

Required fields are shown with yellow backgrounds and asterisks.

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"/>
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**Description**

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

Relating to the Collection of Exchange Fees

**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 \* Angela Last Name \* Dunn

Title \* Associate General Counsel

E-mail \* angela.dunN@nasdaqomx.com

Telephone \* (215) 496-5692 Fax

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title \*)

Date 04/27/2015

By Edward S. Knight

Executive Vice President and General Counsel

edward.knight@nasdaq.com

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

**Form 19b-4 Information \***

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies \***

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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”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> The NASDAQ Stock Market LLC (“NASDAQ” or the “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposal to amend Exchange Rule 7007, which is currently reserved, and entitle it “Collection of Exchange Fees and Other Claims” and require each Nasdaq member, and all applicants for registration as such, to provide a clearing account number for an account at the National Securities Clearing Corporation (“NSCC”) for purposes of permitting the Exchange to debit certain fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange.

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 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.

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

<sup>2</sup> 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 purpose of the proposed rule change is to amend Rule 7007 to require NASDAQ members, and all applicants for registration as such, to provide a clearing account number for an account at NSCC for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange or other charges related to certain 7000 series rules<sup>3</sup> and the 8000<sup>4</sup> series rules which are due and owing to NASDAQ. The Exchange would entitle Rule 7007 “Collection of Exchange Fees and Other Claims.”

Currently, the Exchange requires all Options Participants to provide such an NSCC account number.<sup>5</sup> The Exchange believes that the proposed debiting process for NASDAQ members that conduct an equities business would create an efficient method of collecting undisputed or final fees, fines, charges and/or other monetary sanctions or

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<sup>3</sup> The 7000 series rules in the NASDAQ Rulebook list charges for membership, services and equipment. Only the Rules which require payment to the Exchange would be subject to direct debit. By way of example, Rule 7003, Registration and Processing Fees, fees are collected by FINRA.

<sup>4</sup> The 8000 series rules in the NASDAQ Rulebook list sanctions associated with disciplinary actions. Any disciplinary fines or sanctions collected pursuant to the 8000 series shall be subject to direct debit to the extent described within this rule change. See also note 6 for exceptions to debits.

<sup>5</sup> See Chapter XV, Section 1 in the NASDAQ Rules.

monies due and owing to the Exchange.<sup>6</sup> Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the collection of monies owed to the Exchange by NASDAQ members conducting an equities business, as it does today for Options Participants on the NASDAQ Options Market LLC (“NOM”).<sup>7</sup> Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process would prevent NASDAQ member accounts from becoming overdue.

The Exchange proposes to require NASDAQ equity members and applicants to provide a clearing account number for an account at NSCC in order to permit the Exchange to debit any undisputed or final fees, fines, charges and/or monetary sanctions or other monies due and owing to the Exchange or other charges related to the 7000 series rules, as specified below, and the 8000 series rules. Specifically, the following 7000 series Rules will be subject to proposed Rule 7007: 7001 (Membership Fees), 7014 (Market Quality Incentive Programs: Investor Support Program), 7015 (Access Services), 7016 (Nasdaq Risk Management), 7018 (Nasdaq Market Center Order Execution and Routing), 7021 (NasdaqTrader.com Trading and Compliance Data Package Fee), 7024 (Clearly Erroneous Module), 7027 (Aggregation of Activity of Affiliated Members), 7029 (Installation, Removal or Relocation), 7030 (Other Services), 7034 (Co-Location Services), 7038 (Step-Outs and Sales Fees Transfers), 7041 (Nasdaq Regulation Reconnaissance Service), 7042 (Non-Tape Riskless Submissions), 7043 (Inclusion of

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<sup>6</sup> The Exchange will not debit accounts for fees that are unusually large or for special circumstances, unless such debiting is requested by the NASDAQ member.

<sup>7</sup> See NOM Rules at Chapter XV, Section 1. NOM Participants are subject to the same process for direct debit as specified herein.

