Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

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

[Name *]

Executive Vice President and General Counsel

[Signature]

Date 10/27/2015

By [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.
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) The NASDAQ Stock Market LLC ("Nasdaq" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")\(^1\) and Rule 19b-4 thereunder,\(^2\) is filing with the Securities and Exchange Commission ("Commission") a proposed rule change to amend the Exchange’s transaction fees at Chapter XV, Section 2 entitled “NASDAQ Options Market – Fees and Rebates,” 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 these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on November 2, 2015.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the proposed 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 the Exchange pursuant to authority delegated by the Board of Directors of The Nasdaq Stock Market (the "Board") on July 1, 2015. Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change. Questions regarding this rule filing may be directed to Angela Saccomandi Dunn, Associate General Counsel, Nasdaq, Inc. at (215) 496-5692.

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

a. **Purpose**

The Exchange proposes the following change to the NOM transaction fees set forth at Chapter XV, Section 2 for executing and routing standardized equity and index options under the Penny Pilot\(^3\) options program.

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The proposed change is as follows:

**Fees for Removing Liquidity in Penny Pilot Options:** the Exchange proposes to:

1. Increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 to $0.50 per contract.

This rule change is described in greater detail below.

**Customer Fee for Removing Liquidity in Penny Pilot Options**

The Exchange proposes, beginning November 2, 2015, to increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 per contract to $0.50 per contract. The Exchange notes that the Fees for Removing Liquidity for other Participants in Penny Pilot Options will remain the same.

The purpose of the proposed fee change is to increase the transaction fee for Customers to the same fee level that is assessed today to Professionals, Firms, NOM Market Makers, Non-NOM Market Makers and Broker-Dealers. With this proposal

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4 The term “Customer” applies to any transaction that is identified by a Participant for clearing in the Customer range at The Options Clearing Corporation (“OCC”) which is not for the account of broker or dealer or for the account of a “Professional” (as that term is defined in Chapter I, Section 1(a)(48)).

5 Non-Customers will continue to be assessed a $0.50 per contract Fee for Removing Liquidity in Penny Pilot Options.

6 The term “Professional” means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) pursuant to Chapter I, Section 1(a)(48). All Professional orders shall be appropriately marked by Participants.

7 The term “Firm” or (“F”) applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

8 The term “NOM Market Maker” or (“M”) is a Participant that has registered as a Market Maker on NOM pursuant to Chapter VII, Section 2, and must also remain in good standing pursuant to Chapter VII, Section 4. In order to receive NOM
all market participants will be assessed the same Fee for Removing Liquidity in Penny Pilot Options of $0.50 per contract. Despite the increase, the Exchange believes that Customers will continue to send order flow to NOM.

b. **Statutory Basis**

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,\(^{11}\) in general, and with Section 6(b)(4) and 6(b)(5) of the Act,\(^{12}\) 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.

**Customer Fee for Removing Liquidity in Penny Pilot Options**

The Exchange’s proposal to increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 per contract to $0.50 is reasonable because all other market participants are currently assessed a fee of $0.50 per contract today. The Exchange’s increase would result in all market participants being assessed the same Fee for Removing Liquidity in Penny Pilot Options.

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9 Market Maker pricing in all securities, the Participant must be registered as a NOM Market Maker in at least one security.

10 The term “Non-NOM Market Maker” or (“O”) is a registered market maker on another options exchange that is not a NOM Market Maker. A Non-NOM Market Maker must append the proper Non-NOM Market Maker designation to orders routed to NOM.


12 15 U.S.C. 78f(b)(4) and (5).
The Exchange’s proposal to increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 per contract to $0.50 is equitable and not unfairly discriminatory because all market participants would be uniformly assessed the same rate of $0.50 per contract.

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

The Exchange 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’s proposal to increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 per contract to $0.50 will result in all market participants being uniformly assessed the same fee for transactions in Penny Pilot Options.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposal reflects this competitive environment.

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, Nasdaq has designated this

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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.

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.

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. Text of the proposed rule change.\(^\text{14}\)

\(^\text{14}\) This rule change includes rule text which was filed for immediate effectiveness and will be operative on November 2, 2015. See SR-NASDAQ-2015-127.
SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-NASDAQ-2015-128)

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to modify Chapter XV, entitled “Options Pricing,” at Section 2 governing pricing for NASDAQ members

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 October 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 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 amend the Exchange’s transaction fees at Chapter XV, Section 2 entitled “NASDAQ Options Market – Fees and Rebates,” 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 these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on November 2, 2015.


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

The Exchange proposes the following change to the NOM transaction fees set forth at Chapter XV, Section 2 for executing and routing standardized equity and index options under the Penny Pilot options program.

