

advantage in terms of costs when compared to third parties that enter the MDC through the meet-me-rooms to provide services to compete with the Exchange's services.

If anything, the Exchange would be subject to a competitive disadvantage vis-à-vis Users regarding connectivity to the Proposed Third Party Data Feed. Users that choose to independently establish connectivity may negotiate terms with the Telecoms or other Users through whom such connectivity is delivered, in response to competitive forces. Such prices are not required to be filed by any party with the Commission. In contrast, the Exchange's service and pricing would be standardized as set out in this filing, and the Exchange would be unable to respond to pricing pressure from its competitors without seeking a formal fee change in a filing before the Commission.

The changes would not put any market participants at a relative disadvantage compared to other market participants or penalize one or more categories of market participants in a manner that would impose an undue burden on competition.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³¹ and Rule 19b-4(f)(6) thereunder.³² Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act³³ and Rule 19b-4(f)(6)³⁴ thereunder.

At any time within 60 days of the filing of such 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)³⁵ 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-NYSE-2026-32 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-NYSE-2026-32. 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 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-NYSE-2026-32 and should be submitted on or before July 28, 2026.

at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

³⁵ 15 U.S.C. 78s(b)(2)(B).

³⁶ 17 CFR 200.30-3(a)(12).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁶

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-13649 Filed 7-6-26; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105837; File No. SR-TXSE-2026-006]

Self-Regulatory Organizations; Texas Stock Exchange LLC; Notice of Filing of Amendment No. 1 to a Proposed Rule Change To Amend Certain Parts of Its Opening and Closing Auctions

July 1, 2026.

On April 17, 2026, Texas Stock Exchange LLC (the "Exchange" or "TXSE") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² a proposed rule change to amend certain parts of its opening and closing auctions. The proposed rule change was published for comment in the **Federal Register** on April 29, 2026.³ On June 10, 2026, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On June 30, 2026, the Exchange filed Amendment No. 1 to the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. Amendment No. 1 superseded the proposed rule change as originally filed and replaced it in its entirety. The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 1, from interested persons.

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

The Exchange filed a proposal to amend certain parts of its Opening and

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 105309 (Apr. 24, 2026), 91 FR 23128.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 105654, 91 FR 36019 (Jun. 15, 2026). The Commission designated July 28, 2026, as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

³¹ 15 U.S.C. 78s(b)(3)(A)(iii).

³² 17 CFR 240.19b-4(f)(6).

³³ 15 U.S.C. 78s(b)(3)(A).

³⁴ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change,

Closing Auctions, as further described below.

The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is available on the Commission's website (<https://www.sec.gov/rules/sro.shtml>) at the Exchange's website (<https://txse.com/rule-filings>), and at the principal office of the Exchange.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

This Amendment No. 1 to SR-TXSE-2026-006 amends and replaces in its entirety the proposal as originally submitted on April 17, 2026. The Exchange submits this Amendment No. 1 in order to clarify certain points and add additional details to the proposal regarding the Participation Bands.

The Exchange proposes to amend Rule 11.022 to make certain changes to its Opening⁶ and Closing Auctions⁷ to enhance the price discovery process and make the Exchange's auction process more robust. Specifically, the Exchange is proposing to make changes to its late limit order types, Late-Limit-On-Close ("LLOC")⁸ and Late-Limit-On-Open

("LLOO" and, collectively with LLOC, "Late Auction Orders")⁹ as currently described under Rule 11.022(a)(11) and (12), respectively, such that they will be constrained by recent transaction- and/or quotation-based calculations (described more fully below as "Participation Bands") rather than by the NBBO. The Exchange is also proposing to: (i) change the time that LOC,¹⁰ MOC,¹¹ and LLOC orders can be submitted to the Exchange and prevent LOC, MOC, and LLOC orders from being amended or cancelled after 3:58 p.m. and to prevent Regular Hours Only ("RHO")¹² orders from being modified between 9:28 a.m. and 9:30 a.m.; (ii) change the information related to Opening and Closing Auctions that is disseminated prior to the auction; (iii) add an additional tiebreaker step to the waterfall it uses to break ties in determining the TXSE Official Opening

⁹ As provided in Rule 11.022(a)(12), the term "Late-Limit-On-Open" or "LLOO" means a TXSE limit order that is designated for execution only in the Opening Auction. To the extent a LLOO bid or offer received by the Exchange has a limit price that is more aggressive than the NBB or NBO, the price of such bid or offer is adjusted to be equal to the NBB or NBO, respectively, at the time of receipt by the Exchange. Where the NBB or NBO becomes more aggressive, the limit price of the LLOO bid or offer will be adjusted to the more aggressive price, only to the extent that the more aggressive price is not more aggressive than the original User entered limit price. The limit price will not be adjusted to a less aggressive price, unless otherwise provided by Exchange Rules. If there is no NBB or NBO, the LLOO bid or offer, respectively, will assume its entered limit price. Notwithstanding the foregoing, a LLOO order entered during the Quote-Only Period of an IPO will be converted to a limit order with a limit price equal to the original User entered limit price and any LLOO orders not executed in their entirety during the IPO Auction will be cancelled upon completion of the IPO Auction.

¹⁰ As provided in Rule 11.022(a)(13), the term "Limit-On-Close" or "LOC" means a TXSE limit order that is designated for execution only in the Closing Auction.

¹¹ As provided in Rule 11.022(a)(15), the term "Market-On-Close" or "MOC" means a TXSE market order that is designated for execution only in the Closing Auction.

¹² As defined in Rule 11.006(o)(5), RHO means an instruction a User may attach to an order stating that an order to buy or sell is designated for execution only during Regular Trading Hours which includes the Opening Auction, the Closing Auction and IPO/Halt Auctions for TXSE-Listed securities and the Opening Process for non-TXSE-Listed securities (as such terms are defined in TXSE Rules 11.022 and 11.023) and, if not executed, expires at the end of Regular Trading Hours. Any order with a TIF instruction of RHO entered into the System after the closing of Regular Trading Hours will be rejected. Any portion of a market RHO order will be cancelled immediately following any auction in which it is not executed.

