

funds which are in the custody or control of the clearing agency or for which it is responsible”¹⁹ Based on a review of the record, and for the reasons discussed below, the Proposed Rule Change is consistent with Section 17A(b)(3)(F).²⁰

The Proposed Rule Change is consistent with Section 17A(b)(3)(F) of the Act²¹ because it would clarify the CRMF and make it internally consistent. As discussed above, ICC proposes to update its CRMF by adding more description regarding ICC’s practices for rounding up final haircuts and for determining the sample size used in back-testing, consistent with ICC’s Back-Testing Framework. Further, ICC proposes to remove outdated references to Value-at-Risk terminology to reflect ICC’s current practice of using only an Expected Shortfall risk measure to determine haircuts.

Although these changes would not alter ICC’s methodology for determining haircuts, they make ICC’s use of the CRMF more effective, by making the application of the CRMF more consistent and reducing the possibility of error in applying the CRMF. In doing so, the Commission believes that the Proposed Rule Change could enhance ICC’s ability to set and enforce appropriate haircuts, which, in turn could enhance ICC’s ability to manage collateral risk and therefore maintain the financial resources needed to promptly and accurately clear and settle securities transactions.

Moreover, having policies and procedures that clearly and accurately document the way ICC measures risk associated with fluctuations of collateral asset prices is an important component to the effectiveness of ICC’s risk management system and supports ICC’s ability to maintain adequate financial resources and collateral management resources. The Proposed Rule Change is, consequently, consistent with the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions, within the meaning of Section 17A(b)(3)(F) of the Act.²²

Accordingly, the Proposed Rule Change is consistent with the requirements of Section 17A(b)(3)(F) of the Act.²³

B. Consistency With Rule 17ad–22(e)(5)

Under Rule 17ad–22(e)(5), ICC must, establish, implement, maintain, and

enforce written policies and procedures reasonably designed to, among other things, set and enforce appropriately conservative haircuts.²⁴ As discussed above, ICC proposes to add to the CRMF more description regarding ICC’s practices for rounding up final haircuts and for determining the sample size used in back-testing the performance of ICC’s haircuts, and proposes to remove outdated references to Value-at-Risk terminology to reflect ICC’s current practice of using only an Expected Shortfall risk measure to determine haircuts.

Although these changes would not alter ICC’s methodology for determining haircuts, they make ICC’s use of the CRMF more effective, by making the application of the CRMF more consistent and reducing the possibility of error in applying the CRMF. In doing so, the Commission believes that the Proposed Rule Change could enhance ICC’s ability to set and enforce appropriately conservative haircuts using the CRMF.

Accordingly, the Proposed Rule Change is consistent with the requirements of and Rule 17ad–22(e)(5).²⁵

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act, and in particular, Section 17A(b)(3)(F) of the Act²⁶ and Rule 17ad–22(e)(5)²⁷ thereunder.

It is therefore ordered pursuant to Section 19(b)(2) of the Act²⁸ that the proposed rule change (SR–ICC–2025–014) be, and hereby is, approved.²⁹

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.³⁰

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026–03603 Filed 2–23–26; 8:45 am]

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²⁴ 17 CFR 240.17ad–22(e)(5). Rule 17ad–22(e)(5) requires a covered clearing agency, such as ICC, to “set and enforce appropriately conservative haircuts and concentration limits if the covered clearing agency requires collateral to manage its or its participants’ credit exposure” As noted above, ICC requires its clearing participants to post collateral to manage their credit exposure, and therefore, ICC is required to set and enforce appropriately conservative haircuts and concentration limits for that collateral.

²⁵ 17 CFR 240.17ad–22(e)(5).

²⁶ 15 U.S.C. 78q–1(b)(3)(F).

²⁷ 17 CFR 240.17ad–22(e)(5).

²⁸ 15 U.S.C. 78s(b)(2).

²⁹ In approving the proposed rule change, the Commission considered the proposal’s impacts on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

³⁰ 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104870; File No. SR–NYSEARCA–2026–18]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the NYSE Arca Equities Fees and Charges

February 19, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b–4 thereunder,² notice is hereby given that on February 11, 2026, NYSE Arca, Inc. (“NYSE Arca” 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 Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend the NYSE Arca Equities Fees and Charges (“Fee Schedule”) with respect to Retail Tiers. The proposed rule change is available on the Exchange’s website at www.nyse.com, and at the principal office of the Exchange.