Transaction Fees in Clearing Reports Submitted to ACT), 7049 (Nasdaq InterACT), 7051 (Direct Connectivity to Nasdaq), 7055 (Short Sale Monitor), 7058 (QView), 7060 (Equity Trade Journal for Clearing Firms) and 7061 (Limit Locator).

The Exchange would send a monthly invoice<sup>8</sup> to each NASDAQ equity member on approximately the 3<sup>th</sup> – 10<sup>th</sup> business day of the following month.<sup>9</sup> The Exchange would also send a file to NSCC each month on approximately the 23<sup>rd</sup> of the following month to initiate the debit of the appropriate amount stated on the NASDAQ member's invoice for the prior month. Because the NASDAQ member would receive an invoice well before any monies are debited (normally within two weeks), the NASDAQ member would have adequate time to contact the staff with any questions concerning its invoice. If a NASDAQ member disagrees with the invoice, the Exchange would not commence the debit until the dispute is resolved. Specifically, the Exchange will not include the disputed amount in the debit if the member has disputed the amount in writing to the Exchange's designated staff by the 15<sup>th</sup> of the month, or the following business day if the 15<sup>th</sup> is not a business day, and the amount in dispute is at least \$10,000 or greater.

Once NSCC receives the file from the Exchange, NSCC would proceed to debit the amounts indicated from the clearing members account. In the instance where the NASDAQ member clears through an Exchange clearing member, the estimated

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<sup>8</sup> The monthly invoice will indicate that the amount on the invoice will be debited from the designated NSCC account. Each month, the Exchange will send a file to the NASDAQ member's clearing firm which will indicate the amounts to be debited from each member. If a NASDAQ member is "self-clearing", no such file would be sent as the member would receive the invoice, as noted above, which would indicate the amount to be debited.

<sup>9</sup> NASDAQ members may receive invoices either electronically, by mail or by both methods.

transaction fees owed to the Exchange are typically debited by the clearing member on a daily basis in order to ensure adequate funds have been escrowed. The Exchange would debit any monies owed including undisputed or final fees, fines, charges and/or monetary sanctions or monies due and owed to the Exchange.<sup>10</sup> The Exchange believes that the debit process would eliminate the risk of unpaid invoices because of the large amounts of capital held at NSCC by NASDAQ equity members.

The Exchange proposes this rule change become operative on July 1, 2015. On August 24, 2015, the Exchange will debit July 2015 billing pursuant to the process described in this rule change.<sup>11</sup> The Exchange will notify NASDAQ equity members of this rule change in an Equity Trader Alert to provide its members ample time to provide the Exchange with the information necessary for the direct debit and prepare for the change to the collection process. NASDAQ members' primary NSCC account number will be utilized unless the NASDAQ member contacts the Exchange prior to July 1, 2015 with an alternate NSCC account number.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the

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<sup>10</sup> This includes, among other things, fines and sanctions which result from disciplinary proceedings or actions taken pursuant to the 8000 series of NASDAQ Rules. With respect to disciplinary proceedings, the Exchange would not debit any monies until such action is final. The Exchange would not consider an action final until all appeal periods have run and/or all appeal timeframes are exhausted. With respect to non-disciplinary actions, the Exchange would similarly not take action to debit a member account until all appeal periods have run and/or all appeal timeframes are exhausted. Any uncontested disciplinary or non-disciplinary actions will be debited, and the amount due will appear on the NASDAQ member's invoice prior to the actual NSCC debit.

<sup>11</sup> The initial debit will include all outstanding fees through August 2015.

Act<sup>12</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>13</sup> in particular, in that 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 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 by providing NASDAQ equity members with an efficient process to pay undisputed or final fees, fines, charges and/or monetary sanctions or monies dues and owing to the Exchange.

The Exchange believes that its proposal to debit NSCC accounts is reasonable because it would ease the NASDAQ equity member's administrative burden in paying monthly invoices, avoid overdue balances and provide same day collection from all NASDAQ members who owe monies to the Exchange.

