

Required fields are shown with yellow backgrounds and asterisks.

Proposed Rule Change by NASDAQ Stock Market  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

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

**Description**  
Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked \*).

**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 proposed rule change.

First Name \*  Last Name \*   
Title \*   
E-mail \*   
Telephone \*  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 officer.

Date   
By    
(Name \*) (Title \*)

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 (required)**

Add Remove View

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 (required)**

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 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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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.

The NASDAQ Stock Market LLC (“NASDAQ”) is filing this Partial Amendment No. 1 to SR-NASDAQ-2012-124. Partial Amendment No. 1 makes the following related changes to the filing:

1. On pages 4-5 and page 10 of the original filing, delete the sentence “NASDAQ is also adding Rule 7470A (Exemption to the Order Recording and Data Transmission Requirements) as a replacement for former Rule 6958, which lapsed in July 2011, and deleting Rule 6957 (Effective Date).” and replace it with the following sentences: “NASDAQ is also deleting Rule 6957 (Effective Date), redesignating Rule 6958 as Rule 7470A, and amending that rule to reinstate its effectiveness until July 10, 2015 and make conforming changes to rule cross-references. By its terms, the effectiveness of the rule had lapsed on July 10, 2011. NASDAQ is reinstating the rule in order to ensure that NASDAQ has the same exemptive authority as FINRA with regard to the application of OATS rules, to ensure that its respective members are not subject to disparate requirements. ”
2. On page 20 of the original filing, delete the text of proposed rule 7470A and replace it with the following text:

**[6958] 7470A. Exemption to the Order Recording and Data Transmission Requirements**

(a) Pursuant to the Rule 9600 Series, Nasdaq, for good cause shown after taking into consideration all relevant factors, may exempt subject to specified terms and conditions, a member from the recording and order data transmission requirements of Rules [6954 and 6955] 7440A and 7450A, respectively, for manual orders, if such exemption is consistent with the protection of investors and the public interest, and the member meets the following criteria:

(1) the member and current control affiliates and associated persons of the member have not been subject within the last five years to any final disciplinary action, and within the last ten years to any disciplinary action involving fraud;

(2) the member has annual revenues of less than \$2 million;

(3) the member does not conduct any market making activities in Nasdaq Stock Market equity securities;

(4) the member does not execute principal transactions with its customers (with limited exception for principal transactions executed pursuant to error corrections); and

(5) the member does not conduct clearing or carrying activities for other firms.

(b) An exemption provided pursuant to this Rule shall not exceed a period of two years. At or prior to the expiration of a grant of exemptive relief under this Rule, a member meeting the criteria set forth in paragraph (a) above may request, pursuant to the 9600 Series, a subsequent exemption, which will be considered at the time of the request consistent with the protection of investors and the public interest.

(c) This Rule shall be in effect until July 10, [2011] 2015.