

Required fields are shown with yellow backgrounds and asterisks.

Filing by NASDAQ BX, Inc.
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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| Initial * <input checked="" type="checkbox"/> | Amendment * <input type="checkbox"/> | Withdrawal <input type="checkbox"/> | Section 19(b)(2) * <input type="checkbox"/> | Section 19(b)(3)(A) * <input checked="" type="checkbox"/> | Section 19(b)(3)(B) * <input type="checkbox"/> |
| Pilot <input type="checkbox"/> | | | Rule | | |
| Extension of Time Period for Commission Action * <input type="checkbox"/> | | Date Expires * <input type="text"/> | <input type="checkbox"/> 19b-4(f)(1) | <input type="checkbox"/> 19b-4(f)(4) | |
| | | | <input checked="" type="checkbox"/> 19b-4(f)(2) | <input type="checkbox"/> 19b-4(f)(5) | |
| | | | <input type="checkbox"/> 19b-4(f)(3) | <input type="checkbox"/> 19b-4(f)(6) | |

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| Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 | Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 |
| Section 806(e)(1) * <input type="checkbox"/> | Section 806(e)(2) * <input type="checkbox"/> |
| | Section 3C(b)(2) * <input type="checkbox"/> |

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| Exhibit 2 Sent As Paper Document <input type="checkbox"/> | Exhibit 3 Sent As Paper Document <input type="checkbox"/> |
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Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend the Exchange transaction fees at Rule 7018 to add a new charge for providing liquidity on the BX equity market.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Andrew Last Name * Madar
 Title * Senior Associate General Counsel
 E-mail * Andrew.Madar@nasdaq.com
 Telephone * (301) 978-8420 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)
 Executive Vice President and General Counsel

Date 03/01/2017
 By Edward S. Knight
 (Name *)

edward.knight@nasdaq.com

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) NASDAQ BX, Inc. (“BX” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend the Exchange’s transaction fees at Rule 7018 to add a new charge for providing liquidity on the BX equity market, as described further below.

A notice of the proposed rule change for publication in the Federal Register is attached as Exhibit 1.

The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors (the “Board”) on August 15, 2016. Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to:

Andrew Madar
Senior Associate General Counsel
Nasdaq, Inc.
301-978-8420

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

a. Purpose

The purpose of the proposed rule change is to amend the Exchange's transaction fees at Rule 7018 to add a reduced fee for providing liquidity on the BX equity market if certain volume requirements are met. The Exchange operates on the "taker-maker" model, whereby it pays rebates to members that take liquidity and charges fees to members that provide liquidity. Currently, a member that adds liquidity through a displayed order and that does not qualify for one of the current reduced fees would be assessed a charge of \$0.0020 per share executed. With this proposal, the Exchange proposes to charge \$0.0018 per share executed for a displayed order entered by a member that adds liquidity equal to or exceeding the member's Growth Target. The Growth Target is defined as the liquidity the member added in January 2017 as a percent of total Consolidated Volume plus 0.04% of total Consolidated Volume.³ As such, if the member added liquidity that represented 0.10% of total Consolidated Volume in January, the member's Growth Target would be 0.14% of total Consolidated Volume. A member that added 0.14% of total Consolidated Volume in March would therefore qualify for the reduced fee in March.⁴

³ Rule 7018(a) defines "Consolidated Volume" as the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month in equity securities, excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of a member's trading activity, the date of the annual reconstitution of the Russell Investments Indexes shall be excluded from both total Consolidated Volume and the member's trading activity.

⁴ If a member was not active in the month of January, its Growth Target would be 0.04% for purposes of determining the eligibility for this fee.

The purpose of this reduced fee is to incentivize members to add additional liquidity to the Exchange, thereby increasing the market quality of the Exchange and benefitting all participants.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,⁶ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes the proposed fee of \$0.0018 per share executed is reasonable. The charge for adding displayed liquidity to the Exchange set forth in Rule 7018(a) ranges from \$0.0014 per share executed to \$0.0020 per share executed, depending on whether any required volume thresholds were met. The Exchange believes that the proposed fee of \$0.0018 is reasonable, because it is consistent with other of the Exchange's charges for adding liquidity, while it is sufficiently low that it incentivizes members to add increased liquidity.