The Exchange believes that its proposal to debit NSCC accounts is equitable and not unfairly discriminatory because it will apply to all NASDAQ members in a uniform manner. Today, the debit process is applied to all NOM Participants.<sup>14</sup>

#### 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 that is not necessary or appropriate in furtherance of the purposes of the Act. With this proposal, the proposed debit process would apply uniformly to all NASDAQ members as it does today with all Options Participants.

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

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

<sup>14</sup> See note 7.



Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the collection of monies owed to the Exchange for NASDAQ members conducting an equities business, as it does today for NOM Participants. Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process would prevent NASDAQ member accounts from becoming overdue.

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)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)<sup>15</sup> of the Act and Rule 19b-4(f)(6)<sup>16</sup> 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 is proposing to adopt the debit process for Nasdaq members in a manner similar to how it is applied today for NOM Participants.<sup>17</sup>

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

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

<sup>17</sup> See note 7.

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

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

The Exchange proposes this rule change become operative on July 1, 2015. On August 24, 2015, the Exchange will debit July 2015 billing pursuant to the process described in this rule change.

The proposed rule change would impose the same process on NASDAQ equity members with respect to invoicing, debiting and disputing invoices as is in place today for NOM Participants.<sup>18</sup> The amendment is non-controversial.

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

The proposed rule change is based on a NOM Rule.<sup>19</sup> Today NOM Participants are subject to the same debit process. The timing for the invoice, the debit and the dispute timeframe is identical to the process that NOM Participants are subject to today with respect to direct debit.

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<sup>18</sup> See note 7.

<sup>19</sup> Id.

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 rule text.

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION  
(Release No. \_\_\_\_\_ ; File No. SR-NASDAQ-2015-046)

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

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 April 27, 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 Exchange Rule 7007, which is currently reserved, and entitle it “Collection of Exchange Fees and Other Claims” and require each Nasdaq member, and all applicants for registration as such, to provide a clearing account number for an account at the National Securities Clearing Corporation (“NSCC”) for purposes of permitting the Exchange to debit certain fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange.

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

<sup>2</sup> 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 purpose of the proposed rule change is to amend Rule 7007 to require NASDAQ members, and all applicants for registration as such, to provide a clearing account number for an account at NSCC for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange or other charges related to certain 7000 series rules<sup>3</sup> and the 8000<sup>4</sup> series rules which are due and owing to NASDAQ. The Exchange

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<sup>3</sup> The 7000 series rules in the NASDAQ Rulebook list charges for membership, services and equipment. Only the Rules which require payment to the Exchange would be subject to direct debit. By way of example, Rule 7003, Registration and Processing Fees, fees are collected by FINRA.

<sup>4</sup> The 8000 series rules in the NASDAQ Rulebook list sanctions associated with disciplinary actions. Any disciplinary fines or sanctions collected pursuant to the 8000 series shall be subject to direct debit to the extent described within this rule change. See also note 6 for exceptions to debits.

would entitle Rule 7007 “Collection of Exchange Fees and Other Claims.”

Currently, the Exchange requires all Options Participants to provide such an NSCC account number.<sup>5</sup> The Exchange believes that the proposed debiting process for NASDAQ members that conduct an equities business would create an efficient method of collecting undisputed or final fees, fines, charges and/or other monetary sanctions or monies due and owing to the Exchange.<sup>6</sup> Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the collection of monies owed to the Exchange by NASDAQ members conducting an equities business, as it does today for Options Participants on the NASDAQ Options Market LLC (“NOM”).<sup>7</sup> Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process would prevent NASDAQ member accounts from becoming overdue.

