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

File No. * SR 2025 - * 26

Amendment No. (req. for Amendments *)

Filing by Investors' Exchange LLC

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

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 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

Exhibit 3 Sent As Paper Document

Description

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

Proposed Rule Change to Amend the Exchange's Fee Schedule Pursuant to IEX Rule 15.110(a) and (c)

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 * Nathaniel Last Name * Kolodny

Title * Lead Regulation Counsel

E-mail * nathaniel.kolodny@iextrading.com

Telephone * (646) 343-2034 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Investors' Exchange LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 09/30/2025

(Title *)

By Claudia Crowley

Chief Regulatory Officer

(Name *)

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.

Claudia Crowley

Digitally signed by Claudia Crowley
Date: 2025.09.30 11:20:08 -04'00'

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 EFFS website.

Form 19b-4 Information *

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ETP Quoting Tiers 19b-4 v 3.2 for 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 *

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ETP Quoting Tiers Exhibit 1 for filing.c

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

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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

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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

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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

ETP Quoting Tiers Ex 5 v. 3 for filing.d

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

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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 Investors Exchange LLC (“IEX” or “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the Exchange’s fee schedule applicable to Members³ (the “Fee Schedule”⁴) pursuant to IEX Rule 15.110(a) and (c) to introduce certain minimum quoting requirements for Exchange Traded Products (“ETPs”) as an additional means of qualifying for two of its Displayed Liquidity Adding Rebate Tiers for executions priced at or above \$1.00 per share. Changes to the Fee Schedule pursuant to this proposal are effective upon filing,⁵ and will be operative on October 1, 2025.

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) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See IEX Rule 1.160(s).

⁴ See Investors Exchange Fee Schedule, available at <https://www.iexexchange.io/resources/trading/fee-schedule>.

⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. 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 persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

Claudia Crowley
Chief Regulatory Officer
Investors Exchange LLC
917-509-9001

Nathaniel Kolodny
Lead Regulation Counsel
Investors Exchange LLC
646-343-2034

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

(a) Purpose

The Exchange proposes to modify the Transaction Fees section of its Fee Schedule, pursuant to IEX Rule 15.110(a) and (c), to introduce an additional way to qualify for two of its Displayed Liquidity Adding Rebate Tiers for executions priced at or above \$1.00. Specifically, the Exchange proposes to incorporate certain minimum quoting requirements for ETPs⁶ as an additional eligibility basis for two of the rebate tiers, as described below. Notably, IEX is not proposing to change the amounts of any rebates or fees, the existing volume-based methods in which Members may qualify for rebates, or the overall tiering pricing structure in the Transaction Fees section of the Fee Schedule.

As reflected in footnote 4 in the Transaction Fees section of the Fee Schedule, the Exchange currently offers Members seven Displayed Liquidity Adding Rebate tiers. The

⁶ The term "ETPs" includes any security traded on the Exchange, under unlisted trading privileges pursuant to Rule 19b-4(e) of the Act, as a UTP Derivative Security pursuant to IEX Rule 16.160.

two tiers that are the subject of this proposal are Displayed Liquidity Adding Rebate Tier 3 (“Tier 3”) and Displayed Liquidity Adding Rebate Tier 4 (“Tier 4”):

- Tier 3: provides Member a rebate of \$0.0014 per share for all added displayed liquidity if the Member either: adds at least 3,000,000 ADV⁷ of displayed liquidity and less than 10,000,000 ADV of displayed liquidity; or trades at least 10,000,000 non-displayed ADV.
- Tier 4: provides Member a rebate of \$0.0016 per share for all added displayed liquidity if the Member adds at least 10,000,000 ADV of displayed liquidity and less than 15,000,000 ADV of displayed liquidity.

The Exchange proposes to modify Tiers 3 and 4 to add an additional means of qualifying for the rebate tiers. Specifically, the Exchange proposes to extend the Tier 3 and Tier 4 pricing incentives to Members that meet certain minimum quoting requirements in at least 250 ETPs (to qualify for Tier 3) or 750 ETPs (to qualify for Tier 4). If a Member qualifies for Tiers 3 or 4 through the specified quoting requirements, the associated rebates will be applied to the Member’s transactions in the same manner as they currently are: to the Member’s executions of displayed liquidity adding orders priced at or above \$1.00 per share.

The proposed changes are designed to encourage Members to improve displayed liquidity and promote order flow on the Exchange by quoting at the NBB⁸ or the NBO⁹ in at least 250 ETPs for a significant part of the day. The Exchange believes the proposed changes will improve market quality in ETPs and more generally on the Exchange by increasing quoting competition and displayed liquidity, and potentially narrowing spreads

⁷ “ADV” means average daily volume calculated as the number of shares added or removed (as applicable) that execute at or above \$1.00 per share, per day. ADV is calculated on a monthly basis. See Fee Schedule, supra note 4, Definitions.

⁸ See IEX Rule 1.160(u).

⁹ See IEX Rule 1.160(u).

in a targeted manner, which will benefit the Exchange and all market participants.

To reflect the additional eligibility criteria for Tier 3, IEX proposes to amend the Fee Schedule's Base Rates table to update the description and fees associated with Base Fee Code "ML" ("Add displayed liquidity"). As amended, the Base Rates table will continue to list seven base rates for Fee Code "ML," but the description of the base rate paid for a Member who adds at least 3,000,000 ADV of displayed liquidity and less than 10,000,000 ADV of displayed liquidity; or trades at least 10,000,000 non-displayed ADV will state that a Member also can qualify for that base rate if it has an "NBBO Time" (a new term discussed in detail below) of at least 50% in at least 250 ETPs. Similarly, IEX proposes to update the description of Tier 3 in Footnote 4 to the Transaction Fees section. As proposed, Footnote 4 will be amended to reflect that a Member can also qualify for Tier 3 if it has an NBBO Time of at least 50% in at least 250 ETPs.

In addition, IEX proposes to amend the Base Rate table such that the description of the base rate paid for Fee Code "ML" for a Member who adds at least 10,000,000 ADV of displayed liquidity and less than 15,000,000 ADV of displayed liquidity will state that a Member also can qualify for that base rate if it has an NBBO Time of at least 50% in at least 750 ETPs. Similarly, IEX proposes to update the description of Tier 4 in Footnote 4 to the Transaction Fees section. As proposed, Footnote 4 will be amended to reflect that a Member can also qualify for Tier 4 if it has an NBBO Time of at least 50% in at least 750 ETPs.

