SECURITIES AND EXCHANGE COMMISSION


Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Entry Fee for Listing on the Exchange’s Global and Global Select Market Tiers

December 21, 2018.

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 December 17, 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 the entry fee for listing on the Exchange’s Global and Global Select Market tiers.

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 purpose of the proposed rule change is to increase the Exchange’s entry fees for companies listing on the Nasdaq Global and Global Select Markets.

Nasdaq currently charges entry fees for the Nasdaq Global and Global Select Market based on the number of shares outstanding according to the following tiers:3

- Up to 30 million shares, $125,000
- 30+ to 50 million shares, $150,000
- 50+ to 100 million shares, $200,000
- Over 100 million shares, $225,000

These fees are based on the aggregate of all classes of equity securities to be listed on the Nasdaq Global and Global Select Market, as shown in the company’s most recent periodic report or in more recent information held by Nasdaq or, in the case of new issues, as shown in the offering circular or registration statement. In the case of foreign companies, total shares outstanding includes only those shares issued and outstanding in the United States.

The entry fees for companies listing on the Nasdaq Global and Global Select Markets were last modified in 2010.4 Nasdaq now proposes to increase the entry fees to the following: Up to 30 million shares, $150,000; 30+ to 40 million shares, $170,000; 40+ to 50 million shares, $210,000; 50+ to 60 million shares, $250,000; 60+ to 70 million shares, $290,000; Over 70 million shares, $295,000.

As a result, the minimum entry fee for the Nasdaq Global and Global Select Markets would increase from $125,000 to $150,000 for companies with up to 30 million shares. The maximum entry fee for the Nasdaq Global and Global Select Markets, which would be applicable to companies with over 70 million shares outstanding, would increase from $225,000 to $295,000. The revised schedule would also increase the number of fee tiers so that each tier range between the minimum of 30 million shares and the maximum of 70 million shares has 10 million shares in the tier.

Nasdaq is proposing these changes to better align its fees with the value of a listing to issuers. Any company that submits its application to Nasdaq before January 1, 2019, and lists before July 1, 2019, would be subject to fees under the existing fee schedule. Nasdaq believes that it is appropriate to continue the existing fee schedule for these companies because they will be substantially far along in the process of going public at the time of this filing and may have made decisions based on the existing fee schedule.

2. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,5 in general, and with Section 6(b)(4) and (5) of the Act,6 in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers. Further, the proposed rule change is designed to promote just and equitable principles of trade, to remove impediments to a free and open market and national market system, and in general to protect investors and the public interest.

Nasdaq believes that the proposed fee increase is not unfairly discriminatory and represents an equitable allocation of reasonable fees because it reflects the Exchange’s increased costs since fees were last increased in 2010.7 In addition, the proposed fee increase reflects enhancements to the listing process, such as Nasdaq’s online Listing Center, which simplifies the process of applying to Nasdaq; the Governance Clearinghouse, which provides insights into issues facing public companies and companies that are preparing to go public; and the Nasdaq Governance Index, which measures companies’ governance practices.

III. Self-Regulatory Organization’s Statement of the Relationship between the Proposed Rule Change and the Commission’s Statutory Objectives

The purpose of the proposed rule change and its consistency with the Commission’s statutory objectives are described above.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the proposed rule change. Written comments should be submitted to the Secretary, the Commission’s Public Reference Room, 100 F Street, N.E., Washington, D.C. 20549-1090, or by e-mail to rule.comments@sec.gov. Comments are not subject to the Commission’s保密 rule and are available for reading at the Public Reference Room.

5 Id.
will be substantially far along in the process of going public at the time of this filing and may have made decisions based on the existing fee schedule, which is a non-discriminatory [sic] reason to allow them time to list under that fee schedule. On the other hand, Nasdaq believes that a company that has not yet filed an application, or that cannot complete the listing process before July 1, 2019, has sufficient time to consider the revised listing fees in making its listing decision.

In addition, the proposed fee increases will help ensure that Nasdaq has adequate resources for its regulatory program, thereby helping to protect investors and the public interest consistent with the requirements of Section 6(b)(5) of the Act.

Last, Nasdaq notes that it operates in a highly competitive market in which companies can readily switch exchanges if they deem the listing fees excessive. In such an environment, Nasdaq must continually review its fees to assure that they remain competitive with other exchanges.

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

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The market for listing services is extremely competitive and listed companies may freely choose alternative venues, both within the U.S. and internationally. For this reason, Nasdaq does not believe that the proposed rule change will result in any burden on competition for listings.

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. 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 email to rule-comments@sec.gov. Please include File Number SR-NASDAQ–2018–105 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–2018–105. This file number should be included on the subject line if email 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 website ([http://www.sec.gov/rules/sro.shtml](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 that are filed with 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 such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NASDAQ–2018–105, and should be submitted on or before January 22, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.12
Brent J. Fields,
Secretary.

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SEcurities and EXchange COMMISSION


Self-Regulatory Organizations: NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Its Options Fee Schedule and Equities Price List To Extend for One Year a Fee Discount for the Partial Cabinet Solution Bundles Offered in Connection With the Exchange’s Co-Location Services

December 21, 2018.

Pursuant to Section 19(b)(1)1 of the Securities Exchange Act of 1934 (the “Act”)2 and Rule 19b–4 thereunder,3 notice is hereby given that, on December 22, 2018, NYSE American LLC (the “Exchange” or “NYSE American”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. 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 its Options Fee Schedule (the “Options Fee Schedule”) and Equities Price List (the “Equities Fee Schedule”), together with the Options Fee Schedule, the “Fee Schedules”) to extend for one year a fee discount for the Partial Cabinet Solution bundles offered in connection with the Exchange’s co-location services. The proposed change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.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 self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The Exchange proposes to amend the Exchange’s Fee Schedules to extend a fee discount for the Partial Cabinet Solution bundles offered in connection with the Exchange’s co-location services.4

The Exchange offers the four Partial Cabinet Solution bundles to attract smaller Users, such as those with minimal power or cabinet space demands, or those for which the attendant costs of having a dedicated cabinet and related connectivity are too burdensome.5

The Exchange offers Users6 that purchase a Partial Cabinet Solution bundle on or before December 31, 2018 a 50% reduction in the monthly recurring charges (“MRC”) for the first 24 months.7 The Exchange proposes to extend the 50% fee reduction to those Users that purchase a Partial Cabinet Solution bundle on or before December 31, 2019.8 The Exchange does not propose to amend the length of the discount period.

The amended portions of the Fee Schedules would read as follows:


