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.

Executive Vice President and General Counsel

Edward S. Knight

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.
<table>
<thead>
<tr>
<th>Exhibit 1 - Notice of Proposed Rule Change *</th>
<th>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 note 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)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exhibit 3 - Form, Report, or Questionnaire</td>
<td>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.</td>
</tr>
<tr>
<td>Exhibit 4 - Marked Copies</td>
<td>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.</td>
</tr>
<tr>
<td>Exhibit 5 - Proposed Rule Text</td>
<td>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.</td>
</tr>
<tr>
<td>Partial Amendment</td>
<td>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.</td>
</tr>
</tbody>
</table>
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 (“SEC” or “Commission”) a proposal to amend Exchange Rule 7034, as further described below.

   The Exchange requests that the Commission waive the 30-day operative delay period contained in Exchange Act Rule 19b-4(f)(6)(iii).³

   A notice of the proposed rule change for publication in the Federal Register is attached as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5.

   (b) Not applicable.

   (c) Not applicable.

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

   The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange (the “Board”) on September 19, 2017. 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 and comments on the proposed rule change may be directed to:

   Brett M. Kitt  
   Senior Associate General Counsel  
   Nasdaq, Inc.  
   (301) 978-8132

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

a. **Purpose**

The Exchange proposes to amend Rule 7034 pertaining to colocation services and fees to harmonize it with the rules of Nasdaq BX, Inc. ("BX").

The Exchange first proposes to amend Rule 7034(b), under the heading “Market Data Connectivity,” to re-categorize and to update references to the CBOE/Bats/Direct Edge data feeds to reflect their current names. Similarly, the Exchange proposes to delete a $1,000 installation fee that presently applies to the Direct Edge feeds because the Direct Edge feeds are now offerings of CBOE, along with the BZX and BYX feeds. Going forward, a single, one-time $1,000 installation fee will apply to subscribers to any or all of the CBOE data feeds. The Exchange also proposes to correct a typographical error in the name of the TSXV Level 2 Feed. The Exchange notes that this proposal will render this paragraph of Rule 7034(b) consistent with BX Rule 7034(b).

Second, the Exchange proposes to amend Rule 7034(b), under the heading “Connectivity to Nasdaq,” to specify that connectivity to the Exchange will also provide for connectivity to any or all of the other Nasdaq, Inc. Exchanges, including not only BX and Nasdaq PHLX LLC ("Phlx"), but also Nasdaq ISE LLC ("Nasdaq ISE"), Nasdaq MRX LLC ("Nasdaq MRX"), and Nasdaq GEMX LLC ("Nasdaq GEMX") (the “Nasdaq, Inc. Exchanges”). These changes will render this paragraph of the Rules consistent with corresponding paragraphs in the rulebooks and fees schedules of the other Nasdaq Exchanges.
b. **Statutory Basis**

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,\(^4\) in general, and furthers the objectives of Section 6(b)(5) of the Act,\(^5\) in particular, in that it is designed to promote just and equitable principles of trade, 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.

The Exchange believes that its proposal to update Rule 7034 will serve the interests of the public and investors by ensuring that the Exchange’s Rules are accurate and current with respect to the names of the third party data feeds to which it offers connectivity. Furthermore, the Exchange believes that it is in the public interest to correct typographical errors that could otherwise lead to confusion. Likewise, it will serve the public interest and the interests of investors to specify in the Exchange’s Rules that connectivity to the Exchange will also provide for connectivity to any or all of the other Nasdaq, Inc. Exchanges, including not only BX and Phlx, but also Nasdaq ISE, Nasdaq MRX, and Nasdaq GEMX. The existing Rule is outdated as it does not reflect the acquisition by Nasdaq, Inc. of Nasdaq ISE, Nasdaq MRX, and Nasdaq GEMX and the shared connectivity that has resulted from that acquisition. The proposal updates the existing Rule. These proposals will not impact competition or limit access to or availability of the Exchange or its systems. The Exchange notes the proposal is noncontroversial because BX has made the same changes to its rules.


The Exchange’s proposal to eliminate the $1,000 installation fee that presently applies to the Direct Edge feeds is consistent with Section 6(b) of the Act,\(^6\) in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,\(^7\) 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, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The proposal is reasonable because the Direct Edge feeds are now offerings of CBOE, along with the BZX and BYX feeds. The Exchange believes it is equitable, going forward, to charge a single, one-time $1,000 installation fee to subscribers to any or all of the CBOE data feeds, including the BZX Depth, BYX Depth, EDGA Depth, and EDGX Depth feeds. This proposal is not unfairly discriminatory because it will apply to all similarly situated customers of the CBOE data feeds.

