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Page 1 of * 31

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2026 - * 22

Amendment No. (req. for Amendments *)

Filing by Long-Term Stock Exchange, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *

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Amendment *

☐

Withdrawal

☐

Section 19(b)(2) *

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Section 19(b)(3)(A) *

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Section 19(b)(3)(B) *

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Pilot

☐Extension of Time Period for
Commission Action *☐

Date Expires *

Rule

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19b-4(f)(1)

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19b-4(f)(4)

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19b-4(f)(2)

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19b-4(f)(5)

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19b-4(f)(3)

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19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *

☐

Section 806(e)(2) *

☐Security-Based Swap Submission pursuant to the
Securities Exchange Act of 1934

Section 3C(b)(2) *

☐

Exhibit 2 Sent As Paper Document

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Exhibit 3 Sent As Paper Document

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Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend the LTSE fee schedule to add an incentive program for Market Makers.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Christopher

Last Name * Chow

Title * Senior Regulatory Counsel

E-mail * chris.chow@longtermstockexchange.com

Telephone * (646) 927-9311

Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Long-Term Stock Exchange, Inc.
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 09/30/2026

(Title *)

By Christopher Chow

(Name *)

Senior Regulatory Counsel

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Chris Chow

Digitally signed by Chris Chow
Date: 2026.09.30 14:19:11
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Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

Form 19b-4 Information *

Add Remove View

SR-LTSE-2026-22 19b4 (MM Fee Filing)

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

SR-LTSE-2026-22 Exhibit 1 (MM Fee Filing)

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

☐

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

☐

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

SR-LTSE-2026-22 Exhibit 5 (MM Fee Filing)

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² Long-Term Stock Exchange, Inc. (“LTSE” or “Exchange”) proposes to amend the LTSE Fee Schedule to add an incentive program for Market Makers.³ The Exchange proposes to implement the changes to the fee schedule pursuant to this proposal on October 1, 2026.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to resolution of the Board of Directors of the Exchange dated February 2, 2023. No further action is required under the Exchange’s governing documents. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

Christopher Chow
Senior Regulatory Counsel
Long-Term Stock Exchange, Inc.
(646) 927-9311

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See LTSE Rule 1.160(ww) (defining Market Maker).

(a) Purpose

On September 29, 2026, LTSE amended its rules governing registered Market Makers.⁴ Under LTSE’s Market Maker rules, Market Makers receive no benefits for making markets. To attract Market Makers, the Exchange is adding to its Fee Schedule the Market Maker Incentive Program. This program is designed to improve market quality in many Non-LTSE-Primary-Listed Securities⁵ that trade on the Exchange by incentivizing Market Makers to quote at the national best bid or offer (“NBBO”)⁶ in Market Maker Incentive-Eligible Securities (defined below).

The Market Maker Incentive Program. Under the program, a Market Maker that posts displayed quotes on the Exchange at the NBBO for the times specified below during the Regular Market Session (as defined in LTSE Rule 1.160kk)) in a Market Maker Incentive-Eligible Security, as defined below, in which the Market Maker is registered pursuant to Rule 11.153 will be eligible for the following monthly incentives, subject to the Monthly Incentive Cap (defined below):

Security Type	NBBO Obligation	Monthly Incentive
Dually-Listed Securities	At least 70% @ NBBO	\$1250
UTP Securities, excluding Dually-Listed (“Non-LTSE Listed Securities”)	At least 50% and less than 70% @ NBBO	\$850
	At least 70% @ NBBO	\$1000

⁴ See Securities Exchange Act Release No. 106529 (SR-LTSE-2026-21).

⁵ Non-LTSE-Primary Listed Securities are (i) any UTP Security and (ii) any Dually-Listed Securities, as provided for in LTSE Rule 14.210, which are not LTSE-Primary-Listed Securities. See LTSE Rule 1.160 z). “UTP Security” and “LTSE-Primary-Listed Securities” are defined in LTSE Rules 1.160 vv) and s), respectively. “Dually-Listed Securities” are securities that have been approved for listing on LTSE and another national securities exchange registered with the Commission pursuant to Section 6(a) of the Act. See LTSE Rule 14.210.

⁶ “NBBO” means the national best bid or best offer, as set forth in Rule 600(b) of Regulation NMS under the Act as set forth in LTSE Rule 11.410(b). See LTSE Rule 1.160 y) (defining NBBO).

A Market Maker's time at the NBBO is calculated daily and averaged across the month by aggregating the percentage of time during the Regular Market Session during which the Market Maker's Primary MPID (as defined in Rule 11.151(d)(12)) has at least one round lot displayed at the NBBO.⁷ The Exchange excludes from its calculation of whether a Market Maker qualifies for the Market Maker Incentive: (1) any trading day that the Exchange's system experiences a disruption that lasts for more than 60 minutes during the Regular Market Session; (2) any day with a scheduled early market close; and (3) the "Russell Reconstitution Day" (typically the last Friday in June).⁸

During the first month in which a Market Maker is eligible to participate in the Market Maker Incentive Program, for each security in which the Market Maker registers, it may earn a pro-rata share of the monthly incentive described above (calculated on a daily basis) if the Market Maker commences quoting in its registered security on a day after the first business day of the month. All of the other provisions apply during the first month, including the Monthly Incentive Cap and the Liquidity Incentive Program Exclusion (both defined below).

