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

Initial * Amendment * Withdrawal * Section 19(b)(2) * Section 19(b)(3)(A) * Section 19(b)(3)(B) *

Pilot
Extension of Time Period for Commission Action *

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010
Section 806(e)(1) *
Section 806(e)(2) *

Exhibit 2 Sent As Paper Document
Exhibit 3 Sent As Paper Document

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

A proposed rule change to revert recently-increased fees assessed under Rules 7015(b) and (g).

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 * Sean
Last Name * Bennett
Title * Associate General Counsel
E-mail * sean.bennett@nasdaq.com
Telephone * (301) 978-8499 Fax (301) 978-8472

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.

Date 06/25/2015
By Edward S. Knight

Executive Vice President and General Counsel

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.
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.

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).

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.

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.

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.

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.

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 revert recently-increased fees assessed under Rules 7015(b) and (g) to their levels prior to the fee increase and to retroactively apply the lower fees in light of delays in implementing hardware upgrades.

   A notice of the proposed rule change for publication in the **Federal Register** is attached hereto as Exhibit 1.

   (b) Not applicable.

   (c) Not applicable.

2. **Procedures of the Self-Regulatory Organization**

   The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange on July 16, 2014. Exchange staff will advise the Board of Directors of any action taken pursuant to delegated authority. No other action by the Exchange is necessary for the filing of the rule change.

   Questions and comments on the proposed rule change may be directed to T. Sean Bennett, Associate General Counsel, at (301) 978-8499 (telephone) or (301) 978-8472 (fax).

---


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

   a. **Purpose**

   On April 22, 2015, NASDAQ filed a rule change that increased the port fees assessed members and non-members for ports used to enter orders into NASDAQ systems, in connection with the use of FIX and OUCH trading telecommunication protocols.³ The Exchange noted that the increased fees would allow it to recoup costs arising from upgrades it was making to the hardware supporting the ports to Field Programmable Gate Array (“FPGA”) technology.⁴ Specifically, the Exchange increased the fee assessed under Rule 7015(b) for a FIX Trading Port from $550 per port, per month, to $575 per port, per month. The Exchange also increased the fee assessed under Rule 7015(g) for an OUCH Port from $550 per port pair, per month to $575 per port pair, per month.

   The Exchange had anticipated purchasing and installing FPGA hardware by May 2015, however, NASDAQ encountered an unanticipated delay in implementation. As a consequence, the Exchange was unable to implement the upgraded hardware in May; however, the increased fees assessed to recoup costs arising from the upgrade remain in place. NASDAQ does not believe that it is appropriate to assess the increased fees under Rules 7015(b) and (g) in the absence of the FPGA hardware upgrade, which, as noted, was the basis for increasing the fees.⁵ Accordingly, NASDAQ is proposing to revert the fees assessed under Rules 7015(b) and (g) to their reduced levels prior to the fee increase.

---


⁴ Id.

⁵ Id.
and retroactively apply the lower fees for the months of April, May and June 2015. Once NASDAQ is prepared to implement the FPGA hardware upgrade, it will file a separate rule change proposal with the Commission to adjust the fees.

b. Statutory Basis

NASDAQ believes that the proposed rule changes are consistent with the provisions of Section 6 of the Act, in general, and with Sections 6(b)(4) and 6(b)(5) of the Act, 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 the Exchange operates or controls, and 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 are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that reverting the fees assessed for FIX and OUCH ports under Rules 7015(b) and (g), respectively, back to their prior levels and retroactively applying those lower fees is reasonable because NASDAQ has not provided the upgraded hardware to date, the cost of which was the basis for increasing the fees under Rules 7015(b) and (g). In addition, applying the lower fees will allow NASDAQ to keep the

---

7  15 U.S.C. 78f(b)(4) and (5).
fee increase in line with its realized capital and operating expenditures, which have not increased as a result of the delayed implementation of the upgrade. The Exchange believes that the proposed reduction of the fees to their prior levels and retroactive application thereof is both equitably allocated and not unfairly discriminatory because it will apply uniformly to all market participants that subscribe to FIX and OUCH ports based on the number of such ports subscribed. Accordingly, such market participants will be assessed the fees in place prior to the increase and will continue to have the same hardware supported by those fees.