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.

In this instance, the proposed changes merely eliminate or replace obsolete text, update references to data feeds and shared connectivity, and correct typographical errors. The Exchange does not intend for or expect that such changes will have any impact on competition.


\(^7\) 15 U.S.C. 78f(b)(4) and (5).
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)(iii)\(^8\) of the Act and Rule 19b-4(f)(6) thereunder\(^9\) 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 proposal does not significantly affect the protection of investors or the public interest because it is intended to correct and update the Exchange’s Rules and render them consistent with the rules of BX. For similar reasons, the proposal does not impose a significant burden on competition.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30-day operative delay contained in Rule 19b-4(f)(6)(iii) so that the Exchange can

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immediately update the Exchange’s rulebook to convey current and accurate information that has already been updated in BX Rules.

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

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


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


5. Text of the proposed rule change.
Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Exchange Rule 7034

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”), and Rule 19b-4 thereunder, notice is hereby given that on March 16, 2018, 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 Rule 7034, as described below.

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 to amend Rule 7034 pertaining to colocation services and
fees to harmonize it with the rules of Nasdaq BX, Inc. (“BX”).

   The Exchange first proposes to amend Rule 7034(b), under the heading “Market
Data Connectivity,” to re-categorize and to update references to the CBOE/Bats/Direct
Edge data feeds to reflect their current names. Similarly, the Exchange proposes to delete
a $1,000 installation fee that presently applies to the Direct Edge feeds because the Direct
Edge feeds are now offerings of CBOE, along with the BZX and BYX feeds. Going
forward, a single, one-time $1,000 installation fee will apply to subscribers to any or all
of the CBOE data feeds. The Exchange also proposes to correct a typographical error in
the name of the TSXV Level 2 Feed. The Exchange notes that this proposal will render
this paragraph of Rule 7034(b) consistent with BX Rule 7034(b).

   Second, the Exchange proposes to amend Rule 7034(b), under the heading
“Connectivity to Nasdaq,” to specify that connectivity to the Exchange will also provide
for connectivity to any or all of the other Nasdaq, Inc. Exchanges, including not only BX
and Nasdaq PHLX LLC (“Phlx”), but also Nasdaq ISE LLC (“Nasdaq ISE”), Nasdaq
MRX LLC (“Nasdaq MRX”), and Nasdaq GEMX LLC (“Nasdaq GEMX”) (the
“Nasdaq, Inc. Exchanges”). These changes will render this paragraph of the Rules
consistent with corresponding paragraphs in the rulebooks and fees schedules of the other Nasdaq Exchanges.

2. **Statutory Basis**

   The Exchange believes that its proposal is consistent with Section 6(b) of the Act,\(^3\) in general, and furthers the objectives of Section 6(b)(5) of the Act,\(^4\) in particular, in that it is designed to promote just and equitable principles of trade, 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.

   The Exchange believes that its proposal to update Rule 7034 will serve the interests of the public and investors by ensuring that the Exchange’s Rules are accurate and current with respect to the names of the third party data feeds to which it offers connectivity. Furthermore, the Exchange believes that it is in the public interest to correct typographical errors that could otherwise lead to confusion. Likewise, it will serve the public interest and the interests of investors to specify in the Exchange’s Rules that connectivity to the Exchange will also provide for connectivity to any or all of the other Nasdaq, Inc. Exchanges, including not only BX and Phlx, but also Nasdaq ISE, Nasdaq MRX, and Nasdaq GEMX. The existing Rule is outdated as it does not reflect the acquisition by Nasdaq, Inc. of Nasdaq ISE, Nasdaq MRX, and Nasdaq GEMX and the shared connectivity that has resulted from that acquisition. The proposal updates the existing Rule. These proposals will not impact competition or limit access to or

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\(^3\) 15 U.S.C. 78f(b).

availability of the Exchange or its systems. The Exchange notes the proposal is noncontroversial because BX has made the same changes to its rules.

The Exchange’s proposal to eliminate the $1,000 installation fee that presently applies to the Direct Edge feeds is consistent with Section 6(b) of the Act,\(^5\) in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,\(^6\) 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, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The proposal is reasonable because the Direct Edge feeds are now offerings of CBOE, along with the BZX and BYX feeds. The Exchange believes it is equitable, going forward, to charge a single, one-time $1,000 installation fee to subscribers to any or all of the CBOE data feeds, including the BZX Depth, BYX Depth, EDGA Depth, and EDGX Depth feeds. This proposal is not unfairly discriminatory because it will apply to all similarly situated customers of the CBOE data feeds.