The Exchange also believes that the corresponding volume threshold to qualify for the fee, and the utilization of January 2017 as the base for the Growth Target, is reasonable. The requirement that a member add 0.04% over its January added liquidity as a percent of Consolidated Volume is a meaningful requirement which is designed to incentivize members to add liquidity. In addition, the proposed volume threshold is closely aligned with the amount of the transaction fee, and is consistent with similar

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4) and (5).

volume requirements assessed by the Exchange in connection with other transaction fees.⁷ The Exchange believes that using January 2017 as the base for the Growth Target is reasonable because that month represents the most recent full month of trading, and because the selection of a previous month as a baseline prevents members from changing their behavior prospectively to influence their baseline, and thus, their eligibility for the reduced fee.

The Exchange also notes that the proposal is consistent with transaction fees and credits assessed by other exchanges. For example, Bats BZX Exchange, which operates a maker-taker model, pays a credit of \$0.0030 per share for displayed orders if the member increases its share of total Consolidated Volume for adding liquidity by 0.15% or more in comparison to its volume in April 2016,⁸ and assesses a fee of \$0.00295 per share if the member increases its share of total Consolidated Volume for removing liquidity by 0.05% or more in comparison to its July 2016 volume.⁹ Similarly, Bats EDGX Exchange pays a credit of \$0.0032 per share if the member increases its share of total Consolidated

⁷ For example, the Exchange assesses a transaction fee of \$0.0017 per share executed for a Displayed order entered by a member that adds liquidity equal to or exceeding 0.15% of total Consolidated Volume during a month, and \$0.0024 per share executed for Non-displayed orders (other than orders with Midpoint pegging) entered by a member that adds 0.06% of total Consolidated Volume of non-displayed liquidity.

⁸ To be eligible for this rebate, the member must also have an average daily added volume as a percentage of total Consolidated Volume that equals or exceeds 0.20%.

⁹ To be eligible for this fee, the member must also have Customer orders that remove liquidity that equal or exceed 0.30% of total Consolidated Volume.

Volume for adding liquidity by 0.10% or more in comparison to its volume in January 2017.¹⁰

BX also believes that the proposed change is equitably allocated among members, and is not designed to permit unfair discrimination. BX notes that participation on the Exchange, and eligibility for the reduced fee, is voluntary, and that the proposed charge applies to all members that otherwise qualify for the reduced fee, e.g., members that add 0.04% in excess of the liquidity added in January in a given month.

In adopting this fee, the Exchange is providing members with another way in which they may qualify for a reduced transaction fee, while incentivizing members to add increased liquidity, thereby benefitting all participants. BX notes that a member that adds 0.04% in excess of its January liquidity provided as a percent of total Consolidated Volume would continue to be eligible for the reduced fee for each month in which it met this requirement. BX believes this aspect of the proposal is equitable and not unfairly discriminatory, as this way to receive an ongoing reduced transaction fee is open to any member that elects to meet the volume requirements.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable.

¹⁰ To be eligible for this fee, the member must also add an average daily volume that equals or exceeds 0.40% of total Consolidated Volume.

In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the proposed fee does not impose a burden on competition because the Exchange's execution services are completely voluntary and subject to extensive competition both from other exchanges and from off-exchange venues. The new fee is consistent with transaction fees and credits currently assessed by other exchanges. The new fee applies equally to all members that meet the volume requirements, and all similarly situated members are equally capable of qualifying for the fee if they choose to meet the volume requirements. Moreover, the same fee will be assessed to all members that qualify for the volume requirement. Finally, the purpose of the reduced fee is to incentivize members to add liquidity to the Exchange, potentially attracting additional participants to the Exchange and thereby promoting competition.

In sum, if the changes proposed herein are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,¹¹ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

¹¹ 15 U.S.C. 78s(b)(3)(A)(ii).

11. Exhibits

1. Notice of Proposed Rule Change for publication in the Federal Register.
5. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-BX-2017-017)

March __, 2017

Self-Regulatory Organizations; NASDAQ BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Exchange's Transaction Fees at Rule 7018

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹, and Rule 19b-4 thereunder,² notice is hereby given that on March 1, 2017, NASDAQ BX, Inc. ("BX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the Exchange's transaction fees at Rule 7018 to add a new charge for providing liquidity on the BX equity market.

