- For Non-Display, the Proposed Fee Schedule's total monthly Non-Display Use fees across all Tapes and both Bid/Ask and Last Sale for each category is \$10,990. This amount is below comparable Non-Display Use fees for proprietary TOB products; for instance, NYSE charges a total Non-Display Use fee of \$9,500 across its exchanges, MIAX charges \$1,000, and IEX and LTSE each charge \$500/month per data recipient. The charges from these exchanges alone exceed the Non-Display Use fee in the Proposed Fee Schedule.³³
- For Access fees, the Proposed Fee Schedule's total monthly Direct Access fees across all Tapes and both Bid/Ask and Last Sale are approximately \$8,500, and total Indirect Access fees are approximately \$3,953, both below what a subscriber would pay to obtain comparable access rights across proprietary TOB products

³³ It is important to note that Non-Display Use is not a stand-alone category in each Exchange's fee schedule. As a result, to simplify the comparison, the analysis does not include Exchanges that might charge for Non-Display Use as part of other categories. For instance, some Exchanges may charge access fees in lieu of charging a Non-Display Use fee while other Exchanges may charge both access fees and Non-Display Use fees.

feeds, where the largest exchange families alone charge \$6,250, \$1,600, and \$1,500 (before accounting for additional venues).

- And for Real-Time Redistribution, the Proposed Fee Schedule's aggregate redistributor fee across all Tapes is approximately \$3,400, which is likewise below the comparable proprietary redistributor charges: again, the largest exchange families alone charge \$2,500, \$2,080, and \$5,000.

In this sense, the Proposal's consolidated fees are at or below the cost of assembling and maintaining a comparable multi-source proprietary bundle, while also sparing subscribers the substantial operational and compliance burden of contracting for, integrating, entitling, and administering many separate proprietary products.

SIFMA and Fidelity argue that proprietary TOB products cannot meaningfully constrain consolidated market data pricing because each exchange is the sole source of its own proprietary feed and because proprietary TOB products are "fragmented" and "cater to" different use cases than SIP data. That critique overstates the degree to which TOB products are economically insulated from competition. While each venue is the exclusive source of its own data, TOB products are designed for basic, indicative usage (best bid/offer and last sale) and are frequently consumed for inexact price discovery and market color rather than for venue-specific microstructure signals. In that common usage, TOB feeds are meaningfully substitutable with each other: a subscriber seeking indicative view of the market can often replace one exchange's TOB feed with another, particularly among the largest exchange families, whose quotes and trades are generally indicative of broader market conditions, and many users evaluate these products as part of a "bundle" decision where price and total cost of ownership drive substitution, downgrade, or non-purchase at the margin. In that sense, TOB products compete with each other on price and package economics for baseline market-view functionality, even if they are not perfect substitutes in every use case. The Subcommittee's outreach and survey work supports the Operating Committee's conclusion that TOB products are, in practice, being used as

substitutes for (and increasingly in place of) consolidated products, particularly where the consolidated products' licensing terms, administrative obligations, and audit exposure make them comparatively costly to implement and maintain.

For many common “indicative price” use cases, i.e., obtaining a contemporaneous best-bid/best-offer and last-sale view for broad market color rather than venue-specific signals, proprietary TOB products are readily fungible with one another because they are designed to convey the same core pricing information and, as a practical matter, their displayed prices closely track across venues. In that environment, a market participant that needs an indicative quote/trade reference can often substitute one exchange family's TOB feed for another (or for a different bundle composition) with little to no meaningful change in the indicative pricing signal, making these TOB products competitive alternatives to each other for baseline market-view functionality even if they are not perfect substitutes for all latency-sensitive or venue-specific analytics.

Accordingly, where the consolidated product is priced competitively relative to the cost of assembling a “synthetic SIP” from proprietary TOB inputs, the Commission may reasonably consider that competitive context as part of the “fair and reasonable” analysis, without accepting the premise that only a cost-of-service showing is relevant. Considering this market-based evidence supports a finding that the Proposal is “necessary or appropriate in the public interest” and “to remove impediments to, and perfect the mechanisms of, a national market system,” because fees that are competitive with realistic alternatives reduce incentives to abandon consolidated products and thereby support broad availability of core consolidated information.

Commenters urge the Commission to apply a “reasonable relation to costs” standard and to require the CT Plan to provide public cost breakdowns and revenue data, arguing that, absent such information, the Commission cannot find the Proposal consistent with the Exchange Act.³⁴

³⁴ See SIFMA Letter; Fidelity Letter.

The Operating Committee respectfully disagrees that a public, line-item cost-of-service showing is a *necessary* predicate to approval of an NMS plan fee amendment. Consistent with Commission staff guidance on fee filings, a filing may appropriately evaluate reasonableness through transparent discussion of competitive conditions and alternatives.³⁵

The Operating Committee believes that a strict cost-of-service showing is not required for Commission review of the Proposed Fee Schedule, and that the Commission may properly evaluate the fairness and reasonableness of market information fees using a more flexible approach grounded in the Exchange Act’s Section 11A objectives and the competitive context in which consolidated data is offered. As the Commission explained in its Market Information Concept Release, “Congress did not require the Commission to undertake a similar, strictly cost-of-service (or ‘ratemaking’) approach to its review of market information fees in every case,” and “granted the Commission some flexibility in evaluating the fairness and reasonableness of market information fees,” because Section 11A sets forth general findings and objectives for the national market system and directs the Commission to act accordingly in overseeing its development.³⁶ The Commission further noted that “[s]uch an inflexible standard, although unavoidable in some contexts, can entail severe practical difficulties,” and therefore “allowed the

³⁵ See SEC Staff Guidance on SRO Rule Filings Relating to Fees (May 21, 2019). With respect to considering the reasonableness of proposed services and fees offered by exchange, the Commission’s market-based test considers “whether the exchange was subject to significant competitive forces in setting the terms of its proposal . . . , including the level of any fees”—the Operating Committee believes that this rationale appropriately applies to NMS Plan fee filings as well. See Securities Exchange Act Release No. 90209 (October 15, 2020), 85 FR 67044, 67049 (October 21, 2020) (Order Granting Accelerated Approval to Establish a Wireless Fee Schedule Setting Forth Available Wireless Bandwidth Connections and Wireless Market Data Connections) (SR-NYSE-2020-05, SR-NYSEAMER-2020-05, SR-NYSEARCA-2020-08, SR-NYSECHX-2020-02, SR-NYSENAT-2020-03, SR-NYSE-2020-11, SR-NYSEAMER-2020-10, SR-NYSEARCA-2020-15, SR-NYSECHX-2020-05, SR-NYSENAT-2020-08) (“Wireless Approval Order”), citing Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74781 (December 9, 2008) (“2008 ArcaBook Approval Order”). See *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010). Since the fees proposed herein are subject to significant competitive forces vis-à-vis TOB products, the Commission should conclude that the Proposed Fee Schedule is consistent with the Exchange Act “unless ‘there is a substantial countervailing basis to find that the terms’ of the proposal violate the Act or the rules thereunder.” See Wireless Approval Order, *supra* note 35, at 67049, citing 2008 ArcaBook Approval Order, *supra* note 35, at 74781. No substantial countervailing basis exists here.

³⁶ See SEC, *Regulation of Market Information Fees and Revenues*, Exchange Act Release No. 34-42208 (Dec. 9, 1999) (“Market Information Concept Release”).

Commission to adopt a more flexible approach than ratemaking.”³⁷ Consistent with that framework, the Operating Committee believes it is appropriate for the Commission to consider evidence regarding market alternatives, competitive constraints, and administrability in assessing whether the Proposed Fee Schedule is fair and reasonable and not unreasonably discriminatory under Section 11A and Regulation NMS.

Further, the kind of “cost-based” proof commenters request is not only unnecessary as a categorical matter, but also not a reliable metric for consolidated data in practice. Any “cost to collect, consolidate, and disseminate” necessarily implicates far more than the Processor/Administrator’s direct operating expenses. The production of consolidated market data depends on intertwined, shared, and continually evolving investments across multiple markets and systems, e.g., market operations, technology, security, resiliency, surveillance/compliance, testing and change management, and governance, costs that are not captured by a narrow “processor-only” accounting, and that would be allocated differently depending on each Member’s internal cost-accounting conventions and assumptions.³⁸ A strict cost-of-service exercise therefore risks becoming an arbitrary allocation dispute rather than a meaningful test of fee reasonableness. For that reason, the Operating Committee believes the more appropriate metric is a market- and usage-focused assessment grounded in competitive context (including how subscribers evaluate substitutes and switching).

Aligning and Eliminating Fees

As part of reconciling the fee schedules across Tapes A, B, and C, the Operating Committee identified certain fees that were charged as part of one fee schedule but not the other. With respect to these fees, the Operating Committee reviewed the fees, determined their purpose,

³⁷ Id.

