

Required fields are shown with yellow backgrounds and asterisks.

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
Form 19b-4

File No. \* SR 2024 - \* 027

Amendment No. (req. for Amendments \*)

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"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)

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

**Description**

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

A proposal to reconfigure fees for the Daily List and Fundamental Data to better reflect the value of the information distributed.

**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 \* Daniel Last Name \* Cantu

Title \* Principal Associate General Counsel

E-mail \* daniel.cantu@nasdaq.com

Telephone \* (301) 978-8469 Fax

**Signature**

Pursuant to the requirements of the Securities Exchange of 1934, The Nasdaq Stock Market LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 06/17/2024

(Title \*)

By John Zecca

EVP and Chief Legal Officer

(Name \*)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

 Date: 2024.06.17 16:51:09 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

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SR-NASDAQ-2024-027 19b-4.docx

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 \***

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SR-NASDAQ-2024-027 Exhibit 1.docx

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 Advanced 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 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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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 Sent As Paper Document

**Exhibit 3 - Form, Report, or Questionnaire**

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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 Sent As Paper Document

**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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SR-NASDAQ-2024-027 Exhibit 5.docx

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 reconfigure fees for the Daily List and Fundamental Data to better reflect the value of the information distributed.

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 (the “Board”). 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:

Daniel A. Cantu  
Principal Associate General Counsel  
Nasdaq, Inc.  
(301) 978-8469

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

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

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

a. Purpose

Nasdaq proposes to reconfigure fees for the Daily List,<sup>3</sup> its corporate actions product,<sup>4</sup> to better reflect the value of the information distributed.<sup>5</sup>

First, Nasdaq proposes to increase the licensing fee for the Daily List, which also includes Fundamental Data, from \$1,750 to \$3,500 per month to better reflect its market value. Current fees for the Daily List are below the range of fees for other corporate actions products, none of which, except for the Daily List, are subject to the fee filing requirements that apply to Self-Regulatory Organizations (“SROs”).<sup>6</sup> Current fees for comparable products are between \$3,000 and \$12,000 per month or more; the proposal will raise Daily List fees from below that range to within the range, at its lower end.<sup>7</sup>

Second, together with the proposed rule change, the Exchange will publish information about the execution of corporate actions by the Exchange, as well as information related to issuer status under Exchange rules, on NasdaqTrader.com or a

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<sup>3</sup> See Equity 7, Section 122. The information contained in the Daily List includes information about the corporate actions of issuers (such as dividends, stock splits, and mergers and acquisitions), execution of corporate actions by the Exchange (such as execution dates and symbol changes), and information about issuer status.

<sup>4</sup> Corporate actions are undertakings by issuers that materially impact the value of their shares, such as, for example, the payment of dividends, stock splits, tender offers, or a merger and acquisition.

<sup>5</sup> This proposal was first submitted on June 3, 2024. See SR-Nasdaq-2024-024. On June 17, 2024, that filing was withdrawn and replaced with the instant filing to provide additional information in support of the proposal.

<sup>6</sup> As discussed in further detail below, the New York Stock Exchange sells a corporate actions product, but does not file SRO fees for that product. See New York Stock Exchange, *Corporate Actions*, available at <https://www.nyse.com/market-data/corporate-actions>. NYSE also publishes information related to the execution of corporate actions on a public website, as Nasdaq proposes to do with this filing. The remaining vendors that offer corporate actions products are not SROs.

<sup>7</sup> As discussed below, this estimate is based on Nasdaq’s understanding of the market, as none of the competitor products have published fee schedules.

successor website, at the same time as such information is updated on the Daily List. The dual publication of information on a public website and a corporate actions product is the same two-part structure used by the New York Stock Exchange, which does not file the fees for its corporate actions product as an SRO.<sup>8</sup>

Publication of information about the execution of corporate actions and corporate status by the Exchange on an open website will not require a rule change. Nasdaq already publishes information concerning certain corporate actions on NasdaqTrader.com, such as Market Center and financial status, and this change will simply add to the information made available to the public.

### **The Daily List**

The Daily List is a compendium of corporate actions information—including new listings, delistings, symbol name changes, dividends, and other information for the Nasdaq Stock Market.<sup>9</sup> It is comprised of the following sets of information:<sup>10</sup>

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<sup>8</sup> NYSE publishes information on exchange implementation of corporate actions on two different web pages, one for corporate actions ([NYSE Corporate Actions](#)) and another for ex-date dividends ([NYSE Ex-Date Dividends](#)).

<sup>9</sup> See Nasdaq, *Daily List*, available at <http://www.nasdaqtrader.com/Trader.aspx?id=DailyListPD>; see also Securities Exchange Act Release No. 68636 (January 11, 2013), 78 FR 3940 (January 17, 2013) (SR-Nasdaq-2013-009) (establishing fees for the Daily List and Fundamental Data products); Securities Exchange Act Release No. 34-79701 (December 29, 2016), 82 FR 1381 (January 5, 2017) (SR-Nasdaq-2016-175) (establishing current monthly fee for the Daily List and Fundamental Data).

<sup>10</sup> The last fee modification for the Daily List inadvertently identified the Mutual Fund Quotation Service (“MFQS”) as included with the Daily List product. See Securities Exchange Act Release No. 34-79701 (December 29, 2016), 82 FR 1381 (January 5, 2017) (SR-Nasdaq-2016-175). The Commission approved removal of MFQS from the Nasdaq rule book in 2008. See Securities Exchange Act Release No. 58392 (August 20, 2008), 73 FR 50382 (August 26, 2008) (SR-Nasdaq-2008-019). MFQS information was removed from the Daily List on October 17, 2011. See Nasdaq, “Data Technical News #2011-17” (September 1, 2011), available at <https://www.nasdaqtrader.com/TraderNews.aspx?id=dtm2011-017>. The identification of MFQS as information included in the Daily List Product in SR-Nasdaq-2016-175 was in error.

Nasdaq Equity Data: Provides notification of corporate actions information such as new listings, delistings, corporate name changes, trading symbol changes, market tier changes and Financial Status Indicator (FSI) changes that occur on the Nasdaq Global Select Market, Nasdaq Global Market and Nasdaq Capital Market.

Dividends: Provides notification of cash dividends, stock dividends and stock splits to Nasdaq securities.

Next Day Ex-Date: Summarizes the securities with dividend adjustments to be applied to the previous closing price on the next business day.<sup>11</sup>

Full historical information is available back to May 24, 1999. Daily List files for the current business month are available for download via a secured FTP interface, and from a secured website.

All of the information published on the Daily List is from issuers, except for information related to the execution of corporate actions by the Exchange and issuer status under Exchange rules. Nasdaq receives corporate actions information from issuers on the same basis as any other market participant, with no inherent advantage in speed or access due to its unique position as an SRO.

Daily List is updated every 15 minutes between 7:00 a.m. and 10:00 p.m. on trading days.

### **Fundamental Data**

Nasdaq Fundamental Data provides security master and market summary statistics on a T+1 basis for Nasdaq securities.<sup>12</sup> The fundamental data report contains

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<sup>11</sup> The Daily List also includes a symbol directory and a list of dual-listed securities for reference.