4. **Self-Regulatory Organization’s Statement on Burden on Competition**

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange believes that the proposal is irrelevant to competition because it is not driven by, and will have no impact on, competition. Specifically, the Exchange is reverting fees to their prior, lower levels and applying them retroactively in light of delays in implementing upgrades to NASDAQ systems, the cost of which was the basis for fee increase. Reverting the fees to their lower levels will keep the fees assessed in line with the Exchange’s expenditures at this juncture associated with upgrading to FPGA hardware. As such, the Exchange does not believe the proposed change will have any impact on competition, as market participants will be assessed the same fee for their FIX and OUCH ports with the same hardware that was in place prior to the fee increase.

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 proposed rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act\(^8\) and paragraph (f)(6) of Rule 19b-4 thereunder,\(^9\) in that the proposed rule change: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) 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; provided the self-regulatory organization has given 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 change, or such shorter time as designated by the Commission.

The Exchange respectfully requests that the Commission waive the 30-day operative delay so that the proposed delay of the fee change may become effective and operative upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act\(^10\) and paragraph (f)(6) of Rule 19b-4\(^11\) thereunder. Waiver of the 30-day operative delay is consistent with the protection of investors and the public interest because it will allow the Exchange to immediately revert the fees to their prior lower levels and retroactively

---


apply them so that market participants will not experience a fee increase under Rules 7015(b) and (g) for their FIX and OUCH ports in the absence of the FPGA hardware upgrade, the cost of which was the basis for the fee increase. As such, delaying the proposed change will not serve to protect investors or the public interest whatsoever.

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. Notice of proposed rule for publication in the [Federal Register](https://www.gpo.gov/fdsys/)
EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-NASDAQ-2015-067)

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Fees assessed under Rules 7015(b) and (g)

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 June 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 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

The Exchange proposes to revert recently-increased fees assessed under Rules 7015(b) and (g) to their levels prior to the fee increase and to retroactively apply the lower fees in light of delays in implementing hardware upgrades.

The text of the proposed rule change is available on the Exchange’s Website at http://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 and discussed any comments it received on 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

On April 22, 2015, NASDAQ filed a rule change that increased the port fees assessed members and non-members for ports used to enter orders into NASDAQ systems, in connection with the use of FIX and OUCH trading telecommunication protocols. The Exchange noted that the increased fees would allow it to recoup costs arising from upgrades it was making to the hardware supporting the ports to Field Programmable Gate Array (“FPGA”) technology. Specifically, the Exchange increased the fee assessed under Rule 7015(b) for a FIX Trading Port from $550 per port, per month, to $575 per port, per month. The Exchange also increased the fee assessed under Rule 7015(g) for an OUCH Port from $550 per port pair, per month to $575 per port pair, per month.

The Exchange had anticipated purchasing and installing FPGA hardware by May 2015, however, NASDAQ encountered an unanticipated delay in implementation. As a

---


4 Id.
consequence, the Exchange was unable to implement the upgraded hardware in May; however, the increased fees assessed to recoup costs arising from the upgrade remain in place. NASDAQ does not believe that it is appropriate to assess the increased fees under Rules 7015(b) and (g) in the absence of the FPGA hardware upgrade, which, as noted, was the basis for increasing the fees. Accordingly, NASDAQ is proposing to revert the fees assessed under Rules 7015(b) and (g) to their reduced levels prior to the fee increase, and retroactively apply the lower fees for the months of April, May and June 2015. Once NASDAQ is prepared to implement the FPGA hardware upgrade, it will file a separate rule change proposal with the Commission to adjust the fees.