Price,¹³ TXSE Official Closing Price,¹⁴ and to the Auction Only Price;¹⁵ and (iv) change the name of LLOC and

¹³ As provided in Rule 11.022(b)(2)(B), the Opening Auction price will be established by determining the price level within the Collar Price Range that maximizes the number of shares executed between the Continuous Book and Auction Book in the Opening Auction. In the event of a volume based tie at multiple price levels, the Opening Auction price will be the price which results in the minimum total imbalance. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the Opening Auction price will be the price closest to the Volume Based Tie Breaker. The Opening Auction price will be the TXSE Official Opening Price. In the event that there is no Opening Auction for an issue, the TXSE Official Opening Price will be the price of the Final Last Sale Eligible Trade, which will be the previous TXSE Official Closing Price. As provided in Rule 11.022(a)(6), the term "Collar Price Range" shall mean the range from a set percentage below the Collar Midpoint (as defined below) to above the Collar Midpoint, such set percentage being dependent on the value of the Collar Midpoint at the time of the auction, as described below. The Collar Midpoint will be the Volume Based Tie Breaker for all applicable auctions, except for IPO Auctions (as defined below) in exchange traded products ("ETPs"), for which the Collar Midpoint will be the issue price. Specifically, the Collar Price Range will be determined as follows: where the Collar Midpoint is \$25.00 or less, the Collar Price Range shall be the range from 10% below the Collar Midpoint to 10% above the Collar Midpoint; where the Collar Midpoint is greater than \$25.00 but less than or equal to \$50.00, the Collar Price Range shall be the range from 5% below the Collar Midpoint to 5% above the Collar Midpoint; and where the Collar Midpoint is greater than \$50.00, the Collar Price Range shall be the range from 3% below the Collar Midpoint to 3% above the Collar Midpoint. As provided in current Rule 11.022(a)(22), the term "Volume Based Tie Breaker" shall mean the midpoint of the NBBO for a particular security where the NBBO is a Valid NBBO. A NBBO is a Valid NBBO where: (i) there is both a NBB and NBO for the security; (ii) the NBBO is not crossed; and (iii) the midpoint of the NBBO is less than the "Maximum Percentage" away from both the NBB and the NBO. The "Maximum Percentage" will be determined by the Exchange and will be published in a circular distributed to Members with reasonable advance notice prior to initial implementation and any change thereto. Where the NBBO is not a Valid NBBO, the price of the Final Last Sale Eligible Trade will be used.

¹⁴ As provided in Rule 11.022(c)(2)(B), the Closing Auction price will be established by determining the price level within the Collar Price Range that maximizes the number of shares executed between the Continuous Book and Auction Book in the Closing Auction. In the event of a volume based tie at multiple price levels, the Closing Auction price will be the price which results in the minimum total imbalance. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the Closing Auction price will be the price closest to the Volume Based Tie Breaker.

¹⁵ As provided in current Rule 11.022(a)(2), the term "Auction Only Price" means the price at which the most shares from the Auction Book would match. In the event of a volume based tie at multiple price levels, the Auction Only Price will be the price which results in the minimum total imbalance. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the Auction Only Price will be the price closest to the Volume Based Tie Breaker (as defined below).

⁶ The Exchange's Opening Auction is described in Rule 11.022(b).

⁷ The Exchange's Closing Auction is described in Rule 11.022(c).

⁸ As provided in Rule 11.022(a)(11), the term "Late-Limit-On-Close" or "LLOC" means a TXSE limit order that is designated for execution only in the Closing Auction. To the extent a LLOC bid or offer received by the Exchange has a limit price that is more aggressive than the NBB or NBO, the price of such bid or offer is adjusted to be equal to the NBB or NBO, respectively, at the time of receipt by the Exchange. Where the NBB or NBO becomes more aggressive, the limit price of the LLOC bid or offer will be adjusted to the more aggressive price, only to the extent that the more aggressive price is not more aggressive than the original User entered limit price. The limit price will not be adjusted to a less aggressive price, unless otherwise provided by Exchange Rules. If there is no NBB or NBO, the LLOC bid or offer, respectively, will assume its entered limit price.

LLOO orders to “Limit-On-Close-Late” or “LOC.L” orders and “Limit-On-Open-Late” or “LOO.L.” The Exchange is also proposing to make one clarifying change to Rule 11.022(c)(2)(B) and to make corresponding renumbering changes to Rule 11.022(a). While the analysis below largely focuses on closing auctions, the Exchange believes that the points raised apply equally to opening auctions.

Overview

Currently, between 9:28 a.m. and 9:30 a.m. and 3:59 p.m. and 4:00 p.m. Users¹⁶ can submit Late Auction Orders for participation in the Opening Auction and Closing Auction, respectively. To the extent that such a Late Auction Order is priced more aggressively than the NBB¹⁷ (for bids) or NBO (for offers), the price of such Late Auction Order bids and offers will be the NBB and NBO. Where the NBB or NBO becomes more aggressive, the limit price of the Late Auction Order bid or offer will be adjusted to the more aggressive price, only to the extent that the more aggressive price is not more aggressive than the original User entered limit price. The limit price will not be adjusted to a less aggressive price, unless otherwise provided by Exchange Rules. If there is no NBB or NBO, the Late Auction Order bid or offer, respectively, will assume its entered limit price.

Because Late Auction Orders are the only Eligible Auction Order¹⁸ that can be submitted after 9:28 a.m. and 3:59 p.m. and are constrained to the less aggressive side of the NBBO, the current Late Auction Order functionality limits Users’ ability to enter marketable orders at a time critical to price formation and price discovery. Late Auction Order functionality also prevents liquidity

providers from being able to support auction liquidity within the NBBO, which can lead to auction volatility, especially in securities with wider spreads. Finally, Late Auction Order functionality also creates uncertainty around executions in the Opening and Closing Auctions which hinders hedging activity for liquidity providers. As noted above, this inability to provide liquidity in Opening and Closing Auctions can result in significant price swings around the open and close and into the Opening and Closing Auctions.

Proposed Changes

As such, the Exchange is proposing to make several changes to its Opening and Closing Auctions. Specifically, the Exchange is proposing to change the functionality of Late Auction Orders such that they are constrained by the Participation Bands,¹⁹ a dynamic price

band applied on a security-by-security basis that is based on quotes and/or trades in the applicable TXSE-listed security, instead of the NBBO.²⁰ At a high level, the midpoint of the Participation Bands will be the median of all of the prices in the Observation Window (the “Participation Bands Midpoint”) and the width of the Participation Bands will be the median of all of the absolute differences between the prices in the Observation Window and the Participation Bands Midpoint multiplied by k . The Participation Bands are thus self-calibrating—both the midpoint and width are derived from the security’s own recent market activity, producing a narrow Participation Band for less volatile securities and a wider Participation Band for more volatile ones. The Exchange will apply objective Quality Gates²¹ to trade and quote data