³⁸ See id. (“Plan costs do not, however, include any of the costs incurred by the individual SROs in generating market information and providing it to the Plan processors. The Commission is considering an approach that would include many of these SRO costs -- specifically, the costs of operating and regulating their markets in accordance with Exchange Act requirements -- as part of the cost of providing market information to the public.”).

and decided whether to align the fee across all three Tapes or to eliminate the fee from the fee schedule.

For instance, Tapes A and B charge a Multiple Feed Charge, while Tape C does not have a corresponding charge. The fee is currently assessed for each data feed that a data recipient receives in excess of the data recipient's receipt of one primary data feed and one backup data feed. Due to the additional administrative burden associated with maintaining additional feeds, the Operating Committee believes it is appropriate to maintain this fee in the combined fee schedule and expand the fee to apply to Tape C.

Additionally, Tapes A and B charge a Late/Clearly Erroneous Reporting Charge, which is assessed for each month in which there is a failure to provide a network's required data-usage report to the administrator. Tape C does not contain a similar charge. The Operating Committee believes that this fee is appropriate to incentivize data recipients to correctly report their usage to the administrator and to offset the additional costs associated with incorrect reporting.

Finally, Tapes A and B charge a Non-Compliance Fee where market data recipients display consolidated volume (not subject to a charge), where such display appears on the same screen as bid-asked quotes or last-sale prices that are not consolidated quotes or prices under the CTA Plan or CQ Plan, and the market data recipient fails to conspicuously display a clarifying statement (the "Display Statement") that reads "Realtime quote and/or trade prices are not sourced from all markets." The Operating Committee believes that the Display Statement ensures that subscribers are not confused when the consolidated volume is from all markets while the real-time quote and/or trade prices are not a consolidated view. The Non-Compliance Fee ensures that market data recipients are incentivized to properly include the Display Statement in order to reduce market confusion.

The proposed harmonizing changes discussed above are consistent with the Commission's approval standard for NMS plan amendments because they are necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and

orderly markets, and to remove impediments to, and perfect the mechanisms of, a national market system. Each change addresses practical administration and transparency issues that directly affect the integrity and workability of consolidated market data billing, compliance, and investor-facing presentation, as reflected in the Proposed Fee Schedule.

More specifically, expanding the Multiple Feed Charge to Tape C is a reasonable, administrable way to recognize the incremental operational and administrative burden associated with maintaining more than one primary and one backup feed (e.g., additional onboarding, monitoring, entitlements/billing administration, troubleshooting, and support), while still preserving redundancy by permitting a primary and backup feed without penalty. Similarly, a Late/Clearly Erroneous Reporting Charge promotes fair and orderly markets and equitable administration of consolidated data fees by incentivizing accurate and timely usage reporting and by helping offset the additional administrative costs caused by late or incorrect reporting. Finally, the Display Statement/Non-Compliance Fee framework is investor-protective: where a recipient displays consolidated volume alongside non-consolidated quotes/trades, a conspicuous clarifying statement reduces the risk of customer confusion about whether displayed prices reflect “all markets,” and the non-compliance charge is designed to create an effective incentive to provide that disclosure consistently. These harmonizing provisions therefore improve administrability and reduce confusion without changing the underlying economics of the data product itself, thereby furthering the purposes of the Exchange Act

Additionally, as part of the reconciliation process, the Operating Committee proposes eliminating certain fees that were previously charged by the CQ/CTA Plans or UTP Plan. For example, Tape C has a Delayed Redistributor fee of \$250, while Tape A and Tape B do not have a similar charge. The Operating Committee proposes removing this fee for Tape C. Additionally, Tape C charges a Delayed Data³⁹ Access Fee of \$250 per year, while Tape A and

³⁹ The delay period for converting real-time information into Delayed Data is 15 minutes after the information is first made available.

Tape B do not have a similar charge. The Operating Committee proposes removing this fee for Tape C. Finally, Tape C has a Per Voice Response Port fee of \$21.25 per port, while Tape A and Tape B do not have a similar charge. The Operating Committee proposes removing this fee for Tape C.

The Operating Committee believes eliminating these fees is consistent with the Exchange Act because these changes promote a more uniform, transparent, and administrable consolidated market data fee framework that helps “remove impediments to, and perfect the mechanisms of, a national market system.” In particular, these Tape C-only charges are not imposed for comparable delayed redistribution, delayed access, or voice-response functionality on Tape A or Tape B, and their continued existence would perpetuate avoidable tape-by-tape fee asymmetries that increase compliance friction, entitlement complexity, and audit risk for similarly situated recipients. By eliminating these fees, the Proposed Fee Schedule treats comparable delayed uses and legacy delivery channels consistently across all three Tapes, reduces unnecessary administrative burden associated with maintaining tape-specific legacy charges, and thereby supports the statutory objectives of promoting the widespread availability of consolidated market data and maintaining fair and orderly markets through clear, non-discriminatory fee terms.

2. Governing or Constituent Documents

Not applicable.

3. Implementation of Amendments

The amendments proposed herein would be implemented following Commission approval and to coincide with the transition from the CQ/CTA/UTP Plans to the CT Plan.

4. Development and Implementation Phases

Not applicable.

5. Analysis of Impact on Competition

The Operating Committee believes that the proposed fee schedule is fair and reasonable.

First, in the two surveys conducted by the Consultant, market participants repeatedly stated that they were looking for the Operating Committee to reduce their administrative burdens and lessen their audit risk. From the surveys, the top three suggestions from market participants were to (1) address the professional versus non-professional definitions, (2) remove references to outdated terminology, and (3) add clarity to definitions to reduce potential audit risk. The Operating Committee believes that the Proposed Fee Schedule addresses each of these concerns. In particular, as described above, the Operating Committee made the following changes to reduce administrative burdens:

1. Modifying the Professional and Non-Professional definitions and adding a safe harbor to reduce audit risk;
2. Modifying the Direct and Indirect Access definitions;
3. Eliminating fee liability for Single Security Derived Data and incorporating the creation of Derived Data into Non-Display Use; and
4. Aligning definitions and non-billable services between Tapes A, B, and C.

The Operating Committee believes that these changes will reduce unnecessary burdens on competition and simplify the fee schedule, thereby reducing potential audit risk of market data recipients.

With respect to the level of fees proposed herein, the Operating Committee believes that the Proposed Fee Schedule is fair and reasonable based on three reasons: (1) the current fees do not properly reflect the quality of the services and products, as fees for the services and products in question have been static in nominal terms, and therefore falling in real terms due to inflation; (2) the Operating Committee believes that investments made in enhancing the capacity and speed of the SIP systems increase the performance of the services and products; and (3) the fees are comparable to alternative proprietary data products that compete with the consolidated feeds.

Commenters urge the Commission to apply a “reasonable relation to costs” standard and to require the CT Plan to provide public cost breakdowns and revenue data, arguing that, absent

such information, the Commission cannot find the Proposal consistent with the Exchange Act.⁴⁰ The Operating Committee respectfully disagrees that a public, line-item cost-of-service showing is a necessary predicate to approval of an NMS plan fee amendment. Consistent with Commission staff guidance on fee filings, a filing may appropriately evaluate reasonableness through transparent discussion of competitive conditions and alternatives.⁴¹

Further, the kind of “cost-based” proof commenters request is not only unnecessary as a categorical matter, but also not a reliable metric for consolidated data in practice. Any “cost to collect, consolidate, and disseminate” necessarily implicates far more than the Processor/Administrator’s direct operating expenses. The production of consolidated market data depends on intertwined, shared, and continually evolving investments across multiple markets and systems, e.g., market operations, technology, security, resiliency, surveillance/compliance, testing and change management, and governance, costs that are not captured by a narrow “processor-only” accounting, and that would be allocated differently depending on each participant’s internal cost-accounting conventions and assumptions. A strict cost-of-service exercise therefore risks becoming an arbitrary allocation dispute rather than a meaningful test of fee reasonableness. For that reason, the Operating Committee believes the more appropriate metric is a market- and usage-focused assessment grounded in competitive context (including how subscribers evaluate substitutes and switching).

The Subcommittee’s outreach and survey work support the Operating Committee’s conclusion that proprietary exchange data products are, in practice, being used as substitutes for (and increasingly in place of) consolidated products, particularly where the consolidated products’ licensing terms, administrative obligations, and audit exposure make them comparatively costly to implement and maintain. As a result of the surveys conducted by the Consultant, the Operating Committee believes that the fees proposed herein are constrained by

⁴⁰ See SIFMA Letter; Fidelity Letter.

⁴¹ See SEC Staff Guidance on SRO Rule Filings Relating to Fees (May 21, 2019).

significant competitive forces. The survey respondents indicated that they were replacing or considering replacement of the SIP as well as utilizing delayed data where possible.

Specifically, the survey results indicated that over 70 percent of survey respondents were replacing the SIP with proprietary data products in at least some use cases. Additionally, Fintech survey respondents indicated that they were taking advantage of enterprise licenses offered by proprietary data products as opposed to utilizing the SIP. The Proposed Fee Schedule is designed to address the concerns raised by respondents in explaining their shift from the consolidated feed to proprietary data products, and therefore increase the competitiveness of the consolidated feed vis-à-vis the proprietary TOB data products.

