

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 18		SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2014 - * 054		Amendment No. (req. for Amendments *)	
Filing by NASDAQ Stock Market Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934							
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"/>	
						Rule	
Pilot <input type="checkbox"/>		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 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) * <input type="checkbox"/>		Section 806(e)(2) * <input type="checkbox"/>		Section 3C(b)(2) * <input type="checkbox"/>			
Exhibit 2 Sent As Paper Document <input type="checkbox"/>		Exhibit 3 Sent As Paper Document <input type="checkbox"/>					
<b>Description</b>							
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).							
<input type="text" value="A Proposed Rule Change to Adopt the Nasdaq Opening Cross Contingency."/>							
<b>Contact Information</b>							
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 * <input type="text" value="T. Sean"/>		Last Name * <input type="text" value="Bennett"/>					
Title * <input type="text" value="Associate General Counsel"/>							
E-mail * <input type="text" value="sean.bennett@nasdaqomx.com"/>							
Telephone * <input type="text" value="(301) 978-8499"/>		Fax <input type="text" value="(301) 978-8472"/>					
<b>Signature</b>							
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 <input type="text" value="05/13/2014"/>		<input type="text" value="Executive Vice President and General Counsel"/>					
By <input type="text" value="Edward S. Knight"/>		<input type="text" value=""/>					
(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.							
<input type="button" value="Persona Not Validated - 1383935917270"/>							

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 \***

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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, 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**

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**

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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**

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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 Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> The NASDAQ Stock Market LLC (“NASDAQ” or “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposal to adopt an alternative market opening process, the Opening Cross Contingency, used only when the normal opening process fails to calculate an opening price.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and 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 NASDAQ pursuant to authority delegated by the Board of Directors of NASDAQ on July 17, 2013. NASDAQ staff will advise the Board of Directors of NASDAQ of any action taken pursuant to delegated authority. No other action by NASDAQ is necessary for the filing of the rule change.

Questions regarding this rule filing may be directed to T. Sean Bennett, Associate General Counsel, The NASDAQ OMX Group, Inc., (301) 978-8499.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 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

NASDAQ is proposing to adopt an alternative market opening process, to be used only in instances where the primary opening process has failed to calculate an opening price. The proposed process will help ensure that the NASDAQ market opens in an orderly manner.

*Current Opening Process*

The Nasdaq Opening Cross<sup>3</sup> (the "Opening Cross") is NASDAQ's process for matching orders at the launch of the regular trading hours, and is open to all securities listed on the NASDAQ, NYSE, NYSE Amex and NYSE Arca Exchanges (collectively, "System Securities"). Beginning at 4:00 a.m. Eastern Time (all times noted hereafter are Eastern Time), NASDAQ accepts orders executable during the Opening Cross. At 9:28 a.m., NASDAQ begins to disseminate information about order Imbalances<sup>4</sup> in the opening book along with indicative opening prices every five seconds until the initiation of the Opening Cross.<sup>5</sup> NASDAQ initiates an Opening Cross in all System Securities for which there are orders that will execute against contra-side orders at 9:30 a.m., at which time the opening book and the NASDAQ continuous book are brought together to create single NASDAQ opening prices for System Securities. The securities' Nasdaq Opening

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<sup>3</sup> See Rule 4752.

<sup>4</sup> An Imbalance is defined as the number of shares of buy or sell MOO, LOO, Early Market Hours, Open Eligible Interest or OIO order shares at a particular price at any given time. See Rule 4752(a)(1).

<sup>5</sup> Rule 4752(d)(1).

Cross price is the Nasdaq Official Opening Price (“NOOP”) for these securities.<sup>6</sup> The NOOP is distributed to the consolidated tape immediately after completion of the Opening Cross and conclusion of the Opening Cross signals the System to open a System Security for regular market hours trading.

In certain cases, a System Security will not have any contra-side interest for execution in the Opening Cross, or any orders whatsoever, when the Opening Cross process is initiated. When this occurs, NASDAQ executes a “null cross” instead, whereby no securities are matched yet the System receives the necessary precondition to regular hours trading that a “cross” in the security has occurred. After completion of the null cross, regular hours trading begins by integrating Market Hours Orders<sup>7</sup> into the book in time priority and executing in accordance with market hours rules.<sup>8</sup> In such cases, the NOOP is determined by the first last-sale eligible trade<sup>9</sup> reported at or after 9:30 a.m., when regular trading hours begin.