As proposed, to qualify for Tier 3 or 4 rebates based on ETP quoting, a Member must enter displayed trading interest (i.e., at least one displayed order or quote of at least

one round lot size¹⁰) at either the NBB or the NBO (the “NBBO Time” requirement) for at least 50% of time during regular market hours¹¹ in at least 250 ETPs (for Tier 3) or 750 ETPs (for Tier 4) on average per day during the month. To calculate NBBO Time, the Exchange will add a Member’s percentage of regular market hours quoting on the NBB (“Percent Time at NBB”) to that Member’s percentage of regular market hours quoting on the NBO (“Percent Time at NBO”).

The Exchange proposes to remove the term “Percent Time at NBBO” from the Supplemental Market Quality (“SMQ”) Program section of the Fee Schedule to avoid potential confusion from using a similar term that is, in substance, different from the proposed “NBBO Time.”¹² The Exchange proposes to add the following terms to the Definitions¹³ in the Transaction Fees section of the Fee Schedule:

- “Percent Time at NBB” means the aggregate of the percentage of time during Regular Market Hours where a Member has a displayed order of at least one round lot at the national best bid (“NBB”).
- “Percent Time at NBO” means the aggregate of the percentage of time during Regular Market Hours where a Member has a displayed order of at least one round lot at the national best offer (“NBO”).
- “NBBO Time” means the Member’s Percent Time at NBB plus the Member’s Percent Time at NBO.

For added clarity as to how the Exchange will count a Member’s time at either the NBB or NBO, the Exchange proposes to include the following example in a bullet point

¹⁰ See IEX Rule 11.180(a).

¹¹ See IEX Rule 1.160(gg).

¹² Concurrently with this rule filing, the Exchange is filing a proposed rule change regarding the SMQ Program that incorporates the term NBBO Time and proposes other related changes to the SMQ Program. See SR-IEX-2025-27.

¹³ As discussed below, the Exchange also proposes to rename the “Definitions and Information” section to “Definitions.”

following the definition of NBBO Time:

- For example, for a particular security, if a Member's Percent Time at NBB is 25% and Percent Time at NBO is 15%, its NBBO Time would be 40%. Alternatively, if a Member's Percent Time at NBB is 20% and concurrently, the Member's Percent Time at NBO is also 20%, then that Member's NBBO Time would be 40%.

On a daily basis, the Exchange will calculate the number of ETPs for which each Member's NBBO Time meets the threshold criteria. At the end of the month, the Exchange will calculate the monthly average of the Member's qualified ETP quoting activity. If a Member has an NBBO Time of at least 50% in at least 250 ETPs during the month, the Member will qualify for Tier 3, and receive a \$0.0014 per share rebate for all displayed liquidity adding trades that execute at or above \$1.00. And if a Member has an NBBO Time of at least 50% in at least 750 ETPs during the month, the Member will qualify for Tier 4, and receive a \$0.0016 per share rebate for all displayed liquidity adding trades that execute at or above \$1.00. The Exchange proposes to explain this calculation by adding a new "Notes" subheading under the Definitions and Information subheading in the Transaction Fees section of the Fee Schedule, and adding the following bullet point:

Unless otherwise specified, for any tiers that include NBBO Time as a required criteria (for example, the Displayed Liquidity Adding Rebate Tiers in footnote 4 and the Supplemental Market Quality Program), on a daily basis, the Exchange will determine the number of securities in which a Member meets the threshold value (set forth in the tier) for NBBO Time for that day. At the end of the month, the Exchange will take the average (rounded to the nearest whole number) of the number of securities in which a Member's NBBO Time was at least the threshold value set forth in the applicable tier.

As proposed, the NBBO Time calculation will exclude days with system disruptions that last for more than 60 minutes and days with scheduled early closes when determining the numerator and the denominator. An Exchange system disruption may

occur, for example, where a certain group of securities traded on the Exchange is unavailable for trading due to an Exchange system issue. Similarly, the Exchange may be able to perform certain functions with respect to accepting and processing orders, but may have a failure in another significant process, such as routing to other market centers, that would lead Members that rely on such process to avoid utilizing the Exchange until the Exchange's entire system was operational. The Exchange believes that these types of Exchange system disruptions could preclude Members from participating on the Exchange to the same extent that they might have otherwise participated on such days, and thus, the Exchange believes it is appropriate to exclude such days when determining a Member's NBBO Time to avoid penalizing Members that might otherwise have met the applicable rebate tier requirements. For similar reasons, the Exchange believes it is appropriate to exclude trading days with scheduled early closes, because the shorter trading days are likely to result in a lower daily quoting activity for each Member. The Exchange notes that excluding system disruption days and trading days with scheduled early closes is consistent with the methodologies used by other exchanges that offer incentive payments for quoting activity on the Exchange.¹⁴

The Exchange will allow Members to aggregate their NBBO Time with other Members with which they are affiliated,¹⁵ if Members provide prior notice to the Exchange. As proposed, to the extent that two or more affiliated companies maintain separate memberships with the Exchange and can demonstrate their affiliation by

¹⁴ See Securities Exchange Act Release No. 94929 (May 17, 2022), 87 FR 31269, at 31270 (May 23, 2022) (SR-PEARL-2022-21) (rule filing establishing a Market Quality program based on minimum quoting requirements across a specified number of securities with similar exclusions).

¹⁵ As defined in Rule 12b-2 under the Act, 17 CFR 240.12b-2.

showing they control, are controlled by, or are under common control with each other, the Exchange would permit such Members to aggregate their NBBO Time. Members will be responsible for having proper internal documentation in their books and records substantiating that the two or more Members seeking to aggregate their NBBO Time are affiliates of one another. IEX notes that this grouping of Member affiliates is consistent with how IEX allows Member affiliates to group their trading activity to qualify for IEX's Displayed Liquidity Adding Rebate Tiers and for the SMQ Program.

As described above, the Exchange proposes to introduce a new "Notes" subheading under the "Definitions and Information" subheading of the Transaction Fees section of the Fee Schedule to incorporate the exclusions described above and other relevant information. Specifically, the Exchange proposes to revise the "Definitions and Information" subheading to separate it into two distinct subheadings, "Definitions" and "Notes." The Exchange proposes moving the first and fourth bullet points that currently appear under the definition of "ADV," to below the new "Notes" subheading. These bullet points describe the exclusions the Exchange currently applies to determining a Member's ADV and are identical to the exclusions that the Exchange will apply to determining a Member's NBBO Time, as described above. The Exchange thus proposes to make conforming language to make clear that the exclusions apply to the calculation of ADV, as well as the calculations of Percent Time at NBB and Percent Time at NBO.