<sup>12</sup> See Supra, n.8.

start of trading day information on Nasdaq equities, including trading summary data such as high and low price, total shares outstanding (TSO), Nasdaq Official Closing Price (NOCP), and public float.

Like the Daily List, Fundamental Data files are available via secured website or secured file transfer protocol server.

Fundamental Data is distributed with the Daily List as supplemental information.

### **Proposed Changes**

As summarized above, Nasdaq proposes to reconfigure fees for the Daily List to better reflect the value of the information distributed.

First, Nasdaq proposes to increase the licensing fee for the Daily List, which also includes Fundamental Data, from \$1,750 to \$3,500 per month to better reflect its market value. The Daily List faces competition from substitute products from a number of vendors, none of which are required to file fees for their corporate actions products as SROs. Based on Nasdaq's understanding of the sale of corporate actions products, the fee range for competitor corporate actions products appears to be between \$3,000 and \$12,000 per month or more. The proposal will raise Daily List fees from below that range to within the range, at its lower end.

Second, together with the proposed rule change, the Exchange will make corporate actions executed by the Exchange and information related to issuer status under Exchange rules available to the public on NasdaqTrader.com or a successor website at the same time as on the Daily List. The dual publication of information on a public website and a corporate actions product is the same two-part structure used by the New York Stock Exchange, which does not file the fees for its corporate actions product as an SRO.

Publication of information about the execution of corporate actions and corporate status by the Exchange on an open website will not require a rule change. Nasdaq already publishes information concerning certain corporate actions on NasdaqTrader.com, such as Market Center and financial status, and this change merely adds to the information made available to the public.

#### Market for Corporate Actions Products

A corporate action is an undertaking by an issuer that materially impacts the value of its shares. Corporate actions range from making a change to a company's name to issuing a dividend or restructuring the company through a merger or bankruptcy. Common corporate actions include, but are not limited to, name or trading symbol change, stock splits,<sup>13</sup> issuance of dividends, mergers and acquisitions, rights issue,<sup>14</sup> and liquidation or dissolution.<sup>15</sup>

Although corporate actions are undertaken by the issuer, certain corporate actions require activity by the Exchange to complete. One example of this is the Ex-Date for dividends. When a company declares a dividend, its board of directors establishes a record date. This is the date a person must be on the company's record as a shareholder to receive a dividend payment. Once the record date is set, the ex-dividend date is also set. For the Nasdaq Stock Exchange, the Ex-Date for dividends is generally set one business

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<sup>13</sup> This includes both the division of a stock into smaller shares and a reverse stock split that reduces the number of shares outstanding and increases the price per share.

<sup>14</sup> "Rights issue" refers to the issuance of "rights" to shareholders that entitle them to buy additional shares directly from the company in proportion to their existing holdings within a prescribed period.

<sup>15</sup> Liquidation is the process by which a company sells off its assets and closes its business. In liquidation, the company's assets are sold and the proceeds are used to pay off creditors. Dissolution is the last stage of liquidation, in which the assets and property of the company are redistributed.



day prior to the record date, but a different date may be established under certain circumstances.<sup>16</sup>

The status of an issuer on a listing exchange, as reported by that exchange, is typically included in corporate actions products. For example, the Nasdaq Stock Exchange establishes requirements for the continued listing of issuers and standards for primary equity securities.<sup>17</sup> Nasdaq monitors and disseminates information on financial status,<sup>18</sup> whether there has been a downgrade, and the reason for that downgrade, as applicable.

### Competitor Products

Nasdaq has identified numerous competitors in the market for corporate actions products, none of which file fee changes with the Commission as an SRO. A non-exhaustive list of vendors offering corporate actions products includes S&P Global, LSEG, Quodd, Barchart, Six Financial, Polygon.io, EDI, and FactSet. S&P Global states that its “unified Corporate Actions solution helps firms across a range of asset classes, market client types and business lines” with their corporate actions processing.<sup>19</sup> LSEG

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<sup>16</sup> See Equity 11, Section 11140. Transactions in Securities “Ex-Dividend,” “Ex-Rights” or “Ex-Warrants” (“All transactions in securities, except “cash” transactions, shall be “ex-dividend,” “ex-rights” or “ex-warrants”: (1) on the day specifically designated by Nasdaq Regulation after definitive information concerning the declaration and payment of a dividend or the issuance of rights or warrants has been received at the office of Nasdaq Regulation; or (2) on the day specified as such by the appropriate national securities exchange . . .”).

<sup>17</sup> See, e.g., Nasdaq Stock Market Rules 5400 (Nasdaq Global Market), Section 5450 (Continued Lising Requirements and Standards for Primary Equity Securities) (setting forth a number of standards for continued listing, including standards related to market value).

<sup>18</sup> The four basic categories of financial status are deficient, delinquent, bankrupt and normal. The deficient, bankrupt and delinquent categories are not mutually exclusive, and more than one of these categories may apply to a particular issuer.

<sup>19</sup> See S&P Global Market Intelligence, *Corporate Actions*, available at <https://www.spglobal.com/marketintelligence/en/mi/products/corporate-actions.html>; see also S&P Global Market Intelligence, *Corporate Actions Product Brochure*, available at <https://cdn.ihsmarkit.com/www/pdf/0323/SPGI-MI-Corporate-Actions-Brochure.pdf>.

states that its Equity Corporate Actions tracks “all stocks which are primarily listed (or quoted) on 200+ key venues . . . .”<sup>20</sup> Quodd Financial Information Services, Inc. states that it provides “comprehensive access to global corporate actions and dividend content across dozens of data elements.”<sup>21</sup> Barchart.com, Inc. provides “corporate actions data on thousands of publicly-traded companies.”<sup>22</sup> Six Financial Information states that its corporate actions product “[c]overs more than 80 event types with the focus on the main event attributes to allow simple tracking of corporate actions.”<sup>23</sup> Polygon.io, Inc. provides information on “company financials, stock market holidays, [and] corporate actions.”<sup>24</sup> Exchange Data International, Ltd. states that it offers “corporate actions data from over 150 exchanges worldwide.”<sup>25</sup> FactSet Research Systems Inc. advertises that it “offers a comprehensive view of global corporate actions data.”<sup>26</sup>

The New York Stock Exchange, an SRO, offers a corporate actions product that is not filed with its other SRO fees. NYSE states that its “Corporate Actions package is comprised of several reports providing over 60 different corporate actions types for all equities

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<sup>20</sup> LSEG Data & Analytics, *Equity Corporate Actions*, available at <https://www.lseg.com/en/data-analytics/financial-data/corporate-actions-data/equity-corporate-actions>.

<sup>21</sup> Quodd Financial Information Services, Inc., *QX Digital Platform*, available at <https://quodd.com/universe/>.

<sup>22</sup> Barchart.com, Inc., *Corporate Actions Data*, available at <https://www.barchart.com/solutions/data/company/corporate-actions>

<sup>23</sup> Six Financial Information USA Inc., *Corporate Action*, available at <https://www.six-group.com/en/products-services/financial-information/display-and-delivery-capabilities/sixflex/corporate-action.html#scrollTo=available-content>.

