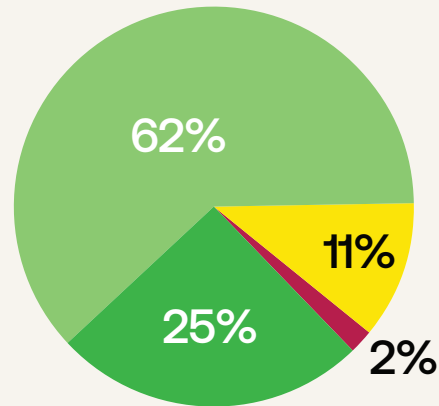
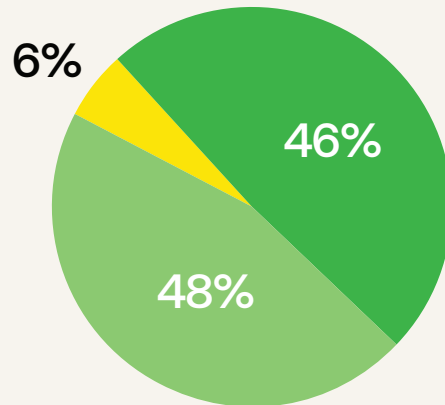


What the Buyside Really Thinks About the SEC's Reg NMS Proposal

94% of institutional investors agree

U.S. equity market regulation could be updated to keep better pace with changes in technology and participant activity.

● Strongly Agree ● Agree ● Neutral



87% of institutional investors agree

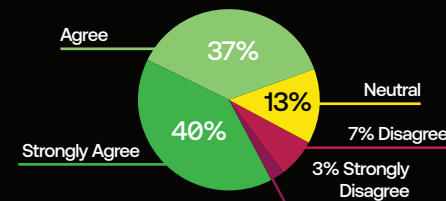
that modest updates to Regulation NMS will create a more transparent, efficient and competitive marketplace.

● Strongly Agree ● Agree ● Neutral ● Disagree

Tick Size

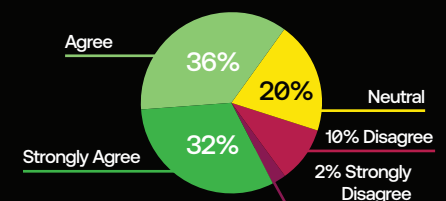
77% of institutional investors agree

that reduction of quote sizes from 1 penny to 1/10 penny (10 mills) for select stocks would go too far.



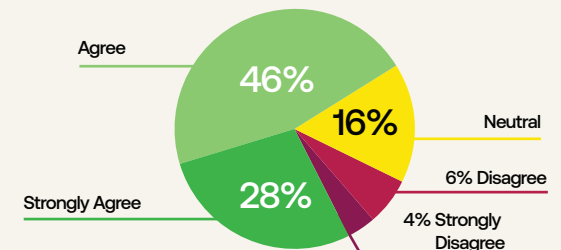
68% of institutional investors agree

that reduction of quote sizes from 1 penny to 1/5 penny (20 mills) for select stocks would go too far.



74% of institutional investors would support

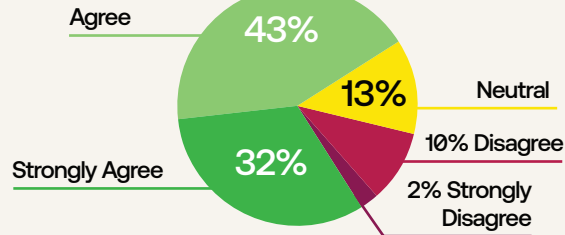
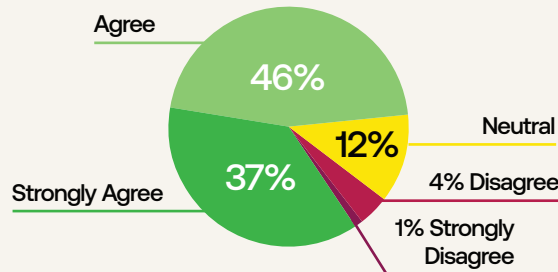
a more moderate reduction from 1 cent to a 1/2 penny (50 mills) if quote sizes are reduced for "tick-constrained" symbols.



Access Fees

83% of institutional investors would be in favor of

a simple access fee cap structure that would have a uniform 10 mil fee cap for additional symbols (reduced from the current cap of 30 mils).



