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Page 1 of * 41

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

File No. * SR 2024 - * 061

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 *).

Proposal to Amend Certain Fees Based on the Rate of Inflation

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 10/15/2024


(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: 2024.10.15 16:42:01 -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 EFFS website.

Form 19b-4 Information *

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SR-NASDAQ-2024-061 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-2024-061 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-2024-061 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”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend certain fees based on the rate of inflation, as described further below.

While these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on January 1, 2025.

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

¹ 15 U.S.C. 78s(b)(1).

² 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

The purpose of the proposed rule change is to adjust market data fees for inflation, to be operative January 1, 2025.

Many Nasdaq market data fees have not changed for years, some for over 15. As such, the fees have fallen substantially in real terms. The Exchange proposes to restore fees to the real amount intended in the original filings in a one-time inflationary adjustment. This adjustment will be executed in three parts: 45 percent in 2025; 30 percent in 2026; and the final 25 percent in 2027. The Exchange believes that it is necessary to spread the impact of this one-time adjustment for past inflation to prevent any undue impact that execution in a single tranche may have on our customers.³

The proposed fee increases will apply to ten product families within Nasdaq: (i) Distributor Fees; (ii) Short Interest; (iii) Depth of Book; (iv) Distribution Models; (v) FilterView; (vi) Nasdaq Last Sale; (vii) Nasdaq Share Volume; (viii) Nasdaq Basic; (ix) Daily Short Volume; and (x) MatchView. A detailed list of fee adjustments is set forth below. The Exchange is not proposing to adjust fees for non-professional usage, administrative fees, extranet fees, or certain categories of Non-Display usage. The Exchange plans to use this inflationary adjustment to support continued investment in innovative, high-quality data products.

³ This proposal will adjust for inflation up to August 2024. Depending on inflation thereafter, further adjustments may, or may not, be necessary.

Investments in Nasdaq Data Products

Nasdaq has continuously invested in its products in the period after the current fees were first instituted to accommodate the increasing amount of information processed and the changes in technology over time. It is reasonable and consistent with the Act for the Exchange to recoup its investments, at least in part, by adjusting its fees. Continuing to operate at fees frozen in time impacts the Exchange's ability to enhance its offerings and the interests of market participants and investors.

These investments have been necessary in part because of significant increases in the amount of information processed. To cite two examples, average total messages for Nasdaq Basic grew by 121% and Nasdaq TotalView grew by 213% between January 2018 and August 2024. The Exchange expended resources to improve its market data products to meet customer expectations notwithstanding this increase in message traffic, including investments in all aspects of the technology ecosystem (e.g., software, hardware, and network).

The Exchange continues to invest in enhancing its technology for the benefit and often at the behest of its customers. Yet the Exchange has not adjusted any of the fees included in this proposal for many years (as set forth below), to even partially offset the costs of maintaining and enhancing its market data offerings.

Inflationary Index

The fee increases the Exchange proposes are based on an industry-specific Producer Price Index (PPI), which is a tailored measure of inflation.⁴ As a general matter, the Producer Price Index is a family of indexes that measures the average change

⁴ See <https://fred.stlouisfed.org/series/PCU51825182#0>.

over time in selling prices received by domestic producers of goods and services, measuring price change from the perspective of the seller. This contrasts with other metrics, such as the Consumer Price Index (CPI), that measure price change from the purchaser's perspective.⁵

About 10,000 PPIs for individual products and groups of products are tracked and released each month.⁶ PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector's output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the Data Processing and Related Services PPI (“Data Processing PPI”), which is an industry net-output PPI that measures the average change in selling prices received by companies that provide data processing services. The Data Processing PPI was introduced in January 2002 by the Bureau of Labor Statistics (BLS) as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is identified as NAICS - 518210 in the North American Industry Classification System.⁷ According to the BLS “[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists

⁵ See <https://www.bls.gov/ppi/overview.htm>.

⁶ See <https://www.bls.gov/ppi/overview.htm>.

⁷ NAICS appears in table 5 of the PPI Detailed Report and is available at <https://data.bls.gov/timeseries/PCU518210518210>.

of vendors who use their own computer systems—often utilizing proprietary software—to process customers’ transactions and data. Companies that offer processing services collect, organize, and store a customer’s transactions and other data for record-keeping purposes. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in index calculation are the actual prices billed for the selected service contract.”⁸

The Exchange believes the Data Processing PPI is an adequate measure to for adjusting fees for its proprietary market data products because the Exchange uses its “own computer systems” and “proprietary software,” i.e., its own data center and proprietary matching engine software, respectively, to collect, organize, store and report customers’ transactions in U.S. equity securities.⁹

The Exchange furthermore notes that the Data Processing PPI is a stable metric with limited volatility, unlike other consumer-side inflation metrics. The Data Processing PPI has not experienced a greater than 2.16% increase for any one calendar year period since Data Processing PPI was introduced into the PPI in January 2002. The average

⁸ See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-servicesindustry-naics-518210.htm>.

⁹ The Exchange notes that the Bureau of Labor Statistics uses a number of measures of inflation that may apply to Exchange market data. For example, there is also an inflation measure related to PPI industry data for data processing, hosting and related services-Hosting, ASP, and other IT infrastructure provisioning services. This other measure has been used by other SROs in determining price changes and may provide an alternative point of reference.

calendar year change from January 2002 to December 2023 was 0.62%, with a cumulative increase of 15.67% over this 21-year period.

The Exchange notes that other exchanges have filed for increases in certain fees, based in part on the rate of inflation.¹⁰

Calculation and Proposed Fee Changes

The proposed inflationary adjustments are based on a comparison of the Data Processing PPI index on the last date that the relevant fee was adjusted with the level of the Data Processing PPI index on August 1, 2024. For example, for a fee that was last changed on September 1, 2010, the Exchange divided the Data Processing PPI index on August 2024 (116.022) by the Data Processing PPI index in September 2010 (101.7), to calculate a total inflationary adjustment of 14 percent to obtain the percentage increase. That percentage increase was then applied to the prior fee to determine the proposed fee, and then rounding the result.¹¹ This calculation was repeated for each market data fee.

As noted above, the Exchange proposes to adjust fees through a one-time inflationary adjustment to be executed in three tranches: one in 2025 that will cover 45 percent of the adjustment, another in 2026 to cover an additional 30 percent, and a final tranche in 2027 for the final 25 percent of the adjustment.

Table 1 below shows the total amount of inflationary change, the proposed fee for 2025, and the date of the last fee change. Specifically, the column labeled “Total

¹⁰ See, e.g., Securities Exchange Act Release Nos. 34-100004 (April 22, 2024), 89 FR 32465 (April 26, 2024) (SR-CboeBYX-2024-012); and 34-100398 (June 21, 2024), 89 FR 53676 (June 27, 2024) (SR-BOX-2024-16); Securities Exchange Act Release No. 100994 (September 10, 2024), 89 FR 75612 (September 16, 2024) (SR-NYSEARCA-2024-79).