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<sup>6</sup> Rule 4752(d)(4).

<sup>7</sup> A Market Hours Order is any order that may be entered into the system and designated with a time-in-force of MIOC, MDAY, MGTC. Market Hours Orders shall be designated as “Early Market Hours Orders” if entered into the system prior to 9:28 a.m. and shall be treated as market-on-open and limit-on-open orders, as appropriate, for the purposes of the Nasdaq Opening Cross. Orders entered into the system at 9:28 a.m. or after shall be designated as “Late Market Hours Orders” and shall be treated as imbalance-only orders for the purposes of the cross. Beginning at 9:28 a.m., requests to cancel or modify Market Hours Orders shall be suspended until after completion of the Opening Cross at which time such requests shall be processed, to the extent that such orders remain available within the System. See Rule 4752(a)(7).

<sup>8</sup> Rule 4752(c).

<sup>9</sup> The first last-sale eligible trade is the first trade transaction that occurs during the regular market session (9:30 a.m. to 4:00 p.m.). If an Opening Cross occurs, the NOOP is determined by the bulk print. If there is no Opening Cross, the NOOP is determined by the first regular way print.

*Proposed Opening Cross Contingency*

NASDAQ is retaining its current opening process, but is proposing to adopt an alternative opening process to be used only in cases in which the Opening Cross fails to calculate an opening price.<sup>10</sup> The proposed Opening Cross Contingency will provide NASDAQ with a rules-based process to address Opening Cross failures. Specifically, upon being informed that an Opening Cross has failed to calculate an opening price in one or more System Securities, a senior official will initiate an Opening Cross Contingency for each of the affected System Securities.<sup>11</sup> Like the opening process followed when there are no orders to cross in a System Security, the Opening Cross Contingency will initiate a null cross in each affected System Security to allow the System to release such securities for regular market hours trading. Unlike the null cross in the normal opening process in which Market Hours Orders are integrated into the book in time priority, orders entered for execution where an Opening Cross that fails to calculate an opening price and where the Opening Cross Contingency is initiated are cancelled out of the book instead of executing against regular Market Hours Orders. NASDAQ notes that this is a consequence of the orders eligible for execution in the

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<sup>10</sup> There are two general types of failure of the Opening Cross, hardware-based and software-based. Hardware-based failures are the result of problems with the physical infrastructure supporting the Opening Cross process. This includes, but is not limited to, switch failures, cabling failures, server failures, and power failures. Hardware-based failures are mitigated via network and server infrastructure redundancy designed into the system. Software-based failures are the result of bugs. These include, but are not limited to, coding errors and configuration errors. Software-based failures are mitigated via application redundancy, core system code diversity, the proposed Opening Cross Contingency, and configuration management policies and procedures.

<sup>11</sup> System Securities that have successful Opening Crosses will open normally under that process at the NOOP based on the Opening Cross price.

Opening Cross being locked in the failed cross. Each System Security in which an Opening Cross Contingency is applied will open at the first last sale eligible trade when regular market hours begin, which is the NOOP for such securities.

b. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>12</sup> in general, and with Section 6(b)(5) of the Act,<sup>13</sup> in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange believes that the proposed changes to Rule 4752 will promote transparency in the process for handling failures of the Opening Cross in calculating an opening price for System securities. Moreover, the proposed changes will also help assure consistent results in handling such Opening Cross failures, thus furthering fair and orderly markets, the protection of investors and the public interest.

4. 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

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<sup>12</sup> 15 U.S.C. 78f.

<sup>13</sup> 15 U.S.C. 78f(b)(5).

Act, as amended.<sup>14</sup> The Exchange believes that the proposal is irrelevant to competition because it is not driven by, and will have no impact on, competition.

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

Written comments were neither solicited nor 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)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6) thereunder in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose 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. The Exchange has provided the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule. The proposal meets the requirements of the Rule 19b-4(f)(6) because the proposal presents no new or novel issues that impact investor protection. Specifically, the Exchange does not believe that the proposed change will significantly affect the protection of investors or the public interest because it creates a new contingency process that will help ensure fair and orderly trading in securities will occur notwithstanding a failure of the Opening Cross

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<sup>14</sup> 15 U.S.C. 78f(b)(8).

process to calculate an opening price in one or more securities. Moreover, the Exchange does not believe that the proposed change will impose a burden on competition whatsoever, as it is not driven by, and will have no impact on, competition. In this regard, the Exchange notes that every exchange engages in contingency planning, and none uses those contingency plans for competitive gain.