The text of the proposed rule change is available on the Exchange's Website at <http://nasdaqbx.cchwallstreet.com/>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend the Exchange's transaction fees at Rule 7018 to add a reduced fee for providing liquidity on the BX equity market if certain volume requirements are met. The Exchange operates on the "taker-maker" model, whereby it pays rebates to members that take liquidity and charges fees to members that provide liquidity. Currently, a member that adds liquidity through a displayed order and that does not qualify for one of the current reduced fees would be assessed a charge of \$0.0020 per share executed. With this proposal, the Exchange proposes to charge \$0.0018 per share executed for a displayed order entered by a member that adds liquidity equal to or exceeding the member's Growth Target. The Growth Target is defined as the liquidity the member added in January 2017 as a percent of total Consolidated Volume plus 0.04% of total Consolidated Volume.³ As such, if the member added liquidity that represented 0.10% of total Consolidated Volume in January, the member's Growth Target would be 0.14% of total Consolidated Volume. A member

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that added 0.14% of total Consolidated Volume in March would therefore qualify for the reduced fee in March.⁴

The purpose of this reduced fee is to incentivize members to add additional liquidity to the Exchange, thereby increasing the market quality of the Exchange and benefitting all participants.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,⁶ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes the proposed fee of \$0.0018 per share executed is reasonable. The charge for adding displayed liquidity to the Exchange set forth in Rule 7018(a) ranges from \$0.0014 per share executed to \$0.0020 per share executed, depending on whether any required volume thresholds were met. The Exchange believes that the proposed fee of \$0.0018 is reasonable, because it is consistent with other of the Exchange's charges for adding liquidity, while it is sufficiently low that it incentivizes members to add increased liquidity.

The Exchange also believes that the corresponding volume threshold to qualify for the fee, and the utilization of January 2017 as the base for the Growth Target, is

⁴ If a member was not active in the month of January, its Growth Target would be 0.04% for purposes of determining the eligibility for this fee.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4) and (5).

reasonable. The requirement that a member add 0.04% over its January added liquidity as a percent of Consolidated Volume is a meaningful requirement which is designed to incentivize members to add liquidity. In addition, the proposed volume threshold is closely aligned with the amount of the transaction fee, and is consistent with similar volume requirements assessed by the Exchange in connection with other transaction fees.⁷ The Exchange believes that using January 2017 as the base for the Growth Target is reasonable because that month represents the most recent full month of trading, and because the selection of a previous month as a baseline prevents members from changing their behavior prospectively to influence their baseline, and thus, their eligibility for the reduced fee.

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⁸ To be eligible for this rebate, the member must also have an average daily added volume as a percentage of total Consolidated Volume that equals or exceeds 0.20%.

⁹ To be eligible for this fee, the member must also have Customer orders that remove liquidity that equal or exceed 0.30% of total Consolidated Volume.

pays a credit of \$0.0032 per share if the member increases its share of total Consolidated Volume for adding liquidity by 0.10% or more in comparison to its volume in January 2017.¹⁰

BX also believes that the proposed change is equitably allocated among members, and is not designed to permit unfair discrimination. BX notes that participation on the Exchange, and eligibility for the reduced fee, is voluntary, and that the proposed charge applies to all members that otherwise qualify for the reduced fee, e.g., members that add 0.04% in excess of the liquidity added in January in a given month.

In adopting this fee, the Exchange is providing members with another way in which they may qualify for a reduced transaction fee, while incentivizing members to add increased liquidity, thereby benefitting all participants. BX notes that a member that adds 0.04% in excess of its January liquidity provided as a percent of total Consolidated Volume would continue to be eligible for the reduced fee for each month in which it met this requirement. BX believes this aspect of the proposal is equitable and not unfairly discriminatory, as this way to receive an ongoing reduced transaction fee is open to any member that elects to meet the volume requirements.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if

¹⁰ To be eligible for this fee, the member must also add an average daily volume that equals or exceeds 0.40% of total Consolidated Volume.

they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable.

In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the proposed fee does not impose a burden on competition because the Exchange's execution services are completely voluntary and subject to extensive competition both from other exchanges and from off-exchange venues. The new fee is consistent with transaction fees and credits currently assessed by other exchanges. The new fee applies equally to all members that meet the volume requirements, and all similarly situated members are equally capable of qualifying for the fee if they choose to meet the volume requirements. Moreover, the same fee will be assessed to all members that qualify for the volume requirement. Finally, the purpose of the reduced fee is to incentivize members to add liquidity to the Exchange, potentially attracting additional participants to the Exchange and thereby promoting competition.