¹¹ The Exchange rounded fees as follows: fee values over \$999.99 were rounded to the nearest \$10; fees between \$99.99 and \$999.99 were rounded to the nearest dollar; fees between \$9.99 and \$99.99 were rounded to the nearest \$0.50; fees less than \$9.99 were rounded to the nearest \$0.10.

Inflation” shows the proposed fee after all three tranches have been executed. The column labeled “Proposed Fee 2025” shows the proposed fee to be operational on January 1, 2025. The final column shows the date of the last fee change, which was used to obtain the PPI Data index number that was used in calculating inflation.

Table 1: Proposed Inflationary Adjustment

Product	Current Fee	Total Inflation	Proposed Fee 2025	Date of Last Change
Market Data Distributor Fees				
Direct Access Fee (Nasdaq)	\$2,000	\$2,280	\$2,125	9/1/2010 ¹²
Direct Access Fee (Non-Nasdaq)	\$1,000	\$1,140	\$1,065	9/1/2010 ¹³
Internal Distributor Fee (Nasdaq)	\$1,000	\$1,160	\$1,070	7/1/2006 ¹⁴
Internal Distributor Fee (Non-Nasdaq)	\$500	\$580	\$540	7/1/2006 ¹⁵
External Distributor Fee (Nasdaq)	\$2,500	\$2,900	\$2,680	7/1/2006 ¹⁶
External Distributor Fee (Non-Nasdaq)	\$1,250	\$1,430	\$1,340	7/1/2006 ¹⁷
Short Interest Report				
Access Fee	\$500	\$544	\$520	7/1/2017 ¹⁸
Internal Distribution	\$1,000	\$1,090	\$1,040	7/1/2017 ¹⁹

¹² See Securities Exchange Act Release No. 62907 (September 14, 2010), 75 FR 57324 (September 20, 2010) (SR-Nasdaq-2010-110).

¹³ See *id.*

¹⁴ See Securities Exchange Act Release No. 54179 (July 20, 2006), 71 FR 42428 (July 26, 2006) (SR-Nasdaq-2006-013).

¹⁵ See *id.*

¹⁶ See *id.*

¹⁷ See *id.*

¹⁸ See Securities Exchange Act Release No. 81256 (July 28, 2017), 82 FR 36168 (August 3, 2017) (SR-Nasdaq-2017-077).

¹⁹ See *id.*

External Distribution (1-499 Subscribers)	\$2,500	\$2,720	\$2,600	7/1/2017 ²⁰
External Distribution (500-9,999 Subscribers)	\$5,000	\$5,440	\$5,200	7/1/2017 ²¹
External Distribution (10,000+ Subscribers)	\$7,500	\$8,160	\$7,800	7/1/2017 ²²
External Distribution (Enterprise License)	\$1,500	\$1,630	\$1,560	7/1/2017 ²³
Depth-of-Book Data				
Level 2 Pro	\$76	\$86.50	\$80.50	3/1/2012 ²⁴
TotalView Pro	\$76	\$86.50	\$80.50	3/1/2012 ²⁵
Non-Display (1-39 Subscribers)	\$375	\$422	\$396	1/1/2016 ²⁶
Non-Display (40-99 Subscribers)	\$15,000	\$16,864	\$15,840	1/1/2016 ²⁷
Non-Display (100-249 Subscribers)	\$30,000	\$33,727	\$31,680	1/1/2016 ²⁸
Trading Platform Fee	\$5,000	\$5,600	\$5,270	12/1/2014 ²⁹
Distribution Models				
Enhanced Display Solutions (EDS) (1-399)	\$4,000	\$4,480	\$4,220	11/1/2014 ³⁰
Enhanced Display Solutions (400-999)	\$7,500	\$8,400	\$7,910	11/1/2014 ³¹

²⁰ [See id.](#)

²¹ [See id.](#)

²² [See id.](#)

²³ [See id.](#)

²⁴ [See](#) Securities Exchange Act Release No. 66740 (April 5, 2012), 77 FR 21609 (April 10, 2012) (SR- Nasdaq-2012-042).

²⁵ [See id.](#)

²⁶ [See](#) Securities Exchange Act Release No. 76779 (December 28, 2015), 81 FR 131 (January 4, 2016) (SR- Nasdaq-2015-157).

²⁷ [See id.](#)

²⁸ [See id.](#)

²⁹ [See](#) Securities Exchange Act Release No. 73978 (January 2, 2015), 80 FR 1057 (January 8, 2015) (SR- Nasdaq-2014-125).

³⁰ [See](#) Securities Exchange Act Release No. 73807 (December 10, 2014), 79 FR 74784 (December 16, 2014) (SR- Nasdaq-2014-117).

³¹ [See id.](#)

Enhanced Display Solutions (1,000+)	\$15,000	\$16,800	\$15,810	11/1/2014 ³²
Enhanced Display Solutions Professional	\$80	\$89.50	\$84.50	11/1/2014 ³³
Enhanced Display Solutions Enterprise License	\$33,500	\$36,810	\$34,990	2/1/2017 ³⁴
Enterprise License Professional	\$76	\$86.50	\$80.50	3/1/2012 ³⁵
Managed Data Solution per Distributor	\$2,500	\$2,810	\$2,640	1/1/2016 ³⁶
Managed Data Solution per Professional	\$375	\$422	\$396	1/1/2016 ³⁷
FPGA Internal	\$25,000	\$28,490	\$26,570	5/1/2012 ³⁸
FPGA External	\$2,500	\$2,850	\$2,660	5/1/2012 ³⁹
FGPA Internal and External	\$27,500	\$31,340	\$29,230	5/1/2012 ⁴⁰
Managed Data Solution Administration Fee first Subscriber	\$5,000	\$5,620	\$5,280	1/1/2016 ⁴¹
Managed Data Solution Administration Fee additional Subscribers	\$750	\$840	\$792	1/1/2016 ⁴²
FilterView Service				

³² See id.

³³ See id.

³⁴ See Securities Exchange Act Release No. 80015 (February 10, 2017), 82 FR 10944 (February 16, 2017) (SR-Nasdaq-2017-007).

³⁵ See Securities Exchange Act Release No. 66740 (April 5, 2012), 77 FR 21609 (April 10, 2012) (SR-Nasdaq-2012-042).

³⁶ See Securities Exchange Act Release No. 76797 (December 30, 2015), 81 FR 544 (January 6, 2016) (SR-Nasdaq-2015-158).

³⁷ See Securities Exchange Act Release No. 76779 (December 28, 2015), 81 FR 131 (January 4, 2016) (SR-Nasdaq-2015-157)

³⁸ See Securities Exchange Act Release No. 76297 (June 28, 2012), 77 FR 39752 (July 5, 2012) (SR-Nasdaq-2012-063).

