

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="25"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2018"/> - * <input type="text" value="073"/>	Amendment No. (req. for Amendments *) <input type="text"/>
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Filing by The Nasdaq Stock Market LLC  
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 checked="" type="checkbox"/>	Exhibit 3 Sent As Paper Document <input checked="" type="checkbox"/>
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**Description**

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

A proposal to amend Rule 7021 to address the transition of reports available on Report Center to a new underlying platform, and to make technical and clarifying changes.

**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 \*  Last Name \*

Title \*

E-mail \*

Telephone \*  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  Executive Vice President and General Counsel

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.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

Add Remove View

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 \***

Add Remove View

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) The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”), 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> is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend Rule 7021 to address the transition of reports available on Report Center to a new underlying platform, and to make technical and clarifying changes.

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

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.

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 17 CFR 240.19b-4(f)(6)(iii).

Questions and comments on the proposed rule change may be directed to:

T. Sean Bennett  
Principal Associate General Counsel  
Nasdaq, Inc.  
(301) 978-8499

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

a. Purpose

The Exchange is proposing to amend Rule 7021, concerning the Report Center, to address the transition of reports available on Report Center to a new underlying platform, and to make technical and clarifying changes. Report Center provides members with various reports containing information concerning the member’s own historical quoting and trading activity on Nasdaq and the FINRA/Nasdaq Trade Reporting Facility, which is located in Carteret, NJ (“TRF Carteret”). The Exchange will begin operating a second trade reporting facility, FINRA/Nasdaq TRF Chicago (“TRF Chicago”), in September of 2018.<sup>4</sup> The purpose of this proposed rule change is to inform members of the transition to the new underlying platform, to clarify the contents of certain reports in light of the new TRF Chicago, and to make clarifying changes concerning how the fee is assessed.

The Exchange is beginning a process of replacing the underlying platform of Report Center with a new platform, Report HQ. Report HQ will be more robust and user friendly, and thus an improvement over the existing Report Center platform. Nasdaq is not proposing to change the fees assessed for the reports under Rule 7021 or assess an additional fee for access to the Rule 7021 reports on Report HQ. Nasdaq is beginning the transition with reports that may include TRF data, which are certain Historical Research

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<sup>4</sup> See Securities Exchange Act Release No. 83559 (June 29, 2018), 83 FR 31589 (July 6, 2018) (SR-FINRA-2018-013).

Reports under Rule 7021(b) and the Market Recap report under Rule 7021(d). These reports will be available on both platforms concurrent with the launch of the TRF Chicago, which is currently scheduled for September 2018. In light of the timing of the TRF Chicago and the transition to the Report HQ,<sup>5</sup> Nasdaq will not be adding TRF Chicago data to the Historical Research Reports and Market Recap reports available on Report Center, but will make TRF Chicago data in those reports available through the Report HQ platform. The remaining reports available under Rule 7021 do not include TRF data and consequently will be identical on each platform as they are transferred over the course of the transition.<sup>6</sup>

Any member may have access to the Report HQ platform upon request. Specifically, an existing Report Center subscriber must submit a Report HQ Request Form available at <https://www.nasdaqtrader.com/EASP/TraderEASP.aspx?id=ReportHQSignUp>. Nasdaq will then verify the account and send the member a registration link.<sup>7</sup> Upon completion of the registration process, the member will be able to access both platforms to access reports, and will not be charged any additional fees for these reports. If a member does not have an existing Report Center subscription and requests Report HQ access to the Rule 7021 reports using the process described immediately above, Nasdaq will create a

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<sup>5</sup> In this regard, Nasdaq notes that it is beginning the transition to Report HQ with the only reports that include TRF data. Thus the Exchange is avoiding the time and expense of programming new reports for the Report Center platform, which will become defunct upon completion of the transition.

<sup>6</sup> The Exchange will provide prior notice via Equity Trader Alerts of the availability of the reports under Rule 7021 on Report HQ.

<sup>7</sup> See [https://business.nasdaq.com/media/NasdaqReportHQ\\_tcm5044-43704.pdf](https://business.nasdaq.com/media/NasdaqReportHQ_tcm5044-43704.pdf).

login to the Report Center platform in addition to a Report HQ login for the member, and the member will be charged the current monthly \$250 per entitled user, per MPID<sup>8</sup> fee under Rule 7021. This registration process ensures that customers are able to access the whole breadth of reports available and covered by Rule 7021. Any new subscriber to Report Center will receive both a Report Center and Report HQ login. Last, during the process of transitioning reports from Report Center to Report HQ, subscribers will be able to access up to a total of 100 reports under (b) – (f) of the rule on each platform. This will effectively double the number of reports available for a subscription for the duration of the transition. All members may access the Rule 7021 reports on Report HQ upon completion of the Report HQ registration process noted above.