The Operating Committee seeks to lower or hold certain displayed-usage fees and to simplify key terms specifically to “prevent further attrition from SIP data” to proprietary feeds, an assessment informed by the Subcommittee’s fact-gathering and survey efforts described above.⁴² The Subcommittee’s outreach and survey work support the Operating Committee’s view that competitive alternatives are relevant to the Commission’s evaluation of fee reasonableness and to the Proposal’s emphasis on reducing administrative friction that can drive switching behavior.

As noted above, the fees being increased in this proposal have not been set or increased since 2014, potentially much earlier. However, in the years following the last change, the Members have made significant investments in upgrades to their own and the SIPs’ systems, enhancing the quality of its services. Between 2015 and 2025, the cumulative inflation rate of Data PPI was 15.95 percent. The Operating Committee believes the Data PPI is a reasonable metric to base fee increases on because it is targeted to producer-side increases in the data processing industry, which based on the definition adopted by BLS would include the

⁴² Commenters’ own submissions reinforce that this migration dynamic exists even as they dispute how much weight it should carry: Massive states that the Operating Committee’s survey data “confirms that market participants are migrating toward proprietary alternatives” given the restrictiveness of existing policies, while SIFMA acknowledges the Proposal’s stated objective to avoid attrition to proprietary feeds even as it challenges the appropriateness of proprietary feeds as a benchmark.

consolidated data feed. Notwithstanding inflation, as noted above, the market data fees at issue have not increased for over ten years.

Additionally, the Operating Committee believes that the proposed fees are equitably allocated and not unfairly discriminatory because they would apply to all data recipients that choose to subscribe to the consolidated feed. The only exception to this general rule is that the Operating Committee does offer a sliding scale for Non-Professional usage as well as a cap on Non-Professional usage. The Operating Committee believes that the sliding scale is appropriate in order to incentivize the dissemination of the consolidated feed to Non-Professionals, where deeper discounts are provided as dissemination increases. Additionally, the Operating Committee believes that the cap is appropriate in order to prevent decreased dissemination by those firms currently taking advantage of the Enterprise Cap. Based on survey results, the Operating Committee was concerned that the firms taking advantage of the Enterprise Cap would decrease their dissemination of the consolidated feed to Non-Professionals in order to maintain current spending levels. Maintaining a cap potentially prevents that decrease. The Operating Committee proposes to remove Professionals from inclusion in the caps because the Operating Committee believes that such inclusion would be unfairly discriminatory; it was unclear why larger firms should pay decreased or no Professional Usage fees simply because those same firms had a significant Non-Professional customer base.

The Operating Committee believes that the Proposed Fee Schedule's pricing for Non-Display, Access, and Real-Time Redistribution is competitively reasonable in light of the practical "synthetic SIP" alternative: a subscriber that elects not to purchase a consolidated CT Plan product can assemble a consolidated view by purchasing and integrating multiple proprietary exchange TOB products, incurring parallel categories of fees (non-display entitlements, connectivity/access charges, and redistribution rights) across separate sources.

- For Non-Display, exchanges commonly charge at least \$1,000 per month for non-display use of proprietary products, with some charging \$5,000; aggregating those

proprietary non-display entitlements across exchanges would exceed the Proposed Fee Schedule's consolidated Non-Display fees for a single CT Plan Tape product.

- For Access fees, the Proposed Fee Schedule's total monthly Direct Access fees across all Tapes and both Bid/Ask and Last Sale are approximately \$8,500, and total Indirect Access fees are approximately \$3,953, both below what a subscriber would pay to obtain comparable access rights across proprietary feeds, where the largest exchange families alone charge \$6,250, \$1,600, and \$1,500 (before accounting for additional venues).
- And for Real-Time Redistribution, the Proposed Fee Schedule's aggregate redistributor fee across all Tapes is approximately \$3,400, which is likewise below the comparable proprietary redistributor charges; again, the largest exchange families alone charge \$2,500, \$2,080, and \$5,000.

In this sense, the Proposal's consolidated fees are at or below the cost of assembling and maintaining a comparable multi-source proprietary bundle, while also sparing subscribers the substantial operational and compliance burden of contracting for, integrating, entitling, and administering many separate proprietary products.

SIFMA and Fidelity argue that proprietary TOB products cannot meaningfully constrain consolidated market data pricing because each exchange is the sole source of its own proprietary feed and because proprietary TOB products are "fragmented" and "cater to" different use cases than SIP data. That critique overstates the degree to which TOB products are economically insulated from competition. While each venue is the exclusive source of its own data, TOB products are designed for basic, indicative usage (best bid/offer and last sale) and are frequently consumed for inexact price discovery and market color rather than for venue-specific microstructure signals. In that common usage, TOB feeds are meaningfully substitutable with each other: a subscriber seeking indicative view of the market can often replace one exchange's TOB feed with another, particularly among the largest exchange families, whose quotes and

trades are generally indicative of broader market conditions, and many users evaluate these products as part of a “bundle” decision where price and total cost of ownership drive substitution, downgrade, or non-purchase at the margin. In that sense, TOB products compete with each other on price and package economics for baseline market-view functionality, even if they are not perfect substitutes in every use case. The Subcommittee’s outreach and survey work supports the Operating Committee’s conclusion that TOB products are, in practice, being used as substitutes for (and increasingly in place of) consolidated products, particularly where the consolidated products’ licensing terms, administrative obligations, and audit exposure make them comparatively costly to implement and maintain.

For many common “indicative price” use cases, i.e., obtaining a contemporaneous best-bid/best-offer and last-sale view for broad market color rather than venue-specific signals, proprietary TOB products are readily fungible with one another because they are designed to convey the same core pricing information and, as a practical matter, their displayed prices closely track across venues. In that environment, a market participant that needs an indicative quote/trade reference can often substitute one exchange family’s TOB feed for another (or for a different bundle composition) with little to no meaningful change in the indicative pricing signal, making these TOB products competitive alternatives to each other for baseline market-view functionality even if they are not perfect substitutes for all latency-sensitive or venue-specific analytics.

Accordingly, where the consolidated product is priced competitively relative to the cost of assembling a “synthetic SIP” from proprietary TOB inputs, the Commission may reasonably consider that competitive context as part of the “fair and reasonable” analysis, without accepting the premise that only a cost-of-service showing is relevant. Considering this market-based evidence supports a finding that the Proposal is “necessary or appropriate in the public interest” and “to remove impediments to, and perfect the mechanisms of, a national market system,”

because fees that are competitive with realistic alternatives reduce incentives to abandon consolidated products and thereby support broad availability of core consolidated information.

Commenters urge the Commission to apply a “reasonable relation to costs” standard and to require the CT Plan to provide public cost breakdowns and revenue data, arguing that, absent such information, the Commission cannot find the Proposal consistent with the Exchange Act.⁴³ The Operating Committee respectfully disagrees that a public, line-item cost-of-service showing is a necessary predicate to approval of an NMS plan fee amendment. Consistent with Commission staff guidance on fee filings, a filing may appropriately evaluate reasonableness through transparent discussion of competitive conditions and alternatives.⁴⁴

The Operating Committee believes that a strict cost-of-service showing is not required for Commission review of the Proposed Fee Schedule, and that the Commission may properly evaluate the fairness and reasonableness of market information fees using a more flexible approach grounded in the Exchange Act’s Section 11A objectives and the competitive context in which consolidated data is offered. As the Commission explained in its Market Information Concept Release, “Congress did not require the Commission to undertake a similar, strictly cost-of-service (or ‘ratemaking’) approach to its review of market information fees in every case,” and “granted the Commission some flexibility in evaluating the fairness and reasonableness of

⁴³ See SIFMA Letter; Fidelity Letter.