¹⁹ The term “Participation Bands” shall mean a dynamic upper and lower price band within the Collar Price Range that are calculated on a security-by-security basis that is based on quotes and/or trades in the applicable TXSE-listed security. The Exchange will establish Participation Bands using the following formula: $\text{median}(P) \pm k \times \text{MAD}(P)$, where P represents eligible event prices within the Observation Window, $\text{median}(P)$ is their median (the “Participation Bands Midpoint”), $\text{MAD}(P)$ is the median absolute deviation of the series of eligible event prices within the Observation Window defined as $\text{median}(|P_i - \text{median}(P)|)$, and k is a multiplier determining the half-width of the Participation Bands. The “Observation Window” means the trailing period over which eligible events (*i.e.*, trades and/or NBBO midpoint changes) are collected. The Observation Window may be set by a number of events and/or a period of time (*e.g.*, the Observation Window could include up to the most recent 500 events, all events over the preceding five minutes, or up to the most recent 500 events that occurred within the preceding 5 minutes). The Observation Window will use the following events: (1) eligible trade prices within the Observation Window (the “Trade Method”); (2) if trade data are insufficient or do not satisfy the applicable quality gates (“Quality Gates”), NBBO midpoint observations within the Observation Window, where each midpoint is defined as $(\text{NBB} + \text{NBO}) / 2$ each time the NBBO changes (the “Quote Method”); or (3) if NBBO midpoint observations are also insufficient or do not satisfy the applicable Quality Gates, a Reference Price will be used as the Participation Bands Midpoint and the Participation Bands will be set using the Reference Price Width Percentage (the “Reference Price Method”). When the Reference Price Method is used, the Reference Price will be determined according to an objective process which includes only: the median eligible trade price, median eligible NBBO midpoint, volume-weighted average price, last eligible sale, prior official closing price, or an approximated net asset value calculation for ETPs. The Reference Price process will be set forth in the circular distributed to Members described below and may be changed via notice on the Exchange website and in a circular provided to Members at least 5 business days prior to the effective date. The Participation Bands will never be narrower than the Minimum Half-Width, defined as the greater of a multiple of the symbol’s minimum price variation (“MPV Floor”) and a basis-point percentage of the Participation Bands Midpoint (“Basis Point Floor”). The Maximum Half-Width will act as a percentage limit on how far the Participation Bands can be

from the Participation Bands Midpoint. The Participation Bands are recalculated and disseminated at regular intervals during the auction period (the “Recalculation Interval”). The Exchange will determine the specific parameters, formulas, and values applicable to the calculation of the Participation Bands and all other details necessary for calculation and reproduction of the Participation Bands and any subsequent changes thereto in a circular distributed to Members. Permissible ranges for such values are as follows: Observation Window, 2 to 30 minutes; Recalculation Interval, 1 to 5 seconds; minimum trade count for Trade Method, 20 to 200; minimum midpoint count for Quote Method, 20 to 500; Trade Method k , 1.0 to 10.0; minimum notional value of trades, \$0 to \$1,000,000; Quote Method k , 1.0 to 10.0; Reference Price Width Percentage, 0.50% to 2.50% per side; Minimum Half-Width: MPV Floor, 3 to 10 times minimum price variation; Basis Point Floor, 1 to 25 basis points of Participation Bands Midpoint; Maximum Half-Width, 1.0% to 5.0% per side. The lower priced side of the Participation Bands is the “Lower Band” and the higher priced side of the Participation Bands is the “Upper Band.” The Exchange will provide notice to its Members of any changes to the Quality Gate thresholds, the Reference Price process and calculation, or any of the values above on its website and in a circular to Members at least 5 business days prior to the effective date; provided, however, that reductions to Trade Method k , Quote Method k , Reference Price Width Percentage, or Maximum Half-Width, which would generally result in narrower Participation Bands, require notice only 1 business day prior to the effective date. The Exchange will establish the formulas and values, along with all other details described above, in a circular distributed to Members no fewer than 30 calendar days prior to initial implementation.

²⁰ The Participation Bands remain subject to any applicable auction collar or other auction restrictions or risk controls established by Exchange rules.

²¹ Quality Gates for the Trade Method include only: minimum trade count, minimum notional value of trades, and the exclusion of all erroneous, cancelled, corrected, late-reported, or non-regular-way trades. Quality Gates for the Quote Method will include only: exclusion of crossed, locked, one-sided, stale, or extremely wide NBBO observations and minimum midpoint value count. Specific Quality Gate thresholds will be set forth in the circular distributed to Members described above

Continued

¹⁶ As provided in Rule 1.005(jj), the term “User” means any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to TXSE Rule 11.003.

¹⁷ As provided in Rule 1.005(jj), the terms “National Best Bid” and “NBB” mean the national best bid; the terms “National Best Offer” and “NBO” shall mean the national best offer; and the term “NBBO” shall mean the national best bid or offer.

¹⁸ As provided in current Rule 11.022(a)(8), the term “Eligible Auction Order” means any MOO, LOO, LLOO, MOC, LOC or LLOC order (each as defined below) that is entered in compliance with its respective cutoff for an Opening Auction (as defined below) or Closing Auction (as defined below), any RHO order prior to the Opening Auction, any limit or market order not designated to exclusively participate in the Closing Auction entered during the Quote-Only Period (as defined below) of an IPO Auction subject to the below restrictions, and any limit or market order not designated to exclusively participate in the Opening Auction or Closing Auction entered during the Quote-Only Period of a Halt Auction (as defined below).

before inclusion in the Observation Window.²²

This proposed functionality will allow Late Auction Orders to be entered at prices that are more likely to be able to participate in the Opening and Closing Auction than current functionality while at the same time still constraining a Late Auction Order's limit price to mitigate volatility around the Opening and Closing Auction.²³ The Exchange is also proposing to make several changes related to cut-off times, the ability to modify Auction Eligible Orders, the way that tiebreakers are applied, the data disseminated prior to the Opening and Closing Auction, and to refer to LLOO orders as "Limit-On-Open-Late" or "LOO.L" orders and LLOC orders as "Limit-On-Close-Late" or "LOC.L" orders.

In order to accomplish these changes, the Exchange proposes to amend the definition of LLOO and LLOC under Rule 11.022(a)(12) and (11), respectively, to reflect that the names are changing to LOO.L and LOC.L, respectively. Late Auction Orders continue to represent TXSE limit orders that are designated for execution only in the Opening or Closing Auction, as applicable. Late Auction Orders cannot be amended or cancelled after entry. To the extent that Late Auction Order bids and offers received by the Exchange have a limit price that is more aggressive than the Upper Band or Lower Band, respectively, immediately prior to the Opening or Closing Auction, as applicable, the price of such bid or offer is adjusted to be equal to the Upper Band or Lower Band, respectively.

