This document is scheduled to be published in the Federal Register on 2026-10-06 and available online at https://www.federalregister.gov/d/2026-20407, and on https://govinfo.gov

8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106565; File No. SR-TXSE-2026-034]

Self-Regulatory Organizations; Texas Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Adopt a Transaction Fee Applicable to Orders that Execute in Auctions on the Exchange

October 1, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on September 24, 2026, Texas Stock Exchange LLC (the "Exchange" or "TXSE") filed with the Securities and Exchange Commission ("Commission") a proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is filing with the Securities and Exchange Commission ("Commission") a proposal to adopt a transaction fee applicable to orders that execute in auctions on the Exchange. The text of the proposed rule change is available on the Commission's website (https://www.sec.gov/rules/sro.shtml) at the Exchange's website (https://www.txse.com/regulations/rules-filings), and at the principal office of the Exchange.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in

---

1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to amend its Fee Schedule to adopt a fee for orders executed in auctions conducted pursuant to Rule 11.022.[3] Specifically, the Exchange proposes to add a Transaction Fee for Eligible Auction Orders that are executed in a TXSE Opening, Closing, IPO, Halt or Volatility Closing Auction of $0.0012 per share executed.

The proposed fee would apply uniformly and without regard to whether an order is displayed or non-displayed, adds or removes liquidity, is designated to participate exclusively in an auction, or rests on the TXSE Book before participating in an auction. The fee applicable to executions in an auction would apply in lieu of, and would not be combined with, any other transaction-specific fee or rebate set forth in the Fee Schedule. Accordingly, each side of an auction execution would be assessed the applicable fee. The Exchange believes this approach would provide Members with a simple and predictable method for determining the fee applicable to an auction execution.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[4] in general, and furthers the objectives of Section 6(b)(5)[5] requirements in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating,

---

3 The Exchange initially filed the proposed rule change on September 15, 2026, as SR-TXSE-2026-034 [sic]. On September 23, 2026, the Exchange withdrew that filing and refiled the proposed rule change as SR-TXSE-2026-034.

4 15 U.S.C. 78f(b).

5 15 U.S.C. 78f(b)(5).

clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest and is not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers as well as Section 6(b)(4)[6] in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities.

The Exchange believes the proposed fee is reasonable. The proposed $0.0012-per-share rate is within the range of auction transaction fees imposed by other equities exchanges. NYSE Texas and NYSE Arca assess a $0.0012-per-share fee for specified orders executed in a closing auction and a $0.0015-per-share fee for specified orders executed in an opening auction.[7] Cboe BZX has also assesses an auction execution fee of $0.0011 per share for specified closing-auction and continuous-book executions and $0.0013 per share for specified opening-, IPO-, and halt-auction executions.[8] The proposed $0.0012-per-share fee therefore is comparable to fees charged for auction executions on competing equities exchanges.

The Exchange also believes that applying one rate to all auction executions is reasonable because every executed order receives the benefit of the Exchange's auction process and the resulting single-price execution. A uniform rate would avoid distinctions based on how an order entered the auction and would allow Members to determine the applicable charge without considering whether an order was displayed, non-displayed, auction-only, or resting on the TXSE Book before the auction.

Further to this point, the Exchange also believes the proposed fee is equitably allocated and not unfairly discriminatory because it would apply uniformly to all Members and to each buy

---

6 15 U.S.C. 78f(b)(4).

7 See page 3 of NYSE Texas Fee Schedule at https://www.nyse.com/publicdocs/nyse/markets/nyse-texas/NYSE_Texas_Fee_Schedule.pdf and page 3 of NYSE Arca Fee Schedule at https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE_Arca_Marketplace_Fees.pdf.

8 See BZX Fee Schedule at https://www.cboe.com/us/equities/membership/fee_schedule/bzx/.

and sell order executed in an Exchange auction. The proposal would not distinguish based on a Member's identity, capacity, volume, order type, or whether its order added or removed liquidity. Each Member would be subject to the same fee for the same type of auction execution. Members whose orders do not execute in an auction would not be charged the proposed fee. The proposal also would not provide a rebate, discount, tier, or exemption to any category of Member. The Exchange therefore believes that the proposed fee is consistent with Sections 6(b)(4) and 6(b)(5) of the Act.

The Exchange operates in a competitive market in which market participants may direct order flow to competing exchanges and off-exchange venues. The Commission has recognized the importance of market forces in determining prices and self-regulatory organization revenues. The Exchange believes the proposed fee reflects a competitive rate designed to support the operation of its auctions while remaining comparable to auction fees assessed by other equities exchanges. Members are not required to enter orders for execution in an Exchange auction. Members may determine whether and to what extent to submit auction interest based on their customers' instructions, regulatory obligations, and the available execution alternatives. Competing exchanges may also respond by modifying their auction functionality or pricing. For these reasons, the Exchange believes the proposed rule change is consistent with the Act.

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

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

The Exchange does not believe the proposed rule change will impose any undue burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the fee for transacting in auctions on the Exchange would be assessed uniformly on each buy and sell order executed in an Exchange auction. The proposal would not distinguish among Members, capacities, order types, or liquidity-adding and liquidity-removing interest. No Member would receive a preferential auction rate, credit, tier, or exemption.

The Exchange does not believe the proposed rule change will impose an undue burden on intermarket competition because it would not restrict the ability of competing exchanges to offer auctions or to establish their own auction pricing. Market participants may consider the Exchange's fees, auction functionality, and execution quality when determining where to direct eligible order flow. To the extent the proposed fee affects competition, the Exchange believes it would promote competition among exchanges with respect to auction pricing and services. For these reasons, the Exchange does not believe the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange neither solicited nor received written comments on the proposed rule change.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act[9] and Rule 19b-4(f)(2)[10] thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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

---

9 15 U.S.C. 78s(b)(3)(A).

10 17 CFR 240.19b-4(f)(2).

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 No. SR-TXSE-2026-034 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 No. SR-TXSE-2026-034. 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 principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-TXSE-2026-034 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.[11]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-20407 Filed: 10/5/2026 8:45 am; Publication Date: 10/6/2026]

[11] 17 CFR 200.30-3(a)(12).