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

In its filing with the Commission, the 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 those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to amend the Fee Schedule with respect to Retail Tiers. More specifically, the Exchange proposes to amend the fee for Retail

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

¹⁹ 15 U.S.C. 78q–1(b)(3)(F).

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ *Id.*

Orders³ with a time-in-force of Day that remove liquidity under Retail Tier 3 and Retail Tier 5.

The proposed changes respond to the current competitive environment where ETP Holders have a choice among both exchange and off-exchange venues of where to route marketable retail order flow.

The Exchange proposes to implement the fee changes effective February 11, 2026.⁴

Background

The Exchange operates in a highly competitive market. The Commission has repeatedly expressed its 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.”⁵

While Regulation NMS has enhanced competition, it has also fostered a “fragmented” market structure where trading in a single stock can occur across multiple trading centers. When multiple trading centers compete for order flow in the same stock, the Commission has recognized that “such competition can lead to the fragmentation of order flow in that stock.”⁶ Indeed, equity trading is currently dispersed across 16 exchanges,⁷ numerous alternative trading systems,⁸ and broker-dealer

internalizers and wholesalers, all competing for order flow. Based on publicly available information, no single exchange currently has more than 20% market share.⁹ Therefore, no exchange possesses significant pricing power in the execution of equity order flow. More specifically, the Exchange currently has less than 15% market share of executed volume of equities trading.¹⁰

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can move order flow, or discontinue or reduce use of certain categories of products. While it is not possible to know a firm’s reason for shifting order flow, the Exchange believes that one such reason is because of fee changes at any of the registered exchanges or non-exchange venues to which a firm routes order flow. The competition for Retail Orders is even more stark, particularly as it relates to exchange versus off-exchange venues.

The Exchange thus needs to compete in the first instance with non-exchange venues for Retail Order flow, and with the 17 other exchange venues for that Retail Order flow that is not directed off-exchange. Accordingly, competitive forces compel the Exchange to use exchange transaction fees and credits, particularly as they relate to competing for Retail Order flow, because market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable.

To respond to this competitive environment, the Exchange has established a number of Retail Tiers, e.g., Retail Tier 1, Retail Tier 2, Retail Tier 3, Retail Tier 4 and Retail Tier 5, which are designed to provide an incentive for ETP Holders to route Retail Orders to the Exchange by providing higher credits for adding liquidity correlated to an ETP Holder’s higher trading volume in Retail Orders on the Exchange. Under certain of these tiers, ETP Holders also do not pay a fee when such Retail Orders have a time-in-force of Day that remove liquidity from the Exchange. The Retail Tiers are designed to encourage ETP Holders that provide displayed liquidity in Retail Orders on the Exchange to increase that order flow, which would benefit all ETP Holders by providing greater execution opportunities on the Exchange. In order to provide an incentive for ETP Holders to direct providing displayed Retail

Order flow to the Exchange, the credits increase in the various tiers based on increased levels of volume directed to the Exchange.

Proposed Rule Change

As noted above, the Exchange currently provides tiered credits for Retail Orders that provide liquidity on the Exchange. Specifically, Section VII. Tier Rates—Round Lots and Odd Lots (Per Share Price \$1.00 or Above), provides a credit of \$0.0038 per share for Adding under Retail Tier 1, a credit of \$0.0037 per share for Adding under Retail Tier 2, a credit of \$0.0036 per share for Adding under Retail Tier 3, a credit of \$0.0034 per share for Adding under Retail Tier 4, and a credit of \$0.0035 per share for Adding under Retail Tier 5.¹¹ Additionally, the Exchange currently charges a fee of \$0.0025 per share for Retail Orders with a time-in-force of Day that removes liquidity under Retail Tier 1, Retail Tier 2, Retail Tier 3 and Retail Tier 5 if an ETP Holder executes 170 million or more shares of such orders in a billing month or executes 0.055% of Dollar Plus Consolidated Volume,¹² up to 250 million shares a month, whichever is higher, where the first 170 million shares of such orders or 0.055% of Dollar Plus Consolidated Volume, up to 250 million shares, whichever is higher, are not charged a fee. Since ETP Holders closely track the number of Retail Orders they send to the Exchange, the Exchange believes they can readily determine at the time of execution whether their Retail Orders will execute free of charge or be subject to the proposed fee of \$0.0025 per share, described below.