The Monthly Incentive Cap limits incentives for Non-LTSE Listed Securities in a billing month to no more than 20 for every one Dually-Listed Security in which the Market Maker is registered. The Monthly Incentive Cap constrains the amount of monthly incentives that the Exchange must pay and encourages Market Makers to register in Dually-Listed Securities in particular.

⁷ This is consistent with how LTSE calculates time at the NBBO in connection with its Co-Lead Incentive.

⁸ Similarly, the Exchange also excludes these time periods from its Co-Lead Incentive and Liquidity Incentive Program calculations.

Additionally, where a Market Maker meets the quoting requirements for both the Market Maker Incentive Program and the Liquidity Incentive Program, the Market Maker Incentive Program incentive shall apply in lieu of the Liquidity Incentive Program incentive. This is referred to as the “Liquidity Incentive Program Exclusion.”

“Market Maker Incentive-Eligible Securities” are those securities that qualify for the incentives set forth in the Market Maker Incentive Program. The Exchange will maintain a list of Market Maker Incentive-Eligible Securities, which will be provided to Market Makers upon request, and that list will include all Dually-Listed Securities and certain Non-LTSE Listed Securities selected on the basis of their trading characteristics. Non-LTSE Listed Securities will be screened, applying several objective factors that relate to a security’s trading characteristics, and securities that meet specific thresholds with respect to these factors will be included as Market Maker Incentive-Eligible Securities. These factors are share price, average daily volume traded, average daily notional value traded, intra-day volatility, and time at the NBBO,⁹ and they are designed to identify securities in which increased quoting would be impactful to both LTSE and the market, but not unduly burdensome to Market Makers in meeting the quoting requirements to earn incentives under the program. LTSE will review the eligibility of Non-LTSE Listed Securities annually and update the list of Market Maker Incentive-Eligible Securities. The Exchange will provide Market Makers adequate advance notice of changes to the list (if any). The balance between the quoting thresholds and the incentives offered under the program are discussed below.

(b) Statutory Basis

⁹ The Exchange has discussed with Commission staff the criteria and thresholds it intends to apply.

The Exchange believes that its proposal is consistent with Section 6(b) of the Act¹⁰ in general, and furthers the objectives of Sections 6(b)(4)¹¹ and 6(b)(5)¹² of the Act in particular.

(1) Section 6(b)(4) Analysis

Section 6(b)(4) of the Act requires that the rules of a national securities exchange provide for the equitable allocation of reasonable dues, fees and other charges among all of its Members and issuers and other persons using its facilities. With the addition of the Market Maker Incentive Program to its Fee Schedule, the Exchange's rules will continue to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and issuers and other persons using its facilities.

The amounts of the incentives are reasonable. Under the proposed Market Maker Incentive Program, LTSE offers Market Makers the opportunity to earn monthly payments of \$850, \$1,000, and \$1,250 per Market Maker Incentive-Eligible Security (depending on time spent at the NBBO and whether the security is a Dually-Listed Security or a Non-LTSE Listed Security), subject to the Monthly Incentive Cap, which limits incentives for Non-LTSE Listed Securities in a billing month to no more than 20 for every Dually-Listed Security in which the Market Maker is registered. The Exchange believes these incentive levels are reasonable in the current environment where, as discussed below, competitive forces constrain the Exchange's fees and drive incentives. By way of comparison, the proposed incentives are comparable to those offered by NYSE American LLC.¹³

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C.78f(b)(4).

¹² 15 U.S.C.78f(b)(5).

¹³ See Securities Exchange Act Release No. 102780 (April 7, 2025), 90 FR 15489 (April 11, 2025) (SR-NYSEAMER-2025-18) (providing Electronic Designated Market Makers tiered monthly per-security credits ranging from \$100 for quoting at the NBBO 25% of the time to \$1,250 for 80% of the time).

A Market Maker may earn a pro-rata share of monthly incentives calculated daily, on a security by security basis, if the Market Maker commences quoting in one or more of its registered securities on a day after the first business day of the month, but this would apply only during the first month in which a Market Maker is eligible to participate in the Market Maker Incentive Program and would be subject to the other program provisions, including the Monthly Incentive Cap and the Liquidity Incentive Program Exclusion. Therefore, Market Makers would be compensated in direct proportion to the time they bear active quoting risks and obligations. Accordingly, the Exchange believes that the amounts of any pro-rata incentives would be reasonable for the same reason that the full incentive amounts are reasonable.¹⁴

The Exchange operates in a highly fragmented and competitive market in which market making firms choose to make markets on venues based on fee and incentive levels. LTSE is only one of sixteen registered equities exchanges, all of which have rules permitting the registration of market makers. The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”¹⁵ Accordingly, within this landscape, the Exchange believes that the amounts of its proposed incentives are reasonable.

¹⁴ Additionally, this first month provision is designed to incentivize new market makers to quote aggressively in the Market Maker-Eligible Securities in which they are registered as soon as they are ready (rather than waiting until the first day of the month after they are ready), which would immediately enhance market quality in those securities. For this reason, the Exchange believes that this provision removes impediments to and perfects the mechanism of a free and open market and a national market system and protects investors and the public interest, consistent with the Section 6(b)(5) of the Act.

¹⁵ Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499, (June 29, 2005) (S7-10-04).