The Exchange is also proposing to change the information that it disseminates before the Opening and Closing Auction. Rule 11.022(b)(2)(A) currently provides that beginning at 8:00 a.m. and disseminated every five seconds thereafter, the Reference Price, Indicative Price, Auction Only Price, Reference Buy Shares, and Reference Sell Shares associated with the Opening Auction will be disseminated via electronic means until the Opening Auction occurs. Similarly, Rule 11.022(c)(2) currently provides that

and may be changed via notice on the Exchange website and in a circular provided to Members at least 5 business days prior to the effective date.

²² The Exchange will not make changes that are not explicitly contemplated herein until and unless it submits a rule filing pursuant to Section 19(b) of the Securities Exchange Act of 1934 that becomes effective and operative.

²³ As further discussed below, the Exchange believes that this functionality, combined with several of the Exchange's other rule changes proposed herein, will help enhance liquidity in the Opening and Closing Auctions while also mitigating volatility.

beginning at 3:00 p.m. and updated every five seconds thereafter, the Reference Price, Indicative Price, Auction Only Price, Reference Buy Shares, and Reference Sell Shares associated with the Closing Auction will be disseminated via electronic means until the Closing Auction occurs. The Exchange is instead proposing to disseminate information related to the Opening and Closing Auction in two separate periods: first, the Exchange will disseminate Matched Shares²⁴ and the Offset Side²⁵ associated with the applicable auction every five seconds between 8:00 a.m. and 9:28 a.m. for Opening Auctions and between 3:00 p.m. and 3:58 p.m. for Closing Auctions; beginning at 9:28 a.m. for Opening Auctions and 3:58 p.m. for Closing Auctions, the Exchange will disseminate the Participation Bands, the Lower Band Auction Interest,²⁶ and the Upper Band Auction Interest.²⁷ Such data will be updated no less frequently than every five seconds. The Lower Band Auction Interest and Upper Band Auction Interest provide participants with visibility into buy and sell interest at the boundaries of the Participation Bands. By comparing quantities at each boundary and observing how those quantities change, participants can assess the relative balance of supply and demand within the band. This informs decisions about the size, direction, and pricing of any Late Auction Orders or Continuous Book²⁸ interest they may wish to enter during the final two minutes of trading.²⁹

²⁴ As proposed in Rule 11.022(a)(18), the term "Matched Shares" means the number of shares that would match at the Auction Only Price.

²⁵ As proposed in Rule 11.022(a)(19), the term "Offset Side" means the side (either Buy, Sell, or Equal) for which there are more shares available if a Closing Auction took place at the Auction Only Price. Where there are the same number of shares on the buy side and the sell side, the Offset Side will be "Equal".

²⁶ As proposed in Rule 11.022(a)(15), the term "Lower Band Auction Interest" means the number of Eligible Auction Order shares to buy that are priced equal to or more aggressively than the Lower Band and the number of Eligible Auction Order shares to sell that are priced equal to or more aggressively than the Lower Band.

²⁷ As proposed in Rule 11.022(a)(26), the term "Upper Band Auction Interest" means the number of Eligible Auction Order shares to buy that are priced equal to or more aggressively than the Upper Band and the number of Eligible Auction Order shares to sell that are priced equal to or more aggressively than the Upper Band.

²⁸ As defined in Rule 11.022(a)(7), the term "Continuous Book" means all orders on the TXSE Book that are not Eligible Auction Orders.

²⁹ These data points are designed to provide market makers and LMMs with the information necessary to make informed decisions about providing liquidity in the Opening and Closing Auctions. Specifically, the dissemination of Matched Shares and the Offset Side beginning at 8:00 a.m. and 3:00 p.m. enables liquidity providers

The Exchange is also proposing to amend Rule 11.022(c)(1)(A) and (B) in order to provide that LOC and MOC orders may be submitted until 3:58 p.m. instead of 3:59 p.m., that LOC.L orders (formerly LLOC orders) can be submitted starting at 3:58 p.m. instead of 3:59 p.m., and that Eligible Auction Orders may not be modified or cancelled after 3:58 p.m. whereas they were previously non-cancellable after 3:59 p.m. and could be modified any time prior to the Closing Auction. Similarly, the Exchange is proposing to delete text in Rule 11.022(b)(1)(B) to provide that RHO orders cannot be modified or cancelled between 9:28 a.m. and 9:30 a.m. in order to ensure consistent treatment across Eligible Auction Orders in the Opening Auction. The Exchange is proposing these changes in order to both align the functionality across its Opening and Closing Auctions and to create a longer period before an auction in which Eligible Auction Orders cannot be cancelled or modified, providing greater certainty around the liquidity available in Exchange auctions in support of price formation. The Exchange is not proposing to make any equivalent changes for MOO, LOO, or LOO.L orders in Opening Auctions because the Opening Auction rules already reflect this same functionality beginning at 9:28 a.m. (two minutes before the Opening Auction occurs).

The Exchange is also proposing to add one additional step to the waterfall that it uses to break ties in determining the TXSE Official Opening Price, TXSE Official Closing Price, and Auction Only Price. Currently, Rule 11.022(c)(2)(B) provides that the Closing Auction price will be established by: (i) determining the price level within the Collar Price Range that maximizes the number of shares executed between the Continuous Book and Auction Book³⁰ in the Closing Auction; (ii) in the event of a volume based tie at multiple price levels, the Closing Auction price will be the price which results in the minimum total imbalance; and (iii) in the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the Closing Auction price

to assess the direction and magnitude of order flow, while the dissemination of the Participation Bands, Lower Band Auction Interest, and Upper Band Auction Interest beginning at 9:28 a.m. and 3:58 p.m. enables them to calibrate the pricing and size of Late Auction Orders within the constraints of the band. Together, these data points reduce the informational uncertainty that might otherwise discourage liquidity provision in the Exchange's Opening and Closing Auction processes.

³⁰ As defined in Rule 11.022(a)(1), the term "Auction Book" means all Eligible Auction Orders (as defined below) on the TXSE Book.

will be the price closest to the Volume Based Tie Breaker. The Opening Auction has an identical tie-breaking waterfall.³¹ The Exchange is proposing to add a new step to this process before step (iii) which states that “in the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the Closing Auction price will be the entered price at which shares will remain unexecuted in the Closing Auction.” If more than one price exists under this new step (iii), the Closing

Auction price would then be the price closest to the Volume Based Tie Breaker. The Exchange notes that this proposed change is substantively identical to Nasdaq Rule 4754(b)(2)(C) with respect to its closing auction. The Exchange is proposing to make equivalent changes to the Opening Auction under Rule 11.022(b)(2)(B) and the definition of Auction Only Price in Rule 11.022(a)(2).

