

Required fields are shown with yellow backgrounds and asterisks.

Filing by Nasdaq GEMX, LLC
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

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) *	Section 806(e)(2) *
<input type="checkbox"/>	<input type="checkbox"/>
	Section 3C(b)(2) *
	<input type="checkbox"/>

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

Description

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

Proposed rule change to establish ports that members use to connect to the Exchange with the migration of the Exchange trading system to the Nasdaq INET architecture.

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 * Adrian	Last Name * Griffiths
Title * Senior Associate General Counsel	
E-mail * Adrian.Griffiths@nasdaq.com	
Telephone * (212) 231-5176	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 *)

Date 04/27/2017	Executive Vice President and General Counsel
By Edward S. Knight	
(Name *)	



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 *

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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

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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 GEMX, LLC (“GEMX” 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 proposed rule change to establish ports that members use to connect to the Exchange with the migration of the Exchange’s trading system to the Nasdaq INET architecture.

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:

Adrian Griffiths
Senior Associate General Counsel
Nasdaq, Inc.
212-231-5176

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 establish ports that members use to connect to the Exchange with the migration of the Exchange's trading system to the Nasdaq INET architecture.³ In particular, the Exchange proposes to establish the following connectivity options that are available in connection with the re-platform of the Exchange's trading system: Specialized Quote Feed ("SQF"), SQF Purge, Ouch to Trade Options ("OTTO"), Clearing Trade Interface ("CTI"), Financial Information eXchange ("FIX"), FIX Drop, Disaster Recovery, and Market Data. These connectivity options, which are described in more detail below, are the same as connectivity options currently used to connect to the Exchange's affiliates, including Nasdaq Phlx ("Phlx"), Nasdaq Options Market ("NOM"), and Nasdaq BX ("BX").⁴ The Exchange recently filed a proposed rule change to adopt fees for its port offerings, which are currently offered free of charge,⁵ and is filing this proposed rule change to establish the ports themselves.

1. Specialized Quote Feed

SQF is an interface that allows market makers to connect and send quotes, sweeps and auction responses into the Exchange. Data includes the following: (1) Options Auction Notifications (e.g., opening imbalance, Flash, PIM, Solicitation and Facilitation

³ See Securities Exchange Act Release No. 80011 (February 10, 2017), 82 FR 10927 (February 16, 2017) (SR-ISEGemini-2016-17).

⁴ See Phlx Pricing Schedule, VII. Other Member Fees, B. Port Fees; NOM Rules, Chapter XV Options Pricing, Sec. 3 NOM - Ports and other Services; BX Rules, Chapter XV Options Pricing, Sec. 3 BX - Ports and other Services.

⁵ See Securities Exchange Act Release No. 80213 (March 10, 2017), 82 FR 14066 (March 16, 2017) (SR-ISEGemini-2017-10).

or other information); (2) Options Symbol Directory Messages; (3) System Event Messages (e.g., start of messages, start of system hours, start of quoting, start of opening); (4) Option Trading Action Messages (e.g., halts, resumes); (5) Execution Messages (6) Quote Messages (quote/sweep messages, risk protection triggers or purge notifications).

2. SQF Purge

SQF Purge is a specific port for the SQF interface that only receives and notifies of purge requests from the market maker. Dedicated SQF Purge Ports enable market makers to seamlessly manage their ability to remove their quotes in a swift manner.

3. Ouch to Trade Options

OTTO is an interface that allows market participants to connect and send orders, auction orders and auction responses into the Exchange. Data includes the following: (1) Options Auction Notifications (e.g., Flash, PIM, Solicitation and Facilitation or other information); (2) Options Symbol Directory Messages; (3) System Event Messages (e.g., start of messages, start of system hours, start of quoting, start of opening); (5) Option Trading Action Messages (e.g., halts, resumes); (6) Execution Messages (7) Order Messages (order messages, risk protection triggers or purge notifications).