³⁹ See id.

⁴⁰ See id.

⁴¹ See Securities Exchange Act Release No. 76797 (December 30, 2015), 81 FR 544 (January 6, 2016) (SR-Nasdaq-2015-158).

⁴² See id.

FilterView	\$750	\$816	\$780	12/1/2017 ⁴³
Nasdaq Last Sale (NLS)				
NLS per Subscriber (Nasdaq—Specialized Use)	\$13	\$14	\$13.50	2/1/2018 ⁴⁴
NLS per Subscriber (non- Nasdaq—Specialized Use)	\$13	\$14	\$13.80	2/1/2018 ⁴⁵
NLS Distributor	\$1,500	\$1,720	\$1,600	7/1/2008 ⁴⁶
NLS Distributor (Specialized Use)	\$2,000	\$2,170	\$2,080	2/1/2018 ⁴⁷
Nasdaq Share Volume Service				
Access Fee	\$2,500	\$2,900	\$2,680	2/1/2007 ⁴⁸
Nasdaq Basic				
Subscriber Fee (Nasdaq)	\$13	\$14.50	\$13.50	1/1/2014 ⁴⁹
Subscriber Fee (NYSE)	\$6.50	\$7.30	\$6.90	1/1/2014 ⁵⁰
Subscriber Fee (Other)	\$6.50	\$7.30	\$6.90	1/1/2014 ⁵¹
Distributor Fee (Internal)	\$1,500	\$1,720	\$1,600	1/1/2009 ⁵²
Distributor Fee (External)	\$2,000	\$2,170	\$2,080	1/1/2018 ⁵³

⁴³ See Securities Exchange Act Release No. 82467 (January 9, 2018), 83 FR 2261 (January 16, 2018) (SR-Nasdaq-2017-134).

⁴⁴ See Securities Exchange Act Release No. 82723 (February 15, 2018), 83 FR 7812 (February 22, 2018) (SR-Nasdaq-2018-010).

⁴⁵ See *id.*

⁴⁶ See Securities Exchange Act Release No. 55255 (February 8, 2007), 72 FR 7100 (February 14, 2007) (SR-Nasdaq-2006-060).

⁴⁷ See Securities Exchange Act Release No. 82723 (February 15, 2018), 83 FR 7812 (February 22, 2018) (SR-Nasdaq-2018-010).

⁴⁸ See Securities Exchange Act Release No. 55444 (March 12, 2007), 72 FR 12648 (March 16, 2007) (SR-Nasdaq-2007-006).

⁴⁹ See Securities Exchange Act Release No. 71507 (February 7, 2014), 79 FR 8763 (February 13, 2014) (SR-Nasdaq-2014-011).

⁵⁰ See *id.*

⁵¹ See *id.*

⁵² Securities Exchange Act Release No. 59244 (January 13, 2009), 74 FR 4065 (January 22, 2009) (SR-Nasdaq-2008-102).

⁵³ Securities Exchange Act Release No. 82541 (January 19, 2018), 83 FR 3790 (January 26, 2018) (SR-Nasdaq-2018-004).

Nasdaq Daily Short Volume and Monthly Short Sale Transaction Files				
Internal Distribution	\$750	\$824	\$783	1/1/2017 ⁵⁴
External Distribution	\$1,250	\$1,370	\$1,300	1/1/2017 ⁵⁵
Nasdaq MatchView Feed				
One Server	\$5,000	\$5,690	\$5,310	10/1/2011 ⁵⁶
Two or more Servers	\$10,000	\$11,380	\$10,620	10/1/2011 ⁵⁷

b. Statutory Basis

The Exchange believes that its proposal to change fees is consistent with Section 6(b) of the Act,⁵⁸ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,⁵⁹ 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.

This belief is based on two factors. First, the current fees do not properly reflect the quality of the services and products, as fees for the services and products in question have been static in nominal terms, and therefore falling in real terms due to inflation. Second, the Exchange believes that investments made in enhancing the capacity of Exchange systems have increased the performance of the services and products notwithstanding fees having remained static in nominal terms.

⁵⁴ See Securities Exchange Act Release No. 79617 (December 20, 2016), 81 FR 95213 (December 27, 2016) (SR-Nasdaq-2016-168).

⁵⁵ See *id.*

⁵⁶ Securities Exchange Act Release No. 65525 (October 11, 2011), 76 FR 64158 (October 17, 2011) (SR-Nasdaq-2011-139).

⁵⁷ See *id.*

⁵⁸ 15 U.S.C. 78f(b).

⁵⁹ 15 U.S.C. 78f(b)(4) and (5).

Equitable Allocation of Reasonable Dues, Fees and Other Charges

The proposed changes are an equitable allocation of reasonable dues, fees and other charges because, as noted above, the Exchange has not increased any of the fees included in the proposal since the dates indicated in Table 1. In the years following the last fee increase, the Exchange has made significant investments in upgrades to Exchange systems and enhancing the quality of its services as measured by, among other things, increased throughput. As such, Exchange customers have benefitted while the Exchange's ability to recoup its investments has been hampered, and Exchange fees have fallen in real terms during the relevant period.

Between 2018 and 2023, for example, the overall inflation rate was an average of 3.93% per year, producing a cumulative inflation rate of 21.28%.⁶⁰ Using the more targeted inflation number of Data Processing PPI, the cumulative inflation rate was 8.07%.⁶¹ The Exchange believes the Data Processing PPI is a reasonable metric for this fee increase because it is targeted to producer-side increases in the data processing industry, which, based on the definition adopted by BLS, would include the Exchange's market data products. Notwithstanding this inflation, the Exchange has not increased its fees for the subject services for the period of time indicated in Table 1, and therefore the proposed fee changes represent a reasonable increase from the current fees.

The Exchange believes the proposed fee increase is reasonable in light of the Exchange's continued expenditure in maintaining a robust technology ecosystem. The Exchange continues to invest in maintaining and enhancing its market data products for

⁶⁰ See <https://www.officialdata.org/us/inflation/2019?endYear=2023&amount=1>

⁶¹ See <https://data.bls.gov/timeseries/PCU518210518210>.

the benefit and often at the behest of its customers and global investors. Such enhancements include refreshing all aspects of the technology ecosystem including software, hardware, and network while introducing new and innovative products. The goal of these enhancements, among other things, is to provide faster and more consistent market data products. The Exchange continues to expend resources to innovate and modernize technology so that it may benefit its members in offering its market data products.

The Proposal Does Not Permit Unfair Discrimination

The proposed fee increases are not unfairly discriminatory because they would apply to all data recipients that choose to purchase the market data products identified above. Any person that chooses to purchase any of these products would be subject to the same fee schedule, regardless of what type of business they operate or the use they plan to make of the data feed. Additionally, the fee increase would be applied uniformly to subscribers without regard to Exchange membership status or the extent of any other business with the Exchange or affiliated entities.