The Exchange proposes to now charge a fee of \$0.0025 per share for Retail Orders with a time-in-force of Day that remove liquidity under Retail Tier 3 and Retail Tier 5 except that no fee would be charged for the first 170 million shares of such orders or 0.055% of Dollar Plus Consolidated Volume, up to 250 million shares, whichever is higher, to ETP Holders registered as a Lead Market Maker (“LMM”)¹³ or Market

³ A Retail Order is an agency order that originates from a natural person and is submitted to the Exchange by an ETP Holder, provided that no change is made to the terms of the order to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology. See Securities Exchange Act Release No. 67540 (July 30, 2012), 77 FR 46539 (August 3, 2012) (SR–NYSEArca–2012–77).

⁴ The Exchange originally filed to amend the Fee Schedule on January 30, 2026 (SR–NYSEArca–2026–12). SR–NYSEArca–2026–12 was withdrawn on February 11, 2026, and replaced by this filing.

⁵ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (File No. S7–10–04) (Final Rule) (“Regulation NMS”).

⁶ See Securities Exchange Act Release No. 61358, 75 FR 3594, 3597 (January 21, 2010) (File No. S7–02–10) (Concept Release on Equity Market Structure).

⁷ See Choe U.S. Equities Market Volume Summary, available at https://markets.cboe.com/us/equities/market_share. See generally <https://www.sec.gov/fast-answers/divisionsmarketregmrexchangesshtml.html>.

⁸ See FINRA ATS Transparency Data, available at <https://otctransparency.finra.org/otctransparency/AtsIssueData>. A list of alternative trading systems registered with the Commission is available at <https://www.sec.gov/foia/docs/atlist.htm>.

⁹ See Choe Global Markets U.S. Equities Market Volume Summary, available at http://markets.cboe.com/us/equities/market_share/.

¹⁰ See *id.*

¹¹ See Fee Schedule, Retail Tiers table under Section VII. Tier Rates—Round Lots and Odd Lots (Per Share Price \$1.00 or Above).

¹² Dollar Plus Consolidated Volume means the full month equivalent of CADV in securities with a per share price \$1.00 or Above. See Fee Schedule, Section I. Definitions.

¹³ The term “Lead Market Maker” is defined in Rule 1.1(w) to mean a registered Market Maker that is the exclusive Designated Market Maker in listings for which the Exchange is the primary market.

Maker¹⁴ in at least 200¹⁵ Less Active ETPs¹⁶ in which the ETP Holder meets at least two Performance Metrics.¹⁷ The Exchange proposes to adopt new footnote (e) to describe the no fee exception.

The Exchange believes that it is reasonable to charge ETP Holders a fee for Retail Orders with a time-in-force of Day that remove liquidity. The Exchange notes that the proposed fee of \$0.0025 per share for Retail Orders impacted by this proposed rule change is lower than the standard fee of \$0.0030 per share for orders on the Exchange that remove liquidity. The Exchange further notes that other marketplaces offer various incentives based on trading activity. For instance, pursuant to its Retail Order Process, Nasdaq Stock Market LLC (“Nasdaq”) charges a fee of \$0.0025 per share for shares executed in excess of 8 million shares in the month that remove liquidity while not charging a fee for shares executed below 8 million shares in the month that remove liquidity.¹⁸

The Exchange believes the proposed rule change to adopt an exception so that the proposed fee would not apply is designed to incentivize ETP Holders to increase liquidity-providing orders in NYSE Arca-listed securities, including in lower volume securities, in which they are registered as a LMM or Market Maker, that they send to the Exchange, which would support the quality of price discovery on the Exchange and provide additional liquidity for incoming orders for the benefit of all

¹⁴ Pursuant to Rule 7.23–E(a)(1), all registered Market Makers, including LMMs, have an obligation to maintain continuous, two-sided trading interest in those securities in which the Market Maker is registered to trade. In addition, pursuant to Rule 7.24–E(b), LMMs are held to higher performance standards in the securities in which they are registered as LMM. LMMs can earn additional financial incentives for meeting the higher performance standards specified from time to time in the Fee Schedule. Only one LMM can be registered in a NYSE-Arca listed security, but that security can have an unlimited number of registered Market Makers. Market Makers can also be registered in securities that trade on an unlisted trading privileges basis on the Exchange.