Examples

The following examples are based on the Closing Auction and Closing Auction orders, including MOC, LOC, and LOC.L, but the same scenarios in the Opening Auction with MOO, LOO, and LOO.L orders would yield identical results.

Example 1 (Data Calculation and LOC.L Basics): Below is a snapshot of the Auction Book and Continuous Book immediately prior to 3:58:00 p.m. where the Volume Based Tie Breaker is \$50.10.

AUCTION BOOK PRIOR TO 3:58:00 P.M

Time	Order	Side	Type	Limit	Shares
3:05:00	Order A	Sell	MOC	N/A	4,000
3:30:00	Order B	Buy	LOC	\$50.10	2,000

CONTINUOUS BOOK

Time	Order	Side	Type	Limit	Shares
3:55:15	Order C	Buy	Displayed Limit	\$50.00	2,000
3:57:00	Order D	Sell	Displayed Limit	50.10	4,000

Before 3:58 p.m. the Exchange is proposing to disseminate Matched Shares and Offset Side every five seconds, both of which are calculated based on the Auction Only Price³² at that time. Based on the above Auction Book, the Auction Only Price would be \$50.10 and 2,000 shares would execute.³³ This means that the Exchange would disseminate a Matched Shares of 2,000 and an Offset Side of Sell.

LOC.L Orders Entered After 3:58:00 p.m.

At 3:58:00 p.m. all Eligible Auction Orders (MOCs and LOCs) may no longer be modified or cancelled and LOC.L Orders are the only Eligible Auction Orders that can be entered. As described above, the Exchange is proposing that such LOC.L orders can be entered at their limit price without restriction but

cannot be modified or cancelled. Immediately prior to the Closing Auction, LOC.L bids and offers that have a limit price that is more aggressive than the Upper Band or Lower Band, respectively, will be adjusted to be equal to the Upper Band or Lower Band, respectively.

For purposes of this example, the Participation Bands are \$49.80 × \$50.20.

Time	Order	Side	Type	Limit	Shares
3:59:00	Order E	Buy	LOC.L	\$50.10	5,000
3:59:30	Order F	Sell	LOC.L	49.00	2,000

At 3:58:00 p.m., the Exchange will also start calculating and disseminating the following values no less frequently than every five seconds: (i) the Participation Bands (which includes both the Lower Band and the Upper Band); (ii) the Lower Band Auction Interest (which includes both the buy shares and the sell shares); (iii) and the Upper Band Auction Interest (which

also includes both the buy shares and the sell shares.

The Lower Band Auction Interest buy shares includes all bids that are Eligible Auction Orders priced more aggressively than the Lower Band (\$49.80). At 3:58, the Lower Band Auction Interest buy shares is calculated as follows: Order B (2,000 shares at \$50.10) = 2,000 shares. When Order E

(5,000 shares at \$50.10) comes in at 3:59:00, Lower Band Auction Interest buy shares would increase to 7,000 shares.

The Lower Band Auction Interest sell shares includes all offers that are Eligible Auction Orders priced more aggressively than the Lower Band (\$49.80). At 3:58, the Lower Band Auction Interest sell shares is calculated

³¹ See Exchange Rule 11.022(b)(2)(B).

³² As defined in proposed amended Rule 11.022(a)(2), the term “Auction Only Price” means the price at which the most shares from the Auction Book would match. In the event of a volume based tie at multiple price levels, the Auction Only Price will be the price which results in the minimum total imbalance. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the Closing Auction price will be the entered price at which shares will remain unexecuted in the Closing Auction. In the event of

a volume based tie, a tie in minimum total imbalance, and a tie in shares unexecuted at multiple price levels, the Auction Only Price will be the price closest to the Volume Based Tie Breaker (as defined below).

³³ This calculation provides an example of the proposed new tie breaker language in Rule 11.022(a)(2). In determining the Auction Only Price as proposed, 2,000 shares would execute at each price level below \$50.10 with an imbalance of 2,000 shares. In the event of a volume-based tie at multiple price levels and a tie in minimum total

imbalance at multiple price levels, the Auction Only Price will be the entered price at which shares will remain unexecuted. Here, there are no price levels at which an entered price will have unexecuted shares (Order B executes fully and Order A has no entered price), so the Auction Only Price will be the price closest to the Volume Based Tie Breaker. Because the Volume Based Tie Breaker is \$50.10, the Auction Only Price would be \$50.10 and because there are 2,000 buy shares and 4,000 sell shares at \$50.10, the Offset Side would be “Sell.”

as follows: Order A (4,000 shares at market) = 4,000 shares. When Order F (2,000 shares at \$49.00) comes in at 3:59:30, Lower Band Auction interest sell shares would increase to 6,000 shares.

The Upper Band Auction Interest buy shares includes all bids that are Eligible Auction Orders priced more aggressively than the Upper Band (\$50.20). At 3:58, the Upper Band

Auction Interest buy shares is calculated as follows: no Eligible Auction Orders to buy priced more aggressively than \$50.20 = 0 shares. There are no subsequent LOC.L buy orders priced more aggressively than \$50.20, so there are no changes to the Upper Band Auction Interest buy shares.

The Upper Band Auction Interest sell shares includes all offers that are Eligible Auction Orders priced more

aggressively than the Upper Band (\$50.20). At 3:58, the Upper Band Auction Interest sell shares is calculated as follows: Order A (4,000 shares at market) = 4,000 shares. When Order F (2,000 shares at \$49.00) comes in at 3:59:30, Upper Band Auction interest sell shares would increase to 6,000 shares.

Complete Order Book Immediately Prior to Closing Auction Sorted by Priority

Time	Order	Side	Type	Limit	Shares
3:05:00	Order A	Sell	MOC	N/A	4,000
3:59:30	Order F	Sell	LOC.L	\$49.00	2,000
3:57:00	Order D	Sell	Displayed Limit	50.10	4,000

Time	Order	Side	Type	Limit	Shares
3:59:00	Order E	Buy	LOC.L	\$50.10	5,000
3:30:00	Order B	Buy	LOC	50.10	2,000
3:55:15	Order C	Buy	Displayed Limit	50.00	2,000

Immediately prior to the beginning of the Closing Auction process, LOC.L bids and offers that have a limit price more aggressive than the Upper Band or Lower Band, respectively, will be adjusted to be equal to the Upper Band or Lower Band, respectively. Here, there

are two LOC.L orders: Order E and Order F. Order F is a sell order with a limit price of \$49.00, which is more aggressive than the Lower Band of \$49.80, so it will be adjusted to a limit price of \$49.80 for participation in the Closing Auction. Order E is a buy order

with a limit price of \$50.10, which is less aggressive than the Upper Band of \$50.20, so it will not be adjusted and will participate in the Closing Auction with a limit price of \$50.10.