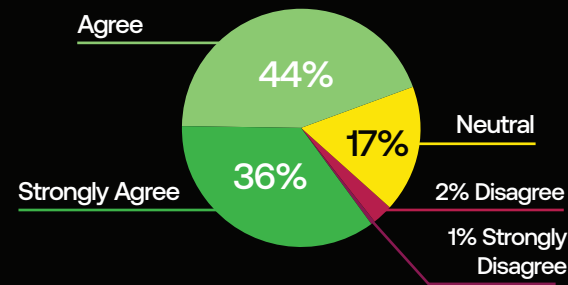
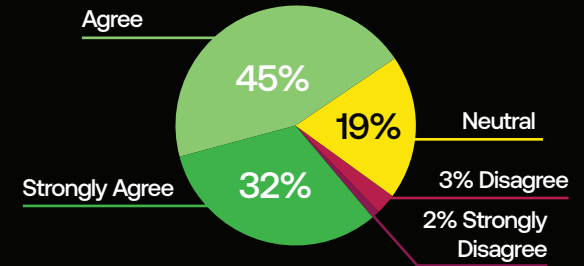
75% of institutional investors agree

that exchange rebates are not a deciding factor in their decision on where to route their orders, and that is left for their broker to decide.

Rebate Tiers

77% of institutional investors agree

that the SEC could foster a more competitive landscape among broker-dealers by eliminating exchange rebate tiers.



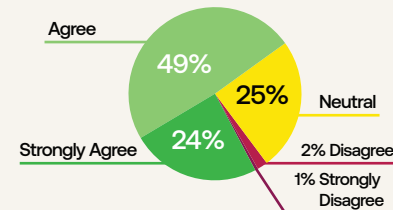
80% of institutional investors agree

rebates and pricing tiers create negative distortions in the competitive landscape, and markets would be more competitive if their impact was reduced.

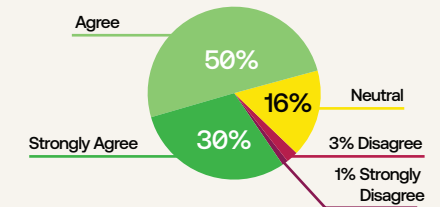
Odd Lots

73% of institutional investors support

the creation of a "BOLO," or a "National Best Bid or Offer," for the best quoted price in Odd Lot quantities, to be included in consolidated data feeds.



For higher priced names, 80% of institutional investors are supportive of reducing the definition of "round lots."



In December 2022, the SEC shared a proposal to update the rules of the current national market system to make the stock market more transparent and competitive for all investors. Regulation NMS, as it's known, was last updated in 2005 – nearly twenty years ago. To better understand investors' perspectives on the nuances of ideas proposed, we surveyed the buy-side in spring 2023 and heard back from 217 institutional investors across mutual funds, pensions, endowments, hedge funds, RIAs, and private wealth funds. Here's what they told us.

Methodology: The IEX Institutional Investor Survey surveyed 217 market participants in April and May 2023. The survey respondents consist of institutional investors including Pensions, Hedge Funds, Mutual Funds, and Endowments – among others. The AUM of the firms represented ranged from less than \$1 billion to over \$1 trillion with the majority of respondents from firms that had between \$1B and \$500B in AUM. Respondents were asked to rank their views on the recent Reg NMS proposals on a Likert Scale.

The Document and its contents (collectively, the "Document") are provided for informational purposes only and should not be construed as professional advice. The Document is based on results of a survey conducted by Investors' Exchange LLC ("IEX Exchange") between April 2023 and May 2023 in connection with the Securities and Exchange Commission's recent proposed amendments to Regulation NMS (the "Survey"). IEX Exchange has no obligation (express or implied) to update or correct any or all of the Document or to advise any reader or recipient of the Document of any changes or corrections. While every effort has been made to ensure the accuracy of the Document, there is no guarantee that the Document is complete or correct. The Document should not be assumed to be conclusive in whole or in part. IEX Exchange makes no representation or warranty, express or implied, as to the accuracy, completeness or reliability of the Document. Any reliance on the Document is at the reader's own risk. IEX Exchange assumes no liability or responsibility for the Document or any errors, omissions, opinions or mischaracterizations contained herein or for any actions taken (or not taken) in reliance on all or any portion of the Document. If you have any questions or comments regarding the Document or the Survey, please [contact bdteam@iextrading.com](mailto:contactbdteam@iextrading.com).

