

MEMO# 33395

March 26, 2021

SEC Denies Major Exchange Groups' Motion to Stay Market Data Infrastructure Rule

[33395]

March 26, 2021 TO: Equity Markets Advisory Committee RE: SEC Denies Major Exchange Groups' Motion to Stay Market Data Infrastructure Rule

On March 24, the SEC issued an order denying the three major exchange groups' motion to stay the implementation of the Market Data Infrastructure Rule.^[1] The exchanges had argued that a stay of the rule was warranted because the ongoing review of the CT Plan and related governance order litigation create "substantial uncertainty" about whether a new CT Plan Operating Committee would be implementing the rule, among other issues.

The SEC denied the motion because the exchange groups—NYSE, Nasdaq, and Cboe—did not challenge the merits of the rule or the three-phase transition period adopted in the rule. Therefore, the SEC concluded that a stay of the rule, which is intended to address the bifurcated system of data dissemination, would not serve the public interest. Further, the SEC determined that the exchanges did not identify any irreparable or significant harm that would justify a delay. Specifically, the SEC stated that the implementation or the benefits of the rule do not depend on the outcome of the proposed CT plan or the related litigation in the DC Circuit.

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endnotes

^[1] Order Denying Stay (Mar. 24, 2021), *available at* <https://www.sec.gov/rules/other/2021/34-91397.pdf>. We previously notified you about the motion to stay the rule. See ICI Memorandum No. 33111 (Feb. 17, 2021), *available at* https://www.ici.org/my_ici/memorandum/memo33111. The rule is effective 60 days after publication in the *Federal Register*, which has not yet occurred.

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