Complete Order Book for Closing Auction Sorted by Priority

Time	Order	Side	Type	Limit	Shares
3:05:00	Order A	Sell	MOC	N/A	4,000
3:59:30	Order F	Sell	LOC.L	\$49.80	2,000
3:57:00	Order D	Sell	Displayed Limit	\$50.10	4,000

Time	Order	Side	Type	Limit	Shares
3:59:00	Order E	Buy	LOC.L	\$50.10	5,000
3:30:00	Order B	Buy	LOC	50.10	2,000
3:55:15	Order C	Buy	Displayed Limit	50.00	2,000

Based on the above combined Auction Order Book and Continuous Order Book, 4,000 shares would execute at every price up to \$49.79, 6,000 shares would execute between \$49.80 and \$50.09, 7,000 shares would execute at \$50.10, and 0 shares would execute above \$50.10. Based on the logic in Rule 11.022(c)(2)(B), which provides that the Closing Auction will occur at the price

level within the Collar Price Range³⁴ that maximizes the number of shares executed between the Continuous Book and Auction Book, the Closing Auction would occur at \$50.10.

In this instance, the adjustment of Order F did not impact the price of the Closing Auction because the most shares that could execute would have been at \$50.10 (still 7,000 shares) even

if the LOC.L was priced at \$49.00 (would have been 6,000 shares at each price level between \$49.00 and \$50.09 instead of \$49.80 and \$50.09).

Example 2 (Participation Bands Impact Closing Auction Price): Taking the same example as above, but in this example Order F is for 10,000 shares instead of 2,000, and one additional order is entered as follows:

Time	Order	Side	Type	Limit	Shares
3:59:30	Order F	Sell	LOC.L	\$49.00	10,000
3:59:50	Order G	Buy	LOC.L	49.00	1,000

³⁴ The Exchange notes that because it is not proposing to make any changes to the Collar Price Range in this proposal, it is not discussing the

Collar Price Range in the examples in this filing in order to keep the examples as straight-forward as

possible as it relates to the rules that it is proposing to change.

In this instance, Order F would again be adjusted to a limit price of \$49.80 because it is an LOC.L sell order that is priced more aggressively than the Lower Band. Order G would not be adjusted because it is an LOC.L buy order that is not priced more aggressively than the Upper Band. Based on updated orders and the new combined Auction Order Book and Continuous Book, 4,000 shares would execute at every price up to \$49.79, 9,000 shares would execute between \$49.80 and \$50.00, 7,000 shares would execute between \$50.01 and \$50.10, and 0 shares would execute above \$50.10. Based on the logic in Rule 11.022(c)(2)(B), which provides that the Closing Auction will occur at the price level within that maximizes the number of shares executed between the Continuous Book and Auction Book, there would be a volume based tie between \$49.80 and \$50.00.³⁵ The next step is to find the price level within that range that minimizes the imbalance, but every price in that range has an imbalance of 5,000 sell shares. The next step (which is the proposed new tie breaker functionality) is to find the entered price at which shares will remain unexecuted in the Closing Auction, and here the only entered price within the range at which shares will remain unexecuted is \$49.80 (Order F's adjusted price). Therefore, 9,000 shares would execute in the Closing Auction at \$49.80.

In this instance, the adjustment of Order F did impact the price of the Closing Auction because the most shares that could execute would have been at \$49.00 if the LOC.L was priced at \$49.00 (would have been 10,000 shares that could have executed at \$49.00, greater than any other price level). Consistent with the logic above, the Participation Bands, which are based on actual executions and quotes in the market, allowed price formation to occur in the Closing Auction within reasonable market-based bounds.

Policy Argument

The Exchange believes that these proposed changes collectively provide a deterministic, market-based solution to creating orderly closing auctions that is conceptually similar to both the Exchange's current functionality (gating Late Auction Orders based on market conditions, which under current

Exchange Rules are the NBB and NBO), other similar late auction order functionality on other exchanges (which provide similar market-based restrictions on the price of late auction orders),³⁶ and the Designated Market Maker ("DMM") closing auction process on New York Stock Exchange LLC ("NYSE"). Under NYSE Rule 7.35B(g), DMMs are responsible for deciding the Auction Price for a Closing Auction on NYSE and have significant discretion in determining what that Auction Price should be. NYSE describes the criteria for the DMM to decide on the Closing Price as follows: "the Auction Price must be at or between the last-published Imbalance Reference Price, which is the Exchange Last Sale Price bound by the Exchange BBO,³⁷ and the last-published non-zero Continuous Book Clearing Price, which is the price at which all better-priced orders eligible to trade in the Closing Auction on the Side of the Imbalance can be traded."³⁸ Rule 7.35B promotes determinism with respect to the Closing Auction because the Closing Auction Price must be within the predetermined range of prices that have been disseminated via the Closing Auction Imbalance Information and that

³⁶ Cboe BZX Exchange, Inc. ("BZX") has identical late auction order functionality as the Exchange's current functionality—late auction orders in both the opening and closing auctions are collared by the NBBO. See BZX Rules 11.23(a)(12) and (13). NYSE Arca, Inc.'s ("Arca") opening auction does not allow cancel and cancel and replace requests for one minute prior to the Opening Auction and a Core Open Auction Imbalance Freeze occurs five seconds before the scheduled Core Open Auction. During this period the only orders accepted for auction participation are Limit Orders designated for the Core Trading Session and such orders are only allowed to participate in the Core Open Auction to offset an imbalance remaining after all orders entered before the Core Open Auction Imbalance Freeze. For the Arca closing auction, the Closing Auction Imbalance Freeze begins one minute prior to the closing auction. During this period, all LOC and MOC orders that are on the same side of the Total Imbalance, would flip the Total Imbalance, or would create a new Total Imbalance are rejected and no LOC Orders or MOC Orders can be cancelled or cancelled and replaced. See Arca Rule 7.35—E. Nasdaq Stock Market LLC's ("Nasdaq") allows LOO orders to be entered until 9:29:30 a.m. but restricts LOO orders received after 9:28 a.m. to only be priced to the more aggressive of the 9:28 a.m. price or the previous day's official closing price. Similarly, LOC orders received after 3:55 p.m. are accepted at their limit price unless it is more aggressive than the 3:50 p.m. or the 3:55 p.m. Reference Prices, in which case it will be re-priced to the more aggressive of the two prices. Nasdaq accepts Imbalance Only orders for both the opening and closing auction and if those orders are re-priced to the best bid/ask price prior to the execution of the auction, up to their limit price. See Nasdaq Rules 4752 and 4754.