¹⁵ The number of Less Active ETPs for a billing month will be calculated as the average number of Less Active ETPs in which an LMM is registered on the first and last business day of the previous month.

¹⁶ Pursuant to Section I under LMM Transaction Fees and Credits, the term “Less Active ETPs” means ETPs that have a CADV in the prior calendar quarter that is the greater of either less than 100,000 shares or less than 0.013% of Consolidated Tape B ADV. The term “ETP” means Exchange Traded Product listed on NYSE Arca.

¹⁷ The applicable Performance Metrics are specified in Section III under LMM Transaction Fees and Credits on the Fee Schedule.

¹⁸ See RFTY Strategies (Retail Order Process) at <https://nasdaqtrader.com/Trader.aspx?id=PriceListTrading2>.

market participants. The proposed rule change may also incentivize ETP Holders to increase their Retail Orders with a time-in-force of Day that add and remove liquidity to qualify for Retail Tier 1 or Retail Tier 2 and thereby earn increased credits for Adding and continue to not pay a fee for removing liquidity when below the existing cap.

The proposed rule change would also continue to encourage additional liquidity on the Exchange by providing determinacy to the Fee Schedule to enable market participants to determine what fee or rebate level would be applicable to any submitted order at the time of execution.

The Exchange notes that, in addition to its transaction business, its listing business also operates in a highly competitive market in which market participants, including issuers of securities, LMMs, and other liquidity providers, can readily transfer their listings, or direct order flow to competing venues if they deem fee levels, liquidity provision incentive programs, or other factors at a particular venue to be insufficient or excessive. The proposed rule change reflects the current competitive pricing environment and is designed to incentivize market participants to participate as LMMs or Market Makers, especially in Less Active ETPs, and thereby, further enhance the market quality on such securities listed on the Exchange and encourage issuers to list new products on the Exchange.

The Exchange believes the proposed rule change would continue to encourage additional liquidity on the Exchange. The Exchange does not know how much Retail Order flow ETP Holders choose to route to other exchanges or to off-exchange venues. Without having a view of ETP Holders’ activity on other markets and off-exchange venues, the Exchange has no way of knowing how this proposed rule change would impact ETP Holders in terms of the number of Retail Orders directed to the Exchange or to other trading venues.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,¹⁹ in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,²⁰ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly

discriminate between customers, issuers, brokers or dealers.

The Proposed Fee Change Is Reasonable

As discussed above, the Exchange operates in a highly fragmented and competitive market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, 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.”²¹

Given this competitive environment, the proposal represents a reasonable attempt to attract additional order flow to the Exchange.

As noted above, the competition for Retail Order flow is stark given the amount of retail limit orders that are routed to non-exchange venues. The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow, or discontinue or reduce use of certain categories of products, in response to fee changes. ETP Holders can choose from any one of the 18 currently operating registered exchanges, and numerous off-exchange venues, to route such order flow. Accordingly, competitive forces constrain exchange transaction fees, particularly as they relate to competing for retail orders. Stated otherwise, changes to exchange transaction fees can have a direct effect on the ability of an exchange to compete for order flow.

The Exchange believes it is reasonable to adopt the proposed fee for Retail Orders. The Exchange believes that the proposed fee change will encourage increased participation from retail liquidity providers while maintaining a competitive and performance-based pricing structure that better reflects current market conditions and trading volumes. The Exchange believes the proposed fee change would continue to encourage increased participation from retail liquidity providers. The Exchange believes the proposed change is also reasonable because it is designed to attract higher volumes of Retail Orders transacted on the Exchange by ETP Holders which would benefit all market participants by offering greater price discovery, increased transparency, and an increased opportunity to trade on the

¹⁹ 15 U.S.C. 78f(b).

²⁰ 15 U.S.C. 78f(b)(4) and (5).

²¹ See *supra* note 5.

Exchange. As noted above, ETP Holders could continue to not pay the proposed fee by sending greater volume of Retail Orders with a time-in-force of Day that remove liquidity and qualify for Retail Tier 1 or Retail Tier 2, as each of these pricing tiers would continue to not charge a fee for Retail Orders with a time-in-force of Day that remove liquidity when below the existing cap.