The proposed changes are also not unfairly discriminatory because the fees would be assessed uniformly across all market participants that purchase these products in the same manner they are today, and all products will remain available for purchase by all market participants.

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.

Intramarket Competition

The proposed fees do not put any market participants at a relative disadvantage compared to other market participants. As noted above, the fee schedule would continue to apply to all customers of the market data products identified above in the same manner as it does today, albeit at inflation-adjusted rates for certain fees, and customers may choose whether to subscribe to the feed at all. The Exchange also believes that the level of the proposed fees neither favors nor penalizes any one or more categories of market participants in a manner that would impose an undue burden on competition.

Intermarket Competition

The proposed fees do not impose a burden on competition or on other Self Regulatory Organizations that is not necessary or appropriate. In determining the proposed fees, the Exchange utilized an objective and stable metric with limited volatility. Utilizing Data Processing PPI over a specified period of time is a reasonable means of recouping the Exchange's investment in maintaining and enhancing the market data products identified above. The Exchange believes utilizing Data Processing PPI, a tailored measure of inflation, to increase certain market data fees to recoup the Exchange's investment in maintaining and enhancing its market data products would not impose a burden on competition.

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,⁶² 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.

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.

⁶² 15 U.S.C. 78s(b)(3)(A)(ii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-NASDAQ-2024-061)

October 15, 2024

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to a Proposal to Amend Certain Fees Based on the Rate of Inflation

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹, and Rule 19b-4 thereunder,² notice is hereby given that on October 15, 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 amend the Exchange’s fees based on the rate of inflation.

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/bx/rules>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of the proposed rule change is to adjust market data fees for inflation, to be operative January 1, 2025.

Many Nasdaq market data fees have not changed for years, some for over 15. As such, the fees have fallen substantially in real terms. The Exchange proposes to restore fees to the real amount intended in the original filings in a one-time inflationary adjustment. This adjustment will be executed in three parts: 45 percent in 2025; 30 percent in 2026; and the final 25 percent in 2027. The Exchange believes that it is necessary to spread the impact of this one-time adjustment for past inflation to prevent any undue impact that execution in a single tranche may have on our customers.³

The proposed fee increases will apply to ten product families within Nasdaq: (i) Distributor Fees; (ii) Short Interest; (iii) Depth of Book; (iv) Distribution Models; (v) FilterView; (vi) Nasdaq Last Sale; (vii) Nasdaq Share Volume; (viii) Nasdaq Basic; (ix) Daily Short Volume; and (x) MatchView. A detailed list of fee adjustments is set forth

³ This proposal will adjust for inflation up to August 2024. Depending on inflation thereafter, further adjustments may, or may not, be necessary.

below. The Exchange is not proposing to adjust fees for non-professional usage, administrative fees, extranet fees, or certain categories of Non-Display usage. The Exchange plans to use this inflationary adjustment to support continued investment in innovative, high-quality data products.

Investments in Nasdaq Data Products

Nasdaq has continuously invested in its products in the period after the current fees were first instituted to accommodate the increasing amount of information processed and the changes in technology over time. It is reasonable and consistent with the Act for the Exchange to recoup its investments, at least in part, by adjusting its fees. Continuing to operate at fees frozen in time impacts the Exchange's ability to enhance its offerings and the interests of market participants and investors.

These investments have been necessary in part because of significant increases in the amount of information processed. To cite two examples, average total messages for Nasdaq Basic grew by 121% and Nasdaq TotalView grew by 213% between January 2018 and August 2024. The Exchange expended resources to improve its market data products to meet customer expectations notwithstanding this increase in message traffic, including investments in all aspects of the technology ecosystem (e.g., software, hardware, and network).

The Exchange continues to invest in enhancing its technology for the benefit and often at the behest of its customers. Yet the Exchange has not adjusted any of the fees included in this proposal for many years (as set forth below), to even partially offset the costs of maintaining and enhancing its market data offerings.

Inflationary Index

The fee increases the Exchange proposes are based on an industry-specific Producer Price Index (PPI), which is a tailored measure of inflation.⁴ As a general matter, the Producer Price Index is a family of indexes that measures the average change over time in selling prices received by domestic producers of goods and services, measuring price change from the perspective of the seller. This contrasts with other metrics, such as the Consumer Price Index (CPI), that measure price change from the purchaser's perspective.⁵

About 10,000 PPIs for individual products and groups of products are tracked and released each month.⁶ PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector's output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the Data Processing and Related Services PPI (“Data Processing PPI”), which is an industry net-output PPI that measures the average change in selling prices received by companies that provide data processing services. The Data Processing PPI was introduced in January 2002 by the Bureau of Labor Statistics (BLS) as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is

⁴ See <https://fred.stlouisfed.org/series/PCU51825182#0>.

⁵ See <https://www.bls.gov/ppi/overview.htm>.

⁶ See <https://www.bls.gov/ppi/overview.htm>.

identified as NAICS - 518210 in the North American Industry Classification System.⁷

According to the BLS “[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists of vendors who use their own computer systems—often utilizing proprietary software—to process customers’ transactions and data. Companies that offer processing services collect, organize, and store a customer’s transactions and other data for record-keeping purposes. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in index calculation are the actual prices billed for the selected service contract.”⁸

The Exchange believes the Data Processing PPI is an adequate measure to for adjusting fees for its proprietary market data products because the Exchange uses its “own computer systems” and “proprietary software,” i.e., its own data center and proprietary matching engine software, respectively, to collect, organize, store and report customers’ transactions in U.S. equity securities.⁹

⁷ NAICS appears in table 5 of the PPI Detailed Report and is available at <https://data.bls.gov/timeseries/PCU518210518210>.

⁸ See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-servicesindustry-naics-518210.htm>.

⁹ The Exchange notes that the Bureau of Labor Statistics uses a number of measures of inflation that may apply to Exchange market data. For example, there is also an inflation measure related to PPI industry data for data processing, hosting and related services-Hosting, ASP, and other IT infrastructure provisioning services. This other measure has been used by other SROs in determining price changes and may provide an alternative point of reference.

The Exchange furthermore notes that the Data Processing PPI is a stable metric with limited volatility, unlike other consumer-side inflation metrics. The Data Processing PPI has not experienced a greater than 2.16% increase for any one calendar year period since Data Processing PPI was introduced into the PPI in January 2002. The average calendar year change from January 2002 to December 2023 was 0.62%, with a cumulative increase of 15.67% over this 21-year period.