4. Clearing Trade Interface

CTI is a real-time clearing trade update is a message that is sent to a member after an execution has occurred and contains trade details. The message containing the trade details is also simultaneously sent to The Options Clearing Corporation. The information includes, among other things, the following: (i) The Clearing Member Trade Agreement or “CMTA” or The Options Clearing Corporation or “OCC” number; (ii) Exchange

badge or house number; (iii) the Exchange internal firm identifier; and (iv) an indicator which will distinguish electronic and non-electronically delivered orders; (v) liquidity indicators and transaction type for billing purposes; (vi) capacity

5. Financial Information eXchange

FIX is an interface that allows market participants to connect and send orders and auction orders into the Exchange. Data includes the following: (1) Options Symbol Directory Messages; (2) System Event Messages (e.g., start of messages, start of system hours, start of quoting, start of opening); (3) Option Trading Action Messages (e.g., halts, resumes); (4) Execution Messages (5) Order Messages (order messages, risk protection triggers or purge notifications).

6. FIX Drop

FIX Drop is a real-time order and execution update is a message that is sent to a member after an order been received/modified or an execution has occurred and contains trade details. The information includes, among other things, the following: (1) Executions (2) cancellations (3) modifications to an existing order (4) busts or post-trade corrections.

7. Disaster Recovery

Disaster Recovery ports provide connectivity to the exchange's disaster recovery data center in Chicago to be utilized in the event the exchange has to fail over during the trading day. DR Ports are available for SQF, SQF Purge, CTI, OTTO, FIX and FIX Drop.

8. Market Data

Market Data ports provide connectivity to the Exchange's proprietary market data feeds, including the Nasdaq GEMX Real-time Depth of Market Raw Data Feed ("Depth

of Market Feed”),⁶ the Nasdaq GEMX Order Feed (“Order Feed”),⁷ the Nasdaq GEMX Top Quote Feed (“Top Quote Feed”),⁸ and the Nasdaq GEMX Trades Feed (“Trades Feed”).⁹ The Depth Feed, Order Feed, and Top Quote Feed have each previously been established as market data offerings of the Exchange,¹⁰ and market participants are charged for subscriptions to these products.¹¹ The Trades Feed is a free market data product provided to subscribers of at least one of the fee liable market data products

⁶ The Depth Feed, provides aggregate quotes and orders at the top five price levels on the Exchange, and provides subscribers with a consolidated view of tradable prices beyond the BBO, showing additional liquidity and enhancing transparency for GEMX traded options. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status. In addition, subscribers are provided with total quantity, customer quantity (if present), price, and side (i.e., bid/ask). This information is provided for each of the five indicated price levels on the Depth Feed. The feed also provides participants of imbalances on opening/reopening.

⁷ The Order Feed provides information on new orders resting on the book. In addition, the feed also announces auctions. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status. The feed also provides participants of imbalances on opening/reopening.

⁸ The Top Quote Feed calculates and disseminates its best bid and offer position, with aggregated size (Total & Customer), based on displayable order and quote interest in the options market system. The feed also provides last trade information along with opening price, cumulative volume, high and low prices for the day. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status.

⁹ The Trades Feed displays last trade information along with opening price, cumulative volume, high and low prices for the day. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status.

¹⁰ See Securities Exchange Act Release No. 71087 (December 17, 2013), 78 FR 77545 (December 23, 2013) (SR-Topaz-2013-17).

¹¹ See GEMX Schedule of Fees, Section V., Market Data.

described above. In connection with the adoption of Market Data ports described above, the Exchange further proposes to establish the Trades Feed. Market Data ports are available via multicast, TCP, or as an intra-day snapshot, except that the intra-day snapshot option is available solely for the Depth of Market Feed and Top Quote Feed. In connection with the adoption of Market Data ports, which will provide connectivity to the four market data feeds described above, the Exchange also proposes to remove references to ITCH-to-Trade Options (“ITTO”) ports from the Schedule of Fees and replace them with references to Market Data ports. ITTO is currently defined as a port that provides connectivity to the Depth Feed. As noted above, Market Data ports will provide access to Depth Feed along with the Order Feed, Top Quote Feed, and Trades Feed.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”)¹² in general, and furthers the objectives of Section 6(b)(5) of the Act¹³ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is consistent with the protection of investors and the public interest as it establishes various ports used to connect to the GEMX INET trading system. The Exchange’s port offerings are changing with the re-platform as the ports used by INET differ from the ports used to connect to

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(5).

the T7 trading system. Market participants that connect to the INET trading system may use the following ports mentioned above: SQF, SQF Purge, OTTO, CTI, FIX, FIX Drop, Disaster Recovery, and Market Data. These ports are the same as ports currently used by the Exchange's affiliates, and therefore offer a familiar experience for market participants. The ports described in this filing provide a range of important features to market participants, including the ability to submit orders and quotes, receive market data, and perform other functions necessary to manage trading on the Exchange. The Exchange recently adopted port fees for the ports described in this filing, and believes that filing separately to establish these ports will increase transparency to market participants regarding connectivity options provided by the Exchange.