With the addition of the Market Maker Incentive Program, the Exchange's dues, fees, and other charges continue to be equitably allocated. The reward a Market Maker receives under this program is tied to achieving specific quoting thresholds:

- a Market Maker must quote at the NBBO in a Market Maker Incentive-Eligible Dually-Listed Security at least 70% the time to earn \$1,250; and
- a Market Maker must quote at the NBBO in a Market Maker Incentive-Eligible Non-LTSE Listed Security at least 50% the time to earn \$850;
- a Market Maker must quote at the NBBO in a Market Maker Incentive-Eligible Non-LTSE Listed Security at least 70% of the time to earn \$1,000.

The proposed reward levels are calibrated to levels of market risk taken on by a Market Maker and the projected benefits to the Exchange. Those projected benefits include increased liquidity available at the NBBO in Market Maker Incentive-Eligible Securities, improved price discovery generally and for Market Maker Incentive-Eligible Securities in particular, increased order flow to the Exchange, and improved trading conditions for all market participants on the Exchange through narrower bid-ask spreads.¹⁶

Additionally, the proposed larger incentive for Market Makers in Dually-Listed Securities appropriately corresponds to the greater quoting requirement of 70% at the NBBO threshold. A Market Maker registered in a Dually-Listed Security that fails to reach the 70% threshold would not receive any incentive; in contrast, a Market Maker registered in a Non-LTSE Listed Security that quotes at the NBBO less than 70% but at least 50% of the time would

¹⁶ The Commission recognizes the benefits provided by market makers generally. For example, the Commission attributes competition between liquidity providers (together with the availability of execution quality benchmarks and data) with providing enhanced execution results such as through price improvement relative to the national best bid and offer and the execution of orders at midpoint prices. See Securities Exchange Act Release No. 105655 (June 11, 2026), 91 FR 36656, 36667, text accompanying n.152, (June 17, 2026) (S7-2026-20).

still be eligible for an incentive. The proposed larger incentive for making a market in a Dually-Listed Security appropriately corresponds to the risk associated with the single quoting threshold, set at the higher 70% level. As described in greater detail below, the proposed larger incentive for making a market in a Dually-Listed Security also reflects the Exchange's: (1) proposed requirement to register in at least one Dually-Listed Security as a condition of earning any incentive under the program (by operation of the Monthly Incentive Cap), coupled with the fact that the number of Dually-Listed Securities are limited in number, which offers Market Makers limited choices in those securities; and (2) commitment to enhance liquidity in Dually-Listed Securities.

The proposed incentives would be subject to the Monthly Incentive Cap, which limits incentives for Non-LTSE Listed Securities in a billing month to no more than 20 for every one Dually-Listed Security in which the Market Maker registers. The purposes of the Monthly Incentive Cap are to constrain the amount of monthly incentives that the Exchange must pay and to incentivize quoting in Dually-Listed Securities. Market Makers must register in one or more Dually-Listed Securities to participate in the Market Maker Incentive Program. At this time, there are not very many Dually-Listed Securities and, as mentioned above, Dually-Listed Securities are automatically included as Market Maker Incentive-Eligible Securities (i.e., they are not subject to the objective criteria mentioned above).¹⁷ The Exchange proposes to offer a higher incentive for quoting at the NBBO in Dually-Listed Securities to compensate for this lack of choice.

For these reasons, the LTSE believes that the addition of the Market Maker Incentive Program would result in a continued equitable allocation of Exchange revenues.

¹⁷ See supra note 9 and accompanying text.

(2) Section 6(b)(5) Analysis

Section 6(b)(5) of the Act requires, among other things, that the rules of the Exchange not be designed to permit unfair discrimination between customers, issuers, brokers or dealers. The Market Maker Incentive Program discriminates fairly among issuers, brokers, and dealers (and does not discriminate among customers) in ways that are standard among the national securities exchanges.

The Market Maker Incentive Program discriminates fairly among brokers and dealers. Only Market Makers that are registered in one or more Dually-Listed Securities are eligible to earn the proposed monthly incentives.¹⁸ This type of discrimination is standard; national securities exchanges offer incentives and rebates exclusively to market makers. The criteria for becoming a registered Market Maker apply equally to all Members.

The Market Maker Incentive Program also discriminates among issuers in two ways, and both are fair. First, the Market Maker Incentive Program favors Dually-Listed Securities by automatically including Dually-Listed Securities as Market Maker Incentive-Eligible Securities. Its preference of Dually-Listed Securities (over Non-LTSE Listed Securities) is also reflected in the amount of the proposed incentives, which varies according to whether the Market Maker quotes in a Dually-Listed Security or a Non-LTSE Listed Security: for Dually-Listed Securities, Market Makers may earn \$1,250 for quoting at the NBBO at least 70% of the time; for Non-LTSE Listed Securities, they may earn \$1,000 for quoting at least 70% of the time, or \$850 for quoting at least 50% of the time.

¹⁸ All registered Market Makers are dealers on the Exchange for all purposes under the Act and the rules and regulations thereunder. See LTSE Rule 11.150(f).