The Exchange notes that other exchanges have filed for increases in certain fees, based in part on the rate of inflation.¹⁰

Calculation and Proposed Fee Changes

The proposed inflationary adjustments are based on a comparison of the Data Processing PPI index on the last date that the relevant fee was adjusted with the level of the Data Processing PPI index on August 1, 2024. For example, for a fee that was last changed on September 1, 2010, the Exchange divided the Data Processing PPI index on August 2024 (116.022) by the Data Processing PPI index in September 2010 (101.7), to calculate a total inflationary adjustment of 14 percent to obtain the percentage increase. That percentage increase was then applied to the prior fee to determine the proposed fee, and then rounding the result.¹¹ This calculation was repeated for each market data fee.

As noted above, the Exchange proposes to adjust fees through a one-time inflationary adjustment to be executed in three tranches: one in 2025 that will cover 45

¹⁰ See, e.g., Securities Exchange Act Release Nos. 34-100004 (April 22, 2024), 89 FR 32465 (April 26, 2024) (SR-CboeBYX-2024-012); and 34-100398 (June 21, 2024), 89 FR 53676 (June 27, 2024) (SR-BOX-2024-16); Securities Exchange Act Release No. 100994 (September 10, 2024), 89 FR 75612 (September 16, 2024) (SR-NYSEARCA-2024-79).

¹¹ The Exchange rounded fees as follows: fee values over \$999.99 were rounded to the nearest \$10; fees between \$99.99 and \$999.99 were rounded to the nearest dollar; fees between \$9.99 and \$99.99 were rounded to the nearest \$0.50; fees less than \$9.99 were rounded to the nearest \$0.10.

percent of the adjustment, another in 2026 to cover an additional 30 percent, and a final tranche in 2027 for the final 25 percent of the adjustment.

Table 1 below shows the total amount of inflationary change, the proposed fee for 2025, and the date of the last fee change. Specifically, the column labeled “Total Inflation” shows the proposed fee after all three tranches have been executed. The column labeled “Proposed Fee 2025” shows the proposed fee to be operational on January 1, 2025. The final column shows the date of the last fee change, which was used to obtain the PPI Data index number that was used in calculating inflation.

Table 1: Proposed Inflationary Adjustment

Product	Current Fee	Total Inflation	Proposed Fee 2025	Date of Last Change
Market Data Distributor Fees				
Direct Access Fee (Nasdaq)	\$2,000	\$2,280	\$2,125	9/1/2010 ¹²
Direct Access Fee (Non-Nasdaq)	\$1,000	\$1,140	\$1,065	9/1/2010 ¹³
Internal Distributor Fee (Nasdaq)	\$1,000	\$1,160	\$1,070	7/1/2006 ¹⁴
Internal Distributor Fee (Non-Nasdaq)	\$500	\$580	\$540	7/1/2006 ¹⁵
External Distributor Fee (Nasdaq)	\$2,500	\$2,900	\$2,680	7/1/2006 ¹⁶
External Distributor Fee (Non-Nasdaq)	\$1,250	\$1,450	\$1,340	7/1/2006 ¹⁷
Short Interest Report				

¹² See Securities Exchange Act Release No. 62907 (September 14, 2010), 75 FR 57324 (September 20, 2010) (SR-Nasdaq-2010-110).

¹³ See *id.*

¹⁴ See Securities Exchange Act Release No. 54179 (July 20, 2006), 71 FR 42428 (July 26, 2006) (SR-Nasdaq-2006-013).

¹⁵ See *id.*

¹⁶ See *id.*

¹⁷ See *id.*

Access Fee	\$500	\$544	\$520	7/1/2017 ¹⁸
Internal Distribution	\$1,000	\$1,090	\$1,040	7/1/2017 ¹⁹
External Distribution (1-499 Subscribers)	\$2,500	\$2,720	\$2,600	7/1/2017 ²⁰
External Distribution (500-9,999 Subscribers)	\$5,000	\$5,440	\$5,200	7/1/2017 ²¹
External Distribution (10,000+ Subscribers)	\$7,500	\$8,160	\$7,800	7/1/2017 ²²
External Distribution (Enterprise License)	\$1,500	\$1,640	\$1,560	7/1/2017 ²³
Depth-of-Book Data				
Level 2 Pro	\$76	\$86.00	\$80.50	3/1/2012 ²⁴
TotalView Pro	\$76	\$86.00	\$80.50	3/1/2012 ²⁵
Non-Display (1-39 Subscribers)	\$375	\$421	\$396	1/1/2016 ²⁶
Non-Display (40-99 Subscribers)	\$15,000	\$16,860	\$15,840	1/1/2016 ²⁷
Non-Display (100-249 Subscribers)	\$30,000	\$33,740	\$31,680	1/1/2016 ²⁸
Trading Platform Fee	\$5,000	\$5,600	\$5,270	12/1/2014 ²⁹
Distribution Models				

¹⁸ See Securities Exchange Act Release No. 81256 (July 28, 2017), 82 FR 36168 (August 3, 2017) (SR- Nasdaq-2017-077).

¹⁹ See *id.*

²⁰ See *id.*

²¹ See *id.*

²² See *id.*

²³ See *id.*

²⁴ See Securities Exchange Act Release No. 66740 (April 5, 2012), 77 FR 21609 (April 10, 2012) (SR- Nasdaq-2012-042).

²⁵ See *id.*

²⁶ See Securities Exchange Act Release No. 76779 (December 28, 2015), 81 FR 131 (January 4, 2016) (SR- Nasdaq-2015-157).

²⁷ See *id.*

²⁸ See *id.*

²⁹ See Securities Exchange Act Release No. 73978 (January 2, 2015), 80 FR 1057 (January 8, 2015) (SR- Nasdaq-2014-125).

Enhanced Display Solutions (EDS) (1-399)	\$4,000	\$4,490	\$4,220	11/1/2014 ³⁰
Enhanced Display Solutions (400-999)	\$7,500	\$8,410	\$7,910	11/1/2014 ³¹
Enhanced Display Solutions (1,000+)	\$15,000	\$16,800	\$15,810	11/1/2014 ³²
Enhanced Display Solutions Professional	\$80	\$90.00	\$84.50	11/1/2014 ³³
Enhanced Display Solutions Enterprise License	\$33,500	\$36,810	\$34,990	2/1/2017 ³⁴
Enterprise License Professional	\$76	\$86.00	\$80.50	3/1/2012 ³⁵
Managed Data Solution per Distributor	\$2,500	\$2,810	\$2,640	1/1/2016 ³⁶
Managed Data Solution per Professional	\$375	\$421	\$396	1/1/2016 ³⁷
FPGA Internal	\$25,000	\$28,490	\$26,570	5/1/2012 ³⁸
FPGA External	\$2,500	\$2,850	\$2,660	5/1/2012 ³⁹
FGPA Internal and External	\$27,500	\$31,340	\$29,230	5/1/2012 ⁴⁰

³⁰ See Securities Exchange Act Release No. 73807 (December 10, 2014), 79 FR 74784 (December 16, 2014) (SR- Nasdaq-2014-117).