Additionally, the Exchange proposes to move the bullet describing the manner in which Members may aggregate their ADV with other Members from the Definitions subheading to the Notes subheading, and updating the text to reflect that the aggregation with affiliates is available for purposes of calculating ADV, as well as for calculating

Percent Time at NBB and Percent Time at NBO. Thus, the first three bullets of the Notes section will read as follows:

- The Exchange excludes from its calculation of ADV, Percent Time at NBB, and Percent Time at NBO:
 - Any trading day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during Regular Market Hours; and
 - Any day with a scheduled early market close.
- The Exchange excludes from its calculation of Percent Time at NBB and Percent Time at NBO any portion of Regular Market Hours when a security is subject to a trading halt or pause.
- With prior notice to the Exchange, a Member may aggregate ADV, Percent Time at NBB, and Percent Time at NBO with other Members with which the Member is affiliated pursuant to Rule 12b-2 under the Act.

These proposed ETP quoting incentives will be open to all Members and will not impose any two-sided quotation obligations on any Member seeking to qualify for Tiers 3 and 4. In fact, as described above, the quoting incentives reward Members for time spent quoting at either the NBB or the NBO by adding the Percent Time at NBB to the Percent Time at NBO to calculate the NBBO Time. Accordingly, these additional criteria for qualifying for rebates under Tiers 3 and 4 are designed to attract liquidity from any firm that is willing to provide liquidity at the NBB or NBO in any ETPs.

The Exchange notes that the proposed ETP quoting incentives are similar to MEMX’s Displayed Liquidity Incentive Tiers, which pay rebates to Members that quote at least 25% or 50% of trading hours in an average of at least 500 or 1,000 securities during the month.¹⁶ The ETP quoting incentives proposed herein are also similar to the Exchange’s Supplemental Market Quality (“SMQ”) Program which pays an incentive fee to Members that meet specified thresholds for certain minimum quoting requirements in

¹⁶ See MEMX Fee Schedule, <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>.

the “SMQ Securities” designated by the Exchange.¹⁷ Furthermore, this model of offering quote-based rebates is consistent with similar rebates offered by competitor exchanges.¹⁸

(b) Statutory Basis

IEX believes that the proposed rule change is consistent with the provisions of Section 6(b)¹⁹ of the Act in general, and furthers the objectives of Sections 6(b)(4)²⁰ of the Act, in particular, 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 that the proposed fee change is reasonable, fair and equitable, and non-discriminatory.

The Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. IEX has concluded that, in the context of current regulatory requirements governing access fees and rebates, it is able to more effectively compete with other exchanges for order flow by offering Members an additional means of qualifying for higher rebate incentives. Based upon informal discussions with market participants, IEX believes that Members and other market participants may be more

¹⁷ See SR-IEX-2025-27 for certain changes the Exchange is proposing to make to the SMQ.

¹⁸ See, e.g., MIAX Pearl’s Market Quality Tiers, available at https://www.miaxglobal.com/sites/default/files/fee_schedule-files/MIAX_Pearl_Equities_Fee_Schedule_08012025.pdf, which provide enhanced rebates for executions of Added Displayed Volume for members who meet certain minimum quoting requirements in a specified number of securities; and Cboe BZX’s Liquidity Management Program, available at https://www.cboe.com/us/equities/membership/fee_schedule/bzx/, which provides additional rebates for executions of liquidity-adding displayed orders in Tape B securities priced at or above \$1.00 per share for members that, in addition to other requirements, quote at the NBBO during regular trading hours in a specific number of securities designated as “LMP Securities.”

¹⁹ 15 U.S.C. 78f.

²⁰ 15 U.S.C. 78f(b)(4).

willing to send displayed orders in ETPs to IEX if the proposed fee changes are adopted.

As noted in the Purpose section, the proposed ETP quoting criteria for qualifying for rebates in Tiers 3 and 4 are designed to increase quoting competition and displayed liquidity, potentially narrowing spreads in a targeted manner, which will benefit the Exchange and all market participants. Accordingly, IEX has designed the proposed changes to Tiers 3 and 4 to allow Members an additional way to qualify for those particular rebate tiers on displayed liquidity-adding transactions. As noted in the Purpose section, the proposed changes to Tiers 3 and 4 are an expansion of the current criteria to qualify for Displayed Liquidity Adding Rebate Tiers 3 and 4.

With these proposed changes, IEX's rebates are still designed to attract and incentivize displayed orders as well as order flow seeking to trade with such displayed orders. Moreover, increases in displayed liquidity would contribute to the public price discovery process which would benefit all market participants and protect investors and the public interest.

As discussed above, the Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. Within that context, the proposed additional criteria for qualifying for Tiers 3 and 4 are designed to keep IEX's displayed trading prices competitive with those of other exchanges. The proposed additional criteria for qualifying for rebates in Tiers 3 and 4 are comparable to the criteria applied by competing exchanges, and thus IEX does not believe that the proposal raises any new or novel issues not already considered by the Commission in the context of other

exchanges' fees.²¹

Additionally, IEX believes that the proposed formatting changes and conforming edits to the Definitions and Information subheading in the Transaction Fees section of the Fee Schedule, including consolidating definitions currently found in the Transaction Fees and SMQ sections of the Fee Schedule into the new Notes subheading of the Transaction Fees section, are consistent with the Act because they will provide additional clarity for Members on transaction fees, consistent with Section 6(b)(1)²² of the Act. These proposed changes are designed to reduce any potential confusion for market participants using IEX's Fee Schedule and to provide clarity and consistency between the Fee Schedule and the Rule Book. Further, IEX believes these changes would contribute to reasonably ensuring that the requirements of the Displayed Liquidity Adding Rebate Tiers and the SMQ Program, as well as any other activity-based incentive or rebate described in the Fee Schedule, are clear, accurate, and consistent with the Rule Book.

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

IEX does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange operates in a highly competitive market in which market participants can readily favor competing venues if fee schedules at other venues are viewed as more favorable. Consequently, the Exchange believes that the degree to

²¹ See supra notes 16 and 18.

²² 15 U.S.C. 78f(b)(1).

which IEX fees could impose any burden on competition is extremely limited and does not believe that such fees would burden competition between Members or competing venues. Moreover, as noted in the Statutory Basis section, the Exchange does not believe that the proposed changes raise any new or novel issues not already considered by the Commission.

The Exchange does not believe that the proposed rule changes will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because, while different rebates are assessed on Members, these rebate tiers are not based on the type of Member entering the quotes, but rather on the Member's own quoting activity. Further, the proposed rule changes continue to be intended to encourage market participants to bring increased order flow to the Exchange, which benefits all market participants.