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. Exhibits

1. Completed 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. 34- ; File No. SR-NASDAQ-2014-054)

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Adopt the Nasdaq Opening Cross Contingency

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on May 13, 2014, The NASDAQ Stock Market LLC (“NASDAQ” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a 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

NASDAQ proposes a rule change to adopt an alternative market opening process, the Opening Cross Contingency, used only when the normal opening process fails to calculate an opening price.

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

In its filing with the Commission, NASDAQ 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 those statements may be examined at

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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 parts of such statements.

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

1. Purpose

NASDAQ is proposing to adopt an alternative market opening process, to be used only in instances where the primary opening process has failed to calculate an opening price. The proposed process will help ensure that the NASDAQ market opens in an orderly manner.

*Current Opening Process*

The Nasdaq Opening Cross<sup>3</sup> (the "Opening Cross") is NASDAQ's process for matching orders at the launch of the regular trading hours, and is open to all securities listed on the NASDAQ, NYSE, NYSE Amex and NYSE Arca Exchanges (collectively, "System Securities"). Beginning at 4:00 a.m. Eastern Time (all times noted hereafter are Eastern Time), NASDAQ accepts orders executable during the Opening Cross. At 9:28 a.m., NASDAQ begins to disseminate information about order Imbalances<sup>4</sup> in the opening book along with indicative opening prices every five seconds until the initiation of the Opening Cross.<sup>5</sup> NASDAQ initiates an Opening Cross in all System Securities for which there are orders that will execute against contra-side orders at 9:30 a.m., at which time the opening book and the NASDAQ continuous book are brought together to create

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<sup>3</sup> See Rule 4752.

<sup>4</sup> An Imbalance is defined as the number of shares of buy or sell MOO, LOO, Early Market Hours, Open Eligible Interest or OIO order shares at a particular price at any given time. See Rule 4752(a)(1).

<sup>5</sup> Rule 4752(d)(1).

single NASDAQ opening prices for System Securities. The securities' Nasdaq Opening Cross price is the Nasdaq Official Opening Price ("NOOP") for these securities.<sup>6</sup> The NOOP is distributed to the consolidated tape immediately after completion of the Opening Cross and conclusion of the Opening Cross signals the System to open a System Security for regular market hours trading.

In certain cases, a System Security will not have any contra-side interest for execution in the Opening Cross, or any orders whatsoever, when the Opening Cross process is initiated. When this occurs, NASDAQ executes a "null cross" instead, whereby no securities are matched yet the System receives the necessary precondition to regular hours trading that a "cross" in the security has occurred. After completion of the null cross, regular hours trading begins by integrating Market Hours Orders<sup>7</sup> into the book in time priority and executing in accordance with market hours rules.<sup>8</sup> In such cases, the NOOP is determined by the first last-sale eligible trade<sup>9</sup> reported at or after 9:30 a.m., when regular trading hours begin.

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<sup>6</sup> Rule 4752(d)(4).

<sup>7</sup> A Market Hours Order is any order that may be entered into the system and designated with a time-in-force of MIOC, MDAY, MGTC. Market Hours Orders shall be designated as "Early Market Hours Orders" if entered into the system prior to 9:28 a.m. and shall be treated as market-on-open and limit-on-open orders, as appropriate, for the purposes of the Nasdaq Opening Cross. Orders entered into the system at 9:28 a.m. or after shall be designated as "Late Market Hours Orders" and shall be treated as imbalance-only orders for the purposes of the cross. Beginning at 9:28 a.m., requests to cancel or modify Market Hours Orders shall be suspended until after completion of the Opening Cross at which time such requests shall be processed, to the extent that such orders remain available within the System. See Rule 4752(a)(7).

<sup>8</sup> Rule 4752(c).