³¹ See *id.*

³² See *id.*

³³ See *id.*

³⁴ See Securities Exchange Act Release No. 80015 (February 10, 2017), 82 FR 10944 (February 16, 2017) (SR-Nasdaq-2017-007).

³⁵ See Securities Exchange Act Release No. 66740 (April 5, 2012), 77 FR 21609 (April 10, 2012) (SR- Nasdaq-2012-042).

³⁶ See Securities Exchange Act Release No. 76797 (December 30, 2015), 81 FR 544 (January 6, 2016) (SR-Nasdaq-2015-158).

³⁷ See Securities Exchange Act Release No. 76779 (December 28, 2015), 81 FR 131 (January 4, 2016) (SR- Nasdaq-2015-157)

³⁸ See Securities Exchange Act Release No. 76297 (June 28, 2012), 77 FR 39752 (July 5, 2012) (SR-Nasdaq-2012-063).

³⁹ See *id.*

⁴⁰ See *id.*

Managed Data Solution Administration Fee first Subscriber	\$5,000	\$5,620	\$5,280	1/1/2016 ⁴¹
Managed Data Solution Administration Fee additional Subscribers	\$750	\$844	\$792	1/1/2016 ⁴²
FilterView Service				
FilterView	\$750	\$816	\$780	12/1/2017 ⁴³
Nasdaq Last Sale (NLS)				
NLS per Subscriber (Nasdaq—Specialized Use)	\$13	\$14.50	\$13.50	2/1/2018 ⁴⁴
NLS per Subscriber (non-Nasdaq—Specialized Use)	\$13	\$14.80	\$13.80	2/1/2018 ⁴⁵
NLS Distributor	\$1,500	\$1,720	\$1,600	7/1/2008 ⁴⁶
NLS Distributor (Specialized Use)	\$2,000	\$2,170	\$2,080	2/1/2018 ⁴⁷
Nasdaq Share Volume Service				
Access Fee	\$2,500	\$2,900	\$2,680	2/1/2007 ⁴⁸
Nasdaq Basic				
Subscriber Fee (Nasdaq)	\$13	\$14.50	\$13.50	1/1/2014 ⁴⁹
Subscriber Fee (NYSE)	\$6.50	\$7.40	\$6.90	1/1/2014 ⁵⁰

⁴¹ See Securities Exchange Act Release No. 76797 (December 30, 2015), 81 FR 544 (January 6, 2016) (SR-Nasdaq-2015-158).

⁴² See *id.*

⁴³ See Securities Exchange Act Release No. 82467 (January 9, 2018), 83 FR 2261 (January 16, 2018) (SR-Nasdaq-2017-134).

⁴⁴ See Securities Exchange Act Release No. 82723 (February 15, 2018), 83 FR 7812 (February 22, 2018) (SR-Nasdaq-2018-010).

⁴⁵ See *id.*

⁴⁶ See Securities Exchange Act Release No. 55255 (February 8, 2007), 72 FR 7100 (February 14, 2007) (SR-Nasdaq-2006-060).

⁴⁷ See Securities Exchange Act Release No. 82723 (February 15, 2018), 83 FR 7812 (February 22, 2018) (SR-Nasdaq-2018-010).

⁴⁸ See Securities Exchange Act Release No. 55444 (March 12, 2007), 72 FR 12648 (March 16, 2007) (SR-Nasdaq-2007-006).

⁴⁹ See Securities Exchange Act Release No. 71507 (February 7, 2014), 79 FR 8763 (February 13, 2014) (SR-Nasdaq-2014-011).

⁵⁰ See *id.*

Subscriber Fee (Other)	\$6.50	\$7.40	\$6.90	1/1/2014 ⁵¹
Distributor Fee (Internal)	\$1,500	\$1,740	\$1,600	1/1/2009 ⁵²
Distributor Fee (External)	\$2,000	\$2,170	\$2,080	1/1/2018 ⁵³
Nasdaq Daily Short Volume and Monthly Short Sale Transaction Files				
Internal Distribution	\$750	\$824	\$783	1/1/2017 ⁵⁴
External Distribution	\$1,250	\$1,360	\$1,300	1/1/2017 ⁵⁵
Nasdaq MatchView Feed				
One Server	\$5,000	\$5,690	\$5,310	10/1/2011 ⁵⁶
Two or more Servers	\$10,000	\$11,380	\$10,620	10/1/2011 ⁵⁷

2. Statutory Basis

The Exchange believes that its proposal to change fees is consistent with Section 6(b) of the Act,⁵⁸ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,⁵⁹ 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.

⁵¹ See id.

⁵² Securities Exchange Act Release No. 59244 (January 13, 2009), 74 FR 4065 (January 22, 2009) (SR-Nasdaq-2008-102).

⁵³ Securities Exchange Act Release No. 82541 (January 19, 2018), 83 FR 3790 (January 26, 2018) (SR-Nasdaq-2018-004).

⁵⁴ See Securities Exchange Act Release No. 79617 (December 20, 2016), 81 FR 95213 (December 27, 2016) (SR-Nasdaq-2016-168).

⁵⁵ See id.

⁵⁶ Securities Exchange Act Release No. 65525 (October 11, 2011), 76 FR 64158 (October 17, 2011) (SR-Nasdaq-2011-139).

⁵⁷ See id.

⁵⁸ 15 U.S.C. 78f(b).

⁵⁹ 15 U.S.C. 78f(b)(4) and (5).

This belief is based on two factors. First, the current fees do not properly reflect the quality of the services and products, as fees for the services and products in question have been static in nominal terms, and therefore falling in real terms due to inflation. Second, the Exchange believes that investments made in enhancing the capacity of Exchange systems have increased the performance of the services and products notwithstanding fees having remained static in nominal terms.

Equitable Allocation of Reasonable Dues, Fees and Other Charges

The proposed changes are an equitable allocation of reasonable dues, fees and other charges because, as noted above, the Exchange has not increased any of the fees included in the proposal since the dates indicated in Table 1. In the years following the last fee increase, the Exchange has made significant investments in upgrades to Exchange systems and enhancing the quality of its services as measured by, among other things, increased throughput. As such, Exchange customers have benefitted while the Exchange's ability to recoup its investments has been hampered, and Exchange fees have fallen in real terms during the relevant period.

Between 2018 and 2023, for example, the overall inflation rate was an average of 3.93% per year, producing a cumulative inflation rate of 21.28%.⁶⁰ Using the more targeted inflation number of Data Processing PPI, the cumulative inflation rate was 8.07%.⁶¹ The Exchange believes the Data Processing PPI is a reasonable metric for this fee increase because it is targeted to producer-side increases in the data processing industry, which, based on the definition adopted by BLS, would include the Exchange's

⁶⁰ See <https://www.officialdata.org/us/inflation/2019?endYear=2023&amount=1>

⁶¹ See <https://data.bls.gov/timeseries/PCU518210518210>.

market data products. Notwithstanding this inflation, the Exchange has not increased its fees for the subject services for the period of time indicated in Table 1, and therefore the proposed fee changes represent a reasonable increase from the current fees.