<sup>24</sup> Polygon.io, Inc., *Stocks API Documentation*, available at <https://polygon.io/docs/stocks/getting-started>.

<sup>25</sup> Exchange Data International, Ltd., *Worldwide Equity Corporate Actions*, available at <https://www.exchange-data.com/product/worldwide-corporate-actions-data/>.

<sup>26</sup> FactSet Research Systems Inc., *New Corporate Actions Report is Now Available in the Company/Security Tab*, available at <https://insight.factset.com/new-corporate-actions-report-is-now-available-in-the-company/security-tab>.

listed on NYSE Group (NYSE, NYSE American and NYSE Arca market centers), including but not limited to cash dividends, stock dividends, distributions, splits, new listings (IPOs), suspensions and delistings.”<sup>27</sup>

In addition to offering a corporate actions product, NYSE makes exchange-specific corporate actions information, such as ex-dates and financial status, available on a public website.<sup>28</sup> NYSE’s Corporate Actions product is disseminated by NYSE in its capacity as a vendor of financial information, not in its capacity as an exchange, and is not included in the NYSE rulebook. Nasdaq’s proposal to reformulate the Daily List is modeled on this structure.

This is not an exhaustive list of products. For example, Nasdaq as a vendor of financial information makes corporate actions information from third parties available on its website.<sup>29</sup>

None of these vendors of corporate actions products publish their fees. Based on Nasdaq’s understanding of the market, the fee range for these products appears to be between \$3,000 and \$12,000 per month or more.

#### Publication of Exchange Information

The Exchange proposes to publish information that originates from the Exchange related to the execution of corporate actions as well as issuer status updates on a public

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<sup>27</sup> New York Stock Exchange, *Corporate Actions*, available at <https://www.nyse.com/market-data/corporate-actions> (“The Corporate Actions of NYSE Group Listings provide daily and intraday event updates for securities including stock splits, dividends, rights issues, spin-offs, and much more.”); see also NYSE, *Corporate Actions for NYSE Group Listings*, available at <https://www.nyse.com/market-data/corporate-actions/corporate-actions-for-nyse-group-listings> (providing additional information about the NYSE Corporate Actions product).

<sup>28</sup> See [NYSE Corporate Actions](#); [NYSE Ex-Date Dividends](#).

<sup>29</sup> See QuantRocket, *Sharadar Data*, available at <https://www.quantrocket.com/sharadar/> (including corporate event data sources from SEC Form 8-K filings with history since 1993).

website. This Exchange information will be published on the following three pages on NasdaqTrader.com (or a successor website): Nasdaq Ex-Date; Nasdaq Security Status Updates; and When Issued/When Distributed.

Nasdaq Ex-Date.<sup>30</sup> The Nasdaq Ex-Date will provide the execution date for dividends. The dividend Ex-Date is generally set for stocks one business day prior the record date, according to the settlement cycle, except under specified circumstances. However, there are occasions when Ex-dates are not set one business day prior to the record date, such as when a date is floating. Under those circumstances, the Ex-Date will be set by the Exchange and provided to the public on NasdaqTrader.com or a successor website.

The Nasdaq Ex-Date page will provide the following fields of information: Issue Symbol, Issuer Name, Ex Date, Record Date, and Pay Date.

Nasdaq Security Status Updates.<sup>31</sup> The execution of corporate actions and issuer status under Exchange rules will be published on a page dedicated to status updates. These include security additions, anticipated additions, deletions (delistings)<sup>32</sup> and suspensions; name and symbol changes; market center changes<sup>33</sup>; and financial status

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<sup>30</sup> See Nasdaq, *Nasdaq Ex-Date*, available at <https://www.nasdaqtrader.com/Trader.aspx?id=NASDAQ-ex-date&from=05%2F01%2F2024&to=05%2F22%2F2024>.

<sup>31</sup> Nasdaq, *Nasdaq Security Status Updates*, available at <https://www.nasdaqtrader.com/Trader.aspx?id=NASDAQ-security-status-updates&from=05%2F21%2F2024&to=05%2F21%2F2024>.

<sup>32</sup> Securities pending suspension or delisting are also published on the Nasdaq Listing Center. See Nasdaq, *Issues Pending Suspension or Delisting*, available at <https://listingcenter.nasdaq.com/IssuersPendingSuspensionDelisting.aspx>

<sup>33</sup> The three Nasdaq market centers are the Nasdaq Global Select Market, the Nasdaq Global Market, and the Nasdaq Capital Market.

changes<sup>34</sup> (old financial status, new financial status, and downgrade reason, if applicable).

The Nasdaq Security Status Updates page will provide the following fields of information: Effective Date, Symbol, Company Name, Issue Event, Downgrade Reason, Old Financial Status, and New Financial Status.

When Issued and When Distributed.<sup>35</sup> Nasdaq will separately publish when issued and when distributed information for all Nasdaq listed securities. “When issued” and “when distributed” refer to transactions that are made conditionally because a security has been authorized but not yet issued or distributed, respectively. Treasury securities, stock splits, and new issues of stocks and bonds all can be traded on a when-issued or when-distributed basis. This file will identify when a security is in either of these two states.

The file will provide the following fields of information: Effective Date, Issue Name, Symbol, When Issued Flag, and When Distributed Flag.

These three pages of information, together with the corporate actions information published by issuers and available on the Commission’s website and other sources, would enable any party to assemble its own set of corporate actions information. These pages will be updated at the same time as information is updated on the Daily List. As such, Nasdaq will have no material advantage in the sale of the Daily List relative to any other

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<sup>34</sup> The four basic categories of financial status are deficient, delinquent, bankrupt and normal. The deficient, bankrupt and delinquent categories are not mutually exclusive, and more than one of these categories may apply to a particular issuer.

<sup>35</sup> Nasdaq, *When Issued and When Distributed Flags*, available at <https://www.nasdaqtrader.com/Dynamic/SymDir/NasdaqWhenIssueWhenDistributed.txt>

vendor offering corporate actions information.<sup>36</sup> Nasdaq Ex-Date and Nasdaq Security Status will update every 15 minutes between 7:00 a.m. and 10:00 p.m. on trading days, as needed (no update will be sent if there are no changes). When Issued and When Distributed information will be updated at 8:00 a.m., 11:00 a.m., and 4:00 p.m. on trading days.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>37</sup> in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,<sup>38</sup> 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.

**Equitable Allocation of Reasonable Dues, Fees and Other Charges**

The proposed fees are an equitable allocation of reasonable dues, fees and other charges because: (i) the Daily List and Fundamental Data are subject to competition; (ii) the proposed fees are within the prevailing market price for comparable corporate actions products; (iii) exchange-specific information related to corporate actions will be available on the NasdaqTrader.com or a successor website; and (iv) customers can cancel the Daily List and Fundamental Data for any reason, including cost.