³⁷ See NYSE Rule 7.35(a)(4)(C). In the case of a buy Imbalance, the Continuous Book Clearing Price would be the highest potential Closing Auction Price and in the case of a sell Imbalance, the Continuous Book Clearing Price would be the lowest potential Closing Auction Price.

³⁸ See NYSE Rule 7.35B(e)(3).

cannot be changed after the end of Core Trading Hours."³⁹ Providing a market conditions-based price range at which the DMM can choose the auction price serves a similar function to the restrictions on late auction orders on other exchanges and the Participation Band restrictions on LOO.L and LOC.L orders entered after 9:28 a.m. and 3:58 p.m., respectively. They all serve to allow for liquidity providers to participate in the auction process but in a way that does not impact the price of the auction in a way that diverges from the exchanges' respective chosen measure of "current market conditions."

To this point, the Exchange believes that restricting the price of Late Auction Order bids and offers to the Upper Band and Lower Band, respectively, immediately prior to the Opening and Closing Auction is a reasonable way to ensure that participants are able to add liquidity in Opening and Closing Auctions on the Exchange while mitigating volatility and ensuring that Opening and Closing Auctions remain tethered to market conditions in a security.⁴⁰ The data points that the Exchange is proposing to disseminate prior to its Opening and Closing Auctions further bolster this ability. The Exchange believes that the examples above support this belief.

Clarifying Changes

Finally, the Exchange is proposing to add a clarifying clean-up change in Rule 11.022(c)(2)(B) to add the phrase "that is a corporate security" in two places in order to make the following language clear "For a TXSE-Listed Security *that is a corporate security*, the Closing Auction price will be the TXSE Official Closing Price. In the event that there is no Closing Auction for a TXSE-Listed Security *that is a corporate security*, the TXSE Official Closing Price will be the price of the Final Last Sale Eligible Trade." Without this clarifying language, the following sentence related to "The TXSE Official Closing Price for all other TXSE-Listed Securities will be determined as follows:" would never apply. The language under this provision is intended to apply to ETPs in order to find a TXSE Official Closing

³⁹ See Securities Exchange Act Release No. 104887 (February 25, 2026), 91 FR 10175 (March 2, 2026) (File No. SR-NYSE-2026-11) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 7.35B(g)(2)).

⁴⁰ As noted above, the Participation Bands are calculated utilizing real-time transaction and/or quotation data from the consolidated tape for the applicable security and a mathematical calculation to determine a dynamic, symbol-specific price range within the Collar Price Range and will be disseminated every five seconds between 3:58 p.m. and 4:00 p.m.

³⁵ The Exchange notes that Rule 11.022(c)(2)(B) specifically refers to the price level within the Collar Price Range that maximizes the number of shares executed, but is intentionally not including the Collar Price Range in the examples in this proposal in order to prevent the overcomplication of these examples in areas of its rules that it is not proposing to change.

Price for ETPs where there is less than one round lot executed in the Closing Auction. Without the qualifier “that is a corporate security” all securities would have their TXSE Official Closing Price determined by the preceding language. The Exchange is also proposing to renumber certain defined terms under Rule 11.022(a) in order to accommodate the new definitions proposed herein.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁴¹ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁴² in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and in general, to protect investors and the public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Specifically, the Exchange believes that the proposed changes to LOO.L and LOC.L functionality, the new data points that will be provided in advance of the Opening and Closing Auctions, and the changes to the timing and cancellability of RHO, MOC, LOC, and LOC.L orders collectively provide a deterministic, market-based solution to creating orderly auctions. To this point, the Exchange believes that restricting the price of Late Auction Order bids and offers to the Upper Band and Lower Band, respectively, immediately prior to the Opening and Closing Auction is a reasonable way to ensure that participants are able to add liquidity in Opening and Closing Auctions on the Exchange while mitigating volatility and ensuring that Opening and Closing Auctions remain tethered to market conditions in a security.⁴³ The data

points that the Exchange is proposing to disseminate prior to its Opening and Closing Auctions further bolster this ability.

The Exchange also notes that the proposed Late Auction Order functionality is conceptually similar to both the Exchange’s current functionality (gating Late Auction Orders based on market conditions, which under current Exchange Rules are the NBB and NBO), other similar late auction order functionality on other exchanges (which provide similar market-based restrictions on the price of late auction orders),⁴⁴ and the DMM closing auction process on NYSE. Under NYSE Rule 7.35B(g), DMMs are responsible for deciding the Auction Price for a Closing Auction on NYSE and have significant discretion in determining what that Auction Price should be. NYSE describes the criteria for the DMM to decide on the Closing Price as follows: “the Auction Price must be at or between the last-published Imbalance Reference Price, which is the Exchange Last Sale Price bound by the Exchange BBO,⁴⁵ and the last-published non-zero Continuous Book Clearing Price, which is the price at which all better-priced orders eligible to trade in

⁴⁴ BZX has identical late auction order functionality as the Exchange’s current functionality—late auction orders in both the opening and closing auctions are collared by the NBBO. See BZX Rules 11.23(a)(12) and (13). Arca’s opening auction does not allow cancel and cancel and replace requests for one minute prior to the Opening Auction and a Core Open Auction Imbalance Freeze occurs five seconds before the scheduled Core Open Auction. During this period the only orders accepted for auction participation are Limit Orders designated for the Core Trading Session and such orders are only allowed to participate in the Core Open Auction to offset an imbalance remaining after all orders entered before the Core Open Auction Imbalance Freeze. For the Arca closing auction, the Closing Auction Imbalance Freeze begins one minute prior to the closing auction. During this period, all LOC and MOC orders that are on the same side of the Total Imbalance, would flip the Total Imbalance, or would create a new Total Imbalance are rejected and no LOC Orders or MOC Orders can be cancelled or cancelled and replaced. See Arca Rule 7.35–E. Nasdaq’s allows LOO orders to be entered until 9:29:30 a.m. but restricts LOO orders received after 9:28 a.m. to only be priced to the more aggressive of the 9:28 a.m. price or the previous day’s official closing price. Similarly, LOC orders received after 3:55 p.m. are accepted at their limit price unless it is more aggressive than the 3:50 p.m. or the 3:55 p.m. Reference Prices, in which case it will be re-priced to the more aggressive of the two prices. Nasdaq accepts Imbalance Only orders for both the opening and closing auction and if those orders are re-priced to the best bid/ask price prior to the execution of the auction, up to their limit price. See Nasdaq Rules 4752 and 4754.