The Exchange believes the proposed exception to not pay a fee for Retail Orders with a time-in-force of Day that remove liquidity is reasonable because it provides ETP Holders with an opportunity to not pay the proposed fee by incentivizing ETP Holders to register as an LMM or Market Maker in NYSE Arca-listed securities, including in lower volume securities, and transacting in such securities to meet the minimum performance requirements and thus qualify to not pay the proposed fee. The Exchange also believes it is reasonable to require ETP Holders to register as a LMM or Market Maker in a minimum number of Less Active ETPs and to meet at least two Performance Metrics in such securities as the Exchange believes this requirement would enhance market quality in Less Active ETPs and support the quality of price discovery in such securities.

The Exchange believes the proposed exception to not pay a fee for Retail Orders that are impacted by this proposed rule change is reasonable as these changes would provide an incentive for ETP Holders to direct their order flow to the Exchange and provide meaningful added levels of liquidity and thereby, qualify to not pay the proposed fee. As noted above, the Exchange operates in a highly competitive environment, particularly for attracting order flow that provides displayed liquidity on an exchange. More specifically, the Exchange notes that greater add volume order flow may provide for deeper, more liquid markets and execution opportunities at improved prices, which the Exchange believes would incentivize liquidity providers to submit additional liquidity and enhance execution opportunities.

The Exchange believes that the proposal represents a reasonable effort to provide enhanced order execution opportunities for ETP Holders. All ETP Holders would benefit from the greater amounts of liquidity on the Exchange, which would represent a wider range of execution opportunities. The Exchange notes that market participants are free to shift their order flow to competing venues if they believe other markets offer more favorable fees and credits.

On the backdrop of the competitive environment in which the Exchange

currently operates, the proposed rule change is a reasonable attempt to increase liquidity on the Exchange and improve the Exchange's market share relative to its competitors.

The Proposed Fee Change Is an Equitable Allocation of Fees and Credits

The Exchange believes the proposal equitably allocates fees and credits among market participants because all ETP Holders that participate on the Exchange would be subject to the proposed rule change on an equal basis. The Exchange believes its proposal equitably allocates its fees and credits among its market participants by fostering liquidity provision and stability in the marketplace.

The Exchange believes the proposed changes to Retail Orders are an equitable allocation of fees because the proposed changes, taken together, will incentivize ETP Holders to continue to direct their Retail Order flow to the Exchange. The Exchange also believes that the proposed rule change is equitable because it would apply to all similarly situated ETP Holders. As previously noted, the Exchange operates in a competitive environment, particularly as it relates to attracting Retail Orders to the Exchange. The Exchange does not know how much order flow ETP Holders choose to route to other exchanges or to off-exchange venues. The Exchange believes that pricing is just one of the factors that ETP Holders consider when determining where to direct their order flow. Among other things, factors such as execution quality, fill rates, and volatility, are important and deterministic to ETP Holders in deciding where to send their order flow.

The Exchange believes that the proposed exception to not pay a fee for Retail Orders with a time-in-force of Day that remove liquidity represents an equitable allocation of fees and credits and is not unfairly discriminatory because it would apply uniformly to all ETP Holders, in that all ETP Holders would be eligible to utilize the exception by registering as a LMM or Market Maker in a Less Active ETP and meeting the market quality metrics. The Exchange believes that the proposal to offer a fee exception tied to market quality metrics represents an equitable allocation of payments because LMMs and Market Makers would be required to not only meet their Rule 7.23-E obligations but also meet prescribed performance requirements in order to qualify for the pricing structure. Further, all LMMs and Market Makers on the Exchange are eligible to participate and could do so by simply

registering in a Less Active ETP and meeting the proposed market quality metrics. Under the proposal, no fee would be charged under Retail Tier 3 and Retail Tier 5 to ETP Holders that register as a LMM or Market Maker in at least 200 Less Active ETPs in which it meets at least two Performance Metrics.

The Exchange believes that the proposed rule change equitably allocates its fees and credits because maintaining the proportion of Retail Orders in exchange-listed securities that are executed on a registered national securities exchange (rather than relying on certain available off-exchange execution methods) would contribute to investors' confidence in the fairness of their transactions and would benefit all investors by deepening the Exchange's liquidity pool, supporting the quality of price discovery, promoting market transparency and improving investor protection.