The Daily List and Fundamental Data are subject to competition.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in

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<sup>36</sup> Corporate actions information is not time sensitive in the same way as real-time data.

<sup>37</sup> 15 U.S.C. 78f(b).

<sup>38</sup> 15 U.S.C. 78f(b)(4) and (5).

the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues, and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>39</sup> Similarly, in *NetCoalition v. Securities and Exchange Commission*,<sup>40</sup> (“NetCoalition”), the D.C. Circuit upheld the Commission’s use of a market-based approach in evaluating the fairness of market data fees against a challenge claiming that Congress mandated a cost-based approach.<sup>41</sup> As the court emphasized, the Commission “intended in Regulation NMS that market forces, rather than regulatory requirements’ play a role in determining the market data . . . to be made available to investors and at what cost.”<sup>42</sup>

As explained above, Nasdaq has identified numerous competitors in the sale of corporate actions products, none of which are required to file fee changes with the Commission as an SRO, including S&P Global Corporate Actions, LSEG Equity Corporate Actions, and others. Corporate actions information is also available from the issuer, as well as in corporate filings on the SEC’s website. Information on the execution of corporate actions on the Nasdaq Exchange as well as information on issuer status will be available on NasdaqTrader.com or a successor website.

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<sup>39</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”); see also Securities Exchange Act Release No. 34-79701 (December 29, 2016), 82 FR 1381 (January 5, 2017) (SR-Nasdaq-2016-175) (discussion of competition in prior Daily List filing).

<sup>40</sup> *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010).

<sup>41</sup> See *id.* at 534-535

<sup>42</sup> *Id.* at 537.

The publication of all information that originates from the Exchange on NasdaqTrader.com, together with the corporate actions information published by issuers and available on the Commission's website and other sources, would enable any party to assemble its own set of corporate actions information. Nasdaq has no unique access to information that does not originate with the Exchange, and therefore has no inherent competitive advantage relative to any other vendor with respect to the gathering and dissemination of such information.<sup>43</sup>

Fundamental Data provides security master and market summary statistics on a T+1 basis for Nasdaq securities, as explained above. This next-day information can be replicated by any vendor of market information and is therefore subject to direct competition.

Nasdaq estimates that approximately 10 percent of its customers that consume Nasdaq US equity data purchase the Daily List.

The proposed fees are within the range of prevailing market rates.

The corporate actions products listed above are not subject to publication requirements for SRO products, and their fee schedules are not published and not on a publicly available price list. Nevertheless, based on Nasdaq's experience with and understanding of the market, monthly fees for corporate actions products appear to range between \$3,000 and \$12,000 per month or more. The proposal will raise Daily List fees to be within the range, at its lower end.

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<sup>43</sup> Moreover, corporate action information originating from Nasdaq is limited to Nasdaq-listed issuers; Nasdaq has no unique information related to issuers not listed on Nasdaq. Most vendors sell corporate actions information for companies listing on all exchanges.



Exchange-specific information will be available on NasdaqTrader.com.

As explained above, this information will be available on three pages: Nasdaq Ex-Date; Nasdaq Security Status Updates; and a When Issued/When Distributed page.

The information published on NasdaqTrader.com or successor website will provide materially the same information as published by NYSE. As noted above, the NYSE Corporate Actions product is not an exchange product published in NYSE's capacity as an SRO. Nasdaq understands that NYSE Corporate Actions is not filed as an SRO product because the corporate action information specific to NYSE as an SRO—related to the execution of corporate actions and issuer status—is available on the NYSE website. With this filing, Nasdaq is proposing to employ the same distribution structure currently employed by NYSE.<sup>44</sup>

The publication of this information, together with the corporate actions information published by issuers and available on the Commission's website and other sources, would enable any party to assemble its own set of corporate actions information. Because the information available on NasdaqTrader.com will be updated at the same time as the Daily List, Nasdaq will have no material advantage in the sale of its corporate actions product relative to any other vendor.

Customers can cancel these products for any reason, including cost.

Any Daily List customer would be able to obtain the information contained in the Daily List with other corporate actions products, or by compiling corporate actions information using publicly available data and the information to be published on

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<sup>44</sup> Nasdaq is considering submission of a filing to withdraw the Daily List from the Nasdaq rulebook on a future date. This filing, however, is limited to bringing Daily List fees more in line with prevailing market prices.

NasdaqTrader.com. The next-day information provided with Fundamental Data can be replicated by any vendor of market information. The Daily List and Fundamental Data can be cancelled by any customer for any reason, including cost.

### **No Unfair Discrimination**

The Daily List and Fundamental Data are purchased by a mix of exchanges, asset managers, hedge funds, banks, and media portals. No particular category of customer is more reliant on these products than any other category, and therefore none will disparately impacted by the proposed price change. As explained above, corporate actions products are available from many vendors, and any customer can replace the Daily List with any other corporate actions product or assemble such information on its own. The same is true for Fundamental Data.

In summary, the proposed fees are an equitable allocation of reasonable dues, fees and other charges because: (i) the Daily List and Fundamental Data are subject to competition; (ii) proposed fees are within the range of fees for comparable products; (iii) exchange-specific information related to corporate actions will be available on NasdaqTrader.com or a successor website; and (iv) customers can cancel the Daily List and Fundamental Data for any reason, including cost. For these reasons, the Exchange has provided a substantial basis demonstrating that the fee is equitable, fair, reasonable, and not unreasonably discriminatory, and therefore consistent with and in furtherance of the purposes of the Exchange Act.

#### 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.

### Inter-market Competition

Nothing in the Proposal burdens inter-market competition (the competition among self-regulatory organizations).

First, the Daily List can be replicated by any SRO, or any firm that compiles corporate actions information.<sup>45</sup> To the degree that the Daily List includes information about the Exchange's execution of corporate actions or issuer status, that same information will be publicly available on the NasdaqTrader.com or successor website. The remaining corporate actions information is available from issuers, on the SEC website, and other sources.

Nasdaq does not have unique access to the information that is provided through the product (except for the Exchange information that will be made publicly available), and market participants do not have an unqualified need for the information provided. Therefore, the price that Nasdaq can charge for the product is constrained by the ability of market participants to reduce their demand for the product and the ability of competitors to enter the market and profitably undercut any supracompetitive price increase.

If the price of this product were set above competitive levels, other vendors could determine whether the product was sufficiently attractive to their own customers to warrant incurring the costs associated with purchasing it for distribution. Since distributors are in competition with one another to attract customers, they must continually evaluate their cost base and the value of their product offering to customers to

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<sup>45</sup> As noted above, NYSE does not file its corporate actions product as an SRO product, and the other vendors of corporate actions products are not SROs.

determine whether they allow them to maximize profitability. This competition for customers provides another check on the price for proprietary data products such as the Daily List. To the extent that other exchanges seek to develop and market a corporate actions product, they are free to do so.

With respect to Fundamental Data, nothing in the proposal impedes the ability of any other SRO from introducing a similar product.

#### Intra-Market Competition

Nothing in the Proposal burdens intra-market competition (the competition among consumers of exchange data) because the Daily List and Fundamental Data are available to any customer under the same fee schedule as any other customer, and any market participant that wishes to purchase these products can do so on a non-discriminatory basis.

