

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 21	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2015 - * 027	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 checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)
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"/>			
Description				
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).				
<input type="text" value="NASDAQ Options Market Fees and Rebates"/>				
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 *	<input type="text" value="Angela"/>	Last Name *	<input type="text" value="Dunn"/>	
Title *	<input type="text" value="Associate General Counsel"/>			
E-mail *	<input type="text" value="angela.dunn@nasdaqomx.com"/>			
Telephone *	<input type="text" value="(215) 496-5692"/>	Fax	<input type="text"/>	
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	<input type="text" value="03/25/2015"/>	<input type="text" value="Executive Vice President and General Counsel"/>		
By	<input type="text" value="Edward S. Knight"/>	<input type="text"/>		
(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="edward.knight@nasdaq.com"/>				

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 *

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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

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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

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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 the Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² The NASDAQ Stock Market LLC (“NASDAQ” or “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the manner in which the Exchange assesses Port Fees which are located in Chapter XV, entitled “Options Pricing,” which governs pricing for NASDAQ members using the NASDAQ Options Market (“NOM”), NASDAQ’s facility for executing and routing standardized equity and index options.

While the changes proposed herein are effective upon filing, the Exchange has designated the amendments become operative on April 1, 2015.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and a copy of the applicable rule text is attached hereto 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 16, 2014. 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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Questions and comments on the proposed rule change may be directed to Angela Saccomandi Dunn, Associate General Counsel, The NASDAQ OMX Group, Inc. at (215) 496-5692.

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

a. Purpose

The Exchange proposes to increase Port Fees for the following ports from \$600.00 to \$650.00 per port, per month, per mnemonic: Order Entry Port,³ CTI Port,⁴ ITTO Port,⁵ BONO Port,⁶ Order Entry DROP Port Fees⁷ and OTTO Drop Ports.⁸ The

³ The Order Entry Port Fee is a connectivity fee in connection with routing orders to the Exchange via an external order entry port. NOM Participants access the Exchange's network through order entry ports. A NOM Participant may have more than one order entry port.

⁴ CTI offers real-time clearing trade updates. 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 trade messages are routed to a member's connection containing certain information. The administrative and market event messages include, but are not limited to: system event messages to communicate operational-related events; options directory messages to relay basic option symbol and contract information for options traded on the Exchange; complex strategy messages to relay information for those strategies traded on the Exchange; trading action messages to inform market participants when a specific option or strategy is halted or released for trading on the Exchange; and an indicator which distinguishes electronic and non-electronically delivered orders.

⁵ ITTO is a data feed that provides quotation information for individual orders on the NOM book, last sale information for trades executed on NOM, and Order Imbalance Information as set forth in NOM Rules Chapter VI, Section 8. ITTO is the options equivalent of the NASDAQ TotalView/ITCH data feed that NASDAQ offers under NASDAQ Rule 7023 with respect to equities traded on NASDAQ. As with TotalView, members use ITTO to "build" their view of the NOM book by adding individual orders that appear on the feed, and subtracting individual orders that are executed. See Chapter VI, Section 1 at subsection (a)(3)(A).

⁶ BONOSM is a data feed that provides the NOM Best Bid and Offer ("NOM

OTTO Port⁹ will be increased from \$600.00 to \$750.00 per port, per month, per mnemonic, and the SQF Port¹⁰ will be increased from \$600.00 to \$750.00 per port, per month. ITTO and BONO Port fees will continue to be assessed to non-NOM Participants and NOM Participants.

Each NOM Participant is assigned a market participant identifier or “mnemonic”¹¹ and in some cases, certain NOM Participants request multiple mnemonics for purposes of accounting for trading activity. These mnemonics identify users at a

NBBO”) and last sale information for trades executed on NOM. The NOM NBBO and last sale information are identical to the information that NOM sends to the Options Price Regulatory Authority (“OPRA”) and which OPRA disseminates via the consolidated data feed for options. BONO is the options equivalent of the NASDAQ Basic data feed offered for equities under NASDAQ Rule 7047. See Chapter VI, Section 1 at subsection (a)(3)(B).

