

CONSOLIDATED TAPE SYSTEM (CTS) / CONSOLIDATED QUOTE SYSTEM (CQS)  
Reg NMS Round Lots Enhancements: Frequently Asked Questions (FAQs)  
Version 1.0 – May 7, 2025

**Overview**

1) What is this change about?

- The Securities and Exchange Commission (“Commission” or “SEC”) is adopting amendments to certain rules of Regulation National Market System (“Regulation NMS”). As part of these amendments, SEC has adopted new definitions for “Round Lot” information under the Market Data Infrastructure (MDI) Rules to enhance the transparency for investors and other market participants of quotes and orders in NMS stocks.

For additional details, refer to the [SEC Final Rule](#) regarding Regulation NMS: Minimum Pricing Increments, Access Fees, and Transparency of Better Priced Orders (Securities Exchange Act Release No. 101070, September 18, 2024, File No. S7-30-22 (the "SEC Final Rule")).

2) Is there a brief summary of changes?

- With this change the SEC will introduce new Round Lot Tier designations. Each NMS stock will be assigned a round lot size based on the average closing price on the primary listing exchange, updated semiannually, with new round lot value beginning first business day in May and November each year. Round lot sizes will be determined as follows:

Share Price	Round Lot Size
\$0 - \$250	100
\$250.01 - \$1000	40*
\$1000.01 - \$10,000	10
\$10,000.01 - more	1

\*newly introduced Round Lot Size

- Additionally, the new rule requires the Securities Information Processors (SIPs; SIAC and UTP SIP) to represent quotation sizes in consolidated information in terms of the number of shares, rounded down to the nearest multiple of the round lot size assigned to the security. This is a change from today where quotation sizes represent the number of round lots available at the quoted price.

3) Does this cover everything from the SEC Final Rule?

- No, the SEC Final Rule also includes additional changes which do not apply to CTA or are not in scope at this time (e.g., changes to the Minimum Price Increment (MPI), access fees, and the transparency of better priced orders).

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- 4) Who is impacted by this initiative?
- All CTA Participants (Exchanges) and Data Subscribers are impacted and must make necessary changes as applicable.
- 5) When will the enhancement take effect?
- Activation will take place on **Monday, November 3, 2025**.
- 6) Can I opt out or delay the changes?
- Activation date has been mandated by SEC and CTA will implement these changes as hot cut for all Participants (Exchanges) and Data Subscribers.
- 7) Will there be an increase in bandwidth requirements?
- No, CQS/CTS bandwidth requirements will not increase as a result of the Round Lots enhancement.

**Additional details for Input Participants only (not Data Subscribers):**

- 8) What specific actions do Participants need to take?
- Changes specific to Listing Exchanges
    - Listing Markets are required to provide the updated Round Lot parameters to CTA the evening prior to the cutover date (Friday evening, October 31, 2025) via the existing daily XML file-based updates. New symbol lot size parameter will take effect on the first day of activation.
    - Going forward, Listing Markets will be responsible for updating Round Lot size, semiannually, based on the NMS stock's average closing price on the primary listing exchange during a one-month Evaluation Period. The Evaluation Period, as described in SEC Final Rule, are:
      - ❖ all trading days in March for the Round Lot size assigned on the first business day in May; and
      - ❖ all trading days in September for the Round Lot size assigned on the first business day of November.

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- Changes applicable to all Participants:
  - All Participants must update their real time quote and trade reporting logic to comply with the updated symbol Round Lot sizes, including new lot size value of 40.
  - All Participants must report quotes with Bid and Offer sizes in shares rounded down to the nearest multiple of the symbol's Round Lot size. Participants currently submit quotes to CTA in lots.
    - ❖ For example, for a security with Round Lot size of 100, if Participant has 250 shares to buy, the quote is currently reported in Round Lots with Bid Size of 2 representing 2 Round Lots. Effective November 3, 2025, the same quote will now be reported by Participants in shares with Bid Size of 200 representing actual number of shares rounded down to nearest multiple of the assigned Round Lot size.

9) Are there any message protocol changes that Participants need to make?

- CTA Message protocol is not changing, but as noted above, quotes must be reported as the number of shares rounded down to the nearest multiple of a symbol's Round Lot size, not the number of Round Lots, by every Participant, in accordance with the updated symbol Round Lot Size value.

**Additional details for Data Subscribers:**

10) What specific actions do Data Subscribers need to take?

- CTA will introduce a Symbol Reference Data Message (Category A, Type S) which will be published at start of day (1:30 AM, ET) each trading day to inform Data Subscribers of various symbol characteristics including the latest Round Lot Size. Each Data Subscriber must be able to process the message to determine the symbol Round Lot size.
- Quotes published by CTA will represent the Bid and Offer sizes in the number of shares rounded down to the nearest multiple of the symbol's Round Lot size, instead of the number of Round Lots. Data Subscribers are expected to interpret the size in shares (not in Round Lots).

11) Are there any message protocol changes that Data Subscribers need to make?

- Yes, as mentioned above, a new Symbol Reference Data Message will be introduced on CTS and CQS output multicast lines.
- Data Subscribers are also expected to process quotes in the number of shares via the existing message protocol starting from Day 1 of this release.
- These changes will also be applicable to the CQS Snapshot Service.

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**Testing and Support:**

12) Are the changes backward-compatible?

- In the unlikely event of a fallback, CTA will continue to support new Round Lot of 40 and the submission of quotes in the number of shares rounded down to the nearest multiple of the symbol's Round Lot size.

13) Where can I find additional Message details?

- Refer to CTS and CQS specification under <https://www.ctaplan.com/tech-specs> for more information.

14) How can I verify new features?

**A. Certification System Testing** (Participant Input data/Data Subscriber Output data)

- Intraday testing is available beginning **Monday, August 25, 2025**
- Cert accommodates 12 output Multicast Lines
- Forms to access Cert along with the Cert Environment Guide are located [here](#).

**B. Data Dissemination Replay Testing for new Symbol Reference Data Message**

- Beginning **Monday, August 25, 2025**, weeknights between 8:45-9:00pm ET over multicast **Playback Test channels** (not Production channels)

**C. Industry Tests/Confidence Tests/Activations\***

- **Industry Test #1: Saturday, September 20, 2025** - Functional testing
- **Industry Test #2: Saturday, October 11, 2025** - Functional and Failure/Recovery testing
- **Industry Test #3: Saturday, October 18, 2025** - if necessary
- **Confidence Test: Saturday, November 1, 2025** - Final functional test
- **Activation: Monday, November 3, 2025** - New Functionality goes live

\*Additional testing dates may become available.

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15) Who can I contact for support or questions?

- For Cert testing, please reference the [CTA Pillar SIP Cert Environment Guide](#) (contacts in the Appendix)
- For CQS/CTS Technical Inquiries:
  - NMS Product Management Support Email: [CTA-OPRA-Support@siac.com](mailto:CTA-OPRA-Support@siac.com)
  - NMS Product Management Support Line: 212.656.8177, Option 2 (Monday through Friday, 8:00AM - 5:00PM ET)