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The proposed change is as follows:

**Fees for Removing Liquidity in Penny Pilot Options:** the Exchange proposes to:

1. Increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 to $0.50 per contract.

This rule change is described in greater detail below.

**Customer Fee for Removing Liquidity in Penny Pilot Options**

The Exchange proposes, beginning November 2, 2015, to increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 per contract to $0.50 per

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The term “Customer” applies to any transaction that is identified by a Participant for clearing in the Customer range at The Options Clearing Corporation (“OCC”) which is not for the account of broker or dealer or for the account of a “Professional” (as that term is defined in Chapter I, Section 1(a)(48)).
contract. The Exchange notes that the Fees for Removing Liquidity for other Participants in Penny Pilot Options will remain the same.\(^5\)

The purpose of the proposed fee change is to increase the transaction fee for Customers to the same fee level that is assessed today to Professionals,\(^6\) Firms,\(^7\) NOM Market Makers,\(^8\) Non-NOM Market Makers\(^9\) and Broker-Dealers.\(^{10}\) With this proposal all market participants will be assessed the same Fee for Removing Liquidity in Penny Pilot Options of $0.50 per contract. Despite the increase, the Exchange believes that Customers will continue to send order flow to NOM.

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\(^5\) Non-Customers will continue to be assessed a $0.50 per contract Fee for Removing Liquidity in Penny Pilot Options.

\(^6\) The term “Professional” means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) pursuant to Chapter I, Section 1(a)(48). All Professional orders shall be appropriately marked by Participants.

\(^7\) The term “Firm” or (“F”) applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

\(^8\) The term “NOM Market Maker” or (“M”) is a Participant that has registered as a Market Maker on NOM pursuant to Chapter VII, Section 2, and must also remain in good standing pursuant to Chapter VII, Section 4. In order to receive NOM Market Maker pricing in all securities, the Participant must be registered as a NOM Market Maker in at least one security.

\(^9\) The term “Non-NOM Market Maker” or (“O”) is a registered market maker on another options exchange that is not a NOM Market Maker. A Non-NOM Market Maker must append the proper Non-NOM Market Maker designation to orders routed to NOM.

\(^{10}\) The term “Broker-Dealer” or (“B”) applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.
2. **Statutory Basis**

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,\(^{11}\) in general, and with Section 6(b)(4) and 6(b)(5) of the Act,\(^{12}\) 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.

**Customer Fee for Removing Liquidity in Penny Pilot Options**

The Exchange’s proposal to increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 per contract to $0.50 is reasonable because all other market participants are currently assessed a fee of $0.50 per contract today. The Exchange’s increase would result in all market participants being assessed the same Fee for Removing Liquidity in Penny Pilot Options.

The Exchange’s proposal to increase the Customer Fee for Removing Liquidity in Penny Pilot Options from $0.48 per contract to $0.50 is equitable and not unfairly discriminatory because all market participants would be uniformly assessed the same rate of $0.50 per contract.

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

The Exchange 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’s proposal to increase the Customer Fee for Removing Liquidity in


\(^{12}\) 15 U.S.C. 78f(b)(4) and (5).
Penny Pilot Options from $0.48 per contract to $0.50 will result in all market participants being uniformly assessed the same fee for transactions in Penny Pilot Options.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposal reflects this competitive environment.

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.\(^\text{13}\)

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.

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-2015-128 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-2015-128. 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-2015-128 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.\(^{14}\)

Robert W. Errett  
Deputy Secretary

\(^{14}\) 17 CFR 200.30-3(a)(12).
**NASDA**Q Stock Market Rules

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**Options Rules**

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**Chapter XV Options Pricing**

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**Sec. 2 NASDAQ Options Market—Fees and Rebates**

The following charges shall apply to the use of the order execution and routing services of the NASDAQ Options Market for all securities.

**(1) Fees for Execution of Contracts on the NASDAQ Options Market**

<table>
<thead>
<tr>
<th>Fees and Rebates (per executed contract)</th>
<th>Customer Professional</th>
<th>Firm</th>
<th>Non-NOM Market Maker</th>
<th>NOM Market Maker</th>
<th>Broker-Dealer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Penny Pilot Options:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rebate to Add Liquidity</td>
<td>***</td>
<td>***</td>
<td>$0.10</td>
<td>$0.10</td>
<td>#</td>
</tr>
<tr>
<td>Fee for Removing Liquidity</td>
<td>$0.48[50]</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
<td>$0.50</td>
</tr>
<tr>
<td><strong>Non-Penny Pilot Options:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fee for Adding Liquidity</td>
<td>N/A</td>
<td>$0.45</td>
<td>$0.45</td>
<td>$0.45</td>
<td>$0.35</td>
</tr>
<tr>
<td>Fee for Removing Liquidity</td>
<td>$0.85</td>
<td>$0.94</td>
<td>$0.94</td>
<td>$0.94</td>
<td>$0.94</td>
</tr>
<tr>
<td>Rebate to Add Liquidity</td>
<td>$0.84[]</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