⁴⁴ See SEC Staff Guidance on SRO Rule Filings Relating to Fees (May 21, 2019). With respect to considering the reasonableness of proposed services and fees offered by exchange, the Commission’s market-based test considers “whether the exchange was subject to significant competitive forces in setting the terms of its proposal . . . , including the level of any fees”—the Operating Committee believes that this rationale appropriately applies to NMS Plan fee filings as well. See Securities Exchange Act Release No. 90209 (October 15, 2020), 85 FR 67044, 67049 (October 21, 2020) (Order Granting Accelerated Approval to Establish a Wireless Fee Schedule Setting Forth Available Wireless Bandwidth Connections and Wireless Market Data Connections) (SR-NYSE-2020-05, SR-NYSEAMER-2020-05, SR-NYSEARCA-2020-08, SR-NYSECHX-2020-02, SR-NYSEARCA-2020-02, SR-NYSEARCA-2020-03, SR-NYSEARCA-2020-04, SR-NYSEARCA-2020-05, SR-NYSEARCA-2020-06, SR-NYSEARCA-2020-07, SR-NYSEARCA-2020-08, SR-NYSEARCA-2020-09, SR-NYSEARCA-2020-10, SR-NYSEARCA-2020-11, SR-NYSEARCA-2020-12, SR-NYSEARCA-2020-13, SR-NYSEARCA-2020-14, SR-NYSEARCA-2020-15, SR-NYSEARCA-2020-16, SR-NYSEARCA-2020-17, SR-NYSEARCA-2020-18, SR-NYSEARCA-2020-19, SR-NYSEARCA-2020-20, SR-NYSEARCA-2020-21, SR-NYSEARCA-2020-22, SR-NYSEARCA-2020-23, SR-NYSEARCA-2020-24, SR-NYSEARCA-2020-25, SR-NYSEARCA-2020-26, SR-NYSEARCA-2020-27, SR-NYSEARCA-2020-28, SR-NYSEARCA-2020-29, SR-NYSEARCA-2020-30, SR-NYSEARCA-2020-31, SR-NYSEARCA-2020-32, SR-NYSEARCA-2020-33, SR-NYSEARCA-2020-34, SR-NYSEARCA-2020-35, SR-NYSEARCA-2020-36, SR-NYSEARCA-2020-37, SR-NYSEARCA-2020-38, SR-NYSEARCA-2020-39, SR-NYSEARCA-2020-40, SR-NYSEARCA-2020-41, SR-NYSEARCA-2020-42, SR-NYSEARCA-2020-43, SR-NYSEARCA-2020-44, SR-NYSEARCA-2020-45, SR-NYSEARCA-2020-46, SR-NYSEARCA-2020-47, SR-NYSEARCA-2020-48, SR-NYSEARCA-2020-49, SR-NYSEARCA-2020-50, SR-NYSEARCA-2020-51, SR-NYSEARCA-2020-52, SR-NYSEARCA-2020-53, SR-NYSEARCA-2020-54, SR-NYSEARCA-2020-55, SR-NYSEARCA-2020-56, SR-NYSEARCA-2020-57, SR-NYSEARCA-2020-58, SR-NYSEARCA-2020-59, SR-NYSEARCA-2020-60, SR-NYSEARCA-2020-61, SR-NYSEARCA-2020-62, SR-NYSEARCA-2020-63, SR-NYSEARCA-2020-64, SR-NYSEARCA-2020-65, SR-NYSEARCA-2020-66, SR-NYSEARCA-2020-67, SR-NYSEARCA-2020-68, SR-NYSEARCA-2020-69, SR-NYSEARCA-2020-70, SR-NYSEARCA-2020-71, SR-NYSEARCA-2020-72, SR-NYSEARCA-2020-73, SR-NYSEARCA-2020-74, SR-NYSEARCA-2020-75, SR-NYSEARCA-2020-76, SR-NYSEARCA-2020-77, SR-NYSEARCA-2020-78, SR-NYSEARCA-2020-79, SR-NYSEARCA-2020-80, SR-NYSEARCA-2020-81, SR-NYSEARCA-2020-82, SR-NYSEARCA-2020-83, SR-NYSEARCA-2020-84, SR-NYSEARCA-2020-85, SR-NYSEARCA-2020-86, SR-NYSEARCA-2020-87, SR-NYSEARCA-2020-88, SR-NYSEARCA-2020-89, SR-NYSEARCA-2020-90, SR-NYSEARCA-2020-91, SR-NYSEARCA-2020-92, SR-NYSEARCA-2020-93, SR-NYSEARCA-2020-94, SR-NYSEARCA-2020-95, SR-NYSEARCA-2020-96, SR-NYSEARCA-2020-97, SR-NYSEARCA-2020-98, SR-NYSEARCA-2020-99, SR-NYSEARCA-2020-100) (“Wireless Approval Order”), citing Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74781 (December 9, 2008) (“2008 ArcaBook Approval Order”). See *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010). Since the fees proposed herein are subject to significant competitive forces vis-à-vis TOB products, the Commission should conclude that the Proposed Fee Schedule is consistent with the Act “unless ‘there is a substantial countervailing basis to find that the terms’ of the proposal violate the Act or the rules thereunder.” See Wireless Approval Order, *supra* note 35, at 67049, citing 2008 ArcaBook Approval Order, *supra* note 35, at 74781. No substantial countervailing basis exists here.

market information fees,” because Section 11A sets forth general findings and objectives for the national market system and directs the Commission to act accordingly in overseeing its development.⁴⁵ The Commission further noted that “[s]uch an inflexible standard, although unavoidable in some contexts, can entail severe practical difficulties,” and therefore “allowed the Commission to adopt a more flexible approach than ratemaking.”⁴⁶ Consistent with that framework, the Operating Committee believes it is appropriate for the Commission to consider evidence regarding market alternatives, competitive constraints, and administrability in assessing whether the Proposed Fee Schedule is fair and reasonable and not unreasonably discriminatory under Section 11A and Regulation NMS.

Further, the kind of “cost-based” proof commenters request is not only unnecessary as a categorical matter, but also not a reliable metric for consolidated data in practice. Any “cost to collect, consolidate, and disseminate” necessarily implicates far more than the Processor/Administrator’s direct operating expenses. The production of consolidated market data depends on intertwined, shared, and continually evolving investments across multiple markets and systems, e.g., market operations, technology, security, resiliency, surveillance/compliance, testing and change management, and governance, costs that are not captured by a narrow “processor-only” accounting, and that would be allocated differently depending on each Member’s internal cost-accounting conventions and assumptions.⁴⁷ A strict cost-of-service exercise therefore risks becoming an arbitrary allocation dispute rather than a meaningful test of fee reasonableness. For that reason, the Operating Committee believes the

⁴⁵ See SEC, *Regulation of Market Information Fees and Revenues*, Exchange Act Release No. 34-42208 (Dec. 9, 1999) (“Market Information Concept Release”).

⁴⁶ Id.

⁴⁷ See id. (“Plan costs do not, however, include any of the costs incurred by the individual SROs in generating market information and providing it to the Plan processors. The Commission is considering an approach that would include many of these SRO costs -- specifically, the costs of operating and regulating their markets in accordance with Exchange Act requirements -- as part of the cost of providing market information to the public.”).

more appropriate metric is a market- and usage-focused assessment grounded in competitive context (including how subscribers evaluate substitutes and switching).

With respect to the Enterprise Cap, the Operating Committee believes that it is fair and reasonable to exclude Professional usage from the enterprise cap because, in practice, including Professionals allowed a subset of the largest firms (those with very large Non-Professional user bases that can reach the cap) to realize an effective reduction (or elimination) of Professional fees that smaller firms could not access, solely by virtue of their retail scale. In the Operating Committee's view, that dynamic can distort competition among broker-dealers and vendors by advantaging firms that happen to have large Non-Professional populations, even where their Professional usage (and corresponding willingness to pay for professional-facing consolidated data) is similar to peers. Separately, the Operating Committee did not observe evidence that including Professionals in a cap meaningfully advances a public-interest objective, i.e., it does not appear to materially increase dissemination to Professionals, based on the Plan's comparison of dissemination patterns where Tape A historically included Professionals in the cap while Tape C did not, yet Professional dissemination among cap-eligible firms was relatively similar across those tapes. Accordingly, the Committee concluded that retaining Professional inclusion in the cap would primarily operate as a windfall for a limited set of large firms without a commensurate benefit to investors or market quality, and that removing Professionals from the cap better aligns the fee design with the Exchange Act approval standard by promoting a more even competitive landscape while preserving the cap's intended role in supporting broad retail availability through Non-Professional pricing.

6. Written Understanding or Agreements relating to Interpretation of, or Participation in,
Plan

No change as a result of amendment.

7. Approval by Sponsors in Accordance with Plan

Section 4.3(b) provides that “[a]ll actions of the Operating Committee will require an affirmative vote of not less than (2/3rd) two-thirds of all votes allocated in the manner described in Section 4.3(a) to Voting Representatives who are eligible to vote on such action.”

The Members have executed this Amendment and represent not less than (2/3rd) two-thirds of all votes allocated in the manner described in Section 4.3(a) of the CT Plan to Voting Representatives who are eligible to vote on such action.

8. Description of Operation of Facility Contemplated by the Proposed Amendment

No change as a result of amendment.

9. Terms and Conditions of Access

No change as a result of amendment.

10. Method of Determination and Imposition, and Amount of, Fees and Charges

Please refer above for a description of the Operating Committee’s determination and imposition and amount of fees and charges.

11. Method and Frequency of Processor Evaluation

No change as a result of amendment.

12. Dispute Resolution

No change as a result of amendment.

b) Rule 601(a)

1. Equity Securities and Nasdaq Securities for which Transaction Reports Shall be Required by the Plan

No change as a result of amendment.

2. Reporting Requirements

No change as a result of amendment.

3. Manner of Collecting, Processing, Sequencing, Making Available and Disseminating Last Sale Information

No change as a result of amendment.

4. Manner of Consolidation

No change as a result of amendment.

5. Standards and Methods Ensuring Promptness, Accuracy and Completeness of Transaction Reports

No change as a result of amendment.

6. Rules and Procedures Addressed to Fraudulent or Manipulative Dissemination

No change as a result of amendment.