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,<sup>46</sup> the Exchange has designated this 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.

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<sup>46</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

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

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-2024-027)

June 17, 2024

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Reconfigure Fees for the Daily List and Fundamental Data to Better Reflect the Value of the Information Distributed

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 June 17, 2024, 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 reconfigure fees for the Daily List and Fundamental Data to better reflect the value of the information distributed.

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rules>, 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

Nasdaq proposes to reconfigure fees for the Daily List,<sup>3</sup> its corporate actions product,<sup>4</sup> to better reflect the value of the information distributed.<sup>5</sup>

First, Nasdaq proposes to increase the licensing fee for the Daily List, which also includes Fundamental Data, from \$1,750 to \$3,500 per month to better reflect its market value. Current fees for the Daily List are below the range of fees for other corporate actions products, none of which, except for the Daily List, are subject to the fee filing requirements that apply to Self-Regulatory Organizations (“SROs”).<sup>6</sup> Current fees for

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<sup>3</sup> See Equity 7, Section 122. The information contained in the Daily List includes information about the corporate actions of issuers (such as dividends, stock splits, and mergers and acquisitions), execution of corporate actions by the Exchange (such as execution dates and symbol changes), and information about issuer status.

<sup>4</sup> Corporate actions are undertakings by issuers that materially impact the value of their shares, such as, for example, the payment of dividends, stock splits, tender offers, or a merger and acquisition.

<sup>5</sup> This proposal was first submitted on June 3, 2024. See SR-Nasdaq-2024-024. On June 17, 2024, that filing was withdrawn and replaced with the instant filing to provide additional information in support of the proposal.

<sup>6</sup> As discussed in further detail below, the New York Stock Exchange sells a corporate actions product, but does not file SRO fees for that product. See New York Stock Exchange, *Corporate Actions*, available at <https://www.nyse.com/market-data/corporate-actions>. NYSE also publishes information related to the execution of corporate actions on a public website, as Nasdaq proposes to do with this filing. The remaining vendors that offer corporate actions products are not SROs.

comparable products are between \$3,000 and \$12,000 per month or more; the proposal will raise Daily List fees from below that range to within the range, at its lower end.<sup>7</sup>

Second, together with the proposed rule change, the Exchange will publish information about the execution of corporate actions by the Exchange, as well as information related to issuer status under Exchange rules, on NasdaqTrader.com or a successor website, at the same time as such information is updated on the Daily List. The dual publication of information on a public website and a corporate actions product is the same two-part structure used by the New York Stock Exchange, which does not file the fees for its corporate actions product as an SRO.<sup>8</sup>

Publication of information about the execution of corporate actions and corporate status by the Exchange on an open website will not require a rule change. Nasdaq already publishes information concerning certain corporate actions on NasdaqTrader.com, such as Market Center and financial status, and this change will simply add to the information made available to the public.

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<sup>7</sup> As discussed below, this estimate is based on Nasdaq's understanding of the market, as none of the competitor products have published fee schedules.

<sup>8</sup> NYSE publishes information on exchange implementation of corporate actions on two different web pages, one for corporate actions ([NYSE Corporate Actions](#)) and another for ex-date dividends ([NYSE Ex-Date Dividends](#)).



## The Daily List

The Daily List is a compendium of corporate actions information—including new listings, delistings, symbol name changes, dividends, and other information for the Nasdaq Stock Market.<sup>9</sup> It is comprised of the following sets of information:<sup>10</sup>

Nasdaq Equity Data: Provides notification of corporate actions information such as new listings, delistings, corporate name changes, trading symbol changes, market tier changes and Financial Status Indicator (FSI) changes that occur on the Nasdaq Global Select Market, Nasdaq Global Market and Nasdaq Capital Market.

Dividends: Provides notification of cash dividends, stock dividends and stock splits to Nasdaq securities.

Next Day Ex-Date: Summarizes the securities with dividend adjustments to be applied to the previous closing price on the next business day.<sup>11</sup>

Full historical information is available back to May 24, 1999. Daily List files for the current business month are available for download via a secured FTP interface, and from a secured website.

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<sup>9</sup> See Nasdaq, *Daily List*, available at <http://www.nasdaqtrader.com/Trader.aspx?id=DailyListPD>; see also Securities Exchange Act Release No. 68636 (January 11, 2013), 78 FR 3940 (January 17, 2013) (SR-Nasdaq-2013-009) (establishing fees for the Daily List and Fundamental Data products); Securities Exchange Act Release No. 34-79701 (December 29, 2016), 82 FR 1381 (January 5, 2017) (SR-Nasdaq-2016-175) (establishing current monthly fee for the Daily List and Fundamental Data).

<sup>10</sup> The last fee modification for the Daily List inadvertently identified the Mutual Fund Quotation Service (“MFQS”) as included with the Daily List product. See Securities Exchange Act Release No. 34-79701 (December 29, 2016), 82 FR 1381 (January 5, 2017) (SR-Nasdaq-2016-175). The Commission approved removal of MFQS from the Nasdaq rule book in 2008. See Securities Exchange Act Release No. 58392 (August 20, 2008), 73 FR 50382 (August 26, 2008) (SR-Nasdaq-2008-019). MFQS information was removed from the Daily List on October 17, 2011. See Nasdaq, “Data Technical News #2011-17” (September 1, 2011), available at <https://www.nasdaqtrader.com/TraderNews.aspx?id=dtm2011-017>. The identification of MFQS as information included in the Daily List Product in SR-Nasdaq-2016-175 was in error.

<sup>11</sup> The Daily List also includes a symbol directory and a list of dual-listed securities for reference.

All of the information published on the Daily List is from issuers, except for information related to the execution of corporate actions by the Exchange and issuer status under Exchange rules. Nasdaq receives corporate actions information from issuers on the same basis as any other market participant, with no inherent advantage in speed or access due to its unique position as an SRO.

Daily List is updated every 15 minutes between 7:00 a.m. and 10:00 p.m. on trading days.

### **Fundamental Data**

Nasdaq Fundamental Data provides security master and market summary statistics on a T+1 basis for Nasdaq securities.<sup>12</sup> The fundamental data report contains start of trading day information on Nasdaq equities, including trading summary data such as high and low price, total shares outstanding (TSO), Nasdaq Official Closing Price (NOCP), and public float.

Like the Daily List, Fundamental Data files are available via secured website or secured file transfer protocol server.

Fundamental Data is distributed with the Daily List as supplemental information.

### **Proposed Changes**

As summarized above, Nasdaq proposes to reconfigure fees for the Daily List to better reflect the value of the information distributed.

First, Nasdaq proposes to increase the licensing fee for the Daily List, which also includes Fundamental Data, from \$1,750 to \$3,500 per month to better reflect its market value. The Daily List faces competition from substitute products from a number of

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<sup>12</sup> See Supra, n.8.

vendors, none of which are required to file fees for their corporate actions products as SROs. Based on Nasdaq's understanding of the sale of corporate actions products, the fee range for competitor corporate actions products appears to be between \$3,000 and \$12,000 per month or more. The proposal will raise Daily List fees from below that range to within the range, at its lower end.