⁷ The DROP interface provides real time information regarding orders sent to NOM and executions that occurred on NOM. The DROP interface is not a trading interface and does not accept order messages.

⁸ The OTTO DROP data feed provides real-time information regarding orders entered through OTTO and the execution of those orders. The OTTO DROP data feed is not a trading interface and does not accept order messages.

⁹ OTTO provides a method for subscribers to send orders and receive status updates on those orders. OTTO accepts limit orders from system subscribers, and if there is a matching order, the orders will execute. Non-matching orders are added to the limit order book, a database of available limit orders, where they are matched in price-time priority.

¹⁰ SQF ports are ports that receive inbound quotes at any time within that month. The SQF Port allows a NOM Participant to access information such as execution reports and other relevant data through a single feed. For example, this data would show which symbols are trading on NOM and the current state of an options symbol (i.e., open for trading, trading, halted or closed). Auction notifications and execution reports are also available. NOM Market Makers rely on data available through the SQF Port to provide them the necessary information to perform market making activities.

¹¹ A mnemonic is a unique identifier consisting of a four character alpha code.

particular NOM Participant. The Exchange bills its port fees based on the number of mnemonics configured for each port. By way of example, if a NOM Participant, ABC, requested 2 ports from the Exchange and further requested that each port be configured to be accessed by 4 mnemonics or in some cases account numbers,¹² the NOM Participant, today, would be billed for 8 ports at the rate of \$600 per port for that month. All billing is captured at the Participant level. NOM Participants may choose to have multiple mnemonics or in some case multiple account numbers for the convenience of conducting their business, however only one mnemonic and one account number is required to conduct business on NOM. The aforementioned will not apply to SQF ports, which are not billed by mnemonic.

The Exchange is proposing to increase OTTO and SQF Ports from \$600.00 to \$750.00, per port, per month, per mnemonic for the OTTO Port and per port, per per month for the SQF port. All other port fees (Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO Drop Ports) will increase from \$600.00 to \$650.00 per port, per month, per mnemonic. NOM Market Makers utilize OTTO and SQF ports for their market making business, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee for these ports as compared to other ports.

b. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions

¹² Account numbers are assigned by the Exchange and associated with particular NOM Participants.

of Section 6 of the Act,¹³ in general, and with Section 6(b)(4) and 6(b)(5) of the Act,¹⁴ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which NASDAQ operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that increasing the Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 per port, per month, per mnemonic is reasonable because it would allow the Exchange to keep pace with increasing technology costs. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Port Fees are reasonable because they enable the Exchange to offset, in part, its connectivity costs associated with making such ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support. The Exchange's Port Fees are in line with costs for ports at other options exchanges.¹⁵

¹³ 15 U.S.C. 78f.

¹⁴ 15 U.S.C. 78f(b)(4) and (5).

¹⁵ Miami International Securities Exchange LLC ("MIAX") assesses ports fees that range in price up to \$1,000 depending on connectivity levels. See MIAX's Fee Schedule. ISE Gemini, LLC ("ISE Gemini") assesses port fees that range from \$750 - \$15,000 depending on connectivity levels. See ISE Gemini's Fee Schedule. Finally, C2 Options Exchange, Incorporated ("C2") assesses port fees that range from \$500 - \$1,000 depending on connectivity levels. See C2's Fee Schedule. See also NASDAQ OMX PHLX LLC's ("Phlx") Pricing Schedule. Phlx assesses higher fees which range from \$2,500 to \$15,000 for its Active SQF Port which is utilized by Phlx market makers as compared to \$550 for Order Entry Ports.

The Exchange believes that increasing the Order Entry Ports, CTI Ports, ITTO Ports, BONO Ports, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 per port, per month, per mnemonic is equitable and not unfairly discriminatory because the Exchange assesses the same fees for all ports to all NOM participants.