\[\]A Participant that qualifies for Penny Pilot Options Customer or Professional Rebate to
Add Liquidity Tiers 7 or 8 in a given month will receive an additional $0.01 per contract
Non-Penny Pilot Options Customer Rebate to Add Liquidity for each transaction which
adds liquidity in Non-Penny Pilot Options in that month.
*** The Customer and Professional Rebate to Add Liquidity in Penny Pilot Options will be paid
as noted below. To determine the applicable percentage of total industry customer equity and
ETF option average daily volume, the Participant's Penny Pilot and Non-Penny Pilot Customer
and/or Professional volume that adds liquidity will be included.

<table>
<thead>
<tr>
<th>Monthly Volume</th>
<th>Rebate to Add Liquidity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of up to 0.10% of total industry customer equity and ETF option average daily volume (&quot;ADV&quot;) contracts per day in a month</td>
</tr>
<tr>
<td>2</td>
<td>Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.10% to 0.20% of total industry customer equity and ETF option ADV contracts per day in a month</td>
</tr>
<tr>
<td>3</td>
<td>Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.20% to 0.30% of total industry customer equity and ETF option ADV contracts per day in a month</td>
</tr>
<tr>
<td>4</td>
<td>Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.30% to 0.40% of total industry customer equity and ETF option ADV contracts per day in a month</td>
</tr>
<tr>
<td>5</td>
<td>Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.40% to 0.75% of total industry customer equity and ETF option ADV contracts per day in a month, or Participant adds (1) Customer and/or Professional liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of 25,000 or more contracts per day in a month, (2) the Participant has certified for the Investor Support Program set forth in Rule 7014, and (3) the Participant executed at least one order on NASDAQ's equity market</td>
</tr>
<tr>
<td>6</td>
<td>Participant has Total Volume of 100,000 or more contracts per day in a month, of which 25,000 or more contracts per day in a</td>
</tr>
</tbody>
</table>
month must be Customer and/or Professional liquidity in Penny Pilot Options

**Tier 7 b**  
Participant has Total Volume of 150,000 or more contracts per day in a month, of which 50,000 or more contracts per day in a month must be Customer and/or Professional liquidity in Penny Pilot Options

**Tier 8 a**  
Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.75% or more of total industry customer equity and ETF option ADV contracts per day in a month or Participant adds (1) Customer and/or Professional liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of 30,000 or more contracts per day in a month, (2) the Participant has certified for the Investor Support Program set forth in Rule 7014, and (3) the Participant qualifies for rebates under the Qualified Market Maker (“QMM”) Program set forth in Rule 7014

$0.48 c$

aFor purposes of Tiers 5 and 8, the Exchange will allow a NOM Participant to qualify for the rebate if a NASDAQ member has certified for the Investor Support Program and executed at least one order on NASDAQ's equity market.

bFor purposes of Tiers 6 and 7, “Total Volume” shall be defined as Customer, Professional, Firm, Broker-Dealer, Non-NOM Market Maker and NOM Market Maker volume in Penny Pilot Options and/or Non-Penny Pilot Options which either adds or removes liquidity on NOM.

c Participants that: (1) add Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of 1.15% or more of total industry customer equity and ETF option ADV contracts per day in a month will receive an additional $0.02 per contract Penny Pilot Options Customer Rebate to Add Liquidity for each transaction which adds liquidity in Penny Pilot Options in that month; or (2) add Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of 1.40% or more of total industry customer equity and ETF option ADV contracts per day in a month will receive an additional $0.05 per contract Penny Pilot Options Customer Rebate to Add Liquidity for each transaction which adds liquidity in Penny Pilot Options in that month; or (3) (a) add Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.85% of total industry customer equity and ETF option ADV contracts per day in a month and (b) has added liquidity in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.00% or more of Consolidated Volume in a month will receive an additional $0.03 per contract Penny Pilot Options Customer Rebate to Add Liquidity for each transaction which adds liquidity in Penny Pilot Options. Consolidated Volume shall mean the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month in equity securities,
excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of an equity member's trading activity, expressed as a percentage of or ratio to Consolidated Volume, the date of the annual reconstitution of the Russell Investments Indexes shall be excluded from both total Consolidated Volume and the member's trading activity.

* * * * *