Enhancing liquidity in Dually-Listed Securities is a primary objective of the Market Maker Incentive Program, reflecting the Exchange's heightened commitment to issuers that have chosen to dual-list on LTSE. It is common for equity markets to preference market making in securities they list. Other national securities exchanges have adopted market making programs that apply *exclusively* to securities listed on the proposing exchange,¹⁹ which is far more discriminatory than what LTSE proposes.²⁰ Additionally, while the amounts of the proposed incentives offered by the Exchange for quoting at the NBBO vary for Dually-Listed Securities and Non-LTSE Listed Securities, that discrimination is fair for the reasons discussed above (i.e., the higher incentive offered for making markets in Dually-Listed Securities reflects Market Makers' lack of choice in selecting Dually-Listed Securities and the increased risk associated with the singular eligibility threshold).

Second, the Market Maker Incentive Program incentivizes market making in only Market Maker Incentive-Eligible Securities, and thus discriminates among issuers of Non-LTSE Listed Securities. The Commission has consistently permitted exchanges to adopt differentiated pricing (and rebates) for distinct categories of securities, provided that the distinctions are based on reasonable, non-arbitrary criteria and further the purposes of the Act. As discussed above, LTSE will include certain Non-LTSE Listed Securities as Market Maker Incentive-Eligible Securities by applying several objective factors that relate to a security's trading characteristics and designating the securities that meet certain thresholds with respect to these factors to be Market

¹⁹ See, e.g., Cboe BZX Rule 11.8(e) (Lead Market Maker Program), NYSE Rule 103B(I) (governing allocations to qualified DMM units).

²⁰ While the Market Maker Incentive Program preferences NBBO quoting in Dually-Listed Securities, it expressly allows Market Makers that are registered in one or more Dually-Listed Security to earn incentives by satisfying quoting thresholds in securities that are not listed on LTSE.

Maker Incentive-Eligible Securities.²¹ The Exchange has permitted similar types of discrimination before,²² and the discrimination in this proposal does not raise any novel regulatory issues under the Act.

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

The Exchange believes that the proposed change will not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, consistent with Section 6(b)(8) of the Act.²³ To the contrary, the proposal is a competitive response to incentives offered by other exchanges.²⁴

The Exchange operates in a highly competitive market in which market participants can readily choose to send their orders to other exchanges and off-exchange venues. Currently, the Exchange has less than 1% market share of executed volume of equities trading. In such an environment, the Exchange must continually adjust its fees and incentives to remain competitive with other exchanges and with off-exchange venues. Because competitors are free to modify their own fees and credits in response, and because market participants may readily adjust their order routing practices, the Exchange does not believe its proposed fee change can impose any burden on intermarket competition. The Exchange believes that the proposed change could promote competition between the Exchange and other execution venues, encouraging Market Makers to quote more competitively on the Exchange in a significant number of securities, promoting price discovery, and contributing to a deeper and more liquid market to the benefit of

²¹ See supra, text accompanying note 9.

²² See Securities Exchange Act Release Nos. 103517 (July 22, 2025), 90 FR 35325 (July 25, 2025) (SR-LTSE-2025-16) (allowing selection of LIP Enhanced Securities); 104221 (November 19, 2025), 90 FR 53037 (November 24, 2025) (SR-IEEX-2025-27) (allowing selection of SMQ Level 2 Securities).

²³ 15 U.S.C. 78f(b)(8).

²⁴ See, e.g., Securities Exchange Act Release No. 102780, supra note 13.

all market participants. In turn, this would encourage market participants to direct their orders to the Exchange.

With respect to intramarket competition, the proposed rule change is designed to attract additional orders to the Exchange. The Exchange believes that the proposed rewards would incentivize market participants to direct their orders to the Exchange. Greater overall order flow, trading opportunities, and pricing transparency benefit all market participants on the Exchange by enhancing market quality and continuing to encourage Members to send orders, thereby contributing towards a robust and well-balanced market ecosystem. Further, the Exchange notes that the Market Maker Incentive Program is open on equal terms to all Members who register as a Market Maker pursuant to Rule 11.150 and are registered in one or more Dually-Listed Securities. The proposed incentives are proportional and based on quoting at the NBBO, an objective measure; they are not discretionary grants.

For these reasons, the Exchange believes that the proposed rule change will not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

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

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

6. Extension of Time Period for Commission Action

Not applicable.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act,²⁵ and Rule 19b-4(f)(2) thereunder. At any time within 60 days of the filing of the proposed

²⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.²⁶

8. Proposed Rule Change Based on the Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of the Proposed Rule Change for Publication in the Federal Register.

Exhibit 5 - Text of proposed rule change.

²⁶

15 U.S.C. 78s(b)(2)(B).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-LTSE-2026-22]

Self-Regulatory Organizations: Long-Term Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the LTSE Fee Schedule to Add an Incentive Program for Market Makers

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on [DATE], Long-Term Stock Exchange, Inc. (“LTSE” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is filing with the Commission a proposed rule change to amend the LTSE Fee Schedule to add an incentive program for Market Makers.³ The Exchange proposes to implement the changes to the fee schedule pursuant to this proposal on October 1, 2026.

The text of the proposed rule change is available at the Exchange’s website at <https://longtermstockexchange.com/>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See LTSE Rule 1.160(ww) (defining Market Maker).

