



April 23, 2026

Ms. Vanessa Countryman  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street NE  
Washington, D.C. 20549-1090

**RE: 24X National Exchange LLC Request for Temporary, Conditional Exemptive Relief from Certain Regulatory and Statutory Requirements**

Dear Ms. Countryman:

The Securities Industry and Financial Markets Association (“SIFMA”)<sup>1</sup> appreciates the opportunity to comment on the request by 24X National Exchange LLC (“24X Exchange”) for the Securities and Exchange Commission (“Commission” or “SEC”) to provide 24X with a temporary, conditional exemption from certain regulatory and statutory requirements that would allow 24X to operate its exchange overnight from Sunday to Thursday prior to the relevant Equity Data Plans being amended (and the corresponding technology changes being implemented) to collect, consolidate, process, disseminate quotation and transaction in NMS stocks during these times.<sup>2</sup>

**Executive Summary**

We acknowledge 24X Exchange’s expansion to U.S. overnight hours has contributed to exchange innovation in the equity markets. However, we respectfully request that the Commission deny 24X Exchange’s request for a temporary exemption from the requirement for national securities exchanges to participate in the SIPs, for the following reasons:

- The Exchange Act, together with applicable Commission regulations, require registered national securities exchanges to participate in the SIPs so that consolidated exchange quote and trade information are broadly available to brokers, dealers, and investors.

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<sup>1</sup> SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry’s one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

<sup>2</sup> File No. S7-2026-06, Release No. 34-104894 (Feb. 25, 2026), 91 FR 10169 (Mar. 2, 2026).

- If the Commission grants the exemptive relief request and other national securities exchanges are subsequently granted similar exemptive relief, there would be no consolidated market data while national securities exchanges are operating, as required. This fragmentation would disproportionately disadvantage retail investors and institutional market participants (such as portfolio managers) that rely on consolidated SIP data, as they would lack the ability to access and integrate multiple proprietary data feeds needed to form a complete and timely view of the market.
- The SIPs have committed to being operable to support 23/5 trading by December 6, 2026. This is approximately six months later than the May 27, 2026 deadline the Commission selected for SIP operability prior to 24X launching overnight trading as a condition for approving 24X Exchange’s application for registration as a national securities exchange. This slight delay is appropriate to provide market participants time to continue preparations for a coordinated transition to overnight on-exchange trading.
- The requested exemption would blur the line between exchanges and ATSS, effectively creating an exchange unlinked to the national market system, something the current regulatory framework does not contemplate nor permit. Granting this exemption would be inconsistent with the Exchange Act’s requirement that national securities exchanges participate in a consolidated market system for the dissemination of quotation and transaction information.

## **Background**

In 2024, the industry expressed concerns after 24X and NYSE Arca, Inc. submitted proposals to trade in the overnight session with different trading hours. SIFMA formed its Extended Trading Hours Task Force to work toward a more harmonized industry approach to extended trading hours in equities. The expansion of equity trading to overnight hours encompasses many aspects of the order and trade lifecycle, and SIFMA began, and continues today, to closely coordinate with various stakeholders—including national securities exchanges, alternative trading systems (“ATSS”), central clearing parties (“CCPs”), transfer agents, and regulators—not only to map the downstream impacts of overnight trading but also to raise questions and identify consensus ideas on how to address those questions.

At the time of approval on November 27, 2024, 24X was given 18 months to file a 24X Market Session Proposed Rule Change that would serve to provide notice to the Commission and the public of 24X’s intention to commence operation of the 24X Market Session, which could not start operating unless the Equity Data Plans “(1) have established a mechanism to collect, consolidate, process and disseminate quotation and transaction information at all times during the 24X Market Session that is equivalent to the mechanism established for Exchange Trading Hours other than the 24X Market Session,” and (2) the Equity Data Plans have notified 24X of their readiness. This deadline is May 27, 2026.