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

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,²³ IEX has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

²³ 15 U.S.C. 78s(b)(3)(A)(ii).

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.²⁴

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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

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.

²⁴ 15 U.S.C. 78s(b)(2)(B).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34 - ; File No. SR-IEX-2025-26)

Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Exchange's Fee Schedule Applicable to Members Pursuant to IEX Rule 15.110(a) and (c)

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on (date), the Investors Exchange LLC ("IEX" or the "Exchange") filed with the Securities and Exchange Commission (the "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

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 ("Act"),⁴ and Rule 19b-4 thereunder,⁵ Investors Exchange LLC ("IEX" or "Exchange") is filing with the Securities and Exchange Commission ("Commission") a proposed rule change to amend the Exchange's fee schedule applicable to Members⁶ (the

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ 15 U.S.C. 78s(b)(1).

⁵ 17 CFR 240.19b-4.

⁶ See IEX Rule 1.160(s).

“Fee Schedule”⁷) pursuant to IEX Rule 15.110(a) and (c) to introduce certain minimum quoting requirements for Exchange Traded Products (“ETPs”) as an additional means of qualifying for two of its Displayed Liquidity Adding Rebate Tiers for executions priced at or above \$1.00 per share. Changes to the Fee Schedule pursuant to this proposal are effective upon filing,⁸ and will be operative on October 1, 2025.

The text of the proposed rule change is available at the Exchange’s website at <https://www.iexexchange.io/resources/regulation/rule-filings> and at the principal office of the Exchange.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to modify the Transaction Fees section of its Fee Schedule, pursuant to IEX Rule 15.110(a) and (c), to introduce an additional way to qualify for two of its Displayed Liquidity Adding Rebate Tiers for executions priced at or

⁷ See Investors Exchange Fee Schedule, available at <https://www.iexexchange.io/resources/trading/fee-schedule>.

⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

above \$1.00. Specifically, the Exchange proposes to incorporate certain minimum quoting requirements for ETPs⁹ as an additional eligibility basis for two of the rebate tiers, as described below. Notably, IEX is not proposing to change the amounts of any rebates or fees, the existing volume-based methods in which Members may qualify for rebates, or the overall tiering pricing structure in the Transaction Fees section of the Fee Schedule.

As reflected in footnote 4 in the Transaction Fees section of the Fee Schedule, the Exchange currently offers Members seven Displayed Liquidity Adding Rebate tiers. The two tiers that are the subject of this proposal are Displayed Liquidity Adding Rebate Tier 3 (“Tier 3”) and Displayed Liquidity Adding Rebate Tier 4 (“Tier 4”):

- Tier 3: provides Member a rebate of \$0.0014 per share for all added displayed liquidity if the Member either: adds at least 3,000,000 ADV¹⁰ of displayed liquidity and less than 10,000,000 ADV of displayed liquidity; or trades at least 10,000,000 non-displayed ADV.
- Tier 4: provides Member a rebate of \$0.0016 per share for all added displayed liquidity if the Member adds at least 10,000,000 ADV of displayed liquidity and less than 15,000,000 ADV of displayed liquidity.

The Exchange proposes to modify Tiers 3 and 4 to add an additional means of qualifying for the rebate tiers. Specifically, the Exchange proposes to extend the Tier 3 and Tier 4 pricing incentives to Members that meet certain minimum quoting requirements in at least 250 ETPs (to qualify for Tier 3) or 750 ETPs (to qualify for Tier 4). If a Member qualifies for Tiers 3 or 4 through the specified quoting requirements, the associated rebates will be applied to the Member’s transactions in the same manner as

⁹ The term “ETPs” includes any security traded on the Exchange, under unlisted trading privileges pursuant to Rule 19b-4(e) of the Act, as a UTP Derivative Security pursuant to IEX Rule 16.160.

¹⁰ “ADV” means average daily volume calculated as the number of shares added or removed (as applicable) that execute at or above \$1.00 per share, per day. ADV is calculated on a monthly basis. See Fee Schedule, supra note 7, Definitions.

they currently are: to the Member's executions of displayed liquidity adding orders priced at or above \$1.00 per share.

The proposed changes are designed to encourage Members to improve displayed liquidity and promote order flow on the Exchange by quoting at the NBB¹¹ or the NBO¹² in at least 250 ETPs for a significant part of the day. The Exchange believes the proposed changes will improve market quality in ETPs and more generally on the Exchange by increasing quoting competition and displayed liquidity, and potentially narrowing spreads in a targeted manner, which will benefit the Exchange and all market participants.

To reflect the additional eligibility criteria for Tier 3, IEX proposes to amend the Fee Schedule's Base Rates table to update the description and fees associated with Base Fee Code "ML" ("Add displayed liquidity"). As amended, the Base Rates table will continue to list seven base rates for Fee Code "ML," but the description of the base rate paid for a Member who adds at least 3,000,000 ADV of displayed liquidity and less than 10,000,000 ADV of displayed liquidity; or trades at least 10,000,000 non-displayed ADV will state that a Member also can qualify for that base rate if it has an "NBBO Time" (a new term discussed in detail below) of at least 50% in at least 250 ETPs. Similarly, IEX proposes to update the description of Tier 3 in Footnote 4 to the Transaction Fees section. As proposed, Footnote 4 will be amended to reflect that a Member can also qualify for Tier 3 if it has an NBBO Time of at least 50% in at least 250 ETPs.

In addition, IEX proposes to amend the Base Rate table such that the description of the base rate paid for Fee Code "ML" for a Member who adds at least 10,000,000

¹¹ See IEX Rule 1.160(u).

¹² See IEX Rule 1.160(u).

ADV of displayed liquidity and less than 15,000,000 ADV of displayed liquidity will state that a Member also can qualify for that base rate if it has an NBBO Time of at least 50% in at least 750 ETPs. Similarly, IEX proposes to update the description of Tier 4 in Footnote 4 to the Transaction Fees section. As proposed, Footnote 4 will be amended to reflect that a Member can also qualify for Tier 4 if it has an NBBO Time of at least 50% in at least 750 ETPs.

As proposed, to qualify for Tier 3 or 4 rebates based on ETP quoting, a Member must enter displayed trading interest (i.e., at least one displayed order or quote of at least one round lot size¹³) at either the NBB or the NBO (the “NBBO Time” requirement) for at least 50% of time during regular market hours¹⁴ in at least 250 ETPs (for Tier 3) or 750 ETPs (for Tier 4) on average per day during the month. To calculate NBBO Time, the Exchange will add a Member’s percentage of regular market hours quoting on the NBB (“Percent Time at NBB”) to that Member’s percentage of regular market hours quoting on the NBO (“Percent Time at NBO”).