The Exchange is also proposing to remove Monthly Summaries from Rule 7021, and hold Rule 7021(a) in reserve. No member has accessed Monthly Summaries in over a year and Nasdaq does not currently provide the report in Report Center. The Exchange believes that the report is no longer useful to members and consequently is proposing to eliminate the report from Rule 7021.

Last, the Exchange is proposing to make two clarifying changes to Rule 7021. First, as noted above, accessing reports under (b) – (f) do count toward the cap under Rule 7021. In this regard, when the Exchange added several reports to the Rule in 2014,<sup>9</sup> it noted that the following reports count toward the report cap: Nasdaq Order Execution and Routing; Market Recap; QView Historical Reports; and Real-Time Registered

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<sup>8</sup> The Exchange is proposing to clarify under Rule 7021 that the fee is assessed per entitled user, per MPID, because under the Nasdaq Report Center each entitled user is entitled to reports for a single MPID.

<sup>9</sup> See Securities Exchange Act Release No. 73815 (December 11, 2014), 79 FR 75223 (December 17, 2014) (SR-NASDAQ-2014-121).

Market Maker Report. These reports are found under paragraphs (c) – (f) of the Rule. In the 2014 filing, the Exchange also added text that made it clear that the newly-added reports under (g) – (k) do not count toward the report cap.<sup>10</sup> The Exchange is proposing to make it clear that the reports under (b) – (f) are counted toward the monthly cap. Second, the Exchange is making it clear that the monthly fee under Rule 7021 is assessed per entitled user, per MPID. Currently under Rule 7021, a member is billed by each entitled user, i.e., a user ID, which is tied to a single MPID of the member. The 100 report limit is tied to a user ID. In practice, a member may have multiple user IDs so that they may access reports concerning multiple MPIDs. Report HQ has simplified access to reports by not requiring multiple user IDs, but rather allows a single user ID per person, who then may be given access to reports for multiple MPIDs (each for the \$250 monthly fee). Thus, Report HQ will simplify access to the reports under Rule 7021, but will not alter the fee or what reports are provided in return for the fee. During the transition, a Report Center subscription will provide the user with access to the reports for the same MPID for Report HQ, as described above.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>11</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>12</sup> 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

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<sup>10</sup> Id.

<sup>11</sup> 15 U.S.C. 78f(b).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

market system, and, in general to protect investors and the public interest, by allowing the Exchange to upgrade its systems, which will benefit members that use Report Center to access the reports found under Rule 7021. As noted above, Report HQ will be more robust and user friendly, and thus an improvement over the existing Report Center platform. The Exchange notes that all members may access the reports available through Report HQ without additional cost in addition to the existing fees. Nasdaq is not proposing to change the fees assessed for the reports under Rule 7021 or assess an additional fee for access to the Rule 7021 reports on Report HQ. The proposed rule change will not change the content of any of the reports under Rule 7021, other than the addition of TRF Chicago data and the deletion of an unused report that is not currently offered, as discussed above. Moreover, the Exchange is proposing to allow members to access 100 reports under Rule 7021(b)-(f) on either system. To access these reports, member need only complete the registration process, which is provided in a non-discriminatory manner. As noted above, if a member does not have an existing Report Center subscription and requests Report HQ access to the Rule 7021 reports using the process described above, Nasdaq will create a login to the Report Center platform in addition to a Report HQ login for the member, and the member will be charged the current monthly \$250 per entitled user fee. Thus, all members receiving the same reports under Rule 7021 will be assessed the same fee. The Exchange notes that providing members with a cap of 100 reports under Rule 7021(b)-(f) on each system will allow firms to more easily transition between the systems. The Exchange believes that the proposed clarifying changes protect investors and the public interest by removing ambiguities from the rule, which may cause market participant confusion over how the



fee is assessed and what is included in the 100 report monthly limit. Last, the Exchange believes that removal of the Monthly Summaries report from Rule 7021 further perfects the Exchange's rule book and is consistent with the protection of investors because the Exchange is eliminating an unused report from its rule. As noted above, no member has accessed Monthly Summaries in over a year and Nasdaq does not currently provide the report in Report Center. Keeping the Monthly Summaries text under Rule 7021 would lead to investor confusion over what reports are available under the rule. Accordingly, the Exchange believes that it is consistent with the purposes of the Act to delete the text.

The Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act<sup>13</sup> 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 it does not unfairly discriminate between customers, issuers, brokers or dealers. The Exchange is proposing a transition process that will not affect the fee assessed for the reports under Rule 7021. In this regard, the Exchange notes that all members receiving the reports under Rule 7021 will be assessed the same fee. Accordingly, the Exchange believes that the proposed change is an equitable allocation of a reasonable fee and does not unfairly discriminate.

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, but it is rather pro-competitive. The proposal is reflective of the Exchange's efforts to upgrade its systems to improve the experience of its members. The Exchange is not

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<sup>13</sup> 15 U.S.C. 78f(b)(4).

increasing fees nor limiting the information available to members through a subscription under Rule 7021 other than the elimination of an unused report. Moreover, the proposed rule change will ensure that all members receiving the same reports under Rule 7021 will be assessed the same fee regardless of the platform used to access the report. To the extent that the upgraded platform improves the experience of members, it may make the Exchange a more attractive venue, which will help to retain existing members and potentially attract new members. Consequently, other trading venues may be compelled to improve their services in response.

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)<sup>14</sup> of the Act and Rule 19b-4(f)(6) thereunder<sup>15</sup> 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.

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<sup>14</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>15</sup> 17 CFR 240.19b-4(f)(6).

As noted above, the proposed rule change does not significantly affect the protection of investors or the public interest because it is reflective of the Exchange's desire to upgrade its systems to improve the experience of its members, clarify its rules, and remove an unused report from the rule. Also as noted above, the proposed rule change does not impose any significant burden on competition, but rather may be pro-competitive to the extent that it makes the Exchange a more desirable venue on which to transact and receive historical data through services such as the reports provided under Rule 7021.

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.

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 members may begin

to access their TRF Chicago data through Report HQ concurrent with the launch of the new TRF. Moreover, waiver of the operative delay will allow the Exchange to remove an unused report from the rule and to make clarifying changes to its rules, both of which may currently cause market participant confusion.

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 Change for publication in the Federal Register.
5. Text of the proposed rule change.

**EXHIBIT 1**

SECURITIES AND EXCHANGE COMMISSION  
(Release No. \_\_\_\_\_ ; File No. SR-NASDAQ-2018-073)

September \_\_, 2018

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 7021

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 September 6, 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 7021 to address the transition of reports available on Report Center to a new underlying platform, and to make technical and clarifying changes.

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.

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

<sup>2</sup> 17 CFR 240.19b-4.

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 is proposing to amend Rule 7021, concerning the Report Center, to address the transition of reports available on Report Center to a new underlying platform, and to make technical and clarifying changes. Report Center provides members with various reports containing information concerning the member's own historical quoting and trading activity on Nasdaq and the FINRA/Nasdaq Trade Reporting Facility, which is located in Carteret, NJ ("TRF Carteret"). The Exchange will begin operating a second trade reporting facility, FINRA/Nasdaq TRF Chicago ("TRF Chicago"), in September of 2018.<sup>3</sup> The purpose of this proposed rule change is to inform members of the transition to the new underlying platform, to clarify the contents of certain reports in light of the new TRF Chicago, and to make clarifying changes concerning how the fee is assessed.

The Exchange is beginning a process of replacing the underlying platform of Report Center with a new platform, Report HQ. Report HQ will be more robust and user friendly, and thus an improvement over the existing Report Center platform. Nasdaq is

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<sup>3</sup> See Securities Exchange Act Release No. 83559 (June 29, 2018), 83 FR 31589 (July 6, 2018) (SR-FINRA-2018-013).

not proposing to change the fees assessed for the reports under Rule 7021 or assess an additional fee for access to the Rule 7021 reports on Report HQ. Nasdaq is beginning the transition with reports that may include TRF data, which are certain Historical Research Reports under Rule 7021(b) and the Market Recap report under Rule 7021(d). These reports will be available on both platforms concurrent with the launch of the TRF Chicago, which is currently scheduled for September 2018. In light of the timing of the TRF Chicago and the transition to the Report HQ,<sup>4</sup> Nasdaq will not be adding TRF Chicago data to the Historical Research Reports and Market Recap reports available on Report Center, but will make TRF Chicago data in those reports available through the Report HQ platform. The remaining reports available under Rule 7021 do not include TRF data and consequently will be identical on each platform as they are transferred over the course of the transition.<sup>5</sup>

Any member may have access to the Report HQ platform upon request. Specifically, an existing Report Center subscriber must submit a Report HQ Request Form available at <https://www.nasdaqtrader.com/EASP/TraderEASP.aspx?id=ReportHQSignUp>. Nasdaq will then verify the account and send the member a registration link.<sup>6</sup> Upon completion of the registration process, the member will be able to access both platforms to access

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<sup>4</sup> In this regard, Nasdaq notes that it is beginning the transition to Report HQ with the only reports that include TRF data. Thus the Exchange is avoiding the time and expense of programming new reports for the Report Center platform, which will become defunct upon completion of the transition.