The Exchange also believes that it is consistent with the protection of investors and public interest to establish the Trades Feed as this feed, which is currently provided free of charge, provides valuable trade information to subscribers. The Trades Feed designed to promote just and equitable principles of trade by providing all subscribers with data that should enable them to make informed decisions on trading in GEMX options by using the data to assess current market conditions that directly affect such decisions. The market data provided by this feed removes impediments to, and is designed to further perfect, the mechanisms of a free and open market and a national market system by making the GEMX market more transparent and accessible to market participants making routing decisions concerning their options orders.

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

In accordance with Section 6(b)(8) of the Act,¹⁴ the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As explained above, the Exchange is establishing the ports used to connect to the GEMX INET trading system. The Exchange does not believe that establishing these ports, which are currently offered free of charge, will have any competitive impact. Similarly, the exchange does not believe that establishing the Trades Feed, which is also a free offering, will have any competitive impact.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

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) of the Act,¹⁵ and Rule 19b-4(f)(6)¹⁶ thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose

¹⁴ 15 U.S.C. 78f(b)(8).

¹⁵ 15 U.S.C. 78s(b)(3)(A).

¹⁶ 17 CFR 240.19b-4(f)(6).

any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. 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.

The Exchange believes that the proposed rule change is consistent with the public interest and the protection of investors, and will not impose any significant burden on competition as it establishes ports used to connect to the Exchange's INET trading system, and also establishes a market data offering that provides valuable trade information to subscribers. The proposed port offerings are the same as connectivity options used to connect to the Exchange's affiliates. In addition, the Exchange notes that the ports have already been disclosed to members in the proposed fee change cited above, where the Exchange adopted fees for these ports, and in various communications distributed to members in connection with the re-platform of the Exchange's trading system to the INET architecture. Subscribers to GEMX market data also already have access to the Trades Feed, which is a free offering of the Exchange. The Exchange therefore believes that the proposed rule change qualifies for immediate effectiveness as a "non-controversial" rule change.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the operative delay. As noted above, members have received numerous communications indicating the availability of GEMX INET ports, and are using these ports to connect to the Exchange today. Similarly, members have been made aware of the availability of the Trades Feed. Waiver of the operative delay is consistent with the protection of investors and the public interest as it will allow the Exchange to establish ports that members are already using to connect to the Exchange's INET trading system, and a related market data offering.

Furthermore, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

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. 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-GEMX-2017-07)

April __, 2017

Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Establish INET Ports

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 April 27, 2017, Nasdaq GEMX, LLC (“GEMX” 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 establish ports that members use to connect to the Exchange with the migration of the Exchange’s trading system to the Nasdaq INET architecture.

The text of the proposed rule change is available on the Exchange’s Website at www.ise.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 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 establish ports that members use to connect to the Exchange with the migration of the Exchange's trading system to the Nasdaq INET architecture.³ In particular, the Exchange proposes to establish the following connectivity options that are available in connection with the re-platform of the Exchange's trading system: Specialized Quote Feed ("SQF"), SQF Purge, Ouch to Trade Options ("OTTO"), Clearing Trade Interface ("CTI"), Financial Information eXchange ("FIX"), FIX Drop, Disaster Recovery, and Market Data. These connectivity options, which are described in more detail below, are the same as connectivity options currently used to connect to the Exchange's affiliates, including Nasdaq Phlx ("Phlx"), Nasdaq Options Market ("NOM"), and Nasdaq BX ("BX").⁴ The Exchange recently filed a

³ See Securities Exchange Act Release No. 80011 (February 10, 2017), 82 FR 10927 (February 16, 2017) (SR-ISEGemini-2016-17).

⁴ See Phlx Pricing Schedule, VII. Other Member Fees, B. Port Fees; NOM Rules, Chapter XV Options Pricing, Sec. 3 NOM - Ports and other Services; BX Rules, Chapter XV Options Pricing, Sec. 3 BX - Ports and other Services.

proposed rule change to adopt fees for its port offerings, which are currently offered free of charge,⁵ and is filing this proposed rule change to establish the ports themselves.