The Exchange proposes to remove the term “Percent Time at NBBO” from the Supplemental Market Quality (“SMQ”) Program section of the Fee Schedule to avoid potential confusion from using a similar term that is, in substance, different from the proposed “NBBO Time.”¹⁵ The Exchange proposes to add the following terms to the Definitions¹⁶ in the Transaction Fees section of the Fee Schedule:

¹³ See IEX Rule 11.180(a).

¹⁴ See IEX Rule 1.160(gg).

¹⁵ Concurrently with this rule filing, the Exchange is filing a proposed rule change regarding the SMQ Program that incorporates the term NBBO Time and proposes other related changes to the SMQ Program. See SR-IEX-2025-27.

¹⁶ As discussed below, the Exchange also proposes to rename the “Definitions and Information” section to “Definitions.”

- “Percent Time at NBB” means the aggregate of the percentage of time during Regular Market Hours where a Member has a displayed order of at least one round lot at the national best bid (“NBB”).
- “Percent Time at NBO” means the aggregate of the percentage of time during Regular Market Hours where a Member has a displayed order of at least one round lot at the national best offer (“NBO”).
- “NBBO Time” means the Member’s Percent Time at NBB plus the Member’s Percent Time at NBO.

For added clarity as to how the Exchange will count a Member’s time at either the NBB or NBO, the Exchange proposes to include the following example in a bullet point following the definition of NBBO Time:

- For example, for a particular security, if a Member’s Percent Time at NBB is 25% and Percent Time at NBO is 15%, its NBBO Time would be 40%. Alternatively, if a Member’s Percent Time at NBB is 20% and concurrently, the Member’s Percent Time at NBO is also 20%, then that Member’s NBBO Time would be 40%.

On a daily basis, the Exchange will calculate the number of ETPs for which each Member’s NBBO Time meets the threshold criteria. At the end of the month, the Exchange will calculate the monthly average of the Member’s qualified ETP quoting activity. If a Member has an NBBO Time of at least 50% in at least 250 ETPs during the month, the Member will qualify for Tier 3, and receive a \$0.0014 per share rebate for all displayed liquidity adding trades that execute at or above \$1.00. And if a Member has an NBBO Time of at least 50% in at least 750 ETPs during the month, the Member will qualify for Tier 4, and receive a \$0.0016 per share rebate for all displayed liquidity adding trades that execute at or above \$1.00. The Exchange proposes to explain this calculation by adding a new “Notes” subheading under the Definitions and Information subheading in the Transaction Fees section of the Fee Schedule, and adding the following bullet point:

Unless otherwise specified, for any tiers that include NBBO Time as a required criteria (for example, the Displayed Liquidity Adding Rebate Tiers in footnote 4 and the Supplemental Market Quality Program), on a daily basis, the Exchange will determine the number of securities in which a Member meets the threshold value (set forth in the tier) for NBBO Time for that day. At the end of the month, the Exchange will take the average (rounded to the nearest whole number) of the number of securities in which a Member's NBBO Time was at least the threshold value set forth in the applicable tier.

As proposed, the NBBO Time calculation will exclude days with system disruptions that last for more than 60 minutes and days with scheduled early closes when determining the numerator and the denominator. An Exchange system disruption may occur, for example, where a certain group of securities traded on the Exchange is unavailable for trading due to an Exchange system issue. Similarly, the Exchange may be able to perform certain functions with respect to accepting and processing orders, but may have a failure in another significant process, such as routing to other market centers, that would lead Members that rely on such process to avoid utilizing the Exchange until the Exchange's entire system was operational. The Exchange believes that these types of Exchange system disruptions could preclude Members from participating on the Exchange to the same extent that they might have otherwise participated on such days, and thus, the Exchange believes it is appropriate to exclude such days when determining a Member's NBBO Time to avoid penalizing Members that might otherwise have met the applicable rebate tier requirements. For similar reasons, the Exchange believes it is appropriate to exclude trading days with scheduled early closes, because the shorter trading days are likely to result in a lower daily quoting activity for each Member. The Exchange notes that excluding system disruption days and trading days with scheduled early closes is consistent with the methodologies used by other exchanges that offer

incentive payments for quoting activity on the Exchange.¹⁷

The Exchange will allow Members to aggregate their NBBO Time with other Members with which they are affiliated,¹⁸ if Members provide prior notice to the Exchange. As proposed, to the extent that two or more affiliated companies maintain separate memberships with the Exchange and can demonstrate their affiliation by showing they control, are controlled by, or are under common control with each other, the Exchange would permit such Members to aggregate their NBBO Time. Members will be responsible for having proper internal documentation in their books and records substantiating that the two or more Members seeking to aggregate their NBBO Time are affiliates of one another. IEX notes that this grouping of Member affiliates is consistent with how IEX allows Member affiliates to group their trading activity to qualify for IEX's Displayed Liquidity Adding Rebate Tiers and for the SMQ Program.

As described above, the Exchange proposes to introduce a new "Notes" subheading under the "Definitions and Information" subheading of the Transaction Fees section of the Fee Schedule to incorporate the exclusions described above and other relevant information. Specifically, the Exchange proposes to revise the "Definitions and Information" subheading to separate it into two distinct subheadings, "Definitions" and "Notes." The Exchange proposes moving the first and fourth bullet points that currently appear under the definition of "ADV," to below the new "Notes" subheading. These bullet points describe the exclusions the Exchange currently applies to determining a

¹⁷ See Securities Exchange Act Release No. 94929 (May 17, 2022), 87 FR 31269, at 31270 (May 23, 2022) (SR-PEARL-2022-21) (rule filing establishing a Market Quality program based on minimum quoting requirements across a specified number of securities with similar exclusions).

¹⁸ As defined in Rule 12b-2 under the Act, 17 CFR 240.12b-2.

Member's ADV and are identical to the exclusions that the Exchange will apply to determining a Member's NBBO Time, as described above. The Exchange thus proposes to make conforming language to make clear that the exclusions apply to the calculation of ADV, as well as the calculations of Percent Time at NBB and Percent Time at NBO.