7. Terms of Access to Transaction Reports

No change as a result of amendment.

8. Identification of Marketplace of Execution

No change as a result of amendment.

III. Summary of Comments

The Commission received comment letters, which expressed concerns with the Fee Proposal⁴⁸ and urged careful scrutiny.⁴⁹ One commenter stated that the CT Plan has retained the Equity Data Plans' model of charging SIP data fees to retail customers on a per investor basis and to broker-dealers via a myriad of additional fees, such as display fees, non-display fees, access fees, for use of the exact same data and proposed to maintain a complex pricing model.⁵⁰ However, commenters also praised the Operating Committee for the effort to develop a unified fee structure⁵¹ and reduce administration burdens.⁵² Specific issues raised by commenters are

⁴⁸ See Letters from Roberto Braceras, General Counsel, Fidelity Investments, dated Jan. 21, 2026 ("Fidelity Letter") at 2; Stan Sater, Senior Legal Counsel, Massive.com, Inc. dated Jan. 21, 2026 ("Massive Letter") at 2; Katie Kolchin, CFA, Managing Director, Head of Equity and Options Market Structure and Gerald O'Hara, Vice President & Assistant General Counsel, SIFMA, dated Feb. 20, 2026 ("SIFMA Letter II") at 2.

⁴⁹ See Letter from Katie Kolchin, CFA, Managing Director, Head of Equity and Options Market Structure and Gerald O'Hara, Vice President & Assistant General Counsel, SIFMA, dated Jan. 21, 2026 at 1.

⁵⁰ See Fidelity Letter at 4.

⁵¹ See Massive Letter at 1; Fidelity Letter at 2.

⁵² See Fidelity Letter at 2-3 (describing the current definition of Non-Professional Subscriber as "convoluted and confusing" and supporting the proposed classification of subscribers based on how the data is used);

discussed below. As noted above, the Operating Committee provided its responses to commenters as part of Amendment No. 1.⁵³

A. Statutory Basis

Commenters discussed the statutory basis that the Operating Committee used to support the Fee Proposal.⁵⁴ Commenters raised concerns as to whether the Fee Proposal is fair, reasonable, and not unreasonably discriminatory.⁵⁵ Commenters stated that the Fee Proposal should be assessed against a cost-based standard.⁵⁶ One commenter stated that “[o]n the current record, we believe the Commission cannot find the Proposal consistent with the Exchange Act” because the Fee Proposal does not contain any data about actual costs.⁵⁷ According to another commenter, a “cost-based standard of review will ensure that SIP data fees are reasonably related to the expenses incurred to collect, consolidate, and disseminate SIP data, while simultaneously allowing SROs to compete through proprietary offerings such as top-of-book feeds” and advance the goal of “ensuring fair and reasonable access to SIP data.”⁵⁸ Another commenter stated that “[u]ntil the Commission approves a new standard, the Commission’s ‘reasonable relation to costs’ standard for determining whether consolidated market data fees are consistent with the Exchange Act remains in place.”⁵⁹

Massive Letter at 1, 2 (stating there would be reduced compliance friction as a result of a use-based distinction for professional and non-professional fees and simplified definitions for direct and indirect access).

⁵³ See supra Item II.B.

⁵⁴ See SIFMA Letter II; Fidelity Letter; Massive Letter.

⁵⁵ See SIFMA Letter II at 3; Fidelity Letter at 3-4; Massive Letter at 11.

⁵⁶ See Fidelity Letter at 2 and 4; Massive Letter at 11-12; SIFMA Letter II at 3. One commenter stated that it provides its Non-Professional retail customers widespread access to SIP data at no direct cost to the customer, but at a substantial cost to itself. Further, the commenter stated that “[g]iven that SIP data is derived from retail and institutional investor transactions, its dissemination should advance the public interest rather than confer economic benefit upon SROs.” See Fidelity Letter at 1.

⁵⁷ See SIFMA Letter II at 4.

⁵⁸ See Fidelity Letter at 4.

⁵⁹ See SIFMA Letter II at 4.

Commenters stated that comparing the proposed fees for SIP data to those charged for proprietary, top-of-book feeds (“Prop Feeds”) is not appropriate.⁶⁰ Commenters stated that Prop Feeds are directly provided by individual exchanges with varying content and therefore inherently fragmented, costly and cater to niche data subscribers rather than the broad market.⁶¹ One commenter further stated that comparisons to delayed data or data from alternative feeds are also not appropriate because such data fail to meet “the requirements for consolidated equity market data under the SEC’s Vendor Display Rule.”⁶² Another commenter stated that the use of Prop Feeds as a baseline for justifying CT Plan fees “demonstrates the conflict SROs face as operators of the CT Plan” and that there is no incentive to compete on price or other factors to make SIP data more attractive, or as attractive, as Prop Feeds.⁶³ This commenter also stated that the proposed fees were compared to the most expensive Prop Feeds and that the pricing choice by the CT Plan demonstrates that the SROs do not want to make SIP data competitive with Prop Feeds.⁶⁴

This commenter further stated that the Fee Proposal “repackages the fees charged by the existing Equity Data Plans under the banner of the CT Plan to ensure that the SRO Members continue to receive the same level of revenue” and does not reflect “cost savings associated with ‘reducing the existing redundancies, inefficiencies, and inconsistencies’ of having three separate plans.”⁶⁵ The commenter stated that “[w]ithout cost information, not only are the proposed fee

⁶⁰ See Fidelity Letter at 4; SIFMA Letter II at 6-7.

⁶¹ See Fidelity Letter at 4; SIFMA Letter II at 6-7.

⁶² See Fidelity Letter at 4. See also 17 CFR 242.603(c). This commenter urged a standard based on cost rather than comparability to Prop Feeds or delayed data, asking the Commission to require the SROs to make publicly available their costs associated with collecting, consolidating and distributing SIP data. See Fidelity Letter at 4; see also SIFMA Letter II at 7.

⁶³ See SIFMA Letter II at 7.

⁶⁴ See SIFMA Letter II at 8.

⁶⁵ See SIFMA Letter II at 4.

levels unsupported, but it is not evident why there are three separate Professional use fees for each of the individual Tapes.”⁶⁶

B. Proposed Professional and Non-Professional Use Definitions and Fees

Commenters favored the proposed use-based distinction for Professional and Non-Professional Uses over the current practice of looking to the registered status of the user on a platform such as FINRA’s BrokerCheck.⁶⁷ One commenter stated that it “strongly supports the Proposed Fee Schedule’s shift from status-based to use-based definitions for distinguishing Professional and Non-Professional subscribers,” identifying it as an administrative burden that has long plagued market data redistributors.⁶⁸ Another commenter stated that “the SEC should approve the Proposal’s approach to classify SIP data subscribers based on how they use SIP data, rather than their employment status.”⁶⁹

Commenters generally supported the proposed safe harbor.⁷⁰ One commenter stated that the “safe harbor will further the CT Plan’s stated goal of reducing subscribers’ administrative burdens and audit risks.”⁷¹ However, another commenter stated that the safe harbor should be more explicit, objective and enforceable, such as specifying that a Real-Time Redistributor will be deemed to have acted in good faith, and therefore, not subject to audit liability based on subscriber misclassification where it has implemented documented onboarding procedures obtaining clear Professional and Non-Professional Use attestations and including commercially reasonable screening designed to detect obvious inconsistencies.⁷²

⁶⁶ See SIFMA Letter II at 4.

⁶⁷ See Fidelity Letter at 2-3; Massive Letter at 1-2; SIFMA Letter II at 2-3.

⁶⁸ See Massive Letter at 2.

⁶⁹ See Fidelity Letter at 3.

⁷⁰ See Fidelity Letter at 3; Massive Letter at 1-2, 7; SIFMA Letter II at 2-3.

⁷¹ See SIFMA Letter II at 3.

⁷² See Massive Letter at 8. The commenter also recommended that the Operating Committee make explicit that the safe harbor applies equally to all forms of redistribution, including API-based and non-display delivery so long as the redistributor controls the entitlements and can obtain and track necessary subscriber representations. See Massive Letter at 8.

One commenter suggested that the CT Plan should consider a “platform-based approach” to Non-Professional and Professional Use designations such that “if a substantial number of individuals use an application or platform providing SIP data access for personal, non-investment professional use, such as a retail brokerage platform, any individual using the platform would default to Non-Professional subscriber status.”⁷³ Another commenter suggested that the Professional Use definition should turn on “economic substance rather than legal form” and further, there should be a “targeted exception for single-member LLCs and other disregarded entities where the beneficial owner is a natural person using CT Plan data solely for personal purposes.”⁷⁴

One commenter said that it was “unclear how many customers currently classified as Professional subscribers will shift to Non-Professional subscriber status under the new usage definitions.”⁷⁵ According to this commenter, if only a small percentage transition, the commenter’s “real-time quote costs” will rise given the removal of Professional subscribers from the enterprise cap.⁷⁶ This commenter urged the Commission to consider whether the proposed fees and enterprise cap levels can be lowered to a rate that is still profitable to the CT Plan but improves the ability for firms to make SIP data more broadly available.⁷⁷

One commenter expressed support for tangible efficiencies from consolidating the Equity Data Plans’ fee schedules into a single CT Plan and cited as an example the reduction in fees for Non-Professional Use (varying from \$0.25-0.90) from the current, flat charge of \$1.00 per non-

⁷³ See Fidelity Letter at 3.