1. Specialized Quote Feed

SQF is an interface that allows market makers to connect and send quotes, sweeps and auction responses into the Exchange. Data includes the following: (1) Options Auction Notifications (e.g., opening imbalance, Flash, PIM, Solicitation and Facilitation or other information); (2) Options Symbol Directory Messages; (3) System Event Messages (e.g., start of messages, start of system hours, start of quoting, start of opening); (4) Option Trading Action Messages (e.g., halts, resumes); (5) Execution Messages (6) Quote Messages (quote/sweep messages, risk protection triggers or purge notifications).

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OTTO is an interface that allows market participants to connect and send orders, auction orders and auction responses into the Exchange. Data includes the following: (1) Options Auction Notifications (e.g., Flash, PIM, Solicitation and Facilitation or other information); (2) Options Symbol Directory Messages; (3) System Event Messages (e.g., start of messages, start of system hours, start of quoting, start of opening); (5) Option

⁵ See Securities Exchange Act Release No. 80213 (March 10, 2017), 82 FR 14066 (March 16, 2017) (SR-ISEGemini-2017-10).

Trading Action Messages (e.g., halts, resumes); (6) Execution Messages (7) Order Messages (order messages, risk protection triggers or purge notifications).

4. Clearing Trade Interface

CTI is a real-time clearing trade update is a message that is sent to a member after an execution has occurred and contains trade details. The message containing the trade details is also simultaneously sent to The Options Clearing Corporation. The information includes, among other things, the following: (i) The Clearing Member Trade Agreement or “CMTA” or The Options Clearing Corporation or “OCC” number; (ii) Exchange badge or house number; (iii) the Exchange internal firm identifier; and (iv) an indicator which will distinguish electronic and non-electronically delivered orders; (v) liquidity indicators and transaction type for billing purposes; (vi) capacity

5. Financial Information eXchange

FIX is an interface that allows market participants to connect and send orders and auction orders into the Exchange. Data includes the following: (1) Options Symbol Directory Messages; (2) System Event Messages (e.g., start of messages, start of system hours, start of quoting, start of opening); (3) Option Trading Action Messages (e.g., halts, resumes); (4) Execution Messages (5) Order Messages (order messages, risk protection triggers or purge notifications).

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7. Disaster Recovery

Disaster Recovery ports provide connectivity to the exchange's disaster recovery data center in Chicago to be utilized in the event the exchange has to fail over during the trading day. DR Ports are available for SQF, SQF Purge, CTI, OTTO, FIX and FIX Drop.

8. Market Data

Market Data ports provide connectivity to the Exchange's proprietary market data feeds, including the Nasdaq GEMX Real-time Depth of Market Raw Data Feed ("Depth of Market Feed"),⁶ the Nasdaq GEMX Order Feed ("Order Feed"),⁷ the Nasdaq GEMX Top Quote Feed ("Top Quote Feed"),⁸ and the Nasdaq GEMX Trades Feed ("Trades

⁶ The Depth Feed, provides aggregate quotes and orders at the top five price levels on the Exchange, and provides subscribers with a consolidated view of tradable prices beyond the BBO, showing additional liquidity and enhancing transparency for GEMX traded options. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status. In addition, subscribers are provided with total quantity, customer quantity (if present), price, and side (i.e., bid/ask). This information is provided for each of the five indicated price levels on the Depth Feed. The feed also provides participants of imbalances on opening/reopening.

⁷ The Order Feed provides information on new orders resting on the book. In addition, the feed also announces auctions. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status. The feed also provides participants of imbalances on opening/reopening.

⁸ The Top Quote Feed calculates and disseminates its best bid and offer position, with aggregated size (Total & Customer), based on displayable order and quote interest in the options market system. The feed also provides last trade information along with opening price, cumulative volume, high and low prices for the day. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status.