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 Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

On September 29, 2026, LTSE amended its rules governing registered Market Makers.⁴ Under LTSE’s Market Maker rules, Market Makers receive no benefits for making markets. To attract Market Makers, the Exchange is adding to its Fee Schedule the Market Maker Incentive Program. This program is designed to improve market quality in many Non-LTSE-Primary- Listed Securities⁵ that trade on the Exchange by incentivizing Market Makers to quote at the national best bid or offer (“NBBO”)⁶ in Market Maker Incentive-Eligible Securities (defined below).

The Market Maker Incentive Program. Under the program, a Market Maker that posts displayed quotes on the Exchange at the NBBO for the times specified below during the Regular Market Session (as defined in LTSE Rule 1.160kk)) in a Market Maker Incentive-Eligible

⁴ See Securities Exchange Act Release No. 106529 (SR-LTSE-2026-21).

⁵ Non-LTSE-Primary Listed Securities are (i) any UTP Security and (ii) any Dually-Listed Securities, as provided for in LTSE Rule 14.210, which are not LTSE-Primary-Listed Securities. See LTSE Rule 1.160 z). “UTP Security” and “LTSE-Primary-Listed Securities” are defined in LTSE Rules 1.160 vv) and s), respectively. “Dually-Listed Securities” are securities that have been approved for listing on LTSE and another national securities exchange registered with the Commission pursuant to Section 6(a) of the Act. See LTSE Rule 14.210.

⁶ “NBBO” means the national best bid or best offer, as set forth in Rule 600(b) of Regulation NMS under the Act as set forth in LTSE Rule 11.410(b). See LTSE Rule 1.160 y) (defining NBBO).

Security, as defined below, in which the Market Maker is registered pursuant to Rule 11.153 will be eligible for the following monthly incentives, subject to the Monthly Incentive Cap (defined below):

Security Type	NBBO Obligation	Monthly Incentive
Dually-Listed Securities	At least 70% @ NBBO	\$1250
UTP Securities, excluding Dually-Listed (“Non-LTSE Listed Securities”)	At least 50% and less than 70% @ NBBO	\$850
	At least 70% @ NBBO	\$1000

A Market Maker’s time at the NBBO is calculated daily and averaged across the month by aggregating the percentage of time during the Regular Market Session during which the Market Maker’s Primary MPID (as defined in Rule 11.151(d)(12)) has at least one round lot displayed at the NBBO.⁷ The Exchange excludes from its calculation of whether a Market Maker qualifies for the Market Maker Incentive: (1) any trading day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during the Regular Market Session; (2) any day with a scheduled early market close; and (3) the “Russell Reconstitution Day” (typically the last Friday in June).⁸

During the first month in which a Market Maker is eligible to participate in the Market Maker Incentive Program, for each security in which the Market Maker registers, it may earn a pro-rata share of the monthly incentive described above (calculated on a daily basis) if the Market Maker commences quoting in its registered security on a day after the first business day

⁷ This is consistent with how LTSE calculates time at the NBBO in connection with its Co-Lead Incentive.

⁸ Similarly, the Exchange also excludes these time periods from its Co-Lead Incentive and Liquidity Incentive Program calculations.

of the month. All of the other provisions apply during the first month, including the Monthly Incentive Cap and the Liquidity Incentive Program Exclusion (both defined below).

The Monthly Incentive Cap limits incentives for Non-LTSE Listed Securities in a billing month to no more than 20 for every one Dually-Listed Security in which the Market Maker is registered. The Monthly Incentive Cap constrains the amount of monthly incentives that the Exchange must pay and encourages Market Makers to register in Dually-Listed Securities in particular.

Additionally, where a Market Maker meets the quoting requirements for both the Market Maker Incentive Program and the Liquidity Incentive Program, the Market Maker Incentive Program incentive shall apply in lieu of the Liquidity Incentive Program incentive. This is referred to as the “Liquidity Incentive Program Exclusion.”

“Market Maker Incentive-Eligible Securities” are those securities that qualify for the incentives set forth in the Market Maker Incentive Program. The Exchange will maintain a list of Market Maker Incentive-Eligible Securities, which will be provided to Market Makers upon request, and that list will include all Dually-Listed Securities and certain Non-LTSE Listed Securities selected on the basis of their trading characteristics. Non-LTSE Listed Securities will be screened, applying several objective factors that relate to a security’s trading characteristics, and securities that meet specific thresholds with respect to these factors will be included as Market Maker Incentive-Eligible Securities. These factors are share price, average daily volume traded, average daily notional value traded, intra-day volatility, and time at the NBBO,⁹ and they are designed to identify securities in which increased quoting would be impactful to both LTSE and the market, but not unduly burdensome to Market Makers in meeting the quoting

⁹ The Exchange has discussed with Commission staff the criteria and thresholds it intends to apply.

requirements to earn incentives under the program. LTSE will review the eligibility of Non-LTSE Listed Securities annually and update the list of Market Maker Incentive-Eligible Securities. The Exchange will provide Market Makers adequate advance notice of changes to the list (if any). The balance between the quoting thresholds and the incentives offered under the program are discussed below.

(b) Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act¹⁰ in general, and furthers the objectives of Sections 6(b)(4)¹¹ and 6(b)(5)¹² of the Act in particular.

(1) Section 6(b)(4) Analysis

Section 6(b)(4) of the Act requires that the rules of a national securities exchange provide for the equitable allocation of reasonable dues, fees and other charges among all of its Members and issuers and other persons using its facilities. With the addition of the Market Maker Incentive Program to its Fee Schedule, the Exchange's rules will continue to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and issuers and other persons using its facilities.