⁷⁴ See Massive Letter at 7.

⁷⁵ See Fidelity Letter at 5.

⁷⁶ See Fidelity Letter at 4.

⁷⁷ See Fidelity Letter at 5. The commenter also suggested establishing enterprise caps at a level more competitive and in-line with proprietary market data product enterprise cap levels, as well as offering it at no cost when used to meet regulatory requirements. See Fidelity Letter at 5.

professional subscriber.⁷⁸ Commenters generally supported the sliding scale as one of several changes reducing compliance friction and promoting broad data availability.⁷⁹

One commenter questioned why there are three separate Professional Use fees for each of the individual tapes.⁸⁰

C. Proposed Enterprise Caps

While commenters appreciated the CT Plan retaining an enterprise cap,⁸¹ they stated that the Commission should assess whether the proposed fee and enterprise cap levels advance the goal of ensuring fair and reasonable access to SIP data.⁸² One commenter that supported the retention of an enterprise cap in the proposed fee schedule stated that enterprise caps offer “predictable costs for consolidated quote and trade data, regardless of usage volume.”⁸³

One commenter stated that the rationale for removing Professional subscribers from the enterprise caps did not withstand scrutiny.⁸⁴ This commenter stated that only firms with large numbers of Non-Professional Users would realize any benefit from the enterprise caps.⁸⁵ Further, this commenter stated that the CT Plan should consider lowering the enterprise caps so that a broader number of subscribers would be able to provide SIP data to more investors.⁸⁶ In addition, the commenter stated that the Operating Committee’s assertion that capping Professional Use fees would not incentivize SIP data dissemination demonstrates the “significant conflicts of interest” the SROs have with their dual role as the sole source of SIP data and providers of Prop Feeds.⁸⁷ This commenter further stated that the Operating Committee should

⁷⁸ See Massive Letter at 4.

⁷⁹ See Massive Letter at 2, 4.

⁸⁰ See SIFMA Letter II at 4.

⁸¹ See Fidelity Letter at 4; SIFMA Letter II at 2.

⁸² See Fidelity Letter at 4; SIFMA Letter II at 2, 9.

⁸³ See Fidelity Letter at 4.

⁸⁴ See SIFMA Letter II at 9.

⁸⁵ See SIFMA Letter II at 9.

⁸⁶ See SIFMA Letter II at 10.

⁸⁷ See SIFMA Letter II at 10.

explain why it believes Prop Fees are not a “relevant comparison” with respect to setting enterprise caps but that such comparison is a “helpful benchmark” for other proposed fees.⁸⁸

D. Proposed Redistributor Fees

One commenter generally supported not imposing fees for Delayed Redistributor and End-of-Day Redistributor,⁸⁹ and further suggested such usage should be excluded from monthly reporting obligations and audit scope.⁹⁰ At the same time, the commenter questioned the use of an inflation adjustment for certain Redistributor fees when “[e]very major technology sector has experienced cost deflation over the past decade.”⁹¹ This commenter requested actual cost data demonstrating that the proposed fee increases are reasonably related to costs or be disapproved.⁹²

E. Proposed Non-Display and Derived Data Usage

One commenter requested clarification regarding the definition of Non-Display Use, stating the definition should “more clearly distinguish instances where a broker engages in both proprietary trading and facilitation of client orders in an agency capacity.”⁹³ Further, the commenter suggested that three separate categories of Non-Display Use are no longer necessary given the fees across three categories are the same.⁹⁴

One commenter questioned applying a 15.95% inflation adjustment to Non-Display Use when “[e]very major technology sector has experienced cost deflation over the past decade.”⁹⁵ This commenter requested actual cost data demonstrating that the proposed fee increases are reasonably related to costs or be disapproved.⁹⁶

⁸⁸ See SIFMA Letter II at 10.

⁸⁹ See Massive Letter at 5.

⁹⁰ See Massive Letter at 5-6.

⁹¹ See Massive Letter at 11.

⁹² See Massive Letter at 12.

⁹³ See SIFMA Letter II at 3.

⁹⁴ See SIFMA Letter II at 3, n. 4.

⁹⁵ See Massive Letter at 11.

⁹⁶ See Massive Letter at 12.

One commenter stated that proposing to charge a Non-Display fee for Derived Data Usage is inconsistent with the current Equity Data Plans which “recognize that when an end user transforms data for the purpose of displaying it, that use should be treated as display use rather than Non-Display Use.”⁹⁷ This commenter recommended the proposed fee schedule expressly provide that Non-Display fees do not apply where an end user creates Derived Data and uses it solely for display purposes.⁹⁸ According to this commenter, customers would be subject to new fees of \$10,990 per month.⁹⁹ Further, this commenter questioned charging Non-Display fees where the recipient makes use of an API but ultimately displays the data on a screen.¹⁰⁰

F. Proposed Direct and Indirect Access

Commenters generally supported simplifying the Direct and Indirect Access definitions.¹⁰¹ However, one commenter asked for “confirmation that extranet connections will be appropriately reclassified from Direct to Indirect Access under the new framework.”¹⁰² Another commenter asked for clarification regarding the term “data center,” stating it is not clear whether it would include other data centers that may be interconnected or if it would be confined to the single physical structure where the Processor is located.¹⁰³

G. Other Fees

One commenter generally supported the non-fee liable treatment of Delayed Subscriber and End-of-Day Subscriber.¹⁰⁴ However, the commenter suggested that to the extent data is not

⁹⁷ See Massive Letter at 9.

⁹⁸ See Massive Letter at 10. This commenter also stated that a “vendor paying applicable Non-Display fees for derived data creation should be permitted to redistribute that derived data to customers through any access channel without additional reporting obligations, approval requirements, or customer-level fees.” See Massive Letter at 11.

⁹⁹ See Massive Letter at 9.

¹⁰⁰ See Massive Letter at 6.

¹⁰¹ See Massive Letter at 2; SIFMA Letter II at 3.

¹⁰² See Massive Letter at 4.

¹⁰³ See SIFMA Letter II at 3.

¹⁰⁴ See Massive Letter at 2, 5.

fee liable, redistributors should not be required to “navigate the data feed recipient approval process or submit usage reports.”¹⁰⁵

H. Other Comments

Commenters stated that Market Data Infrastructure (“MDI”) rules¹⁰⁶ should be considered.¹⁰⁷ One commenter stated that without the MDI proposed fees, a competitive environment for SIP data cannot begin.¹⁰⁸ Another commenter stated that the Commission should consider whether the competing consolidator/self-aggregator model would still introduce competition in the market for SIP data.¹⁰⁹ The commenter stated that if the CT Plan attempts to establish fees that maintain current SRO revenues, competing consolidators will be unable to compete in the market.¹¹⁰ Commenters stated that the Commission should “either set a date certain by which the Operating Committee must propose a fee amendment for the sale of data to competing consolidators and self-aggregators or chart a different path forward.”¹¹¹ One commenter stated that the Commission should consider rescinding or modifying the Vendor Display Rule to give broker-dealers more flexibility in the market information they display to their customers.¹¹²

IV. Proceedings to Determine Whether to Approve or Disapprove the Fee Proposal

The Commission is instituting proceedings pursuant to Rule 608(b)(2)(i) of Regulation NMS,¹¹³ and Rules 700 and 701 of the Commission’s Rules of Practice,¹¹⁴ to determine whether to approve or disapprove the Fee Proposal, as modified by Amendment No. 1, or to approve the

¹⁰⁵ See Massive Letter at 5.

¹⁰⁶ See Securities Exchange Act Release No. 90610 (Dec. 9, 2020), 86 FR 18596 (Apr. 9, 2021).

¹⁰⁷ See Fidelity Letter at 6; SIFMA Letter II at 11.

¹⁰⁸ See Fidelity Letter at 6.

¹⁰⁹ See SIFMA Letter II at 11. See also Fidelity Letter at 6.

¹¹⁰ See SIFMA Letter II at 11.

¹¹¹ See SIFMA Letter II at 11. See also Fidelity Letter at 6.

¹¹² See SIFMA Letter II at 8, n. 16.

¹¹³ 17 CFR 242.608(b)(2)(i).

¹¹⁴ 17 CFR 201.700; 17 CFR 201.701.

Fee Proposal, as modified by Amendment No. 1, with any changes or subject to any conditions the Commission deems necessary or appropriate. The Commission is instituting proceedings to have sufficient time to consider the issues raised by the Fee Proposal, as modified by Amendment No. 1, including comments received. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, the Commission seeks and encourages interested persons to provide additional comment on the Fee Proposal, as modified by Amendment No. 1, to inform the Commission's analysis.

