

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-100884; File No. 10-242)

In the Matter of the Application of
24X National Exchange LLC
for Registration as a National Securities Exchange

Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine
Whether to Grant or Deny an Application for Registration as a National Securities Exchange
under Section 6 of the Securities Exchange Act of 1934

August 30, 2024

On February 6, 2024, 24X National Exchange LLC (“24X”) filed with the Securities and Exchange Commission (“Commission”) a Form 1 application under the Securities Exchange Act of 1934 (“Act”) seeking registration as a national securities exchange under Section 6 of the Act.¹ Notice of the application was published for comment in the Federal Register on March 4, 2024.² The Commission received comment letters on the Form 1 application and a letter from 24X responding to these comment letters.³ On May 31, 2024, the Commission instituted proceedings pursuant to Section 19(a)(1)(B) of the Act⁴ to determine whether to grant or deny 24X’s application for registration as a national securities exchange under Section 6 of the Act (the “OIP”).⁵ The Commission received comment letters in response to the OIP⁶ and a letter

¹ 15 U.S.C. 78f.

² See Securities Exchange Act Release No. 99614 (Feb. 27, 2024), 89 FR 15621 (Mar. 4, 2024) (“Notice”).

³ The public comment file for 24X’s Form 1 application (File No. 10-242) is available on the Commission’s website at: <https://www.sec.gov/comments/10-242/10-242.htm>.

⁴ 15 U.S.C. 78s(a)(1)(B).

⁵ See Securities Exchange Act Release No. 100254 (May 31, 2024), 89 FR 48466 (June 6, 2024).

⁶ See supra note 3 and accompanying text.

responding to the OIP and comments from 24X.⁷ On August 21, 2024, 24X filed an amendment to its Form 1 application (“Amendment No. 1”) which revised Exhibits B, B-1, C, C-2, D, E, E-1 and N.⁸ Among other things, in Amendment No. 1, 24X proposes revisions to certain rules in Exhibit B relating to the operation of the 24X Market Session.⁹ In Amendment No. 1, 24X also proposes revisions to proposed Exhibits C, C-2, D (including Exhibits D-1 through D-4), E, E-1 and N to (1) provide more information about its intention to enter into a technology services agreement with MEMX Technologies, LLC (“MEMX Technologies”); (2) update the number of authorized ownership units for 24X Bermuda Holdings LLC, the ultimate holding company for 24X; (3) provide updated financial information on 24X’s affiliates; and (4) describe 24X’s proposed compliance with Regulation Systems Compliance and Integrity, its arrangement with MEMX Technologies, and make other conforming changes to reflect Amendment No. 1.

⁷ See id.

⁸ See Securities Exchange Act Release No. 100839 (Aug. 27, 2024). Amendment No. 1 is available on the Commission’s website at: <https://www.sec.gov/rules-regulations/other-commission-orders-notices-information/24x-form-1>.

⁹ See proposed 24X Rule 1.5(c), as amended by Amendment No. 1, defining the “24X Market Session” as “(i) the time between 8:00 p.m. and 4:00 a.m. Eastern Time, (ii) any time that falls on a Saturday or a Sunday Eastern Time, (iii) any time that falls on one of the following U.S. holidays: New Year’s Day, Martin Luther King Jr. Day, Presidents’ Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day Eastern Time, or such other U.S. holiday(s) as published by the Exchange from time to time; provided, however, it shall not include any trading pauses as described in Rule 11.15(c). For the avoidance of doubt, notwithstanding anything to the contrary in these Rules, the Exchange shall not commence operation of the 24X Market Session unless (1) the equity data national market system plans have established a mechanism to collect, consolidate and disseminate quotation and transaction information during the 24X Market Session, or (2) the Securities and Exchange Commission has provided exemptive or other relief from the requirements under Rule 601, 602 and such plans (or their successors) applicable to the 24X Market Session.”

Section 19(a)(1)(B) of the Act provides that proceedings instituted to determine whether to deny an application for registration as a national securities exchange shall be concluded within 180 days of the date of a publication of notice of the filing of the application for registration.¹⁰ At the conclusion of such proceedings, the Commission, by order, shall grant or deny such registration.¹¹ The Commission may extend the time for conclusion of such proceedings for up to 90 days if it finds good cause for such extension and publishes its reasons for so finding.¹² The Notice was published for comment in the Federal Register on March 4, 2024.¹³ The 180th day after publication of the Notice is August 31, 2024. The Commission is extending the time period for granting or denying 24X’s application for registration as a national securities exchange for an additional 90 days.

The Commission finds good cause for extending the period for granting or denying 24X’s application for registration as a national securities exchange because the extension will provide additional time for the Commission to assess whether 24X’s Form 1 application, as amended, satisfies the requirements of the Act and the rules and regulations thereunder. As described in the Notice, 24X proposes to significantly expand trading outside of regular trading hours¹⁴ for NMS stocks by operating a national securities exchange 23 hours a day, seven days a week, 365 days a year, including holidays, subject to certain pauses.¹⁵ In addition, in Amendment No. 1, 24X significantly amended its application for registration as a national securities exchange as

¹⁰ 15 U.S.C. 78s(a)(1)(B).

¹¹ Id.

¹² Id.

¹³ See supra note 2.

¹⁴ “Regular trading hours” is defined in Rule 600(b)(77) as “the time between 9:30 a.m. and 4:00 p.m. Eastern Time.” 17 CFR 242.600(b)(88).

¹⁵ See proposed 24X Rule 11.1 (describing the hours of trading and trading days for 24X).

originally filed. Therefore, the Commission believes that there is good cause to extend the time for conclusion of the proceedings for 90 days. Accordingly, the Commission, pursuant to Section 19(a)(1)(B) of the Act,¹⁶ designates November 29, 2024, as the date by which the Commission shall either grant or deny 24X's Form 1 application.

By the Commission.

Sherry R. Haywood,

Assistant Secretary.

¹⁶ 15 U.S.C. 78s(a)(1)(B).