The amounts of the incentives are reasonable. Under the proposed Market Maker Incentive Program, LTSE offers Market Makers the opportunity to earn monthly payments of \$850, \$1,000, and \$1,250 per Market Maker Incentive-Eligible Security (depending on time spent at the NBBO and whether the security is a Dually-Listed Security or a Non-LTSE Listed

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(4).

¹² 15 U.S.C. 78f(b)(5).

Security), subject to the Monthly Incentive Cap, which limits incentives for Non-LTSE Listed Securities in a billing month to no more than 20 for every Dually-Listed Security in which the Market Maker is registered. The Exchange believes these incentive levels are reasonable in the current environment where, as discussed below, competitive forces constrain the Exchange's fees and drive incentives. By way of comparison, the proposed incentives are comparable to those offered by NYSE American LLC.¹³

A Market Maker may earn a pro-rata share of monthly incentives calculated daily, on a security by security basis, if the Market Maker commences quoting in one or more of its registered securities on a day after the first business day of the month, but this would apply only during the first month in which a Market Maker is eligible to participate in the Market Maker Incentive Program and would be subject to the other program provisions, including the Monthly Incentive Cap and the Liquidity Incentive Program Exclusion. Therefore, Market Makers would be compensated in direct proportion to the time they bear active quoting risks and obligations. Accordingly, the Exchange believes that the amounts of any pro-rata incentives would be reasonable for the same reason that the full incentive amounts are reasonable.¹⁴

The Exchange operates in a highly fragmented and competitive market in which market making firms choose to make markets on venues based on fee and incentive levels. LTSE is only one of sixteen registered equities exchanges, all of which have rules permitting the registration of

¹³ See Securities Exchange Act Release No. 102780 (April 7, 2025), 90 FR 15489 (April 11, 2025) (SR-NYSEAMER-2025-18) (providing Electronic Designated Market Makers tiered monthly per-security credits ranging from \$100 for quoting at the NBBO 25% of the time to \$1,250 for 80% of the time).

¹⁴ Additionally, this first month provision is designed to incentivize new market makers to quote aggressively in the Market Maker-Eligible Securities in which they are registered as soon as they are ready (rather than waiting until the first day of the month after they are ready), which would immediately enhance market quality in those securities. For this reason, the Exchange believes that this provision removes impediments to and perfects the mechanism of a free and open market and a national market system and protects investors and the public interest, consistent with the Section 6(b)(5) of the Act.

market makers. The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”¹⁵ Accordingly, within this landscape, the Exchange believes that the amounts of its proposed incentives are reasonable.

With the addition of the Market Maker Incentive Program, the Exchange’s dues, fees, and other charges continue to be equitably allocated. The reward a Market Maker receives under this program is tied to achieving specific quoting thresholds:

- a Market Maker must quote at the NBBO in a Market Maker Incentive-Eligible Dually-Listed Security at least 70% the time to earn \$1,250; and
- a Market Maker must quote at the NBBO in a Market Maker Incentive-Eligible Non-LTSE Listed Security at least 50% the time to earn \$850;
- a Market Maker must quote at the NBBO in a Market Maker Incentive-Eligible Non-LTSE Listed Security at least 70% of the time to earn \$1,000.

The proposed reward levels are calibrated to levels of market risk taken on by a Market Maker and the projected benefits to the Exchange. Those projected benefits include increased liquidity available at the NBBO in Market Maker Incentive-Eligible Securities, improved price discovery generally and for Market Maker Incentive-Eligible Securities in particular, increased order flow

¹⁵ Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499, (June 29, 2005) (S7-10-04).

to the Exchange, and improved trading conditions for all market participants on the Exchange through narrower bid-ask spreads.¹⁶

Additionally, the proposed larger incentive for Market Makers in Dually-Listed Securities appropriately corresponds to the greater quoting requirement of 70% at the NBBO threshold. A Market Maker registered in a Dually-Listed Security that fails to reach the 70% threshold would not receive any incentive; in contrast, a Market Maker registered in a Non-LTSE Listed Security that quotes at the NBBO less than 70% but at least 50% of the time would still be eligible for an incentive. The proposed larger incentive for making a market in a Dually-Listed Security appropriately corresponds to the risk associated with the single quoting threshold, set at the higher 70% level. As described in greater detail below, the proposed larger incentive for making a market in a Dually-Listed Security also reflects the Exchange's: (1) proposed requirement to register in at least one Dually-Listed Security as a condition of earning any incentive under the program (by operation of the Monthly Incentive Cap), coupled with the fact that the number of Dually-Listed Securities are limited in number, which offers Market Makers limited choices in those securities; and (2) commitment to enhance liquidity in Dually-Listed Securities.