Second, together with the proposed rule change, the Exchange will make corporate actions executed by the Exchange and information related to issuer status under Exchange rules available to the public on NasdaqTrader.com or a successor website at the same time as on the Daily List. The dual publication of information on a public website and a corporate actions product is the same two-part structure used by the New York Stock Exchange, which does not file the fees for its corporate actions product as an SRO.

Publication of information about the execution of corporate actions and corporate status by the Exchange on an open website will not require a rule change. Nasdaq already publishes information concerning certain corporate actions on NasdaqTrader.com, such as Market Center and financial status, and this change merely adds to the information made available to the public.

#### Market for Corporate Actions Products

A corporate action is an undertaking by an issuer that materially impacts the value of its shares. Corporate actions range from making a change to a company's name to issuing a dividend or restructuring the company through a merger or bankruptcy. Common corporate actions include, but are not limited to, name or trading symbol

change, stock splits,<sup>13</sup> issuance of dividends, mergers and acquisitions, rights issue,<sup>14</sup> and liquidation or dissolution.<sup>15</sup>

Although corporate actions are undertaken by the issuer, certain corporate actions require activity by the Exchange to complete. One example of this is the Ex-Date for dividends. When a company declares a dividend, its board of directors establishes a record date. This is the date a person must be on the company's record as a shareholder to receive a dividend payment. Once the record date is set, the ex-dividend date is also set. For the Nasdaq Stock Exchange, the Ex-Date for dividends is generally set one business day prior to the record date, but a different date may be established under certain circumstances.<sup>16</sup>

The status of an issuer on a listing exchange, as reported by that exchange, is typically included in corporate actions products. For example, the Nasdaq Stock Exchange establishes requirements for the continued listing of issuers and standards for primary equity securities.<sup>17</sup> Nasdaq monitors and disseminates information on financial

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<sup>13</sup> This includes both the division of a stock into smaller shares and a reverse stock split that reduces the number of shares outstanding and increases the price per share.

<sup>14</sup> "Rights issue" refers to the issuance of "rights" to shareholders that entitle them to buy additional shares directly from the company in proportion to their existing holdings within a prescribed period.

<sup>15</sup> Liquidation is the process by which a company sells off its assets and closes its business. In liquidation, the company's assets are sold and the proceeds are used to pay off creditors. Dissolution is the last stage of liquidation, in which the assets and property of the company are redistributed.

<sup>16</sup> See Equity 11, Section 11140. Transactions in Securities "Ex-Dividend," "Ex-Rights" or "Ex-Warrants" ("All transactions in securities, except "cash" transactions, shall be "ex-dividend," "ex-rights" or "ex-warrants": (1) on the day specifically designated by Nasdaq Regulation after definitive information concerning the declaration and payment of a dividend or the issuance of rights or warrants has been received at the office of Nasdaq Regulation; or (2) on the day specified as such by the appropriate national securities exchange . . .").

<sup>17</sup> See, e.g., Nasdaq Stock Market Rules 5400 (Nasdaq Global Market), Section 5450 (Continued Listing Requirements and Standards for Primary Equity Securities) (setting forth a number of standards for continued listing, including standards related to market value).

status,<sup>18</sup> whether there has been a downgrade, and the reason for that downgrade, as applicable.

### Competitor Products

Nasdaq has identified numerous competitors in the market for corporate actions products, none of which file fee changes with the Commission as an SRO. A non-exhaustive list of vendors offering corporate actions products includes S&P Global, LSEG, Quodd, Barchart, Six Financial, Polygon.io, EDI, and FactSet. S&P Global states that its “unified Corporate Actions solution helps firms across a range of asset classes, market client types and business lines” with their corporate actions processing.<sup>19</sup> LSEG states that its Equity Corporate Actions tracks “all stocks which are primarily listed (or quoted) on 200+ key venues . . . .”<sup>20</sup> Quodd Financial Information Services, Inc. states that it provides “comprehensive access to global corporate actions and dividend content across dozens of data elements.”<sup>21</sup> Barchart.com, Inc. provides “corporate actions data on thousands of publicly-traded companies.”<sup>22</sup> Six Financial Information states that its corporate actions product “[c]overs more than 80 event types with the focus on the main

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<sup>18</sup> The four basic categories of financial status are deficient, delinquent, bankrupt and normal. The deficient, bankrupt and delinquent categories are not mutually exclusive, and more than one of these categories may apply to a particular issuer.

<sup>19</sup> See S&P Global Market Intelligence, *Corporate Actions*, available at <https://www.spglobal.com/marketintelligence/en/mi/products/corporate-actions.html>; see also S&P Global Market Intelligence, *Corporate Actions Product Brochure*, available at <https://cdn.ihsmarket.com/www/pdf/0323/SPGI-MI-Corporate-Actions-Brochure.pdf>.

<sup>20</sup> LSEG Data & Analytics, *Equity Corporate Actions*, available at <https://www.lseg.com/en/data-analytics/financial-data/corporate-actions-data/equity-corporate-actions>.

<sup>21</sup> Quodd Financial Information Services, Inc., *QX Digital Platform*, available at <https://quodd.com/universe/>.

<sup>22</sup> Barchart.com, Inc., *Corporate Actions Data*, available at <https://www.barchart.com/solutions/data/company/corporate-actions>

event attributes to allow simple tracking of corporate actions.”<sup>23</sup> Polygon.io, Inc. provides information on “company financials, stock market holidays, [and] corporate actions.”<sup>24</sup> Exchange Data International, Ltd. states that it offers “corporate actions data from over 150 exchanges worldwide.”<sup>25</sup> FactSet Research Systems Inc. advertises that it “offers a comprehensive view of global corporate actions data.”<sup>26</sup>

The New York Stock Exchange, an SRO, offers a corporate actions product that is not filed with its other SRO fees. NYSE states that its “Corporate Actions package is comprised of several reports providing over 60 different corporate actions types for all equities listed on NYSE Group (NYSE, NYSE American and NYSE Arca market centers), including but not limited to cash dividends, stock dividends, distributions, splits, new listings (IPOs), suspensions and delistings.”<sup>27</sup>

In addition to offering a corporate actions product, NYSE makes exchange-specific corporate actions information, such as ex-dates and financial status, available on a public website.<sup>28</sup> NYSE’s Corporate Actions product is disseminated by NYSE in its capacity

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<sup>23</sup> Six Financial Information USA Inc., *Corporate Action*, available at <https://www.six-group.com/en/products-services/financial-information/display-and-delivery-capabilities/sixflex/corporate-action.html#scrollTo=available-content>.

<sup>24</sup> Polygon.io, Inc., *Stocks API Documentation*, available at <https://polygon.io/docs/stocks/getting-started>.

<sup>25</sup> Exchange Data International, Ltd., *Worldwide Equity Corporate Actions*, available at <https://www.exchange-data.com/product/worldwide-corporate-actions-data/>.

