and submit the appropriate form as designated by Nasdaq.

(f) Substitution Listing Fee
A Company that implements a Substitution Listing Event shall pay a fee of [$7,500] $15,000 to Nasdaq and submit the appropriate form as designated by Nasdaq. Notwithstanding the foregoing, this substitution listing fee shall not apply to securities that are listed on a national securities exchange other than Nasdaq and not designated by Nasdaq as Nasdaq national market system securities.

5920. The Nasdaq Capital Market
(a)–(c) No change.
(d) Record-Keeping Fee
A Company that makes a change such as a change to its name, the par value or title of its security, or its symbol shall pay a fee of [[$2,500]] $7,500 to Nasdaq and submit the appropriate form as designated by Nasdaq.

(e) Substitution Listing Fee
A Company that implements a Substitution Listing Event shall pay a fee of [$7,500] $15,000 to Nasdaq and submit the appropriate form as designated by Nasdaq. Notwithstanding the foregoing, this substitution listing fee shall not apply to securities that are listed on a national securities exchange other than Nasdaq and not designated by Nasdaq as Nasdaq national market system securities.

5910. The [NASDAQ] Nasdaq Global Market

(a)–(d) No change.
(e) Recordkeeping Fee
A Company that makes a change such as a change to its name, the par value or title of its security, or its symbol shall pay a fee of [[$2,500]] $7,500 to Nasdaq

3 Changes are marked to the rule text that appears in the electronic manual of Nasdaq found at http://nasdaponx.chrswallstreet.com.
interface allowing companies to notify Nasdaq about these changes through an on-line portal. This web-based interface will simplify the notification process for the company and help eliminate errors that may otherwise have resulted from re-keying information. While over time, Nasdaq hopes that this technology will reduce the costs associated with maintaining the process, Nasdaq has invested significant up-front development costs in creating the system. Nasdaq has also committed resources to its online reference library, which includes a number of FAQs providing advice about these changes and the related forms and fees.

Nasdaq also believes that the proposed changes are equitable and not unfairly discriminatory because they would apply equally to all companies listed on Nasdaq that effect one of these changes. In this manner, the proposed fees will help assure that the expenses arising from changes initiated by certain companies are borne by those companies.

Finally, NASDAQ notes that it operates in a highly competitive market in which market participants can readily switch exchanges if they deem the listing fees excessive. In such an environment, NASDAQ must continually review its fees to assure that they remain competitive. In that regard, Nasdaq notes that the proposed fees remain similar to the fees charged by the New York Stock Exchange.

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

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The market for listing services is extremely competitive and listed companies may freely choose alternative venues. In addition, Nasdaq’s proposed fees are similar to the fees charged by its competitors. For this reason, and the reasons discussed in connection with the statutory basis for the proposed rule change, Nasdaq does not believe that the proposed rule change will result in any burden on competition for listings.


10 See the NASDAQ OMX Listing Center at https://listingcenter.nasdaqomx.com/Show_Doc.aspx?File=listing_information.html#forms. While the change in Company Record and Substitution Listing Event forms are currently available as pdfs, which have to be emailed to Nasdaq, they are being converted into online forms, which can be completed and submitted to Nasdaq electronically.

11 See Section 902.03 of the NYSE Listed Company Manual and Securities Exchange Act Release No. 68024 (October 10, 2012), 77 FR 63388 (October 16, 2012) (SR–NYSE–2012–51). In addition, NYSE charges $15,000 for a new listing where the “change in the company’s status is technical in nature and the shareholders of the original company receive or retain a share-for-share interest in the new company without any change in their equity position or rights.” These changes include a change in a company’s state of incorporation or a reincorporation or formation of a holding company that replaces a listed company, and a reverse stock split. See Section 902.03 of the NYSE Listed Company Manual.

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. 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 necessary or appropriate in the public interest, for the protection of investors, or 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 email to rule-comments@sec.gov. Please include File Number SR–NASDAQ–2013–003 on the subject line.

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; National Stock Exchange, Inc.; Order Granting Approval of Proposed Rule Change as Modified by Amendment No. 1 To Amend the Listing Rules for Compensation Committees To Comply With Rule 10C–1 Under the Act


I. Introduction

On September 26, 2012, National Stock Exchange, Inc. ("NSX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") pursuant to Section 19(b)[1] of the Securities Exchange Act of 1934 ("Act") and Rule 19b–4 thereunder, a proposed rule change to modify the Exchange’s rules for compensation committees of listed issuers to comply with Rule 10C–1 under the Act. On October 10, 2012, NSX filed Amendment No. 1 to the proposed rule change. The proposed rule change, as modified by Amendment No. 1 thereto, was published for comment in the Federal Register on October 17, 2012. The Commission subsequently extended the time period in which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change, to January 13, 2013. The Commission received no comment letters on the proposed rule change. This order approves the proposed rule change, as modified by Amendment No. 1 thereto.

II. Description of Proposed Rule Change

A. Background: Rule 10C–1 Under the Act

On March 30, 2011, to implement Section 10C of the Act, as added by Section 952 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"), the Commission proposed Rule 10C–1 under the Act, which directs each national securities exchange (hereinafter, "exchange") to prohibit the listing of any equity security of any issuer, with certain exceptions, that does not comply with the rule’s requirements regarding compensation committees of listed issuers and related requirements regarding compensation advisers. On June 20, 2012, the Commission adopted Rule 10C–1.

Rule 10C–1 requires, among other things, each exchange to adopt rules providing that each member of the compensation committee of a listed issuer must be a member of the board of directors of the issuer, and must otherwise be independent. In determining the independence standards for members of compensation committees of listed issuers, Rule 10C–1 requires the exchanges to consider relevant factors, including, but not limited to: (a) the source of compensation of the director, including any consulting, advisory or other compensatory fee paid by the issuer to the director (hereinafter, the "Fees Factor"); and (b) whether the director is affiliated with the issuer, a subsidiary of the issuer or an affiliate of a subsidiary of the issuer (hereinafter, the "Affiliation Factor").

In addition, Rule 10C–1 requires the listing rules of exchanges to mandate that compensation committees be given the authority to retain or obtain the advice of a compensation adviser, and have direct responsibility for the appointment, compensation and oversight of the work of any compensation adviser they retain. The exchange rules must also provide that each listed issuer provide for appropriate funding for the payment of reasonable compensation as determined by the compensation committee, to any

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