Additionally, the Exchange proposes to move the bullet describing the manner in which Members may aggregate their ADV with other Members from the Definitions subheading to the Notes subheading, and updating the text to reflect that the aggregation with affiliates is available for purposes of calculating ADV, as well as for calculating Percent Time at NBB and Percent Time at NBO. Thus, the first three bullets of the Notes section will read as follows:

- The Exchange excludes from its calculation of ADV, Percent Time at NBB, and Percent Time at NBO:
 - Any trading day that the Exchange's system experiences a disruption that lasts for more than 60 minutes during Regular Market Hours; and
 - Any day with a scheduled early market close.
- The Exchange excludes from its calculation of Percent Time at NBB and Percent Time at NBO any portion of Regular Market Hours when a security is subject to a trading halt or pause.
- With prior notice to the Exchange, a Member may aggregate ADV, Percent Time at NBB, and Percent Time at NBO with other Members with which the Member is affiliated pursuant to Rule 12b-2 under the Act.

These proposed ETP quoting incentives will be open to all Members and will not impose any two-sided quotation obligations on any Member seeking to qualify for Tiers 3 and 4. In fact, as described above, the quoting incentives reward Members for time spent quoting at either the NBB or the NBO by adding the Percent Time at NBB to the Percent Time at NBO to calculate the NBBO Time. Accordingly, these additional criteria for qualifying for rebates under Tiers 3 and 4 are designed to attract liquidity from any firm that is willing to provide liquidity at the NBB or NBO in any ETPs.

The Exchange notes that the proposed ETP quoting incentives are similar to MEMX's Displayed Liquidity Incentive Tiers, which pay rebates to Members that quote at least 25% or 50% of trading hours in an average of at least 500 or 1,000 securities during the month.¹⁹ The ETP quoting incentives proposed herein are also similar to the Exchange's Supplemental Market Quality ("SMQ") Program which pays an incentive fee to Members that meet specified thresholds for certain minimum quoting requirements in the "SMQ Securities" designated by the Exchange.²⁰ Furthermore, this model of offering quote-based rebates is consistent with similar rebates offered by competitor exchanges.²¹

2. Statutory Basis

IEX believes that the proposed rule change is consistent with the provisions of Section 6(b)²² of the Act in general, and furthers the objectives of Sections 6(b)(4)²³ of the Act, in particular, 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 that the proposed fee change is reasonable, fair and equitable, and non-discriminatory.

¹⁹ See MEMX Fee Schedule, <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>.

²⁰ See SR-IEX-2025-27 for certain changes the Exchange is proposing to make to the SMQ.

²¹ See, e.g., MIAX Pearl's Market Quality Tiers, available at https://www.miaxglobal.com/sites/default/files/fee_schedule-files/MIAX_Pearl_Equities_Fee_Schedule_08012025.pdf, which provide enhanced rebates for executions of Added Displayed Volume for members who meet certain minimum quoting requirements in a specified number of securities; and Cboe BZX's Liquidity Management Program, available at https://www.cboe.com/us/equities/membership/fee_schedule/bzx/, which provides additional rebates for executions of liquidity-adding displayed orders in Tape B securities priced at or above \$1.00 per share for members that, in addition to other requirements, quote at the NBBO during regular trading hours in a specific number of securities designated as "LMP Securities."

²² 15 U.S.C. 78f.

²³ 15 U.S.C. 78f(b)(4).

The Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. IEX has concluded that, in the context of current regulatory requirements governing access fees and rebates, it is able to more effectively compete with other exchanges for order flow by offering Members an additional means of qualifying for higher rebate incentives. Based upon informal discussions with market participants, IEX believes that Members and other market participants may be more willing to send displayed orders in ETPs to IEX if the proposed fee changes are adopted.

As noted in the Purpose section, the proposed ETP quoting criteria for qualifying for rebates in Tiers 3 and 4 are designed to increase quoting competition and displayed liquidity, potentially narrowing spreads in a targeted manner, which will benefit the Exchange and all market participants. Accordingly, IEX has designed the proposed changes to Tiers 3 and 4 to allow Members an additional way to qualify for those particular rebate tiers on displayed liquidity-adding transactions. As noted in the Purpose section, the proposed changes to Tiers 3 and 4 are an expansion of the current criteria to qualify for Displayed Liquidity Adding Rebate Tiers 3 and 4.

With these proposed changes, IEX's rebates are still designed to attract and incentivize displayed orders as well as order flow seeking to trade with such displayed orders. Moreover, increases in displayed liquidity would contribute to the public price discovery process which would benefit all market participants and protect investors and the public interest.

As discussed above, the Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem

fee levels at a particular venue to be excessive. Within that context, the proposed additional criteria for qualifying for Tiers 3 and 4 are designed to keep IEX's displayed trading prices competitive with those of other exchanges. The proposed additional criteria for qualifying for rebates in Tiers 3 and 4 are comparable to the criteria applied by competing exchanges, and thus IEX does not believe that the proposal raises any new or novel issues not already considered by the Commission in the context of other exchanges' fees.²⁴

Additionally, IEX believes that the proposed formatting changes and conforming edits to the Definitions and Information subheading in the Transaction Fees section of the Fee Schedule, including consolidating definitions currently found in the Transaction Fees and SMQ sections of the Fee Schedule into the new Notes subheading of the Transaction Fees section, are consistent with the Act because they will provide additional clarity for Members on transaction fees, consistent with Section 6(b)(1)²⁵ of the Act. These proposed changes are designed to reduce any potential confusion for market participants using IEX's Fee Schedule and to provide clarity and consistency between the Fee Schedule and the Rule Book. Further, IEX believes these changes would contribute to reasonably ensuring that the requirements of the Displayed Liquidity Adding Rebate Tiers and the SMQ Program, as well as any other activity-based incentive or rebate described in the Fee Schedule, are clear, accurate, and consistent with the Rule Book.

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

IEX does not believe that the proposed rule change will result in any burden on

²⁴ See supra notes 19 and 21.

²⁵ 15 U.S.C. 78f(b)(1).

competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange operates in a highly competitive market in which market participants can readily favor competing venues if fee schedules at other venues are viewed as more favorable. Consequently, the Exchange believes that the degree to which IEX fees could impose any burden on competition is extremely limited and does not believe that such fees would burden competition between Members or competing venues. Moreover, as noted in the Statutory Basis section, the Exchange does not believe that the proposed changes raise any new or novel issues not already considered by the Commission.

The Exchange does not believe that the proposed rule changes will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because, while different rebates are assessed on Members, these rebate tiers are not based on the type of Member entering the quotes, but rather on the Member's own quoting activity. Further, the proposed rule changes continue to be intended to encourage market participants to bring increased order flow to the Exchange, which benefits all market participants.

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

Written comments were neither solicited nor received.

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)(ii)²⁶ of the Act.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)²⁷ of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-IEX-2025-26 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-IEX-2025-26. This file number

²⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

²⁷ 15 U.S.C. 78s(b)(2)(B).

should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-IEX-2025-26 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.²⁸

Sherry R. Haywood,

Assistant Secretary.