⁴⁵ See NYSE Rule 7.35(a)(4)(C). In the case of a buy Imbalance, the Continuous Book Clearing Price would be the highest potential Closing Auction Price and in the case of a sell Imbalance, the Continuous Book Clearing Price would be the lowest potential Closing Auction Price.

the Closing Auction on the Side of the Imbalance can be traded.⁴⁶ Rule 7.35B promotes determinism with respect to the Closing Auction because the Closing Auction Price must be within the predetermined range of prices that have been disseminated via the Closing Auction Imbalance Information and that cannot be changed after the end of Core Trading Hours.”⁴⁷ Providing a market conditions-based price range at which the DMM can choose the auction price serves a similar function to the restrictions on late auction orders on other exchanges and the Participation Band restrictions on LOO.L and LOC.L orders entered after 9:28 a.m. and 3:58 p.m., respectively, being proposed herein. They all serve to allow for liquidity providers to participate in the auction process but in a way that does not impact the price of the auction in a way that diverges from the exchanges’ respective chosen measure of “current market conditions.” While the analysis above focuses on closing auctions, the Exchange believes that the points raised apply equally to opening auctions as well.

The Exchange further believes that its proposal to add a new third tie-breaker to the calculation of the TXSE Official Opening Price, TXSE Official Closing Price, and the Auction Only Price is consistent with the Act because the proposed change adds another tie breaker that is based on actual auction orders in the Auction Book before using the Volume Based Tie Breaker, which the Exchange believes better reflects actual market interest. Further, the proposed change is substantively identical to Nasdaq Rule 4754(b)(2)(C).

Finally, the Exchange believes that the proposed clarifying clean-up and corresponding numbering changes are consistent with the Act because they make the Exchange’s Rules more clear and understandable. As it specifically relates to adding the phrase “that is a corporate security” in two places, the proposed rule change will correct a drafting error to make clear how the TXSE Official Closing Price is determined for non-corporate securities.

For these reasons, the Exchange believes that the proposed changes are consistent with the Act.

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

The Exchange does not believe that the proposal will impose any burden on

⁴⁶ See NYSE Rule 7.35B(e)(3).

⁴⁷ See Securities Exchange Act Release No. 104887 (February 25, 2026), 91 FR 10175 (March 2, 2026) (File No. SR–NYSE–2026–11) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 7.35B(g)(2))

⁴¹ 15 U.S.C. 78f(b).

⁴² 15 U.S.C. 78f(b)(5).

⁴³ As noted above, the Participation Bands are calculated utilizing real-time transaction and/or quotation data from the consolidated tape for the applicable security and a mathematical calculation to determine a dynamic, symbol-specific price range within the Collar Price Range and will be disseminated every five seconds between 3:58 p.m. and 4:00 p.m.

competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed change is designed to revise auctions on the Exchange to make it more transparent, robust, and deterministic. The Exchange believes that the proposed rule change would promote intermarket competition, particularly for issuers in connection with their determination of which exchange to select as a primary listing venue and among market participants that may decide to participate in auctions on the Exchange. The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Competing exchanges have their own auction functionality and are free to adopt similar rules if they so choose.

The Exchange also does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. All Members would be eligible to participate in the Exchange's auctions and all issuers would have their securities participate in the auctions on the same terms.

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

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

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposal, as modified by Amendment No. 1, 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 No. SR-TXSE-2026-006 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090. All submissions should refer to File No. SR-TXSE-2026-006. 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 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-TXSE-2026-006 and should be submitted on or before July 22, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁸

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2026-13653 Filed 7-6-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 36236; 812-16022]

Goehring & Rozencwajg Investment Funds and Goehring & Rozencwajg Associates, LLC

July 1, 2026.

AGENCY: Securities and Exchange Commission ("Commission" or "SEC").
ACTION: Notice.

Notice of an application under section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from sections 2(a)(32), 5(a)(1), 18(f)(1), 18(i), 22(d) and 22(e) of the Act and rule 22c-1 under the Act and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act.

SUMMARY OF APPLICATION: Applicants request an order ("Order") that would permit a registered open-end management investment company to offer one class of exchange-traded shares that operates as an exchange-traded fund (an "ETF Class," and such shares, "ETF Shares") and one or more classes of shares that are not exchange-traded (each such class, a "Mutual Fund Class," and such shares, "Mutual Fund Shares," and each such fund, a "Multi-Class ETF Fund"). The Order would provide Multi-Class ETF Funds with two broad categories of relief: (i) the

relief necessary to permit standard exchange-traded fund ("ETF") operations consistent with Rule 6c-11 under the Act ("ETF Operational Relief") and (ii) the relief necessary for a fund to offer an ETF Class and one or more Mutual Fund Classes ("ETF Class Relief").

APPLICANTS: Goehring & Rozencwajg Investment Funds and Goehring & Rozencwajg Associates, LLC.

FILING DATES: The application was filed on April 29, 2026.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing on any application by emailing the SEC's Secretary at Secretarys-Office@sec.gov and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below. The email should include the file number referenced above. Hearing requests should be received by the Commission by 5:30 p.m., Eastern time, on July 27, 2026, and should be accompanied by proof of service on the Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission's Secretary at Secretarys-Office@sec.gov.

ADDRESSES: The Commission: Secretarys-Office@sec.gov. Applicants: Kevin O'Friel, kofriel@gorozen.com; and Michael G. Doherty, Esq., Ropes & Gray LLP, Michael.Doherty@ropesgray.com.

FOR FURTHER INFORMATION CONTACT: Jill Ehrlich, Senior Counsel, or Thomas Ahmadifar, Branch Chief, at (202) 551-6825 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: For Applicants' representations, legal analysis, and conditions, please refer to Applicants' application, filed April 29, 2026, which may be obtained via the Commission's website by searching for the file number at the top of this document, or for an Applicant using the Company name search field, on the SEC's EDGAR system. The SEC's EDGAR system may be searched at <https://www.sec.gov/search-filings>. You may also call the SEC's Office of Investor Education and Assistance at (202) 551-8090.

⁴⁸ 17 CFR 200.30-3(a)(12).