The proposed incentives would be subject to the Monthly Incentive Cap, which limits incentives for Non-LTSE Listed Securities in a billing month to no more than 20 for every one Dually-Listed Security in which the Market Maker registers. The purposes of the Monthly Incentive Cap are to constrain the amount of monthly incentives that the Exchange must pay and

¹⁶ The Commission recognizes the benefits provided by market makers generally. For example, the Commission attributes competition between liquidity providers (together with the availability of execution quality benchmarks and data) with providing enhanced execution results such as through price improvement relative to the national best bid and offer and the execution of orders at midpoint prices. See Securities Exchange Act Release No. 105655 (June 11, 2026), 91 FR 36656, 36667, text accompanying n.152, (June 17, 2026) (S7-2026-20).

to incentivize quoting in Dually-Listed Securities. Market Makers must register in one or more Dually-Listed Securities to participate in the Market Maker Incentive Program. At this time, there are not very many Dually-Listed Securities and, as mentioned above, Dually-Listed Securities are automatically included as Market Maker Incentive-Eligible Securities (i.e., they are not subject to the objective criteria mentioned above).¹⁷ The Exchange proposes to offer a higher incentive for quoting at the NBBO in Dually-Listed Securities to compensate for this lack of choice.

For these reasons, the LTSE believes that the addition of the Market Maker Incentive Program would result in a continued equitable allocation of Exchange revenues.

(2) Section 6(b)(5) Analysis

Section 6(b)(5) of the Act requires, among other things, that the rules of the Exchange not be designed to permit unfair discrimination between customers, issuers, brokers or dealers. The Market Maker Incentive Program discriminates fairly among issuers, brokers, and dealers (and does not discriminate among customers) in ways that are standard among the national securities exchanges.

The Market Maker Incentive Program discriminates fairly among brokers and dealers. Only Market Makers that are registered in one or more Dually-Listed Securities are eligible to earn the proposed monthly incentives.¹⁸ This type of discrimination is standard; national securities exchanges offer incentives and rebates exclusively to market makers. The criteria for becoming a registered Market Maker apply equally to all Members.

¹⁷ See supra note 9 and accompanying text.

¹⁸ All registered Market Makers are dealers on the Exchange for all purposes under the Act and the rules and regulations thereunder. See LTSE Rule 11.150(f).

The Market Maker Incentive Program also discriminates among issuers in two ways, and both are fair. First, the Market Maker Incentive Program favors Dually-Listed Securities by automatically including Dually-Listed Securities as Market Maker Incentive-Eligible Securities. Its preference of Dually-Listed Securities (over Non-LTSE Listed Securities) is also reflected in the amount of the proposed incentives, which varies according to whether the Market Maker quotes in a Dually-Listed Security or a Non-LTSE Listed Security: for Dually-Listed Securities, Market Makers may earn \$1,250 for quoting at the NBBO at least 70% of the time; for Non-LTSE Listed Securities, they may earn \$1,000 for quoting at least 70% of the time, or \$850 for quoting at least 50% of the time.

Enhancing liquidity in Dually-Listed Securities is a primary objective of the Market Maker Incentive Program, reflecting the Exchange's heightened commitment to issuers that have chosen to dual-list on LTSE. It is common for equity markets to preference market making in securities they list. Other national securities exchanges have adopted market making programs that apply *exclusively* to securities listed on the proposing exchange,¹⁹ which is far more discriminatory than what LTSE proposes.²⁰ Additionally, while the amounts of the proposed incentives offered by the Exchange for quoting at the NBBO vary for Dually-Listed Securities and Non-LTSE Listed Securities, that discrimination is fair for the reasons discussed above (i.e., the higher incentive offered for making markets in Dually-Listed Securities reflects Market Makers' lack of choice in selecting Dually-Listed Securities and the increased risk associated with the singular eligibility threshold).

¹⁹ See, e.g., Cboe BZX Rule 11.8(e) (Lead Market Maker Program), NYSE Rule 103B(I) (governing allocations to qualified DMM units).

²⁰ While the Market Maker Incentive Program preferences NBBO quoting in Dually-Listed Securities, it expressly allows Market Makers that are registered in one or more Dually-Listed Security to earn incentives by satisfying quoting thresholds in securities that are not listed on LTSE.

Second, the Market Maker Incentive Program incentivizes market making in only Market Maker Incentive-Eligible Securities, and thus discriminates among issuers of Non-LTSE Listed Securities. The Commission has consistently permitted exchanges to adopt differentiated pricing (and rebates) for distinct categories of securities, provided that the distinctions are based on reasonable, non-arbitrary criteria and further the purposes of the Act. As discussed above, LTSE will include certain Non-LTSE Listed Securities as Market Maker Incentive-Eligible Securities by applying several objective factors that relate to a security's trading characteristics and designating the securities that meet certain thresholds with respect to these factors to be Market Maker Incentive-Eligible Securities.²¹ The Exchange has permitted similar types of discrimination before,²² and the discrimination in this proposal does not raise any novel regulatory issues under the Act.

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

The Exchange believes that the proposed change will not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, consistent with Section 6(b)(8) of the Act.²³ To the contrary, the proposal is a competitive response to incentives offered by other exchanges.²⁴

The Exchange operates in a highly competitive market in which market participants can readily choose to send their orders to other exchanges and off-exchange venues. Currently, the Exchange has less than 1% market share of executed volume of equities trading. In such an

²¹ See supra, text accompanying note 9.

²² See Securities Exchange Act Release Nos. 103517 (July 22, 2025), 90 FR 35325 (July 25, 2025) (SR-LTSE-2025-16) (allowing selection of LIP Enhanced Securities); 104221 (November 19, 2025), 90 FR 53037 (November 24, 2025) (SR-IEEX-2025-27) (allowing selection of SMQ Level 2 Securities).