Rule 608(b)(2) of Regulation NMS provides that the Commission "shall approve a national market system plan or proposed amendment to an effective national market system plan, with such changes or subject to such conditions as the Commission may deem necessary or appropriate, if it finds that such plan or amendment is necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system, or otherwise in furtherance of the purposes of the [Exchange] Act."¹¹⁵ Rule 608(b)(2) further provides that the Commission shall disapprove a national market system plan or proposed amendment if it does not make such a finding.¹¹⁶ In the Notice, the Commission sought comment on the Fee Proposal, including whether the Fee Proposal is consistent with the Exchange Act.¹¹⁷ In this order, pursuant to Rule 608(b)(2)(i) of Regulation NMS,¹¹⁸ the Commission is providing notice of the grounds for disapproval under consideration:

- Whether, consistent with Rule 608 of Regulation NMS, the Fee Proposal, as modified by Amendment No. 1, is necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to

¹¹⁵ 17 CFR 242.608(b)(2).

¹¹⁶ Id.

¹¹⁷ See Notice, supra note 5, at 61478.

¹¹⁸ 17 CFR 242.608(b)(2)(i).

remove impediments to, and perfect the mechanisms of, a national market system, or otherwise in furtherance of the purposes of the Exchange Act;¹¹⁹

- Whether the Fee Proposal, as modified by Amendment No. 1, is consistent with Section 11A(c)(1)(C) of the Exchange Act (as implemented by Rule 603(a)(1) of Regulation NMS), which requires that exclusive processors (which include the exclusive SIPs and SROs when they distribute their own data)¹²⁰ must assure that all securities information processors may obtain on fair and reasonable terms information with respect to quotations for and transactions in securities, which includes SIP data;¹²¹
- Whether the Fee Proposal, as modified by Amendment No. 1, is consistent with Section 11A(c)(1)(D) of the Exchange Act (as implemented by Rule 603(a)(2) of Regulation NMS), which requires that the SROs provide SIP data to broker-dealers and others on terms that are not unreasonably discriminatory;¹²²
- Whether modifications to the Fee Proposal, as modified by Amendment No. 1, or conditions to its approval, such as a sunset period, would be necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system, or otherwise in furtherance of the Exchange Act.¹²³

Under the Commission’s Rules of Practice, the “burden to demonstrate that a NMS plan filing is consistent with the Exchange Act and the rules and regulations issued thereunder . . . is

¹¹⁹ 17 CFR 242.608(b)(2).

¹²⁰ See 15 U.S.C. 78c(a)(22) (defining “securities information processor” and “exclusive processor”).

¹²¹ 15 U.S.C. 78k-1(c)(1)(C); 17 CFR 242.603(a)(1).

¹²² 15 U.S.C. 78k-1(c)(1)(D); 17 CFR 242.603(a)(2).

¹²³ 17 CFR 242.608(b)(2); 15 U.S.C. 78k-1(c)(1)(D).

on the plan participants that filed the NMS plan filing.”¹²⁴ The description of the NMS plan filing, its purpose and operation, its effect, and a legal analysis of its consistency with applicable requirements must all be sufficiently detailed and specific to support an affirmative Commission finding.¹²⁵ Any failure of the plan participants that filed the NMS plan filing to provide such detail and specificity may result in the Commission not having a sufficient basis to make an affirmative finding that the NMS plan filing is consistent with the Exchange Act and the applicable rules and regulations thereunder.¹²⁶

V. Commission’s Solicitation of Comments

The Commission requests that interested persons provide written submissions of their views, data, and arguments with respect to the issues identified above, as well as any other concerns they may have with the Fee Proposal, as modified by Amendment No. 1. In particular, the Commission invites the written views of interested persons concerning whether the Fee Proposal, as modified by Amendment No. 1, is consistent with the Exchange Act, the rules and regulations thereunder.¹²⁷ The Commission asks that commenters address the sufficiency and merit of the Operating Committee’s statements in support of the Fee Proposal, as modified by Amendment No. 1, in addition to any other comments they may wish to submit about the Fee Proposal, as modified by Amendment No. 1.

Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of views, data, and arguments, the Commission will

¹²⁴ 17 CFR 201.700(b)(3)(ii).

¹²⁵ Id.

¹²⁶ Id.

¹²⁷ See 17 CFR 242.608(b)(2); 15 U.S.C. 78k-1(c)(1)(C)-(D); 17 CFR 242.603(a). See also CT Plan Approval Order at 94957 (stating that fees will be assessed against statutory and regulatory standards applicable to fees proposed by national market system plans including Section 11A(c)(1)(D) of the Exchange Act and Rule 603(a) under Regulations NMS).

consider, pursuant to Rule 608(b)(2)(i) of Regulation NMS,¹²⁸ any request for an opportunity to make an oral presentation.¹²⁹

Interested persons are invited to submit written data, views, and arguments regarding whether the Fee Proposal, as modified by Amendment No. 1, should be approved or disapproved by [insert date 21 days after publication in the Federal Register]. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by [insert date 35 days after publication in the Federal Register]. 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 number 4-757 (CT Plan Fee Proposal) 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 4-757 (CT Plan Fee Proposal). This file number should be included on the subject line if e-mail 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 (<http://www.sec.gov/rules/sro.shtml>).

Copies of the filing will be available for inspection and copying at the Operating Committee's principal offices. 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

¹²⁸ 17 CFR 242.608(b)(2)(i).

¹²⁹ Rule 700(c)(2) of the Commission's Rules of Practice provides that "[t]he Commission, in its sole discretion, may determine whether any issues relevant to approval or disapproval would be facilitated by the opportunity for an oral presentation of views." 17 CFR 201.700(c)(2).

protection. All submissions should refer to File Number 4-757 (CT Plan Fee Proposal) 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.¹³⁰

Sherry R. Haywood,

Assistant Secretary.

¹³⁰ 17 CFR 200.30-3(a)(85).

EXHIBIT A

Cumulative Proposed Revisions to CT Plan

ADDENDUM 1

**To the Second
Amendment to the CT Plan**

PROPOSED AMENDMENTS TO THE CT PLAN

MARKED TO SHOW CHANGES FROM THE EXISTING PLAN
(Additions are double-underlined; Deletions are [~~struck through and bracketed~~].)

* * * * *

EXHIBIT E

Monthly Fees

[(To be determined by the Operating Committee under this Agreement)]

	<u>Tape A</u>	<u>Tape B</u>	<u>Tape C</u>
<u>Real-Time Professional Use</u> ¹³¹	<u>\$26</u>	<u>\$23</u>	<u>\$24</u>
<u>Real-Time Non-Professional Use</u> ¹³²			
<u>No. of Individuals Engaged in Non-Professional Use</u>	<u>Fee Per Individual Engaged in Non-Professional Use</u>	<u>Fee Per Individual Engaged in Non-Professional Use</u>	<u>Fee Per Individual Engaged in Non-Professional Use</u>
<u>1 – 2,000</u>	<u>\$0.90</u>	<u>\$0.90</u>	<u>\$0.90</u>
<u>2,001 – 50,000</u>	<u>\$0.75</u>	<u>\$0.75</u>	<u>\$0.75</u>
<u>50,001 – 250K</u>	<u>\$0.60</u>	<u>\$0.60</u>	<u>\$0.60</u>
<u>250,001 – 1M</u>	<u>\$0.40</u>	<u>\$0.40</u>	<u>\$0.40</u>
<u>1,000,001+</u>	<u>\$0.25</u>	<u>\$0.25</u>	<u>\$0.25</u>

¹³¹ Professional Use is: (i) any use of market data by or on behalf of any entity (for example, a corporation, company, partnership, limited partnership, limited liability company, or association), except trusts not for compensation; or (ii) use of market data by an individual to provide a service to a third party for compensation. Any Real-Time Redistributor that relies in good faith on representations by a subscriber regarding the subscriber's Professional versus Non-Professional Use of the data shall be exempt from audit liability based on such representations. For counting purposes, this fee applies to each individual engaged in Professional Use.

¹³² Non-Professional Use is any usage that is not Professional Use. For counting purposes, this fee applies to each individual engaged in Non-Professional Use. A market data subscriber will pay the per Non-Professional Use fee for the portion of their user base falling within each tier before moving to the next tier. For example, for the first 2,000 individuals engaged in Non-Professional Use, a market data subscriber will be charged \$0.90 per individual. For the next tier (between 2,001 and 50,000), a market data subscriber will be charged \$0.75 per individual engaged in Non-Professional Use.

