

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106639; File No. SR–TXSE–2026–035]

Self-Regulatory Organizations; Texas Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the TXSE Fee Schedule To Modify the Transaction Fee Applicable to Securities Priced at or Above \$1.00 That Remove Displayed Liquidity From the TXSE Book

October 8, 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 October 1, 2026, Texas Stock Exchange LLC (“Exchange” or “TXSE”) 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 is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the TXSE Fee Schedule to lower the transaction fee applicable to securities priced at or above \$1.00 that remove displayed liquidity from the TXSE Book. The Exchange proposes to implement the rule change upon commencement of its operations as a national securities exchange.

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://www.txse.com/regulations/rules-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

The Exchange proposes to amend Section A (Transaction Fees) of the TXSE Fee Schedule to reduce the fee for executions of orders that (i) are displayed on the TXSE Book and (ii) remove liquidity from the Exchange.³ Currently, TXSE charges a fee of \$0.0030 per share for these executions in securities priced at or above \$1.00 per share. The Exchange now proposes to reduce this fee to \$0.0029 per share and implement the change on October 1, 2026.

The proposed reduced fee for executions in securities priced at or above \$1.00 per share that remove displayed liquidity is consistent with the fees charged by other exchanges for similar executions and the Exchange believes that reducing the fee for these transactions will encourage Members to increase the liquidity-removing orders they submit to the Exchange and result in increased interactions with displayed liquidity on the TXSE Book.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the requirements of the Exchange Act. The Exchange believes that the proposed fee is consistent with the objectives of Section 6(b)(5) of the Act⁴ in that they are designed 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 national market system, and, in general, to protect investors and the public interest, and, particularly, are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes that the proposed rule change is consistent with the provisions of Section 6(b)(4) of the Act,⁵ in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its

Members and other persons using its facilities.

The Exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The Exchange believes that the proposed fee reflects a simple and competitive pricing change designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes would promote price discovery and price formation and deepen liquidity that is subject to the Exchange’s transparency, regulation, and oversight as an exchange, thereby enhancing market quality to the benefit of all Members and investors. The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and self-regulatory organization 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.”⁶

The Exchange believes that it is appropriate, reasonable, and consistent with the Act to reduce and now charge a standard fee of \$0.0029 per share for executions of orders that remove liquidity from the TXSE Book in securities priced at or above \$1.00 per share because it is comparable to the transaction fee charged by another exchange to remove liquidity.⁷ The Exchange further believes that this fee is equitably allocated and not unfairly discriminatory because it applies equally to all Members and is designed to facilitate increased activity on the activity on the Exchange to the benefit of all Members by providing more trading opportunities and promoting price discovery.

⁶ Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

⁷ For example, the MEMX Fee Schedule assess fees to remove liquidity for securities at or above \$1.00 that range from \$0.0029–\$0.0030 per share; see <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/>.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ This pricing is referred to as “Remove displayed liquidity” on the TXSE Fee Schedule.

⁴ 15 U.S.C. 78f(b)(6).

⁵ 15 U.S.C. 78f(b)(4).

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

Section 6(b)(8) of the Act⁸ requires that the Exchange's rules not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act. The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, as discussed above, the Exchange believes that the proposed fee change would encourage the submission of additional order flow to a public exchange, thereby promoting market depth, execution incentives, and enhanced execution opportunities, as well as price discovery and transparency for all Members. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."⁹

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. To the contrary, the Exchange believes that the proposed fee change will increase competition and is intended to draw volume to the Exchange. 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 reduce use of certain categories of products in response to new or different pricing structures being introduced into the market. Accordingly, competitive forces constrain the Exchange's transaction fees, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. Although this fee change is intended to attract liquidity to the Exchange, most other exchanges in operation today already offer multiple incentives to their participants, including tiered pricing that provides discounted executions, and other exchanges will be able to modify such incentives in order to compete with the Exchange. Accordingly, with respect to a participant deciding to submit an order to remove liquidity, there are multiple exchanges that will continue to be competitively priced for such orders when compared to the Exchange's

pricing. Further, while pricing incentives can cause shifts of liquidity between trading centers, market participants make determinations on where to provide liquidity or route orders to take liquidity based on factors other than pricing, including execution quality, technology, functionality, and other considerations. Consequently, the Exchange believes that the degree to which its fees could impose any burden on competition is extremely limited and does not believe that such fees would burden competition of Members or competing venues in a manner that is not necessary or appropriate in furtherance of the purposes of the Act.

The Exchange 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 because the proposed fee would apply equally to all Members. The proposed fee change is intended to encourage market participants to add liquidity to the Exchange by providing a competitive rate charged for removing liquidity, which the Exchange believes will help to encourage Members to send orders to the Exchange to the benefit of all Exchange participants. As the proposed rates are equally applicable to all market participants, the Exchange does not believe there is any burden on intramarket competition.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Exchange Act¹⁰ and Rule 19b-4(f)(2) thereunder,¹¹ because it establishes or changes a due, or fee.

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

to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-TXSE-2026-035 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-TXSE-2026-035. 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-2026-035 and should be submitted on or before November 4, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-20923 Filed 10-13-26; 8:45 am]

BILLING CODE 8011-01-P

⁸ 15 U.S.C. 78f(b)(8).

⁹ Regulation NMS Adopting Release at 37499.

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

¹¹ 17 CFR 240.19b-4(f)(2).

¹² 17 CFR 200.30-3(a)(12).