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.

In this instance, the proposed changes merely eliminate or replace obsolete text, update references to data feeds and shared connectivity, and correct typographical errors.


\(^6\) 15 U.S.C. 78f(b)(4) and (5).
The Exchange does not intend for or expect that such changes will have any impact on competition.

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\(^7\) and subparagraph (f)(6) of Rule 19b-4 thereunder.\(^8\)

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.

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\(^8\) 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-2018-022 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-NASDAQ-2018-022. 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-2018-022 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.9

Eduardo A. Aleman
Assistant Secretary

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The Nasdaq Stock Market Rules

**7034. Co-Location Services**

(a) Cabinets

No change.

(b) Connectivity

**External Telco /Inter-Cabinet Connectivity**

No change.

**Connectivity to Nasdaq***

<table>
<thead>
<tr>
<th>Description</th>
<th>Installation Fee</th>
<th>Ongoing Monthly Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiber Connection to Nasdaq (10Gb)</td>
<td>$1,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Fiber Connection to Nasdaq (10Gb Ultra)</td>
<td>$1,500</td>
<td>$15,000</td>
</tr>
<tr>
<td>Fiber Connection to Nasdaq (40Gb)</td>
<td>$1,500</td>
<td>$20,000</td>
</tr>
<tr>
<td>Fiber Connection to Nasdaq (1Gb Ultra)</td>
<td>$1,500</td>
<td>$2,500</td>
</tr>
<tr>
<td>Fiber Connection to Nasdaq (1Gb)</td>
<td>$1,000</td>
<td>$2,500</td>
</tr>
<tr>
<td>1Gb Copper Connection to Nasdaq</td>
<td>$1,000</td>
<td>$2,500</td>
</tr>
</tbody>
</table>

* The connectivity provided under this rule also provides connectivity to the other markets of Nasdaq BX, Inc., Nasdaq PHLX LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, and Nasdaq GEMX, LLC.

**Connectivity to Third Party Services**
No change

**Market Data Connectivity***

The following Market Data feeds are delivered to the Nasdaq Data Center via a fiber optic network:

<table>
<thead>
<tr>
<th>Description</th>
<th>Installation Fee</th>
<th>Ongoing Monthly Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nasdaq</td>
<td>$1,000</td>
<td>$0</td>
</tr>
<tr>
<td>SIAC</td>
<td>$1,000</td>
<td></td>
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<tr>
<td>CTS/CQS</td>
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<tr>
<td>OpenBook Realtime</td>
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<tr>
<td>OpenBook Ultra</td>
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</tr>
<tr>
<td>NYSE Alerts</td>
<td>$200</td>
<td></td>
</tr>
<tr>
<td>NYSE Trades</td>
<td>$100</td>
<td></td>
</tr>
<tr>
<td>Arca Trades</td>
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<td></td>
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<tr>
<td>ArcaBook Multicast</td>
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<tr>
<td>Arca BBO</td>
<td>$125</td>
<td></td>
</tr>
<tr>
<td>AMEX- Ultra/Trades/Alerts/LRP</td>
<td>$100</td>
<td></td>
</tr>
<tr>
<td>OPRA</td>
<td>$6,000</td>
<td></td>
</tr>
<tr>
<td>CME</td>
<td>$1,000</td>
<td>$3,500</td>
</tr>
<tr>
<td>Access Fee per location device/user</td>
<td>$65</td>
<td></td>
</tr>
<tr>
<td>CBOE[BATS Multicast PITCH]</td>
<td>$1,000</td>
<td></td>
</tr>
<tr>
<td>[BATS]BZX Depth</td>
<td>$4,000</td>
<td></td>
</tr>
</tbody>
</table>
*Pricing is for connectivity only and is similar to connectivity fees imposed by other vendors. The fees are generally based on the amount of bandwidth needed to accommodate a particular feed and Nasdaq is not the exclusive method to get market data connectivity. Market data fees are charged independently by The Nasdaq Stock Market and other exchanges.

The following multicast Market Data feeds are delivered to the Nasdaq Data Center via a wireless network (microwave or millimeter wave):

No change.

(c) – (d) No change.

1 Co-location services provided by Nasdaq Technology Services LLC.