In sum, if the changes proposed herein are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of members or

competing order execution venues to maintain their competitive standing in the financial markets.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.¹¹

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form

(<http://www.sec.gov/rules/sro.shtml>); or

¹¹ 15 U.S.C. 78s(b)(3)(A)(ii).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-BX-2017-017 on the subject line.

Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-BX-2017-017. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-BX-2017-017 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Robert W. Errett
Deputy Secretary

¹² 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Deleted text is [bracketed]. New text is underlined.

Rules of NASDAQ BX

* * * * *

7018. NASDAQ OMX BX Equities System Order Execution and Routing

(a) The following charges and credits shall apply to the use of the order execution and routing services of the NASDAQ OMX BX Equities System by members for all securities priced at \$1 or more per share that it trades. As used in this rule, the term "Consolidated Volume" shall mean the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month in equity securities, excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of a member's trading activity the date of the annual reconstitution of the Russell Investments Indexes shall be excluded from both total Consolidated Volume and the member's trading activity. As used in this rule, "price improvement" shall mean instances when the accepted price of an order differs from the executed price of an order.

Credit for entering order that accesses liquidity in the NASDAQ OMX BX Equities System:

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| Order that receives price improvement and executes against an order with Midpoint pegging: | \$0.0000 per share executed |
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| Order with Midpoint pegging that removes liquidity: | \$0.0000 per share executed |
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| Order that accesses liquidity (excluding orders with Midpoint pegging and excluding orders that receive price improvement and execute against an order with Midpoint pegging) entered by a member that accesses liquidity equal to or exceeding 0.10% of total Consolidated Volume during a month: | \$0.0016 per share executed |
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| Order that accesses liquidity (excluding orders with Midpoint pegging and excluding orders that receive price improvement and execute against an order with Midpoint pegging) entered by a | \$0.0015 per share executed |
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member that accesses liquidity equal to or exceeding 0.05% of total Consolidated Volume during month:

All other orders: \$0.0006 per share executed

Charge for providing liquidity through the NASDAQ OMX BX Equities System:

Displayed order entered by a member that adds liquidity equal to or exceeding 0.25% of total Consolidated Volume during a month: \$0.0014 per share executed

Displayed order entered by a member that adds liquidity equal to or exceeding 0.15% of total Consolidated Volume during a month: \$0.0017 per share executed

Displayed order entered by a member that adds liquidity equal to or exceeding the member's Growth Target. The Growth Target is the liquidity the member added in January 2017 as a percent of total Consolidated Volume plus 0.04% of total Consolidated Volume: \$0.0018 per share executed

Order with Midpoint pegging entered by a member that adds 0.02% of total Consolidated Volume of non-displayed liquidity: \$0.0005 per share executed

Order with Midpoint pegging entered by other member: \$0.0015 per share executed

Non-displayed orders (other than orders with Midpoint pegging) entered by a member that adds 0.06% of total Consolidated Volume of non-displayed liquidity: \$0.0024 per share executed

All other non-displayed orders: \$0.0030 per share executed

All other orders: \$0.0020 per share executed

| | |
|---|--|
| Charge for BSTG or BSCN order that executes in a venue other than the NASDAQ OMX BX Equities System: | \$0.0030 per share executed at NYSE |
| | \$0.0030 per share executed at venues other than NYSE |
| Charge for BMOP order that executes in a venue other than the NASDAQ OMX BX Equities System: | \$0.0035 per share executed at NYSE |
| | \$0.0035 per share executed at venues other than NYSE |
| Charge for BTFY order that executes in a venue other than the NASDAQ OMX BX Equities System: | \$0.0030 per share executed at NYSE |
| | \$0.0030 per share executed at NASDAQ |
| | \$0.0030 per share executed at NASDAQ OMX PSX |
| | \$0.0007 per share executed at venues other than NYSE, NASDAQ and NASDAQ OMX PSX |
| Charge for BCRT order that executes in a venue other than the NASDAQ OMX BX Equities System: | \$0.0030 per share executed at NASDAQ OMX PSX |
| | \$0.0030 per share executed at NASDAQ |
| Charge for BDRK and BCST order that executes in a venue other than the NASDAQ OMX BX Equities System: | \$0.0010 per share executed |

(b) – (e) No change.

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