<sup>9</sup> The first last-sale eligible trade is the first trade transaction that occurs during the regular market session (9:30 a.m. to 4:00 p.m.). If an Opening Cross occurs, the

*Proposed Opening Cross Contingency*

NASDAQ is retaining its current opening process, but is proposing to adopt an alternative opening process to be used only in cases in which the Opening Cross fails to calculate an opening price.<sup>10</sup> The proposed Opening Cross Contingency will provide NASDAQ with a rules-based process to address Opening Cross failures. Specifically, upon being informed that an Opening Cross has failed to calculate an opening price in one or more System Securities, a senior official will initiate an Opening Cross Contingency for each of the affected System Securities.<sup>11</sup> Like the opening process followed when there are no orders to cross in a System Security, the Opening Cross Contingency will initiate a null cross in each affected System Security to allow the System to release such securities for regular market hours trading. Unlike the null cross in the normal opening process in which Market Hours Orders are integrated into the book in time priority, orders entered for execution where an Opening Cross that fails to calculate an opening price and where the Opening Cross Contingency is initiated are cancelled out of the book instead of executing against regular Market Hours Orders.

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NOOP is determined by the bulk print. If there is no Opening Cross, the NOOP is determined by the first regular way print.

<sup>10</sup> There are two general types of failure of the Opening Cross, hardware-based and software-based. Hardware-based failures are the result of problems with the physical infrastructure supporting the Opening Cross process. This includes, but is not limited to, switch failures, cabling failures, server failures, and power failures. Hardware-based failures are mitigated via network and server infrastructure redundancy designed into the system. Software-based failures are the result of bugs. These include, but are not limited to, coding errors and configuration errors. Software-based failures are mitigated via application redundancy, core system code diversity, the proposed Opening Cross Contingency, and configuration management policies and procedures.

<sup>11</sup> System Securities that have successful Opening Crosses will open normally under that process at the NOOP based on the Opening Cross price.

NASDAQ notes that this is a consequence of the orders eligible for execution in the Opening Cross being locked in the failed cross. Each System Security in which an Opening Cross Contingency is applied will open at the first last sale eligible trade when regular market hours begin, which is the NOOP for such securities.

## 2. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>12</sup> in general, and with Section 6(b)(5) of the Act,<sup>13</sup> in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange believes that the proposed changes to Rule 4752 will promote transparency in the process for handling failures of the Opening Cross in calculating an opening price for System securities. Moreover, the proposed changes will also help assure consistent results in handling such Opening Cross failures, thus furthering fair and orderly markets, the protection of investors and the public interest.

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<sup>12</sup> 15 U.S.C. 78f.

<sup>13</sup> 15 U.S.C. 78f(b)(5).

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.<sup>14</sup> The Exchange believes that the proposal is irrelevant to competition because it is not driven by, and will have no impact on, competition.

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

Written comments were neither solicited nor 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, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>15</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>16</sup>

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

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<sup>14</sup> 15 U.S.C. 78f(b)(8).

<sup>15</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>16</sup> 17 CFR 240.19b-4(f)(6).

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](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2014-054 on the subject line.

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NASDAQ-2014-054. 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 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-NASDAQ-2014-054, 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.<sup>17</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>17</sup> 17 CFR 200.30-3(a)(12).

**EXHIBIT 5**

The text of the proposed rule change is below. Proposed new language is underlined.

\* \* \* \* \*

**4752. Opening Process**

(a) **Definitions.** For the purposes of this rule the term:

(1) – (9) No change.

(10) “Nasdaq Opening Cross Contingency” shall mean the process by which a System security is opened for regular market trading when the Nasdaq Opening Cross for that security fails to calculate the opening price.

(b) – (d) No change.

(e) Nasdaq Opening Cross Failure Processing. In the event that the Nasdaq Opening Cross fails to calculate the opening price in one or more System securities, Nasdaq will initiate the Nasdaq Opening Cross Contingency process for each affected security. The Nasdaq Opening Cross Contingency is initiated by a senior official of Nasdaq once informed of a Nasdaq Opening Cross failure. Once the Nasdaq Opening Cross Contingency is initiated, all orders available for execution in the Nasdaq Opening Cross for the System security are canceled. Market hours trading shall commence in the affected System security when the Nasdaq Opening Cross Contingency completes with the execution of the first last sale-eligible trade, which shall be the Nasdaq Official Opening Price for such security.

\* \* \* \* \*