Feed”).⁹ The Depth Feed, Order Feed, and Top Quote Feed have each previously been established as market data offerings of the Exchange,¹⁰ and market participants are charged for subscriptions to these products.¹¹ The Trades Feed is a free market data product provided to subscribers of at least one of the fee liable market data products described above. In connection with the adoption of Market Data ports described above, the Exchange further proposes to establish the Trades Feed. Market Data ports are available via multicast, TCP, or as an intra-day snapshot, except that the intra-day snapshot option is available solely for the Depth of Market Feed and Top Quote Feed. In connection with the adoption of Market Data ports, which will provide connectivity to the four market data feeds described above, the Exchange also proposes to remove references to ITCH-to-Trade Options (“ITTO”) ports from the Schedule of Fees and replace them with references to Market Data ports. ITTO is currently defined as a port that provides connectivity to the Depth Feed. As noted above, Market Data ports will provide access to Depth Feed along with the Order Feed, Top Quote Feed, and Trades Feed.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”)¹² in general, and furthers the objectives of

⁹ The Trades Feed displays last trade information along with opening price, cumulative volume, high and low prices for the day. The data provided for each instrument includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and trading status.

¹⁰ See Securities Exchange Act Release No. 71087 (December 17, 2013), 78 FR 77545 (December 23, 2013) (SR-Topaz-2013-17).

¹¹ See GEMX Schedule of Fees, Section V., Market Data.

¹² 15 U.S.C. 78f(b).

Section 6(b)(5) of the Act¹³ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is consistent with the protection of investors and the public interest as it establishes various ports used to connect to the GEMX INET trading system. The Exchange's port offerings are changing with the re-platform as the ports used by INET differ from the ports used to connect to the T7 trading system. Market participants that connect to the INET trading system may use the following ports mentioned above: SQF, SQF Purge, OTTO, CTI, FIX, FIX Drop, Disaster Recovery, and Market Data. These ports are the same as ports currently used by the Exchange's affiliates, and therefore offer a familiar experience for market participants. The ports described in this filing provide a range of important features to market participants, including the ability to submit orders and quotes, receive market data, and perform other functions necessary to manage trading on the Exchange. The Exchange recently adopted port fees for the ports described in this filing, and believes that filing separately to establish these ports will increase transparency to market participants regarding connectivity options provided by the Exchange.

The Exchange also believes that it is consistent with the protection of investors and public interest to establish the Trades Feed as this feed, which is currently provided free of charge, provides valuable trade information to subscribers. The Trades Feed designed to promote just and equitable principles of trade by providing all subscribers

¹³ 15 U.S.C. 78f(b)(5).

with data that should enable them to make informed decisions on trading in GEMX options by using the data to assess current market conditions that directly affect such decisions. The market data provided by this feed removes impediments to, and is designed to further perfect, the mechanisms of a free and open market and a national market system by making the GEMX market more transparent and accessible to market participants making routing decisions concerning their options orders.

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

In accordance with Section 6(b)(8) of the Act,¹⁴ the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As explained above, the Exchange is establishing the ports used to connect to the GEMX INET trading system. The Exchange does not believe that establishing these ports, which are currently offered free of charge, will have any competitive impact. Similarly, the exchange does not believe that establishing the Trades Feed, which is also a free offering, will have any competitive impact.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed,

¹⁴ 15 U.S.C. 78f(b)(8).

or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act¹⁵ and subparagraph (f)(6) of Rule 19b-4 thereunder.¹⁶

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
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-GEMX-2017-07 on the subject line.

¹⁵ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁶ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-GEMX-2017-07. 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-GEMX-2017-07 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.¹⁷

Robert W. Errett
Deputy Secretary

¹⁷ 17 CFR 200.30-3(a)(12).

Exhibit 5 - Text of the Proposed Rule Change

Underlining indicates additions; [Brackets] indicate deletion

* * *

**Nasdaq GEMX
Schedule of Fees**

* * *

IV. Access Services

* * *

E. Port Fees

* * *

4. Ports*

SQF Port Fee:	\$0 per port per month
SQF Purge Port Fee:	\$0 per port per month
OTTO Port Fee:	\$0 per port per month
CTI Port Fee:	\$0 per port per month
FIX Port Fee:	\$0 per port per month
FIX Drop Port Fee:	\$0 per port per month
Disaster Recovery Port Fee:	\$0 per port per month
[ITTO] <u>Market Data</u> Port Fee:	\$0 per port per month

* The connectivity provided under this section applies to ports used to connect to the re-platformed Nasdaq GEMX trading system.

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