

SECURITIES AND EXCHANGE COMMISSION
[Release No. 34-85906; File No. S7-05-18]

May 21, 2019

Notice Establishing the Commencement and Termination Dates of the Pre-Pilot Period of the Transaction Fee Pilot for National Market System Stocks

The Securities and Exchange Commission is hereby designating, pursuant to Rule 610T(c)(2) of Regulation NMS, the commencement and termination dates of the pre-Pilot period of the Transaction Fee Pilot for National Market System stocks (“Pilot”).¹

Rule 610T(c)(1) provides that the Pilot shall include, among other things, a six month pre-Pilot period.² Rule 610T(c)(2) further provides that the Commission shall designate by notice the commencement and termination dates of, among other things, the pre-Pilot period.³

¹ 17 CFR 242.610T(c)(2). On December 19, 2018, the Commission adopted Rule 610T of Regulation NMS to conduct the Pilot. See Securities Exchange Act Release No. 84875 (December 19, 2018), 84 FR 5202 (February 20, 2019). On February 15, 2019, the New York Stock Exchange LLC, the NASDAQ Stock Market, LLC, Cboe BZX Exchange, Inc., and other affiliated entities (collectively, the “petitioners”) filed petitions in the United States Court of Appeals for the District of Columbia Circuit (“Court of Appeals”) to review the validity of Rule 610T. Petitioners also filed with the Commission motions to stay implementation of Rule 610T pending resolution of their petitions for review. On March 28, 2019, the Commission issued an order granting, in part, petitioners’ motions for a stay of Rule 610T pending a decision by the Court of Appeals and further order of the Commission. That order stayed the Pilot and post-Pilot periods identified in Rule 610T(c)(1)(ii) and (iii) in their entirety, stayed the pre-Pilot period’s data-reporting and public disclosure requirements, see Rule 610T(d), but provided that the remainder of Rule 610T—including the pre-Pilot period identified in Rule 610T(c)(i)(1)—otherwise would become effective in the ordinary course and on further notice by the Commission. See In the Matter of Rule 610T of Regulation NMS, Order Issuing Stay, Securities Exchange Act Release No. 85447 (March 28, 2019) (“Partial Stay Order”).

² 17 CFR 242.610T(c)(1).

³ 17 CFR 242.610T(c)(2).

Accordingly, the Commission is issuing this notice to designate:

1. July 1, 2019 as the pre-Pilot period's commencement date, and
2. December 31, 2019 as the pre-Pilot period's termination date.

During the pre-Pilot period, national securities exchanges subject to Rule 610T are required to comply with the data compilation requirements of Rule 610T(d) and (e).⁴ However, pursuant to the Commission's Partial Stay Order of March 28, 2019, pending a decision by the Court of Appeals regarding the petitions to review Rule 610T's validity and further order of the Commission, these exchanges will not be required to transmit order routing data to the Commission, or to publicly post Exchange Transaction Fee Summaries.⁵

Following a decision by the Court of Appeals regarding the petitions for review, the Commission may issue further notices in accordance with Rule 610T(b)(1) and (c)(2).⁶

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Jill M. Peterson
Assistant Secretary

⁴ See Partial Stay Order, *supra* note 1, at 2.

⁵ See Partial Stay Order at 2; Rule 610T(d), (e). As noted in the Partial Stay Order, however, exchanges subject to Rule 610T may transmit pre-Pilot data to Commission staff on a voluntary basis for quality control purposes during the pendency of the stay. See Partial Stay Order at 1.

⁶ 17 CFR 242.610T(b)(1) (concerning the Initial List of Pilot Securities) and (c)(2) (concerning the commencement and termination dates of the Pilot and post-Pilot periods), respectively.

⁷ 17 CFR 200.30-3(a)(84).