<sup>5</sup> The Exchange will provide prior notice via Equity Trader Alerts of the availability of the reports under Rule 7021 on Report HQ.

<sup>6</sup> See [https://business.nasdaq.com/media/NasdaqReportHQ\\_tcm5044-43704.pdf](https://business.nasdaq.com/media/NasdaqReportHQ_tcm5044-43704.pdf).

reports, and will not be charged any additional fees for these reports. If a member does not have an existing Report Center subscription and requests Report HQ access to the Rule 7021 reports using the process described immediately above, Nasdaq will create a login to the Report Center platform in addition to a Report HQ login for the member, and the member will be charged the current monthly \$250 per entitled user, per MPID<sup>7</sup> fee under Rule 7021. This registration process ensures that customers are able to access the whole breadth of reports available and covered by Rule 7021. Any new subscriber to Report Center will receive both a Report Center and Report HQ login. Last, during the process of transitioning reports from Report Center to Report HQ, subscribers will be able to access up to a total of 100 reports under (b) – (f) of the rule on each platform. This will effectively double the number of reports available for a subscription for the duration of the transition. All members may access the Rule 7021 reports on Report HQ upon completion of the Report HQ registration process noted above.

The Exchange is also proposing to remove Monthly Summaries from Rule 7021, and hold Rule 7021(a) in reserve. No member has accessed Monthly Summaries in over a year and Nasdaq does not currently provide the report in Report Center. The Exchange believes that the report is no longer useful to members and consequently is proposing to eliminate the report from Rule 7021.

Last, the Exchange is proposing to make two clarifying changes to Rule 7021. First, as noted above, accessing reports under (b) – (f) do count toward the cap under

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<sup>7</sup> The Exchange is proposing to clarify under Rule 7021 that the fee is assessed per entitled user, per MPID, because under the Nasdaq Report Center each entitled user is entitled to reports for a single MPID.



Rule 7021. In this regard, when the Exchange added several reports to the Rule in 2014,<sup>8</sup> it noted that the following reports count toward the report cap: Nasdaq Order Execution and Routing; Market Recap; QView Historical Reports; and Real-Time Registered Market Maker Report. These reports are found under paragraphs (c) – (f) of the Rule. In the 2014 filing, the Exchange also added text that made it clear that the newly-added reports under (g) – (k) do not count toward the report cap.<sup>9</sup> The Exchange is proposing to make it clear that the reports under (b) – (f) are counted toward the monthly cap.

Second, the Exchange is making it clear that the monthly fee under Rule 7021 is assessed per entitled user, per MPID. Currently under Rule 7021, a member is billed by each entitled user, i.e., a user ID, which is tied to a single MPID of the member. The 100 report limit is tied to a user ID. In practice, a member may have multiple user IDs so that they may access reports concerning multiple MPIDs. Report HQ has simplified access to reports by not requiring multiple user IDs, but rather allows a single user ID per person, who then may be given access to reports for multiple MPIDs (each for the \$250 monthly fee). Thus, Report HQ will simplify access to the reports under Rule 7021, but will not alter the fee or what reports are provided in return for the fee. During the transition, a Report Center subscription will provide the user with access to the reports for the same MPID for Report HQ, as described above.

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<sup>8</sup> See Securities Exchange Act Release No. 73815 (December 11, 2014), 79 FR 75223 (December 17, 2014) (SR-NASDAQ-2014-121).

<sup>9</sup> Id.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>10</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>11</sup> 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, by allowing the Exchange to upgrade its systems, which will benefit members that use Report Center to access the reports found under Rule 7021. As noted above, Report HQ will be more robust and user friendly, and thus an improvement over the existing Report Center platform. The Exchange notes that all members may access the reports available through Report HQ without additional cost in addition to the existing fees. Nasdaq is not proposing to change the fees assessed for the reports under Rule 7021 or assess an additional fee for access to the Rule 7021 reports on Report HQ. The proposed rule change will not change the content of any of the reports under Rule 7021, other than the addition of TRF Chicago data and the deletion of an unused report that is not currently offered, as discussed above. Moreover, the Exchange is proposing to allow members to access 100 reports under Rule 7021(b)-(f) on either system. To access these reports, member need only complete the registration process, which is provided in a non-discriminatory manner. As noted above, if a member does not have an existing Report Center subscription and requests Report HQ access to the Rule 7021 reports using the process described above, Nasdaq will create a login to the Report Center platform in

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<sup>10</sup> 15 U.S.C. 78f(b).