The Proposed Fee Change Is Not Unfairly Discriminatory

The Exchange believes that the proposed rule change is not unfairly discriminatory. In the prevailing competitive environment, ETP Holders are free to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Moreover, the proposal neither targets nor will it have a disparate impact on any particular category of market participant. The Exchange believes that the proposal does not permit unfair discrimination because the proposal would be applied to all similarly situated ETP Holders and all ETP Holders would be similarly subject to the proposed changes. Accordingly, no ETP Holder already operating on the Exchange would be disadvantaged by the proposed allocation of fees. The Exchange further believes that the proposed change would not permit unfair discrimination among ETP Holders because the general and tiered rates are available equally to all ETP Holders.

The Exchange believes it is not unfairly discriminatory to provide an exception not to pay a fee for Retail Orders with a time-in-force of Day that remove liquidity, as the exception would be provided on an equal basis to all ETP Holders that meet the proposed performance requirements. Further, the Exchange believes the proposed exception not to pay a fee would incentivize ETP Holders to register in Less Active ETPs and send more orders to the Exchange to meet the performance metrics. As noted above, ETP Holders could continue to not pay the proposed fee by sending greater

volume of Retail Orders with a time-in-force of Day that remove liquidity and qualify for Retail Tier 1 or Retail Tier 2, as each of these pricing tiers would continue to not charge a fee for Retail Orders with a time-in-force of Day that remove liquidity when below the existing cap. The Exchange believes that the proposed exception is not unfairly discriminatory because it would be available to all ETP Holders on an equal and non-discriminatory basis.

As described above, in today's competitive marketplace, order flow providers have a choice of where to direct liquidity-providing order flow, in particular, Retail Orders. The Exchange notes that the submission of Retail Orders is optional for ETP Holders in that they could choose whether to submit Retail Orders and, if they do, the extent of its activity in this regard. The Exchange believes that it is subject to significant competitive forces, as described below in the Exchange's statement regarding the burden on competition.

For the foregoing reasons, the Exchange believes that the proposal is consistent with the Act.

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

In accordance with Section 6(b)(8) of the Act,²² the Exchange believes that the proposed rule change would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for ETP Holders. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."²³

Intramarket Competition. The Exchange believes the proposed rule change does not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed change represents a significant departure from previous pricing offered by the Exchange or its competitors. The proposed change is designed to attract

additional order flow to the Exchange. The Exchange believes that the proposed changes would continue to incentivize market participants to direct order flow to the Exchange. The Exchange also believes that that the proposed exception to not pay a fee for Retail Orders with a time-in-force of Day that remove liquidity would incentivize ETP Holders to participate as LMMs or Market Makers and direct liquidity adding order flow to the Exchange in order to meet certain performance metrics, which would bring with it additional execution opportunities for market participants and improved price transparency. Greater overall order flow, trading opportunities, and pricing transparency would benefit all market participants on the Exchange by enhancing market quality and would continue to encourage ETP Holders to send their orders to the Exchange, thereby contributing towards a robust and well-balanced market ecosystem. All ETP Holders would be subject to the proposed changes, and, as such, the proposed changes would not impose a disparate burden on competition among market participants on the Exchange. As noted, the proposal would apply to all similarly situated ETP Holders on the same and equal terms, who would benefit from the changes on the same basis. Accordingly, the proposed change would not impose a disparate burden on competition among market participants on the Exchange.

Intermarket Competition. The Exchange believes the proposed rule change does not 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 choose to send their orders to other exchanges and off-exchange venues if they deem fee levels at those other venues to be more favorable. As noted above, the Exchange's market share of intraday trading (*i.e.*, excluding auctions) is currently less than 10%. In such an environment, the Exchange must continually adjust its fees and rebates 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 this proposed fee change would impose any burden on intermarket competition.

The Exchange believes that the proposed change could promote competition between the Exchange and

other execution venues, including those that currently offer similar order types and comparable transaction pricing, by encouraging additional orders to be sent to the Exchange for execution.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act,²⁴ and Rule 19b-4(f)(2) thereunder²⁵ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed 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. 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.