The Exchange believes that increasing the OTTO Port and SQF Port Fees from \$600 to \$750 is reasonable because it would allow the Exchange to keep pace with increasing technology costs. NOM Market Makers utilize the OTTO and SQF ports, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee as compared to other ports. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Port Fees are reasonable because they enable the Exchange to offset, in part, its connectivity costs associated with making such NOM Market Maker ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support. The Exchange's Port Fees are in line with costs for ports at other options exchanges.¹⁶

The Exchange believes that increasing the OTTO Port and SQF Port Fees from \$600 to \$750 is equitable and not unfairly discriminatory because the Exchange assesses the same fees for these ports which are utilized by NOM Market Makers for any NOM market participant desiring these ports.

¹⁶Id.

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

NASDAQ does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes the proposed fee change is reasonably designed to be fair and equitable, and therefore, will not unduly burden any particular group of market participants trading on the Exchange. The Exchange's proposal to increase all port fees for all NOM Participants with respect to the Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 does not create an undue burden on competition. The proposed fees are designed to ensure a fair and reasonable use of Exchange resources by allowing the Exchange to recoup for certain of its connectivity costs, while continuing to offer competitive rates to NOM Participants.

With respect to the OTTO Port and SQF Port Fees, the increase in the port fees from \$600 to \$750 is greater. These ports are utilized by NOM Market Makers in connection with marking markets. NOM Market Makers utilize the OTTO and SQF ports, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee as compared to other ports. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Exchange does not believe these fee increases create an undue burden on competition. Moreover, the Exchange believes that its fee increases are competitive with similar fees at other options exchanges.¹⁷

¹⁷ See note 15.

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

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act,¹⁸ NASDAQ has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

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 for publication in the Federal Register.

5. Applicable portion of the Exchange's rule text.

¹⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-NASDAQ-2015-027)

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to NASDAQ Options Market Fees and Rebates

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 25, 2015, The NASDAQ Stock Market LLC (“NASDAQ” 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 NASDAQ. 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 to amend the manner in which the Exchange assesses Port Fees which are located in Chapter XV, entitled “Options Pricing,” which governs pricing for NASDAQ members using the NASDAQ Options Market (“NOM”), NASDAQ’s facility for executing and routing standardized equity and index options.

While the changes proposed herein are effective upon filing, the Exchange has designated the amendments become operative on April 1, 2015.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change. 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 Exchange proposes to increase Port Fees for the following ports from \$600.00 to \$650.00 per port, per month, per mnemonic: Order Entry Port,³ CTI Port,⁴

³ The Order Entry Port Fee is a connectivity fee in connection with routing orders to the Exchange via an external order entry port. NOM Participants access the Exchange's network through order entry ports. A NOM Participant may have more than one order entry port.

⁴ CTI offers real-time clearing trade updates. 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 trade messages are routed to a member's connection containing certain information. The administrative and market event messages include, but are not limited to: system event messages to communicate operational-related events; options directory messages to relay basic option symbol and contract information for options traded on the Exchange; complex strategy messages to relay information for those strategies traded on the Exchange; trading action messages to inform market participants when a specific option or strategy is halted or released for trading on the Exchange; and an indicator which distinguishes electronic and non-electronically delivered orders.

ITTO Port,⁵ BONO Port,⁶ Order Entry DROP Port Fees⁷ and OTTO Drop Ports.⁸ The OTTO Port⁹ will be increased from \$600.00 to \$750.00 per port, per month, per mnemonic, and the SQF Port¹⁰ will be increased from \$600.00 to \$750.00 per port, per

⁵ ITTO is a data feed that provides quotation information for individual orders on the NOM book, last sale information for trades executed on NOM, and Order Imbalance Information as set forth in NOM Rules Chapter VI, Section 8. ITTO is the options equivalent of the NASDAQ TotalView/ITCH data feed that NASDAQ offers under NASDAQ Rule 7023 with respect to equities traded on NASDAQ. As with TotalView, members use ITTO to “build” their view of the NOM book by adding individual orders that appear on the feed, and subtracting individual orders that are executed. See Chapter VI, Section 1 at subsection (a)(3)(A).