The Exchange believes the proposed fee increase is reasonable in light of the Exchange's continued expenditure in maintaining a robust technology ecosystem. The Exchange continues to invest in maintaining and enhancing its market data products for the benefit and often at the behest of its customers and global investors. Such enhancements include refreshing all aspects of the technology ecosystem including software, hardware, and network while introducing new and innovative products. The goal of these enhancements, among other things, is to provide faster and more consistent market data products. The Exchange continues to expend resources to innovate and modernize technology so that it may benefit its members in offering its market data products.

The Proposal Does Not Permit Unfair Discrimination

The proposed fee increases are not unfairly discriminatory because they would apply to all data recipients that choose to purchase the market data products identified above. Any person that chooses to purchase any of these products would be subject to the same fee schedule, regardless of what type of business they operate or the use they plan to make of the data feed. Additionally, the fee increase would be applied uniformly to subscribers without regard to Exchange membership status or the extent of any other business with the Exchange or affiliated entities.

The proposed changes are also not unfairly discriminatory because the fees would be assessed uniformly across all market participants that purchase these products in the

same manner they are today, and all products will remain available for purchase by all market participants.

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.

Intramarket Competition

The proposed fees do not put any market participants at a relative disadvantage compared to other market participants. As noted above, the fee schedule would continue to apply to all customers of the market data products identified above in the same manner as it does today, albeit at inflation-adjusted rates for certain fees, and customers may choose whether to subscribe to the feed at all. The Exchange also believes that the level of the proposed fees neither favors nor penalizes any one or more categories of market participants in a manner that would impose an undue burden on competition.

Intermarket Competition

The proposed fees do not impose a burden on competition or on other Self Regulatory Organizations that is not necessary or appropriate. In determining the proposed fees, the Exchange utilized an objective and stable metric with limited volatility. Utilizing Data Processing PPI over a specified period of time is a reasonable means of recouping the Exchange's investment in maintaining and enhancing the market data products identified above. The Exchange believes utilizing Data Processing PPI, a tailored measure of inflation, to increase certain market data fees to recoup the Exchange's investment in maintaining and enhancing its market data products would not impose a burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.⁶²

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-BX-2024-061 on the subject line.

⁶² 15 U.S.C. 78s(b)(3)(A)(ii).

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-BX-2024-061. 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-BX-2024-061 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.⁶³

Sherry R. Haywood,

Assistant Secretary.

⁶³ 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

* * * * *

Section 119. Market Data Distributor Fees

(a) No change.

(b) The charge to be paid by Distributors of the following Nasdaq Market Center real time data feeds shall be:

	Monthly Direct Access Fee	Monthly Internal Distributor Fee	Monthly External Distributor Fee
Issue Specific Data			
Dynamic Intraday			
Nasdaq-listed security depth entitlements	[\$2,000] <u>\$2,125</u>	[\$1,000] <u>\$1,070</u>	[\$2,500] <u>\$2,680</u>
Non Nasdaq-listed security depth entitlements	[\$1,000] <u>\$1,065</u>	[\$500] <u>\$540</u>	[\$1,250] <u>\$1,340</u>

(c) - (d) No change.

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Section 122. Historical Research and Administrative Reports

(a) – (b) No change.

(c) The Short Interest Report is available from Nasdaq for [\$500]\$520 per month. Distributors may distribute the report to an unlimited number of internal Subscribers for

[\$1,000]\$1,040 per month, or to external Subscribers according to the following schedule, which includes the right to distribute data internally:

Monthly Fee	External Subscribers
[\$2,500] <u>\$2,600</u>	1-499
[\$5,000] <u>\$5,200</u>	500-9,999
[\$7,500] <u>\$7,800</u>	10,000+ or open website

Distributors that purchase enterprise licenses at Equity 7, Section 123(c)(3), Equity 7, Section 147(b)(5), or Equity 7, Section 147(b)(6), or that expend \$5,000 or more on any product offered at Equity 7, Section 139 in a particular month, excluding distributor fees at Equity 7, Section 139(c), may distribute the Short Interest Report to an unlimited number of external Subscribers or on an open website for [\$1,500]\$1,560 per month.

(d) – (e) No change.

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Section 123. Nasdaq Depth-of-Book Data

(a) No change.

(b) Subscriber Fees.

(1) Nasdaq Level 2

(A) Non-Professional Subscribers pay a monthly fee of \$14 each;

(B) Professional Subscribers pay a monthly fee of [\$70]\$80.50 each for Display Usage based upon Direct or Indirect Access, or for Non-Display Usage based upon Indirect Access only;

(C) - (E) No change.

(2) Nasdaq TotalView

(A) Non-Professional Subscribers pay a monthly fee of \$15 each;

(B) Professional Subscribers pay a monthly fee of [\$76]\$80.50 each for any Display Usage, or for Non-Display Usage based upon Indirect Access; and

(C) Professional Subscribers pay a monthly fee as set forth in subsection (3) below for Non-Display Usage based upon Direct Access.

(3) Professional Subscribers pay a monthly fee for Non-Display Usage based upon Direct Access to Nasdaq Level 2 or Nasdaq TotalView:

Subscribers	Monthly Fee
1-39	[\$375] <u>\$396</u> per Subscriber
40-99	[\$15,000.00] <u>\$15,840</u> per firm
100-249	[\$30,000.00] <u>\$31,680</u> per firm
250+	\$75,000.00 per firm

The Professional Subscriber fee for Non-Display Usage via Direct Access applies to any Subscriber that accesses any data elements included in any Depth-of-Book data feed.

(c) No change.

(d) Trading Platform Fee. There shall be a minimum monthly fee for entities that operate Trading Platforms that utilize Nasdaq Depth-of-Book Data on a non-display basis and that pay less than [\$15,000]\$15,840 per month in aggregate fees for Depth-of-Book Data. The fee shall be [\$5,000]\$5,270 per month per Trading Platform up to a maximum of three Trading Platforms.

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Section 126. Distribution Models

(a) Display Solutions

(1) Enhanced Display Solution (“EDS”) (optional delivery method)

(A) The charges to be paid by Distributors for offering EDS Subscribers of Nasdaq Depth Information with access to an API or similar solution shall be:

	Number of Downstream EDS Subscribers
Monthly Enhanced Display Solution Fee per Distributor for the right to offer an API or similar solution	1-399 users = [\$4,000] <u>\$4,220</u> /month
	400-999 users = [\$7,500] <u>\$7,910</u> /month
	1,000 users or more = [\$15,000] <u>\$15,810</u> /month

Distributors that subscribe to the enterprise license fees described in Nasdaq Equity 7, Section 123(c) are exempt from this fee, and shall pay any Professional and Non-Professional Subscriber fees set forth in that subsection in lieu of the Professional and Non-Professional Subscriber fees set forth in this section.