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-NYSEARCA-2026-18 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-NYSEARCA-2026-18. This file number 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

²² 15 U.S.C. 78f(b)(8).

²³ See *supra* note 5.

²⁴ 15 U.S.C. 78s(b)(3)(A)(ii).

²⁵ 17 CFR 240.19b-4.

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-NYSEARCA-2026-18 and should be submitted on or before March 17, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁶

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104871; File No. SR-24X-2026-04]

Self-Regulatory Organizations; 24X National Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Limited Liability Agreement of 24X US Holdings LLC Related to a Transaction

February 19, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on February 10, 2026, 24X National Exchange LLC ("24X" or the "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ 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 proposes to amend the limited liability agreement for 24X US Holdings LLC, the parent company of the Exchange in connection with the issuance of Voting Common Units of 24X US Holdco upon the conversion of a convertible promissory note. The proposed rule change is available on the Exchange's website at <https://equities.24exchange.com/regulation> and at the principal office of the Exchange.

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

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

The Exchange is filing with the Commission a proposed rule change to amend and restate the Third Amended and Restated Limited Liability Company Agreement (the "24X US Holdco LLC Agreement") of 24X US Holdings LLC ("24X US Holdco") as the Fourth Amended and Restated Limited Liability Company Agreement of 24X US Holdco to include amendments related to the issuance of Voting Common Units of 24X US Holdco to Rakuten Securities Holdings, Inc. ("Rakuten") upon the conversion of a convertible promissory note as part of a capital raise (the "Transaction"), and various clarifying, updating, conforming, and other non-substantive amendments to the 24X US Holdco LLC Agreement. Each of these proposed amendments is discussed below.

(i) Rakuten Transaction

On May 27, 2025, 24X issued to Rakuten a convertible promissory note in exchange for certain consideration, and, on September 18, 2025, 24X and Rakuten agreed to convert the convertible promissory note into 893,087 Voting Common Units of 24X US Holdco, subject to the effectiveness

of this filing. The Exchange proposes to amend the 24X US Holdco LLC Agreement to facilitate the Transaction, including authorizing the issuance of Voting Common Units and to reflect the admission of Rakuten as a Member of 24X US Holdco.⁵

The Exchange proposes to amend the 24X US Holdco LLC Agreement to allow the issuance of Voting Common Units, which are the same type of membership interest (*i.e.*, have the same privileges, preference, duties, liabilities, obligations and rights) as the existing interest held by 24X Bermuda Holdco, which currently wholly owns 24X US Holdco, to Rakuten pursuant to the Transaction. With the completion of the Transaction, 24X Bermuda Holdco's proportionate ownership of 24X US Holdco would be reduced by approximately 9% from 100% to approximately 91%. Accordingly, 24X Bermuda Holdco will continue to own its ownership interest in 24X US Holdco pursuant to the existing exceptions to the ownership and voting limitation provisions for 24X Bermuda Holdco in the 24X US Holdco LLC Agreement after giving effect to the Transaction and the proposed amendments to the 24X US Holdco LLC Agreement.⁶ 24X believes that the exceptions to the ownership and voting limitations provisions for 24X Bermuda Holdco remain appropriate because the governance and oversight of the Exchange would not change with the proposed amendments to the 24X US Holdco LLC Agreement.⁷ 24X Bermuda Holdco would remain the Manager of 24X US Holdco, and would continue to have control over decision making for 24X US Holdco.⁸ Correspondingly, Rakuten would own approximately 9% of 24X US Holdco. Accordingly, Rakuten will not exceed any ownership or voting limitations applicable to the Members set forth in the 24X US Holdco LLC Agreement after giving effect to the Transaction and the proposed amendments to the 24X US Holdco LLC Agreement. The proceeds from the Transaction could be used by 24X US Holdco and its subsidiary, the

⁵ A "Member" of 24X US Holdco is defined in Exhibit B of the 24X US Holdco LLC Agreement as "each Person signing this Agreement and any Person who subsequently is admitted as a member in the Company."

⁶ See Section III(c)(ii)(A) of 24X US Holdco LLC Agreement.

⁷ With the completion of this Transaction, subject to any applicable regulatory requirements, 24X anticipates that Rakuten will participate as an observer on the Board of Managers of 24X Bermuda Holdco.

⁸ See Section IV(a) of 24X US Holdco LLC Agreement.

²⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).