⁶ BONOSM is a data feed that provides the NOM Best Bid and Offer (“NOM NBBO”) and last sale information for trades executed on NOM. The NOM NBBO and last sale information are identical to the information that NOM sends to the Options Price Regulatory Authority (“OPRA”) and which OPRA disseminates via the consolidated data feed for options. BONO is the options equivalent of the NASDAQ Basic data feed offered for equities under NASDAQ Rule 7047. See Chapter VI, Section 1 at subsection (a)(3)(B).

⁷ The DROP interface provides real time information regarding orders sent to NOM and executions that occurred on NOM. The DROP interface is not a trading interface and does not accept order messages.

⁸ The OTTO DROP data feed provides real-time information regarding orders entered through OTTO and the execution of those orders. The OTTO DROP data feed is not a trading interface and does not accept order messages.

⁹ OTTO provides a method for subscribers to send orders and receive status updates on those orders. OTTO accepts limit orders from system subscribers, and if there is a matching order, the orders will execute. Non-matching orders are added to the limit order book, a database of available limit orders, where they are matched in price-time priority.

¹⁰ SQF ports are ports that receive inbound quotes at any time within that month. The SQF Port allows a NOM Participant to access information such as execution reports and other relevant data through a single feed. For example, this data would show which symbols are trading on NOM and the current state of an options symbol (i.e., open for trading, trading, halted or closed). Auction notifications and execution reports are also available. NOM Market Makers rely on data available through the SQF Port to provide them the necessary information to perform market making activities.

month. ITTO and BONO Port fees will continue to be assessed to non-NOM Participants and NOM Participants.

Each NOM Participant is assigned a market participant identifier or “mnemonic”¹¹ and in some cases, certain NOM Participants request multiple mnemonics for purposes of accounting for trading activity. These mnemonics identify users at a particular NOM Participant. The Exchange bills its port fees based on the number of mnemonics configured for each port. By way of example, if a NOM Participant, ABC, requested 2 ports from the Exchange and further requested that each port be configured to be accessed by 4 mnemonics or in some cases account numbers,¹² the NOM Participant, today, would be billed for 8 ports at the rate of \$600 per port for that month. All billing is captured at the Participant level. NOM Participants may choose to have multiple mnemonics or in some case multiple account numbers for the convenience of conducting their business, however only one mnemonic and one account number is required to conduct business on NOM. The aforementioned will not apply to SQF ports, which are not billed by mnemonic.

The Exchange is proposing to increase OTTO and SQF Ports from \$600.00 to \$750.00, per port, per month, per mnemonic for the OTTO Port and per port, per per month for the SQF port. All other port fees (Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO Drop Ports) will increase from \$600.00 to \$650.00 per port, per month, per mnemonic. NOM Market Makers utilize OTTO and SQF ports for their market making business, which ports require a greater throughput as

¹¹ A mnemonic is a unique identifier consisting of a four character alpha code.

¹² Account numbers are assigned by the Exchange and associated with particular NOM Participants.

compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee for these ports as compared to other ports.

2. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,¹³ in general, and with Section 6(b)(4) and 6(b)(5) of the Act,¹⁴ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which NASDAQ operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that increasing the Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 per port, per month, per mnemonic is reasonable because it would allow the Exchange to keep pace with increasing technology costs. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Port Fees are reasonable because they enable the Exchange to offset, in part, its connectivity costs associated with making such ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support. The Exchange's Port Fees are in line with costs for ports at other options exchanges.¹⁵

¹³ 15 U.S.C. 78f.

¹⁴ 15 U.S.C. 78f(b)(4) and (5).

¹⁵ Miami International Securities Exchange LLC ("MIAX") assesses ports fees that

The Exchange believes that increasing the Order Entry Ports, CTI Ports, ITTO Ports, BONO Ports, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 per port, per month, per mnemonic is equitable and not unfairly discriminatory because the Exchange assesses the same fees for all ports to all NOM participants.