<u>Per Quote</u> ¹³³	<u>\$0.0075 per quote</u>	<u>\$0.0075 per quote</u>	<u>\$0.0075 per quote</u>
<u>Per Quote Cap</u>	<u>\$26 for individuals engaged in Professional Use and tiered for individuals engaged in Non-Professional Use</u>	<u>\$23 for individuals engaged in Professional Use and tiered for individuals engaged in Non-Professional Use</u>	<u>\$24 for individuals engaged in Professional Use and tiered for individuals engaged in Non-Professional Use</u>
<u>Delayed Subscriber</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>End of Day Subscriber</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Non-Professional Enterprise Cap</u>	<u>\$648,000</u>	<u>\$490,000</u>	<u>\$648,000</u>
<u>Real-Time Redistributor</u>	<u>\$1,155</u>	<u>\$1,155</u>	<u>\$1,155</u>
<u>Delayed Redistributor</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>End-of-Day Redistributor</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Non-Display</u> ¹³⁴ <u>Category 1</u> ¹³⁵	<u>Last Sale: \$2,315</u> <u>Bid-Ask: \$2,315</u>	<u>Last Sale: \$1,155</u> <u>Bid-Ask: \$1,155</u>	<u>Last Sale: \$2,025</u> <u>Bid-Ask: \$2,025</u>
<u>Non-Display</u> <u>Category 2</u> ¹³⁶	<u>Last Sale: \$2,315</u> <u>Bid-Ask: \$2,315</u>	<u>Last Sale: \$1,155</u> <u>Bid-Ask: \$1,155</u>	<u>Last Sale: \$2,025</u> <u>Bid-Ask: \$2,025</u>

¹³³ A quote packet includes any data element or all data elements in respect of a single issue. Last, open, high, low, volume, net change, bid, offer, size, and best bid and offer with size are examples of data elements.

¹³⁴ Non-Display Use refers to accessing, processing or consuming data, whether received via Direct and/or Redistributor Data Feeds, for a purpose other than solely facilitating the delivery of the data to the Data Feed Recipient's display or for the purpose of further internally or externally redistributing the data. The creation of Derived Data is considered Non-Display Use.

¹³⁵ Non-Display Category 1 consists of Non-Display Use fee for Electronic Trading Systems and applies when a Data Feed Recipient makes a Non-Display Use of data in an Electronic Trading System, whether the system trades on the Data Feed Recipient's own behalf or on behalf of its customers. This fee includes, but is not limited to, use of data in any trading platform(s), such as exchanges, alternative trading systems ("ATS's"), broker crossing networks, broker crossing systems not filed as ATS's, dark pools, multilateral trading facilities, and systematic internalization systems. An organization that uses data in Electronic Trading Systems must count each platform that uses data on a non-display basis. For example, an organization that uses quotation information for the purposes of operating an ATS and also for operating a broker crossing system not registered as an ATS would be required to pay two Electronic Trading System fees.

¹³⁶ Non-Display Category 2 consists of Non-Display Use for Internal Use where a Data Feed Recipient's Non-Display Use is on its own behalf (other than for purposes of an Electronic Trading System).

<u>Non-Display Category 3</u> ¹³⁷	<u>Last Sale: \$2,315</u> <u>Bid-Ask: \$2,315</u>	<u>Last Sale: \$1,155</u> <u>Bid-Ask: \$1,155</u>	<u>Last Sale: \$2,025</u> <u>Bid-Ask: \$2,025</u>
<u>Direct Access</u> ¹³⁸	<u>Last Sale: \$1,445</u> <u>Bid-Ask: \$2,025</u>	<u>Last Sale: \$865</u> <u>Bid-Ask: \$1,445</u>	<u>Last Sale: \$1,155</u> <u>Bid-Ask: \$1,735</u>
<u>Indirect Access</u> ¹³⁹	<u>Last Sale: \$865</u> <u>Bid-Ask: \$1,445</u>	<u>Last Sale: \$460</u> <u>Bid-Ask: \$695</u>	<u>Last Sale: \$230</u> <u>Bid-Ask: \$345</u>
<u>Delayed Data Access Fee</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Multiple Feed Charges</u>	<u>Last Sale: \$200</u> <u>Bid-Ask: \$200</u>	<u>Last Sale: \$200</u> <u>Bid-Ask: \$200</u>	<u>Last Sale: \$200</u> <u>Bid-Ask: \$200</u>
<u>Derived Data Usage</u> ¹⁴⁰	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Broadcast Fee</u> ¹⁴²	<u>1 – 10M households:</u> <u>\$2.00/1,000 households</u> <u>10 – 20M households:</u> <u>\$1.00/1,000 households</u> <u>Over 20M households:</u> <u>\$0.50/1,000 households</u>	<u>1 – 10M households:</u> <u>\$2.00/1,000 households</u> <u>10 – 20M households:</u> <u>\$1.00/1,000 households</u> <u>Over 20M households:</u> <u>\$0.50/1,000 households</u>	<u>1 – 10M households:</u> <u>\$2.00/1,000 households</u> <u>10 – 20M households:</u> <u>\$1.00/1,000 households</u> <u>Over 20M households:</u> <u>\$0.50/1,000 households</u>
<u>Consolidated Volume Only</u> ¹⁴³	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>

¹³⁷ Non-Display Category 3 consists of Non-Display Use for Internal Use where a Data Feed Recipient's Non-Display Use is on behalf of its customers (other than for purposes of an Electronic Trading System).

¹³⁸ Direct Access is any connection within any data center in which a Processor is located.

¹³⁹ Indirect Access is any connection that is not Direct Access.

¹⁴⁰ Derived Data consists of pricing data or other information that is created in whole or in part from the CT Plan Information. To be considered Derived Data: (1) the Derived Data cannot be reverse engineered to recreate the Information, and (2) the Derived Data cannot be used to create other data that is recognized to be a reasonable facsimile for the Information.

¹⁴¹ The creation of Derived Data is fee liable as Non-Display Use.

¹⁴² Broadcast means any broad-based dissemination of information to the general public through cable, satellite, internet, or traditional means, excluding transmission of a data feed or transmission via Application Programming Interface (“API”).

¹⁴³ Data recipients may display real-time trading volume occurring on all Members (“Consolidated Volume”) at no charge. However, if any such display appears on the same screen as bid-asked quotes or last-sale prices that are not consolidated quotes or prices under the CT Plan, then the screen must conspicuously display a clarifying statement (the “Display Statement”) that reads “Real-time quote and/or trade prices are not sourced from all markets.” A redistributor must provide the Administrator with the form of Consolidated Volume screen print that it provides, as well as a copy of each Consolidated Volume screen print that persons included in the redistribution chain that starts with the redistributor (each, a “subscriber”) provide.

<u>Display Policy Non-Compliance Fee</u> ¹⁴⁴	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$3,000</u>
<u>Late/Clearly Erroneous Reporting Charges</u> ¹⁴⁵	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$2,500</u>
<u>Per Voice Response Port</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Academic Use</u> ¹⁴⁶ <u>Exemption</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Disaster Recovery</u> ¹⁴⁷ <u>Exemption</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>System Migration</u> ¹⁴⁸ <u>Exemption</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Administrative/Operational Use</u> ¹⁴⁹ <u>Exemption</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>
<u>Service Facilitator</u> ¹⁵⁰ <u>Exemption</u>	<u>Not fee liable</u>	<u>Not fee liable</u>	<u>Not fee liable</u>

¹⁴⁴ Charges will be assessed for each month in which a Redistributor or any of its subscribers fails to provide a required Display Statement or fails to provide the Administrator a copy of the relevant screen print in a timely manner.

¹⁴⁵ These charges will be assessed for each month in which there is a failure to provide the required data-usage report to the Administrator, commencing with reporting failures lasting more than three months from the date on which the report is first due. A report is not considered to have been provided to the Administrator if the report is clearly incomplete or inaccurate. This would include, but is not limited to, a report that fails to report all data products and a report for which the reporting party did not make a good faith effort to assure the accuracy of data usage and entitlements.

¹⁴⁶ Data used for academic research, teaching, or other educational purposes are fee exempt. This exemption excludes any use of market data for securities trading or for any commercial purpose (including use on behalf of a for-profit enterprise or for financial services provided for a fee. Application of this waiver requires pre-approval by the Administrator.

¹⁴⁷ Market data recipients may activate back-up systems, networks, or facilities to be used solely in the event of a primary system outage or natural disaster. In the event of a temporary activation of CT Plan data due to disaster recovery, any duplicate usage fees will not be charged. Market data recipients will need to notify the Administrator of such event, and provide details surrounding the activation of any CT Plan data.

¹⁴⁸ Market data recipients in the process of migrating from one system to another may be approved for a fee waiver for multiple subscribers during the period. The migration must take place over a reasonable period of time, as determined by the Administrator.

¹⁴⁹ Data usage for operational or administrative functions that support the delivery of market data to market data recipients are fee exempt. Exempt functions include operational, technical and testing support activities, or sales of products or services.

The exemption does not cover usage by anyone using real-time market data for securities transactions or to support market data recipients in the trading of securities. Application of this waiver requires pre-approval by the Administrator.

¹⁵⁰ A Service Facilitator is a third party to which a market data recipient outsources the responsibility for managing some portion of its technical, financial, legal, or operational role in distributing the Information. A Service Facilitator is an entity providing a service that would ordinarily fall under the operational/administrative use exemption. Service Facilitators require pre-approval by the Administrator and must enter into direct agreements with the CT Plan.

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