(B) The monthly fee per Professional EDS Subscriber for utilizing Nasdaq Level 2 or Nasdaq TotalView data on a product with access to an API or similar solution is [~~\$80~~]\$84.50 per month.

The monthly fee per Non-Professional EDS Subscriber for utilizing Nasdaq Level 2 or Nasdaq TotalView data on a product with access to an API or similar solution is the applicable Nasdaq Level 2 or Nasdaq TotalView rate.

(C) EDS Enterprise License: EDS Distributors may elect to purchase an Enterprise License for [~~\$33,500~~]\$34,990 per month. Such Enterprise License shall entitle the EDS Distributor to distribute to an unlimited number of Professional EDS Subscribers for a monthly fee of [~~\$76~~]\$80.50 for TotalView and/or Level 2, notwithstanding the fees set forth in subsection (B) above.

(2) The term “Non-Professional” shall have the same meaning as set forth in Nasdaq Equity 7, Section 111(b).

(3) The term “Distributor” shall have the same meaning as set forth in Equity 7, Section 119(c).

(b) Managed Data Solutions

The charges to be paid by Distributors and Subscribers of Managed Data Solutions products containing Nasdaq Depth data (non-display use only) shall be:

Fee schedule for Managed Data Solutions

	Price
Managed Data Solution Administration Fee (for the right to offer Managed Data Solutions to client organizations)	[\$2,500] <u>\$2,640</u> /mo. Per Distributor
Nasdaq Depth Data Professional Subscriber Fee (Internal Use Only and includes TotalView and Level 2)	[\$375] <u>\$396</u> /mo. Per Subscriber
Nasdaq Depth Data Non-Professional Subscriber (Internal Use Only and includes TotalView and Level 2)	\$60/mo. Per Subscriber

(c) Hardware-Based Delivery of Nasdaq Depth data

(1) The charges to be paid by Distributors for processing Nasdaq Depth data sourced from a Nasdaq hardware-based market data format shall be:

Hardware-Based Delivery of Nasdaq Depth data	Monthly Fee
Internal Only Distributor	[\$25,000] <u>\$26,570</u> Per Distributor
External Only Distributor	[\$2,500] <u>\$2,660</u> Per Distributor
Internal and External Distributor	[\$27,500] <u>\$29,230</u> Per Distributor
Managed Data Solution Administration Fee	[\$5,000] <u>\$5,280</u> for the first Subscriber [\$750] <u>\$792</u> for each additional Subscriber

(2) “Hardware-Based Delivery” means that a distributor is processing data sourced from a Nasdaq hardware coded market data format such as TotalView-ITCH FPGA.

(3) Distributors of Nasdaq Depth data also are subject to the market data fees as set forth in this section, Nasdaq Equity 7, Section 119(b) and Nasdaq Equity 7, Section 123.

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Section 137. Nasdaq FilterView Service

The Nasdaq FilterView service shall allow a Distributor to receive a sub-set of an existing real-time data feed distributed by Nasdaq. FilterView service shall be available for a subscription fee of [~~\$750~~]\$780 per month per sub-set of data, in addition to the fees associated with the relevant underlying data feed. There shall be no incremental user charges for distributors related to use of the FilterView service.

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Section 139. Nasdaq Last Sale and Nasdaq Last Sale Plus Data Feeds

(a) No change.

(b) No change.

(c) Distribution Models for Specialized Usage. Distributors that are not eligible for one of the distribution models set forth in subsection (b) must select from any of the fee schedules described in this subsection.

(1) Except as provided in subsections (c)(2) and (c)(3) below, there shall be a per Subscriber monthly charge of [~~\$13~~]\$13.50 for Nasdaq Last Sale for Nasdaq and [~~\$13~~]\$13.80 for Nasdaq Last Sale for NYSE/NYSE American or any Derived Data therefrom.

(2) – (4) No change.

(d) Each Distributor of a Nasdaq Last Sale Data Feed shall also pay a monthly fee of [~~\$1,500~~]\$1,600, unless it is a Distributor under subsection (c) (Distribution Models for Specialized Usage) providing external, or external and internal, distribution, in which case it shall pay a monthly fee of [~~\$2,000~~]\$2,080. Notwithstanding the foregoing, a Distributor of two or more products containing Nasdaq Last Sale Information (i.e., Nasdaq Last Sale, Nasdaq Last Sale Plus, or Nasdaq Basic) will be required to pay the highest Distributor fee otherwise applicable to any of the products, but will not be required to pay a Distributor fee with respect to any of the other products.

(e) - (f) No change.

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Section 140. Nasdaq Share Volume Service

(a) No change.

(b) Access to the underlying data for redistribution shall be available for a fee of [~~\$2,500~~]\$2,680/month.

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Section 147. Nasdaq Basic

(a) No change.

(b) User Fees

(1) Except as provided in (b)(2) through (b)(6), for the Nasdaq Basic product, or Derived Data therefrom, there shall be a per Subscriber monthly charge of: [~~\$13~~]\$13.50 for Nasdaq Basic for Nasdaq, [~~\$6.50~~]\$6.90 for Nasdaq Basic for NYSE, and [~~\$6.50~~]\$6.90 for Nasdaq Basic for NYSE American; or

(2) – (7) No change.

(c) Distributor Fees

(1) Each Distributor of any Nasdaq Basic product, or Derived Data therefrom, shall pay a fee of [~~\$1,500~~]\$1,600 per month for internal distribution and a fee of [~~\$2,000~~] \$2,080 per month for external, or external and internal, distribution.

(2) – (3) No change.

(d) No change.

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Section 152. Nasdaq Daily Short Volume and Monthly Short Sale Transaction Files

(a) - (b) No change.

(c) Distributor Fees

(1) The fee for each Distributor of the Short Sale Data Product described in paragraphs (a) and (b) above is [~~\$750~~]\$783 per month for the internal distribution of the Short Sale Data Product, and [~~\$1,250~~]\$1,300 per month for the external distribution of that product. This monthly fee allows the distributor access to downloadable FTP files for distribution.

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Section 157. Nasdaq MatchView Feed

(a) No change.

(b) Distributor Fees

(1) Distributors shall be permitted to distribute MatchView for Internal Distribution only; External Distribution of MatchView is prohibited.

(2) Each Distributor of MatchView shall pay a fee of [~~\$5,000~~]\$5,310 per month for the first server receiving MatchView. Each Distributor of MatchView shall pay a fee of [~~\$10,000~~]\$10,620 per month for two or more servers.

(3) – (4) No change.

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