The Exchange believes that increasing the OTTO Port and SQF Port Fees from \$600 to \$750 is reasonable because it would allow the Exchange to keep pace with increasing technology costs. NOM Market Makers utilize the OTTO and SQF ports, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee as compared to other ports. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports. The Port Fees are reasonable because they enable the Exchange to offset, in part, its connectivity costs associated with making such NOM Market Maker ports available, including costs based on gateway software and hardware enhancements and resources dedicated to gateway development, quality assurance, and support. The Exchange's Port Fees are in line with costs for ports at other options exchanges.¹⁶

range in price up to \$1,000 depending on connectivity levels. See MIAX's Fee Schedule. ISE Gemini, LLC ("ISE Gemini") assesses port fees that range from \$750 - \$15,000 depending on connectivity levels. See ISE Gemini's Fee Schedule. Finally, C2 Options Exchange, Incorporated ("C2") assesses port fees that range from \$500 - \$1,000 depending on connectivity levels. See C2's Fee Schedule. See also NASDAQ OMX PHLX LLC's ("Phlx") Pricing Schedule. Phlx assesses higher fees which range from \$2,500 to \$15,000 for its Active SQF Port which is utilized by Phlx market makers as compared to \$550 for Order Entry Ports.

¹⁶

Id.

The Exchange believes that increasing the OTTO Port and SQF Port Fees from \$600 to \$750 is equitable and not unfairly discriminatory because the Exchange assesses the same fees for these ports which are utilized by NOM Market Makers for any NOM market participant desiring these ports.

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

NASDAQ does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes the proposed fee change is reasonably designed to be fair and equitable, and therefore, will not unduly burden any particular group of market participants trading on the Exchange. The Exchange's proposal to increase all port fees for all NOM Participants with respect to the Order Entry Port, CTI Port, ITTO Port, BONO Port, Order Entry DROP Port and OTTO DROP Port fees from \$600 to \$650 does not create an undue burden on competition. The proposed fees are designed to ensure a fair and reasonable use of Exchange resources by allowing the Exchange to recoup for certain of its connectivity costs, while continuing to offer competitive rates to NOM Participants.

With respect to the OTTO Port and SQF Port Fees, the increase in the port fees from \$600 to \$750 is greater. These ports are utilized by NOM Market Makers in connection with marking markets. NOM Market Makers utilize the OTTO and SQF ports, which ports require a greater throughput as compared to the other ports mentioned herein. The Exchange expends greater resources to provide the OTTO and SQF ports, which is the reason for the increased fee as compared to other ports. The increased Port Fees reflect the increased costs that the Exchange bears with respect to maintaining ports.

The Exchange does not believe these fee increases create an undue burden on competition. Moreover, the Exchange believes that its fee increases are competitive with similar fees at other options exchanges.¹⁷

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.¹⁸ 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

¹⁷ See note 15.

¹⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NASDAQ-2015-027 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-NASDAQ-2015-027. 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-NASDAQ-2015-027 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.¹⁹

Kevin M. O'Neill
Deputy Secretary

¹⁹ 17 CFR 200.30-3(a)(12).

NASDAQ Stock Market Rules

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Options Rules

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Chapter XV Options Pricing

Sec. 3 NASDAQ Options Market - Access Services

The following charges are assessed by Nasdaq for connectivity to the NASDAQ Options Market:

(a) TradeInfo

- Members not subscribing to the Nasdaq Workstation using TradeInfo will be charged a fee of \$95 per user per month.

(b) Port Fees, per port, per month, per mnemonic as follows:

Order Entry Port Fee	\$[600]650.00
CTI Port Fee	\$[600]650.00
OTTO Port Fee	\$[600]750.00
ITTO Port Fee ¹	\$[600]650.00
BONO Port Fee ¹	\$[600]650.00
Order Entry DROP Port Fee	\$[600]650.00
OTTO DROP Port Fee	\$[600]650.00

Port Fees, per port, per month as follows:

SQF Port Fee	\$[600]750.00
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¹ITTO and BONO Port fees will be assessed to non-NOM Participants and NOM Participants.

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