## **Since 24X’s Filing for Exemptive Relief, the SIPs Provided Clarity on Timing**

Since there was no clear indication of the SIPs’ readiness at the time, 24X Exchange filed an application for exemptive relief with the Commission on December 15, 2025. As noted above, the SIPs subsequently confirmed an their intention to be operational by December 6, 2026. This is a significant development as 24X now has more certainty regarding the timing for completion of the final condition for it to operate during U.S. overnight hours. In light of this, for the reasons detailed below, we do not believe the exemptive relief is warranted at this time and national securities exchanges should not be permitted to open for trading at times when the SIPs are not operational. We would, however, be supportive of the Commission granting an extension of the deadline for 24X to file the 24X Market Session proposed rule change to align with the December 2026 timing the SIPs are targeting for overnight operation.

## **The Exemption Would Disrupt the Timeline Around Which Industry Coalesced to Deliver a Coordinated Transition**

As discussed in SIFMA’s other submissions with respect to expanded exchange trading hours, the industry has made substantial progress in overcoming the initial hurdles to trading in overnight hours, successfully identifying consensus solutions without the need for prescriptive regulatory intervention.<sup>3</sup> For example, the industry has agreed upon the 23/5 model to establish the trading day. Similarly, industry participants continue to discuss the best approaches to corporate actions processes and other open issues.

The industry’s timeline to prepare for and address these remaining areas, including corporate actions, before transitioning to full overnight on-exchange trading is aligned with the Equity Data Plans’ expected launch in early December 2026. The exemptive relief requested by 24X Exchange—which would accelerate the timeline by around six months—would disrupt these preparations and, if granted, would allow for overnight on-exchange trading to commence while many key trading, regulatory, and operational questions remain unanswered.

## **All of the Commission’s Exchange Approvals to Trade Overnight Have Been Conditional on the SIPs Operating Overnight**

When the Commission approved 24X’s application to become a national securities exchange, it did so on the condition that the Equity Data Plans be operational during any time when the exchange is open for trading, acknowledging the critical importance of widely available consolidated market data for the proper functioning of

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<sup>3</sup> See SIFMA Letters to the Commission re: File Nos. SR-NASDAQ-2025-109 (Mar. 19, 2026), <https://www.sec.gov/comments/sr-nasdaq-2025-109/srnasdaq2025109-730387-2275114.pdf> and SR-CboeEDGX-2026-019 (Apr. 16, 2026), <https://www.sec.gov/comments/SR-CboeEDGX-2026-019/srcoeedgx2026019-754327-2322714.pdf>.

the national market system. In conditionally approving 24X on this basis, the Commission stated:

*The Commission finds that the 24X rules for the 24X Market Session, as amended, are consistent with Section 11A(a)(1)(C) of the Exchange Act, in which Congress found that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities, and to assure the practicability of brokers executing investors' orders in the best market. The requirement ensuring that 24X will not commence operation of its 24X Market Session until the availability of the concurrent operation of the Equity Data Plans accomplishes Exchange Act objectives by ensuring that there is transparency during these new, extended trading hours through the communication of quotations and transactions to market participants and investors.<sup>4</sup>*

This standard was also applied to the Commission's approvals of NYSE Arca's and Nasdaq's rule filings to trade overnight.<sup>5</sup> Given the critical transparency benefits the Equity Data Plans provide, this criteria should continue to apply to the operation of a national securities exchange. Without consolidated quotation data, market participants would be unable to form a reliable NBBO, impairing best execution obligations and undermining a core pillar of the national market system.<sup>6</sup>

## **If Granted, It Is Expected That Other Exchanges Will Seek Similar Relief, Blurring the Lines between Exchanges and ATSS**

Exchange Act Section 11A directs the Commission to facilitate a national market system for securities, and includes Congress's finding that "[i]t is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure . . . the availability, to brokers, dealers, and investors of information with respect to quotations for and transactions in securities."

To be registered as a national securities exchange under Section 6 of the Exchange Act, an exchange must, among other requirements, participate in the national market system, including by having rules designed "to foster cooperation and coordination with persons engaged in . . . processing information with respect to . . .