<sup>26</sup> FactSet Research Systems Inc., *New Corporate Actions Report is Now Available in the Company/Security Tab*, available at <https://insight.factset.com/new-corporate-actions-report-is-now-available-in-the-company/security-tab>.

<sup>27</sup> New York Stock Exchange, *Corporate Actions*, available at <https://www.nyse.com/market-data/corporate-actions> (“The Corporate Actions of NYSE Group Listings provide daily and intraday event updates for securities including stock splits, dividends, rights issues, spin-offs, and much more.”); see also NYSE, *Corporate Actions for NYSE Group Listings*, available at <https://www.nyse.com/market-data/corporate-actions/corporate-actions-for-nyse-group-listings> (providing additional information about the NYSE Corporate Actions product).

<sup>28</sup> See [NYSE Corporate Actions; NYSE Ex-Date Dividends](#).

as a vendor of financial information, not in its capacity as an exchange, and is not included in the NYSE rulebook. Nasdaq's proposal to reformulate the Daily List is modeled on this structure.

This is not an exhaustive list of products. For example, Nasdaq as a vendor of financial information makes corporate actions information from third parties available on its website.<sup>29</sup>

None of these vendors of corporate actions products publish their fees. Based on Nasdaq's understanding of the market, the fee range for these products appears to be between \$3,000 and \$12,000 per month or more.

#### Publication of Exchange Information

The Exchange proposes to publish information that originates from the Exchange related to the execution of corporate actions as well as issuer status updates on a public website. This Exchange information will be published on the following three pages on NasdaqTrader.com (or a successor website): Nasdaq Ex-Date; Nasdaq Security Status Updates; and When Issued/When Distributed.

Nasdaq Ex-Date.<sup>30</sup> The Nasdaq Ex-Date will provide the execution date for dividends. The dividend Ex-Date is generally set for stocks one business day prior the record date, according to the settlement cycle, except under specified circumstances. However, there are occasions when Ex-dates are not set one business day prior to the record date, such as when a date is floating. Under those circumstances, the Ex-Date will

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<sup>29</sup> See QuantRocket, *Sharadar Data*, available at <https://www.quantrocket.com/sharadar/> (including corporate event data sources from SEC Form 8-K filings with history since 1993).

<sup>30</sup> See Nasdaq, *Nasdaq Ex-Date*, available at <https://www.nasdaqtrader.com/Trader.aspx?id=NASDAQ-EX-DATE&from=05%2F01%2F2024&to=05%2F22%2F2024>.

be set by the Exchange and provided to the public on NasdaqTrader.com or a successor website.

The Nasdaq Ex-Date page will provide the following fields of information: Issue Symbol, Issuer Name, Ex Date, Record Date, and Pay Date.

Nasdaq Security Status Updates.<sup>31</sup> The execution of corporate actions and issuer status under Exchange rules will be published on a page dedicated to status updates. These include security additions, anticipated additions, deletions (delistings)<sup>32</sup> and suspensions; name and symbol changes; market center changes<sup>33</sup>; and financial status changes<sup>34</sup> (old financial status, new financial status, and downgrade reason, if applicable).

The Nasdaq Security Status Updates page will provide the following fields of information: Effective Date, Symbol, Company Name, Issue Event, Downgrade Reason, Old Financial Status, and New Financial Status.

When Issued and When Distributed.<sup>35</sup> Nasdaq will separately publish when issued and when distributed information for all Nasdaq listed securities. “When issued” and “when distributed” refer to transactions that are made conditionally because a

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<sup>31</sup> Nasdaq, *Nasdaq Security Status Updates*, available at <https://www.nasdaqtrader.com/Trader.aspx?id=NASDAQ-SECURITY-STATUS-UPDATES&FROM=05%2F21%2F2024&TO=05%2F21%2F2024>.

<sup>32</sup> Securities pending suspension or delisting are also published on the Nasdaq Listing Center. See *Nasdaq, Issues Pending Suspension or Delisting*, available at <https://listingcenter.nasdaq.com/IssuersPendingSuspensionDelisting.aspx>

<sup>33</sup> The three Nasdaq market centers are the Nasdaq Global Select Market, the Nasdaq Global Market, and the Nasdaq Capital Market.

<sup>34</sup> The four basic categories of financial status are deficient, delinquent, bankrupt and normal. The deficient, bankrupt and delinquent categories are not mutually exclusive, and more than one of these categories may apply to a particular issuer.

<sup>35</sup> Nasdaq, *When Issued and When Distributed Flags*, available at <https://www.nasdaqtrader.com/Dynamic/SymDir/NasdaqWhenIssueWhenDistributed.txt>



security has been authorized but not yet issued or distributed, respectively. Treasury securities, stock splits, and new issues of stocks and bonds all can be traded on a when-issued or when-distributed basis. This file will identify when a security is in either of these two states.

The file will provide the following fields of information: Effective Date, Issue Name, Symbol, When Issued Flag, and When Distributed Flag.

These three pages of information, together with the corporate actions information published by issuers and available on the Commission's website and other sources, would enable any party to assemble its own set of corporate actions information. These pages will be updated at the same time as information is updated on the Daily List. As such, Nasdaq will have no material advantage in the sale of the Daily List relative to any other vendor offering corporate actions information.<sup>36</sup> Nasdaq Ex-Date and Nasdaq Security Status will update every 15 minutes between 7:00 a.m. and 10:00 p.m. on trading days, as needed (no update will be sent if there are no changes). When Issued and When Distributed information will be updated at 8:00 a.m., 11:00 a.m., and 4:00 p.m. on trading days.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>37</sup> in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,<sup>38</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and

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<sup>36</sup> Corporate actions information is not time sensitive in the same way as real-time data.

<sup>37</sup> 15 U.S.C. 78f(b).

<sup>38</sup> 15 U.S.C. 78f(b)(4) and (5).

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.

### **Equitable Allocation of Reasonable Dues, Fees and Other Charges**

The proposed fees are an equitable allocation of reasonable dues, fees and other charges because: (i) the Daily List and Fundamental Data are subject to competition; (ii) the proposed fees are within the prevailing market price for comparable corporate actions products; (iii) exchange-specific information related to corporate actions will be available on the NasdaqTrader.com or a successor website; and (iv) customers can cancel the Daily List and Fundamental Data for any reason, including cost.

#### The Daily List and Fundamental Data are subject to competition.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues, and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>39</sup> Similarly, in *NetCoalition v. Securities and Exchange Commission*,<sup>40</sup> (“NetCoalition”), the D.C. Circuit upheld the Commission’s use of a market-based approach in evaluating the fairness of market data fees against a challenge claiming that Congress mandated a cost-

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<sup>39</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”); see also Securities Exchange Act Release No. 34-79701 (December 29, 2016), 82 FR 1381 (January 5, 2017) (SR-Nasdaq-2016-175) (discussion of competition in prior Daily List filing).