<sup>11</sup> 15 U.S.C. 78f(b)(5).

addition to a Report HQ login for the member, and the member will be charged the current monthly \$250 per entitled user fee. Thus, all members receiving the same reports under Rule 7021 will be assessed the same fee. The Exchange notes that providing members with a cap of 100 reports under Rule 7021(b)-(f) on each system will allow firms to more easily transition between the systems. The Exchange believes that the proposed clarifying changes protect investors and the public interest by removing ambiguities from the rule, which may cause market participant confusion over how the fee is assessed and what is included in the 100 report monthly limit. Last, the Exchange believes that removal of the Monthly Summaries report from Rule 7021 further perfects the Exchange's rule book and is consistent with the protection of investors because the Exchange is eliminating an unused report from its rule. As noted above, no member has accessed Monthly Summaries in over a year and Nasdaq does not currently provide the report in Report Center. Keeping the Monthly Summaries text under Rule 7021 would lead to investor confusion over what reports are available under the rule. Accordingly, the Exchange believes that it is consistent with the purposes of the Act to delete the text.

The Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act<sup>12</sup> 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 it does not unfairly discriminate between customers, issuers, brokers or dealers. The Exchange is proposing a transition process that will not affect the fee assessed for the reports under Rule 7021. In this regard, the Exchange notes that all members receiving the reports under Rule 7021 will

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<sup>12</sup> 15 U.S.C. 78f(b)(4).

be assessed the same fee. Accordingly, the Exchange believes that the proposed change is an equitable allocation of a reasonable fee and does not unfairly discriminate.

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, but it is rather pro-competitive. The proposal is reflective of the Exchange's efforts to upgrade its systems to improve the experience of its members. The Exchange is not increasing fees nor limiting the information available to members through a subscription under Rule 7021 other than the elimination of an unused report. Moreover, the proposed rule change will ensure that all members receiving the same reports under Rule 7021 will be assessed the same fee regardless of the platform used to access the report. To the extent that the upgraded platform improves the experience of members, it may make the Exchange a more attractive venue, which will help to retain existing members and potentially attract new members. Consequently, other trading venues may be compelled to improve their services in response.

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<sup>13</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>14</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 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](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2018-073 on the subject line.

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<sup>13</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>14</sup> 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.

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-2018-073. 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-2018-073 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>15</sup>

Eduardo A. Aleman  
Assistant Secretary

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<sup>15</sup> 17 CFR 200.30-3(a)(12).

**EXHIBIT 5**

Deleted text is [bracketed]. New text is underlined.

**The Nasdaq Stock Market Rules**

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**7021. Nasdaq Report Center**

The charge to be paid by a Nasdaq Member for each entitled user receiving Nasdaq Report Center via NasdaqTrader.com is \$250 per month, per MPID (monthly maximum of 100 reports accessed listed under (b) - (f)[ Historical Research Reports]).\* The Nasdaq Report Center includes the following reports (accessing a report listed under (g) - (k) does not count against the monthly report limit):

- (a) Reserved[Monthly Summaries]
- (b) Historical Research Reports
- (c) Nasdaq Order Execution and Routing
- (d) Market Recap
- (e) QView Historical Reports
- (f) Real-Time Registered Market Maker Report
- (g) Execution Invoice Detail
- (h) Month to Date Invoice Summary
- (i) Excessive Messaging Invoice Detail
- (j) Investor Support Program Invoice Detail
- (k) Qualified Market Maker Invoice Detail

Nasdaq may modify the contents of the Nasdaq Report Center from time to time based on subscriber interest.

\* Nasdaq is in the process of transitioning to a new platform for the reports under Rule 7021. The Rule 7021 reports available on this new platform, Report HQ, will be provided at no additional cost to subscribers. Members currently subscribed to Nasdaq Report Center seeking reports that include FINRA/Nasdaq TRF Chicago historical data must complete a Report HQ Request Form and register with Nasdaq Trading Services so that access may be granted to the Report HQ. All new subscribers to Nasdaq Report Center will also be provided access to Report HQ. All new subscribers to Report HQ seeking to



receive reports listed under Rule 7021 will also be provided access to Nasdaq Report Center platform and be subject to the fees under this rule. Unlike Nasdaq Report Center, where each user is provided permission to reports for a single MPID, a Report HQ user may be provided permission to reports for multiple MPIDs. This simplifies access to reports, but will not alter fee liability for access to reports for an individual MPID. Nasdaq will eventually transfer all reports under this rule to Report HQ and phase out the old platform. During the transition period a member may access up to a total of 100 reports under paragraphs (b) – (f) on each platform.

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