²³ 15 U.S.C. 78f(b)(8).

²⁴ See, e.g., Securities Exchange Act Release No. 102780, supra note 13.

environment, the Exchange must continually adjust its fees and incentives to remain competitive with other exchanges and with off-exchange venues. Because competitors are free to modify their own fees and credits in response, and because market participants may readily adjust their order routing practices, the Exchange does not believe its proposed fee change can impose any burden on intermarket competition. The Exchange believes that the proposed change could promote competition between the Exchange and other execution venues, encouraging Market Makers to quote more competitively on the Exchange in a significant number of securities, promoting price discovery, and contributing to a deeper and more liquid market to the benefit of all market participants. In turn, this would encourage market participants to direct their orders to the Exchange.

With respect to intramarket competition, the proposed rule change is designed to attract additional orders to the Exchange. The Exchange believes that the proposed rewards would incentivize market participants to direct their orders to the Exchange. Greater overall order flow, trading opportunities, and pricing transparency benefit all market participants on the Exchange by enhancing market quality and continuing to encourage Members to send orders, thereby contributing towards a robust and well-balanced market ecosystem. Further, the Exchange notes that the Market Maker Incentive Program is open on equal terms to all Members who register as a Market Maker pursuant to Rule 11.150 and are registered in one or more Dually-Listed Securities. The proposed incentives are proportional and based on quoting at the NBBO, an objective measure; they are not discretionary grants.

For these reasons, the Exchange believes that the proposed rule change will not impose any burden on competition 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 comments on the proposed rule change.

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

This proposed rule change establishes dues, fees or other charges among its members and, as such, may take effect upon filing with the Commission pursuant to Section 19(b)(3)(A)(ii) of the Act²⁵ and paragraph (f)(2) of Rule 19b-4 thereunder.²⁶ Accordingly, the proposed rule change would take effect upon filing with the Commission.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend the rule change if it appears to the Commission that the action is necessary or appropriate in the public interest, for the protection of investors, or would otherwise further the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>);
- or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-LTSE-2026-22 on the subject line.

²⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

²⁶ 17 CFR 240.19b-4(f)(2).

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange

Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-LTSE-2026-22. 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 LTSE and on its Internet website at <https://longtermstockexchange.com/>.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-LTSE-2026-22 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁷

²⁷

17 CFR 200.30-3(a)(12).

Exhibit 5 – Text of the Proposed Rule Change

New language**LONG-TERM STOCK EXCHANGE****FEE SCHEDULE**

* * * * *

2. Liquidity Incentive Program

No change

3. Market Maker Incentive Program

A Market Maker registered in one or more Dually-Listed Securities that posts displayed quotes on the Exchange at the NBBO for the times specified below during the Regular Market Session (as defined in LTSE Rule 1.160kk) in a Market Maker Incentive-Eligible Security in which it is registered pursuant to LTSE Rule 11.153 will be eligible for the following monthly incentives, subject to a Monthly Incentive Cap (discussed below):

<u>Security Type</u>	<u>NBBO Obligation</u>	<u>Monthly Incentive</u>
<u>Dually-Listed Securities</u>	<u>At least 70% @ NBBO</u>	<u>\$1250</u>
<u>UTP Securities, excluding Dually-Listed (“Non-LTSE Listed Securities”)</u>	<u>At least 50% and less than 70% @ NBBO</u>	<u>\$850</u>
	<u>At least 70% @ NBBO</u>	<u>\$1000</u>

Notes to Market Maker Incentive Program:

- A Market Maker’s time at the NBBO is calculated daily and averaged across the month by aggregating the percentage of time during the Regular Market Session during which the Market Maker’s Primary MPID (as defined in Rule 11.151(d)(12)) has at least one round lot displayed at the NBBO.
 - **First Month.** During the first month in which a Market Maker is eligible to participate in the Market Maker Incentive Program, for each security in which the Market Maker registers, it may earn a pro-rata share of the monthly incentive described above (calculated on a daily basis) if the Market Maker commences quoting in its registered security on a day after the first business day of the month. All of the

provisions below apply during the first month, including the Monthly Incentive Cap and the Liquidity Incentive Program Exclusion (both defined below).

- The Exchange excludes from its calculation of whether a Market Maker qualifies for the Market Maker Incentive: (1) any trading day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during the Regular Market Session; (2) any day with a scheduled early market close; and (3) the “Russell Reconstitution Day” (typically the last Friday in June).
- **Monthly Incentive Cap.** For any billing month, a Market Maker may receive no more than 20 monthly incentives for Non-LTSE Listed Securities for every one Dually-Listed Security in which it is registered.
- **Liquidity Incentive Program Exclusion.** Where a Market Maker meets the quoting requirements for both the Market Maker Incentive Program and the Liquidity Incentive Program, the Market Maker Incentive Program incentive shall apply in lieu of the Liquidity Incentive Program incentive.

Definitions:

“Market Maker Incentive-Eligible Securities” means those securities that qualify for the incentives set forth in the Market Maker Incentive Program as determined by the Exchange. The Exchange will maintain a list of these securities, which will be provided to Market Makers upon request.

“NBBO” means the national best bid or best offer, as set forth in Rule 600(b) of Regulation NMS under the Act as set forth in LTSE Rule 11.410(b).

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