2. **Statutory Basis**

NASDAQ believes that the proposed rule changes are consistent with the provisions of Section 6 of the Act, in general, and with Sections 6(b)(4) and 6(b)(5) of the Act, 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 the Exchange operates or controls, and 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

---

5 Id.
7 15 U.S.C. 78f(b)(4) and (5).
are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that reverting the fees assessed for FIX and OUCH ports under Rules 7015(b) and (g), respectively, back to their prior levels and retroactively applying those lower fees is reasonable because NASDAQ has not provided the upgraded hardware to date, the cost of which was the basis for increasing the fees under Rules 7015(b) and (g). In addition, applying the lower fees will allow NASDAQ to keep the fee increase in line with its realized capital and operating expenditures, which have not increased as a result of the delayed implementation of the upgrade. The Exchange believes that the proposed reduction of the fees to their prior levels and retroactive application thereof is both equitably allocated and not unfairly discriminatory because it will apply uniformly to all market participants that subscribe to FIX and OUCH ports based on the number of such ports subscribed. Accordingly, such market participants will be assessed the fees in place prior to the increase and will continue to have the same hardware supported by those fees.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange believes that the proposal is irrelevant to competition because it is not driven by, and will have no impact on, competition. Specifically, the Exchange is reverting fees to their prior, lower levels and applying them retroactively in light of delays in implementing upgrades to NASDAQ systems, the cost of which was the basis for fee increase. Reverting the fees to their lower levels will keep the fees assessed in line with the Exchange’s expenditures at this juncture associated with
upgrading to FPGA hardware. As such, the Exchange does not believe the proposed change will have any impact on competition, as market participants will be assessed the same fee for their FIX and OUCH ports with the same hardware that was in place prior to the fee increase.

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

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, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act\(^8\) and subparagraph (f)(6) of Rule 19b-4 thereunder.\(^9\)

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.


\(^9\)  17 CFR 240.19b-4(f)(6). In addition, 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.
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. Please include File Number SR-NASDAQ-2015-067 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-2015-067. 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-2015-067 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.10

Robert W. Errett
Deputy Secretary

---

EXHIBIT 5

The text of the proposed rule change is below. Proposed new language is underlined; proposed deletions are in brackets.

* * * * *

7015. Access Services

(a) No change.

(b) Financial Information Exchange (FIX)

<table>
<thead>
<tr>
<th>Ports</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIX Trading Port</td>
<td>$550[75]/port/month</td>
</tr>
<tr>
<td>FIX Port for Services Other than Trading</td>
<td>$500/port/month</td>
</tr>
</tbody>
</table>

(c) – (f) No change.

(g) Other Port Fees

Remote Multi-cast ITCH Wave Ports

<table>
<thead>
<tr>
<th>Description</th>
<th>Installation Fee</th>
<th>Recurring Monthly Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>MITCH Wave Port at Secaucus, NJ</td>
<td>$2,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>MITCH Wave Port at Weehawken, NJ</td>
<td>$2,500</td>
<td>$7,500</td>
</tr>
</tbody>
</table>
The following port fees shall apply in connection with the use of other trading telecommunication protocols:

- $550 per month for each port pair, other than Multicast ITCH® data feed pairs, for which the fee is $1,000 per month for software-based TotalView-ITCH or $2,500 per month for combined software- and hardware-based TotalView-ITCH, and TCP ITCH data feed pairs, for which the fee is $750 per month.

- An additional $200 per month for each port used for entering orders or quotes over the Internet.

- An additional $600 per month for each port used for market data delivery over the Internet.

**Dedicated OUCH Port Infrastructure**

The Dedicated OUCH Port Infrastructure subscription allows a member firm to assign up to 30 of its OUCH ports to a dedicated server infrastructure for its exclusive use. A Dedicated OUCH Port Infrastructure subscription is available to a member firm for a fee of $5,000 per month, which is in addition to the standard fees assessed for each OUCH port. A one-time installation fee of $5,000 is assessed subscribers for each Dedicated OUCH Port Server subscription.

(h) – (i) No change.

* * * * *