The Exchange proposes to require NASDAQ equity members and applicants to provide a clearing account number for an account at NSCC in order to permit the Exchange to debit any undisputed or final fees, fines, charges and/or monetary sanctions or other monies due and owing to the Exchange or other charges related to the 7000 series rules, as specified below, and the 8000 series rules. Specifically, the following 7000 series Rules will be subject to proposed Rule 7007: 7001 (Membership Fees), 7014 (Market Quality Incentive Programs: Investor Support Program), 7015 (Access Services),

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<sup>5</sup> See Chapter XV, Section 1 in the NASDAQ Rules.

<sup>6</sup> The Exchange will not debit accounts for fees that are unusually large or for special circumstances, unless such debiting is requested by the NASDAQ member.

<sup>7</sup> See NOM Rules at Chapter XV, Section 1. NOM Participants are subject to the same process for direct debit as specified herein.

7016 (Nasdaq Risk Management), 7018 (Nasdaq Market Center Order Execution and Routing), 7021 (NasdaqTrader.com Trading and Compliance Data Package Fee), 7024 (Clearly Erroneous Module), 7027 (Aggregation of Activity of Affiliated Members), 7029 (Installation, Removal or Relocation), 7030 (Other Services), 7034 (Co-Location Services), 7038 (Step-Outs and Sales Fees Transfers), 7041 (Nasdaq Regulation Reconnaissance Service), 7042 (Non-Tape Riskless Submissions), 7043 (Inclusion of Transaction Fees in Clearing Reports Submitted to ACT), 7049 (Nasdaq InterACT), 7051 (Direct Connectivity to Nasdaq), 7055 (Short Sale Monitor), 7058 (QView), 7060 (Equity Trade Journal for Clearing Firms) and 7061 (Limit Locator).

The Exchange would send a monthly invoice<sup>8</sup> to each NASDAQ equity member on approximately the 3<sup>th</sup> – 10<sup>th</sup> business day of the following month.<sup>9</sup> The Exchange would also send a file to NSCC each month on approximately the 23<sup>rd</sup> of the following month to initiate the debit of the appropriate amount stated on the NASDAQ member's invoice for the prior month. Because the NASDAQ member would receive an invoice well before any monies are debited (normally within two weeks), the NASDAQ member would have adequate time to contact the staff with any questions concerning its invoice. If a NASDAQ member disagrees with the invoice, the Exchange would not commence the debit until the dispute is resolved. Specifically, the Exchange will not include the

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<sup>8</sup> The monthly invoice will indicate that the amount on the invoice will be debited from the designated NSCC account. Each month, the Exchange will send a file to the NASDAQ member's clearing firm which will indicate the amounts to be debited from each member. If a NASDAQ member is "self-clearing", no such file would be sent as the member would receive the invoice, as noted above, which would indicate the amount to be debited.

<sup>9</sup> NASDAQ members may receive invoices either electronically, by mail or by both methods.

disputed amount in the debit if the member has disputed the amount in writing to the Exchange's designated staff by the 15<sup>th</sup> of the month, or the following business day if the 15<sup>th</sup> is not a business day, and the amount in dispute is at least \$10,000 or greater.

Once NSCC receives the file from the Exchange, NSCC would proceed to debit the amounts indicated from the clearing members account. In the instance where the NASDAQ member clears through an Exchange clearing member, the estimated transaction fees owed to the Exchange are typically debited by the clearing member on a daily basis in order to ensure adequate funds have been escrowed. The Exchange would debit any monies owed including undisputed or final fees, fines, charges and/or monetary sanctions or monies due and owed to the Exchange.<sup>10</sup> The Exchange believes that the debit process would eliminate the risk of unpaid invoices because of the large amounts of capital held at NSCC by NASDAQ equity members.