²⁸

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

Exhibit 5 – Text of Proposed Rule Change

Proposed new language is underlined; proposed deletions are in brackets.

Investors Exchange Fee Schedule

Effective [September 19, 2025] October 1, 2025

Transaction Fees

- All fees identify cost or rebate per share executed unless otherwise specified. Rebates are indicated by parentheses ().
- Footnotes provide further explanatory text or indicate variable rate changes, provided the conditions in the footnote are met.
- The rates listed in the Base Rates table apply unless a Member’s transaction is assigned a Fee Code other than a Base Fee Code (an “Additional Fee Code”). If a Member’s transaction is assigned an Additional Fee Code, the rates listed in the Fee Code Combinations and Associated Fees table will apply.
- The Exchange passes-through in full any fees charged by/rebates received from away venues (“Cost”) to the Member and adds the IEX fee (i.e., \$0.0001 per share for executions at or above \$1.00 or 0.02% of TDV for executions below \$1.00 per share).

Definitions [and Information]

- “Fee Code” is identified on each execution report message from the Exchange in the Trade Liquidity Indicator (FIX tag 9730) field.
- “MPID” means a market participant identifier.
- “TDV” means the total dollar value of the execution calculated as the execution price multiplied by the number of shares executed in the transaction.
- “ADV” means average daily volume calculated as the number of shares added or removed (as applicable) that execute at or above \$1.00 per share, per day. ADV is calculated on a monthly basis.
 - [The Exchange excludes from its calculations of ADV any trading day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during regular trading hours and any day with a scheduled early market close.]
 - Routed shares executed away from IEX are not included in ADV calculation.
 - Auction and Opening Process executed shares are not included in ADV calculation.
 - [With prior notice to the Exchange, a Member may aggregate ADV with other Members with which the Member is affiliated pursuant to Rule 12b-2 under the Act.]
 - “non-displayed ADV” refers to executions with the following Fee Code

- Combinations: MI, MIB, TI, TIB, TIY, TIYB, TIR, TLW, TLWB, and MIA.
- “Baseline non-displayed ADV” means executions with any of the Fee Code Combinations MI, MIB, TI, TIB, TIY, or TIYB in August 2025.
 - “Incremental non-displayed ADV” means executions with any of the Fee Code Combinations MI, MIB, TI, TIB, TIY, or TIYB that exceed the Baseline non-displayed ADV.
 - “Percent Time at NBB” means the aggregate of the percentage of time during Regular Market Hours where a Member has a displayed order of at least one round lot at the national best bid (“NBB”).
 - “Percent Time at NBO” means the aggregate of the percentage of time during Regular Market Hours where a Member has a displayed order of at least one round lot at the national best offer (“NBO”).
 - “NBBO Time” means the Member’s Percent Time at NBB plus the Member’s Percent Time at NBO.
 - For example, for a particular security, if a Member’s Percent Time at NBB is 25% and Percent Time at NBO is 15%, its NBBO Time would be 40%. Alternatively, if a Member’s Percent Time at NBB is 20% and concurrently, the Member’s Percent Time at NBO is also 20%, then that Member’s NBBO Time would be 40%.

Notes

- The Exchange excludes from its calculation of ADV, Percent Time at NBB, and Percent Time at NBO:
 - Any trading day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during Regular Market Hours; and
 - Any day with a scheduled early market close.
- The Exchange excludes from its calculation of Percent Time at NBB and Percent Time at NBO any portion of Regular Market Hours when a security is subject to a trading halt or pause.
- With prior notice to the Exchange, a Member may aggregate ADV, Percent Time at NBB, and Percent Time at NBO with other Members with which the Member is affiliated pursuant to Rule 12b-2 under the Act.
- Unless otherwise specified, for any tiers that include NBBO Time as a required criteria (for example, the Displayed Liquidity Adding Rebate Tiers in footnote 4 and the Supplemental Market Quality Program), on a daily basis, the Exchange will determine the number of securities in which a Member meets the threshold value (set forth in the tier) for NBBO Time for that day. At the end of the month, the Exchange will take the average (rounded to the nearest whole number) of the number of securities in which a Member’s NBBO Time was at least the threshold value set forth in the applicable tier.

Base Rates:

Base Fee Codes	Description	Executions at or above \$1.00	Executions below \$1.00
MI ⁶	Add non-displayed liquidity	\$0.0010	0.10% of TDV
ML ⁴	(Member adds less than 3,000,000 ADV of displayed liquidity)	FREE	(0.15% of TDV)
	(Member trades at least 5,000,000 non-displayed ADV and less than 10,000,000 non-displayed ADV)	(\$0.0010)	
	(Member: (1) adds at least 3,000,000 ADV of displayed liquidity and less than 10,000,000 ADV of displayed liquidity; or (2) trades at least 10,000,000 non-displayed ADV; or (3) has an NBBO Time of at least 50% in at least <u>250 ETPs</u>)	(\$0.0014)	
	(Member: (1) adds at least 10,000,000 ADV of displayed liquidity and less than 15,000,000 ADV of displayed liquidity; or (2) has an NBBO Time of at least 50% in at least <u>750 ETPs</u>)	(\$0.0016)	
	(Member: (1) adds at least 15,000,000 ADV of displayed liquidity and less than 20,000,000 ADV of displayed liquidity; or (2) trades at least 15,000,000 non-displayed ADV)	(\$0.0018)	
	(Member: (1) adds at least 20,000,000 ADV of displayed liquidity and less than 30,000,000 ADV of displayed liquidity; or (2) trades at least 20,000,000 non-displayed ADV)	(\$0.0020)	
	(Member adds at least 30,000,000 ADV of displayed liquidity)	(\$0.0022)	
TI ⁶	Remove non-displayed liquidity	\$0.0010	0.10% of TDV
TL ⁵	Remove displayed liquidity (Member adds at least 25,000 ADV of displayed liquidity)	\$0.0022	0.15% of TDV
	(Member adds less than 25,000 ADV of displayed liquidity)	\$0.0030	
X	Opening Process for Non-Listed Securities ("Opening Process")	\$0.0010	0.10% of TDV
O, C, H,	Auction Match Fee	\$0.0003	0.30% of TDV

P			
Alpha	Routing and removing liquidity (all routing options)	Cost + \$0.0001	Cost + 0.02% of TDV

Fee Code Combinations and Associated Fees:

Fee Codes	Description	Executions at or above \$1.00	Executions below \$1.00
MI ⁶	Adds non-displayed liquidity	\$0.0010	0.10% of TDV
MIB ^{2,6}	Adds non-displayed liquidity (Tape B)	\$0.0010	0.10% of TDV
ML ⁴	Adds displayed liquidity	FREE	(0.15% of TDV)
MLB ^{2,4}	Adds displayed liquidity (Tape B)	FREE	(0.15% of TDV)
MLY ⁴	Post Only order adds liquidity against resting non-displayed order	FREE	N/A
MLYB ^{2,4}	Post Only order adds liquidity against resting non-displayed order (Tape B)	FREE	N/A
TI ⁶	Removes non-displayed liquidity	\$0.0010	0.10% of TDV
TIB ^{2,6}	Removes non-displayed liquidity (Tape B)	\$0.0010	0.10% of TDV
TIY ⁶	Post Only order removes non-displayed liquidity	\$0.0010	N/A
TIYB ^{2,6}	Post Only order removes non-displayed liquidity (Tape B)	\$0.0010	N/A
TL ⁵	Removes displayed liquidity	\$0.0022	0.15% of TDV
TLB ^{2,5}	Removes displayed liquidity (Tape B)	\$0.0022	0.15% of TDV
TLK ^{3,6}	Discretionary Peg, Fixed Midpoint Peg, Midpoint Peg, or Primary Peg order removes displayed liquidity	\$0.0010	0.15% of TDV
TLBK ^{2,3}	Discretionary Peg, Fixed Midpoint Peg, Midpoint Peg, or Primary Peg order removes displayed liquidity (Tape B)	\$0.0010	0.15% of TDV

Fee Codes	Description	Executions at or above \$1.00	Executions below \$1.00
TLY ⁵	Post Only order removes displayed liquidity	\$0.0022	N/A
TLYB ^{2,5}	Post Only order removes displayed liquidity (Tape B)	\$0.0022	N/A
TIR ¹	Retail order removes non-displayed liquidity	FREE	FREE
TLW ⁵	Resting non-displayed order removes liquidity against incoming Post Only order	\$0.0022	N/A
TLWB ^{2,5}	Resting non-displayed order removes liquidity against incoming Post Only order (Tape B)	\$0.0022	N/A
MIA	Retail Liquidity Provider order adds non-displayed liquidity that executes against a Retail order	FREE	FREE
TLR ¹	Retail order removes displayed liquidity	FREE	FREE
X	Opening Process for Non-Listed Securities (“Opening Process”)	\$0.0010	0.10% of TDV
XD	Displayed interest resting on the Continuous Book executes in the Opening Process	FREE	FREE
O	Opening Auction, IEX-listed security	\$0.0003	0.30% of TDV
OD	Displayed interest resting on the Continuous Book executes in the Opening Auction	FREE	FREE
C	Closing Auction, IEX-listed security	\$0.0003	0.30% of TDV
CD	Displayed interest resting on the Continuous Book executes in the Closing Auction	FREE	FREE
H	Halt or Volatility Auction, IEX-listed security	\$0.0003	0.30% of TDV
P	IPO Auction, IEX-listed security	\$0.0003	0.30% of TDV

Footnotes

¹ **Fee Code R:** Fee Code R applies only to a Retail order submitted by an IEX Retail Member Organization that (i) satisfies the criteria set forth in IEX Rules 11.190(b)(15) and 11.232(a)(1) and (ii) is a Discretionary Peg order or Midpoint Peg order with a Time-in-Force of IOC or FOK.

² **Fee Code B:** Fee Code B applies to all executions of Tape B securities, other than executions of Retail and Retail Liquidity Provider orders and executions with Base Fee Codes X, O, C, H, and P.

³ TLBK and TLK will not apply to Midpoint Peg and Fixed Midpoint Peg orders with Trade Now functionality enabled that take liquidity from an incoming Post Only order; such executions will be assigned Fee Code Combination TLWB and TLW, respectively.

⁴ **Displayed Liquidity Adding Rebate Tiers (Applicable to Executions at or above \$1):**

Tier	Required Criteria	Fee
Tier 1	Member adds less than 3,000,000 ADV of displayed liquidity	FREE
Tier 2	Member trades at least 5,000,000 non-displayed ADV and less than 10,000,000 non-displayed ADV	(\$0.0010)
Tier 3	Member: (1) adds at least 3,000,000 ADV of displayed liquidity and less than 10,000,000 ADV of displayed liquidity; or (2) trades at least 10,000,000 non-displayed ADV; <u>or (3) has an NBBO Time of at least 50% in at least 250 ETPs</u>	(\$0.0014)
Tier 4	Member: (1) adds at least 10,000,000 ADV of displayed liquidity and less than 15,000,000 ADV of displayed liquidity; or (2) <u>has an NBBO Time of at least 50% in at least 750 ETPs</u>	(\$0.0016)
Tier 5	Member: (1) adds at least 15,000,000 ADV of displayed liquidity and less than 20,000,000 ADV of displayed liquidity; or (2) trades at least 15,000,000 non-displayed ADV	(\$0.0018)
Tier 6	Member: (1) adds at least 20,000,000 ADV of displayed liquidity and less than 30,000,000 ADV of displayed liquidity; or (2) trades at least 20,000,000 non-displayed ADV	(\$0.0020)
Tier 7	Member adds at least 30,000,000 ADV of displayed liquidity	(\$0.0022)

Supplemental Market Quality Program

- The Exchange offers a Supplemental Market Quality Program (“SMQ”) to incentivize quoting in certain securities.
- “SMQ Securities” shall mean a list of securities designated as such, that are used for purposes of qualifying for the SMQ. The universe of these securities will be determined by the Exchange and published on the Exchange’s website **here**. Prior to the start of each month, the Exchange will reevaluate and, as applicable, update its list of SMQ Securities, and it will publish the updated list on the Fee Schedule at least one day prior to the start of the month.
- [“Percent Time at NBBO” means the aggregate of the percentage of time during regular trading hours where a Member has a displayed order of at least one round lot at either the national best bid (“NBB”), the national best offer (“NBO”), or the national best bid and offer (“NBBO”).
 - The Exchange excludes from its calculations of Percent Time at NBBO any trading day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during regular trading hours and any day with a scheduled early market close.
 - The Exchange excludes from its calculations of Percent Time at NBBO for each SMQ Security any portion of regular trading hours when the SMQ Security is subject to a trading halt or pause.
 - With prior notice to the Exchange, a Member may aggregate its Percent Time at

NBBO with other Members with which the Member is affiliated pursuant to Rule 12b-2 under the Act.]