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<sup>4</sup> 89 FR at 97108

<sup>5</sup> See NYSE Arca Approval, Release No. 34-102400 (Feb. 11, 2025), 90 FR 9794 (Feb. 18, 2025). The rules NYSE Arca adopted explicitly require the SIPs to be operational before the rules take effect. See Preamble to NYSE Arca Equities Rule 7.34-E (Trading Sessions). See also Nasdaq Approval, Release No. 34-105199 (Apr. 10, 2026), 91 FR 20222 (Apr. 15, 2026); Cboe EDGX Proposal, Release No. 34-105206 (Apr. 10, 2026), 91 FR 20213 (Apr. 15, 2026).

<sup>6</sup> In addition, if trading were to begin before SIP data is available, brokers would not have access to consolidated quotation data as required under Rule 603(c) of Regulation NMS. In that scenario, market participants would lack a consolidated price reference, and retail investors would be limited to fragmented, venue-specific pricing. This would further reduce transparency and increase reliance on proprietary data, reinforcing the fragmentation concerns discussed above.

transactions in securities [and] to remove impediments to and perfect the mechanism of a free and open market and a national market system.”<sup>7</sup> Reg NMS Rules 601 and 602 govern an exchange’s obligation to participate in quotation and transaction reporting plans.

Exchanges enjoy legal privileges that ATSS do not, including, among others, SRO status and authority, protected quotations, inclusion in the formation of the NBBO, SIP governance and revenue, and the ability to publicly display quotes. Along with these privileges, exchanges must adhere to certain statutory and regulatory obligations, including those that serve to link individual exchanges together to form the national market system. If an exchange were exempted from quoting to the SIPs, it would erase a core structural distinction between an exchange and an ATS, as well as potentially destabilize NBBO formation. An exemption would effectively create an exchange disconnected from the national market system (and future exemptions could lead to additional siloed individual exchanges), something the current regulatory framework does not contemplate nor permit. Granting this exemption would be inconsistent with the Exchange Act’s requirement that national securities exchanges participate in a consolidated market system for the dissemination of quotation and transaction information, blurring the lines between exchanges and ATSS.

Additionally, should the Commission grant relief from the SIPs to one exchange, it is widely expected that other exchanges will follow. Currently, there are two other exchanges already approved and one other pending exchange application to operate overnight. We further understand there are other exchanges that may be operationally ready, though they have yet to file an application. Within a relatively short time period, there could potentially be four or more exchanges operating overnight. If each one is granted exemptive relief similar to the 24X request, there would be separate exchanges operating without reporting quotes and trades to be consolidated and disseminated by the SIPs.<sup>8</sup> This could create multiple silos of information, with market participants having to piece together individual, unconsolidated feeds. This would be detrimental to price transparency and costly for market participants and investors. This fragmentation would further exacerbate disparities between participants with access to proprietary data feeds and those that rely on consolidated SIP data.

There is also a concern that this would remove the incentive for the SIPs to hit their December 2026 timeline. Further, we would be remiss if we did not link this relief request to the ongoing review of Rule 611 and other pieces of Reg NMS. With changes to Rule 611, the industry will have to contemplate the status of protected quotes and the

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<sup>7</sup> 15 U.S.C. § 78f(b)(5).

<sup>8</sup> Other commenters acknowledge that if 24X’s request for exemptive relief is granted, other national securities exchanges seeking to trade overnight likely would seek similar relief. See, e.g., Cboe comment letter to SEC re: 24X Exemptive Relief Request (Apr. 1, 2026) (requesting that if the Commission granted 24X’s request, the Commission “delay the effectiveness of such relief until other exchanges that desire to offer overnight trading are able to submit and receive approval of their own exemptive relief, should they choose to request it.”).

role of the SIPs. It would not make sense to consider this application until those changes are known.<sup>9</sup>

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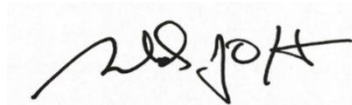
## Conclusion

SIFMA appreciates the opportunity to comment on the Proposal. We look forward to continuing to engage with the Commission as the industry undergoes this transformation to extend trading into U.S. overnight hours. Please feel free to reach out to the undersigned with any questions regarding these comments.

Respectfully Submitted,



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<sup>9</sup> As we have noted elsewhere, if Rule 611 is ultimately rescinded or changed, it would likely precipitate other changes to equity market structure. Our comments in this letter apply to the current equity market structure landscape.