The Exchange proposes this rule change become operative on July 1, 2015. On August 24, 2015, the Exchange will debit July 2015 billing pursuant to the process described in this rule change.<sup>11</sup> The Exchange will notify NASDAQ equity members of this rule change in an Equity Trader Alert to provide its members ample time to provide

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<sup>10</sup> This includes, among other things, fines and sanctions which result from disciplinary proceedings or actions taken pursuant to the 8000 series of NASDAQ Rules. With respect to disciplinary proceedings, the Exchange would not debit any monies until such action is final. The Exchange would not consider an action final until all appeal periods have run and/or all appeal timeframes are exhausted. With respect to non-disciplinary actions, the Exchange would similarly not take action to debit a member account until all appeal periods have run and/or all appeal timeframes are exhausted. Any uncontested disciplinary or non-disciplinary actions will be debited, and the amount due will appear on the NASDAQ member's invoice prior to the actual NSCC debit.

<sup>11</sup> The initial debit will include all outstanding fees through August 2015.



the Exchange with the information necessary for the direct debit and prepare for the change to the collection process. NASDAQ members' primary NSCC account number will be utilized unless the NASDAQ member contacts the Exchange prior to July 1, 2015 with an alternate NSCC account number.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act<sup>12</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>13</sup> in particular, in that 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 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 by providing NASDAQ equity members with an efficient process to pay undisputed or final fees, fines, charges and/or monetary sanctions or monies dues and owing to the Exchange.

The Exchange believes that its proposal to debit NSCC accounts is reasonable because it would ease the NASDAQ equity member's administrative burden in paying monthly invoices, avoid overdue balances and provide same day collection from all NASDAQ members who owe monies to the Exchange.

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

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

The Exchange believes that its proposal to debit NSCC accounts is equitable and not unfairly discriminatory because it will apply to all NASDAQ members in a uniform manner. Today, the debit process is applied to all NOM Participants.<sup>14</sup>

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 that is not necessary or appropriate in furtherance of the purposes of the Act. With this proposal, the proposed debit process would apply uniformly to all NASDAQ members as it does today with all Options Participants.

Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the collection of monies owed to the Exchange for NASDAQ members conducting an equities business, as it does today for NOM Participants. Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process would prevent NASDAQ member accounts from becoming overdue.

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.<sup>15</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

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<sup>14</sup> See note 7.

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

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 e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2015-046 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-2015-046. 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-2015-046 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>16</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>16</sup> 17 CFR 200.30-3(a)(12).

**Exhibit 5**

*New text is underlined; deleted text is in brackets.*

**NASDAQ STOCK MARKET Rules**

\* \* \* \* \*

**7000. Charges for Membership, Services, and Equipment**

\* \* \* \* \*

**7007. Collection of Exchange Fees and Other Claims [Reserved]**

(a) Each Nasdaq member, and all applicants for registration as such, shall be required to provide a clearing account number for an account at the National Securities Clearing Corporation (“NSCC”) for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange or other charges related to 7000 series rules, as specified below, and 8000 series rules which are due and owing to Nasdaq. If a Nasdaq member disputes an invoice, the Exchange will not include the disputed amount in the debit if the member has disputed the amount in writing to the Exchange’s designated staff by the 15th of the month, or the following business day if the 15th is not a business day, and the amount in dispute is at least \$10,000 or greater. The following 7000 series Rules will be subject to this Rule: 7001 (Membership Fees), 7014 (Market Quality Incentive Programs Investor Support Program), 7015 (Access Services), 7016 (Nasdaq Risk Management), 7018 (Nasdaq Market Center Order Execution and Routing), 7021 (NasdaqTrader.com Trading and Compliance Data Package Fee), 7024 (Clearly Erroneous Module), 7027 (Aggregation of Activity of Affiliated Members), 7029 (Installation, Removal or Relocation), 7030 (Other Services), 7034 (Co-Location Services), 7038 (Step-Outs and Sales Fees Transfers), 7041 (Nasdaq Regulation Reconnaissance Service), 7042 (Non-Tape Riskless Submissions), 7043 (Inclusion of Transaction Fees in Clearing Reports Submitted to ACT), 7049 (Nasdaq InterACT), 7051 (Direct Connectivity to Nasdaq), 7055 (Short Sale Monitor), 7058 (QView), 7060 (Equity Trade Journal for Clearing Firms) and 7061 (Limit Locator).

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