<sup>40</sup> *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010).

based approach.<sup>41</sup> As the court emphasized, the Commission “intended in Regulation NMS that market forces, rather than regulatory requirements’ play a role in determining the market data . . . to be made available to investors and at what cost.”<sup>42</sup>

As explained above, Nasdaq has identified numerous competitors in the sale of corporate actions products, none of which are required to file fee changes with the Commission as an SRO, including S&P Global Corporate Actions, LSEG Equity Corporate Actions, and others. Corporate actions information is also available from the issuer, as well as in corporate filings on the SEC’s website. Information on the execution of corporate actions on the Nasdaq Exchange as well as information on issuer status will be available on NasdaqTrader.com or a successor website.

The publication of all information that originates from the Exchange on NasdaqTrader.com, together with the corporate actions information published by issuers and available on the Commission’s website and other sources, would enable any party to assemble its own set of corporate actions information. Nasdaq has no unique access to information that does not originate with the Exchange, and therefore has no inherent competitive advantage relative to any other vendor with respect to the gathering and dissemination of such information.<sup>43</sup>

Fundamental Data provides security master and market summary statistics on a T+1 basis for Nasdaq securities, as explained above. This next-day information can be

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<sup>41</sup> See *id.* at 534-535

<sup>42</sup> *Id.* at 537.

<sup>43</sup> Moreover, corporate action information originating from Nasdaq is limited to Nasdaq-listed issuers; Nasdaq has no unique information related to issuers not listed on Nasdaq. Most vendors sell corporate actions information for companies listing on all exchanges.

replicated by any vendor of market information and is therefore subject to direct competition.

Nasdaq estimates that approximately 10 percent of its customers that consume Nasdaq US equity data purchase the Daily List.

The proposed fees are within the range of prevailing market rates.

The corporate actions products listed above are not subject to publication requirements for SRO products, and their fee schedules are not published and not on a publicly available price list. Nevertheless, based on Nasdaq's experience with and understanding of the market, monthly fees for corporate actions products appear to range between \$3,000 and \$12,000 per month or more. The proposal will raise Daily List fees to be within the range, at its lower end.

Exchange-specific information will be available on NasdaqTrader.com.

As explained above, this information will be available on three pages: Nasdaq Ex-Date; Nasdaq Security Status Updates; and a When Issued/When Distributed page.

The information published on NasdaqTrader.com or successor website will provide materially the same information as published by NYSE. As noted above, the NYSE Corporate Actions product is not an exchange product published in NYSE's capacity as an SRO. Nasdaq understands that NYSE Corporate Actions is not filed as an SRO product because the corporate action information specific to NYSE as an SRO—related to the execution of corporate actions and issuer status—is available on the NYSE

website. With this filing, Nasdaq is proposing to employ the same distribution structure currently employed by NYSE.<sup>44</sup>

The publication of this information, together with the corporate actions information published by issuers and available on the Commission's website and other sources, would enable any party to assemble its own set of corporate actions information. Because the information available on NasdaqTrader.com will be updated at the same time as the Daily List, Nasdaq will have no material advantage in the sale of its corporate actions product relative to any other vendor.

Customers can cancel these products for any reason, including cost.

Any Daily List customer would be able to obtain the information contained in the Daily List with other corporate actions products, or by compiling corporate actions information using publicly available data and the information to be published on NasdaqTrader.com. The next-day information provided with Fundamental Data can be replicated by any vendor of market information. The Daily List and Fundamental Data can be cancelled by any customer for any reason, including cost.

### **No Unfair Discrimination**

The Daily List and Fundamental Data are purchased by a mix of exchanges, asset managers, hedge funds, banks, and media portals. No particular category of customer is more reliant on these products than any other category, and therefore none will disparately impacted by the proposed price change. As explained above, corporate actions products are available from many vendors, and any customer can replace the

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<sup>44</sup> Nasdaq is considering submission of a filing to withdraw the Daily List from the Nasdaq rulebook on a future date. This filing, however, is limited to bringing Daily List fees more in line with prevailing market prices.

Daily List with any other corporate actions product or assemble such information on its own. The same is true for Fundamental Data.

In summary, the proposed fees are an equitable allocation of reasonable dues, fees and other charges because: (i) the Daily List and Fundamental Data are subject to competition; (ii) proposed fees are within the range of fees for comparable products; (iii) exchange-specific information related to corporate actions will be available on NasdaqTrader.com or a successor website; and (iv) customers can cancel the Daily List and Fundamental Data for any reason, including cost. For these reasons, the Exchange has provided a substantial basis demonstrating that the fee is equitable, fair, reasonable, and not unreasonably discriminatory, and therefore consistent with and in furtherance of the purposes of the Exchange Act.

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.

Inter-market Competition

Nothing in the Proposal burdens inter-market competition (the competition among self-regulatory organizations).

First, the Daily List can be replicated by any SRO, or any firm that compiles corporate actions information.<sup>45</sup> To the degree that the Daily List includes information about the Exchange's execution of corporate actions or issuer status, that same

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<sup>45</sup> As noted above, NYSE does not file its corporate actions product as an SRO product, and the other vendors of corporate actions products are not SROs.

information will be publicly available on the NasdaqTrader.com or successor website. The remaining corporate actions information is available from issuers, on the SEC website, and other sources.

Nasdaq does not have unique access to the information that is provided through the product (except for the Exchange information that will be made publicly available), and market participants do not have an unqualified need for the information provided. Therefore, the price that Nasdaq can charge for the product is constrained by the ability of market participants to reduce their demand for the product and the ability of competitors to enter the market and profitably undercut any supracompetitive price increase.

If the price of this product were set above competitive levels, other vendors could determine whether the product was sufficiently attractive to their own customers to warrant incurring the costs associated with purchasing it for distribution. Since distributors are in competition with one another to attract customers, they must continually evaluate their cost base and the value of their product offering to customers to determine whether they allow them to maximize profitability. This competition for customers provides another check on the price for proprietary data products such as the Daily List. To the extent that other exchanges seek to develop and market a corporate actions product, they are free to do so.

With respect to Fundamental Data, nothing in the proposal impedes the ability of any other SRO from introducing a similar product.

### Intra-Market Competition

Nothing in the Proposal burdens intra-market competition (the competition among consumers of exchange data) because the Daily List and Fundamental Data are available to any customer under the same fee schedule as any other customer, and any market participant that wishes to purchase these products can do so on a non-discriminatory basis.

#### 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.<sup>46</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:

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<sup>46</sup> 15 U.S.C. 78s(b)(3)(A)(ii).



Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-NASDAQ-2024-027 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-2024-027. 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 (<https://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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or

subject to copyright protection. All submissions should refer to file number SR-NASDAQ-2024-027 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>47</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>47</sup> 17 CFR 200.30-3(a)(12).

**EXHIBIT 5**

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

**THE NASDAQ STOCK MARKET LLC RULES**

**Equity Rules**

**Equity 7: Pricing Schedule**

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**Section 122. Historical Research and Administrative Reports**

(a) – (d) No change

(e) The charge to be paid by the purchaser for a license to receive Daily List and Fundamental Data information is [~~\$1,750~~]\$3,500 per month for any purchaser who has access to these reports during the month.

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