

Required fields are shown with yellow backgrounds and asterisks.

Filing by NASDAQ PHLX LLC  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
			Rule		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
Section 3C(b)(2) * <input type="checkbox"/>	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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**Description**

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

Amendments to the Pricing Schedule

**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 \* Angela Last Name \* Dunn

Title \* Associate General Counsel

E-mail \* angela.dunn@nasdaq.com

Telephone \* (215) 496-5692 Fax

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title \*)

Date 02/25/2016

By Edward S. Knight

Executive Vice President and General Counsel

edward.knight@nasdaq.com

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

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change \***

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies \***

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

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

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

Add Remove View

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) NASDAQ PHLX LLC (“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 (“Commission”) a proposal to amend the Exchange’s Pricing Schedule to update the Pricing Schedule in various ways, (1) remove unnecessary rule text and footnotes; (2) update names of Nasdaq exchanges to reflect a recent name change; (3) update the current definitions to add detail and rearrange rule text; and (4) rename the Payment for Order Flow Fee.

A notice of the proposed rule change for publication in the Federal Register is at Exhibit 1. A copy of applicable portion of the Pricing Schedule is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management of the Exchange approved the proposed rule change under authority delegated by the Exchange’s Board of Directors (“Board”) on July 1, 2015. The Exchange’s staff will advise the Board of any action taken pursuant to delegated authority. No other action by the Exchange is necessary for the filing of the rule change. Questions and comments on the proposed rule change may be directed to Angela Saccomandi Dunn, Associate General Counsel, Nasdaq, Inc. at (215) 496-5692.

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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

The Exchange proposes to update its Pricing Schedule in various ways, which are explained below, to clarify its pricing. The Exchange proposes to specifically (1) remove unnecessary rule text and footnotes; (2) update names of the Exchange to reflect a recent name change; (3) update the current definitions to add detail and rearrange rule text; and (4) rename the Payment of Order Flow Fee.

Remove Unnecessary Rule Text and Footnotes

The Exchange proposes to remove unnecessary footnote numbers throughout the Pricing Schedule. The rule text contained within the footnotes will remain in the Pricing Schedule, the actual footnote numbers are being removed because the Exchange believes they are distracting and do not add clarity to the Pricing Schedule.

The Exchange also proposes to remove the references to SOX, HGX and OSX in Section II of the Pricing Schedule, titled “Multiply Listed Options Fees,” because these symbols are currently only listed on Phlx and there is no confusion that they are Singly Listed symbols. These symbols were previously listed on The NASDAQ Options Market, LLC for some time, but this is no longer the case. SOX, HGX and OSX will continue to be subject to Section III pricing. The Exchange is also removing references to XDM, XEH, XEV and XDV in Section III, titled “Singly Listed Options,” as the Exchange no longer lists options overlying these securities. These rule changes are non-substantive.

### Name Changes

The Exchange's name was recently updated<sup>3</sup> from "NASDAQ OMX PHLX LLC" to "NASDAQ PHLX LLC." The Exchange is amending its name in the Pricing Schedule along with references to "NASDAQ OMX PSX," changing it to "NASDAQ PSX," and NASDAQ OMX BX, Inc.'s name will be changed to NASDAQ BX, Inc.<sup>4</sup> The Exchange proposes to update these names within the Pricing Schedule. The Exchange proposes to remove all references to "OMX" within the Pricing Schedule. These rule changes are non-substantive.

### Definitions

The Exchange proposes to relocate rule text currently located within the footnotes to the text of certain definitions so the Exchange may consolidate information. These rule changes are non-substantive.

### Rename Payment for Order Flow as Marketing Fee

The Exchange is proposing to rename the "Payment for Order Flow" Fee or "PFOF" as the "Marketing Fee." The Exchange believes that this reference to this fee is more appropriate. This rule change is non-substantive.

#### b. Statutory Basis

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

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<sup>3</sup> See Securities Exchange Act Release No. 76654 (December 15, 2015), 80 FR 79396 (December 21, 2015) (SR-Phlx-2015-105).

<sup>4</sup> See Securities Exchange Act Release No. 76656 (December 15, 2015), 80 FR 79381 (December 21, 2015) (SR-BX-2015-080).

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

is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by bringing additional clarity to the Exchange's rules regarding pricing.

#### Remove Unnecessary Rule Text and Footnotes

The Exchange's proposal to remove unnecessary footnote numbers throughout the Pricing Schedule will bring clarity to the Pricing Schedule. The Exchange believes that removing the actual numbers, while retaining the rule text, will remove these distracting footnotes and make the Pricing Schedule easier to read. Also, the Exchange proposes to remove the references to SOX, HGX and OSX in Section II, titled "Multiply Listed Options Fees," of the Pricing Schedule. This change is consistent with the Act and the protection of investors because these symbols are currently only listed on Phlx and there is no confusion that they are Singly Listed symbols. These symbols were listed on The NASDAQ Options Market, LLC for some time, but this is no longer the case. The Exchange's proposal to remove references to XDM, XEH, XEV and XDV in Section III, titled "Singly Listed Options," is consistent with the Act because the Exchange no longer lists options overlying these securities and removing these references will bring clarity to the Pricing Schedule. The Exchange believes that these rule changes are consistent with the Act because they protect investors and the public interest by clarifying rules.

#### Name Changes

The Exchange's proposal to update the Exchange's name, the references to PSX and NASDAQ BX and remove all references to "OMX" will also clarify the Pricing

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<sup>6</sup> 15 U.S.C. 78f(b)(5).

Schedule by using the proper updated names. The Exchange believes that these rule changes are consistent with the Act because they protect investors and the public interest by clarifying its rules. These rule changes are non-substantive.

#### Definitions

The Exchange's proposal to relocate rule text within the footnotes will provide members with consolidated information in one place on the Pricing Schedule. The Exchange believes that these rule changes are consistent with the Act because they protect investors and the public interest by clarifying its rules. The Exchange is not altering the definitions; these changes are non-substantive.

#### Rename Payment for Order Flow as Marketing Fee

The Exchange's proposal to rename "Payment for Order Flow" Fee or "PFOF" as the "Marketing Fee" is consistent with the Act because this non-substantive change will not impact pricing and is simply a name change.

#### 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.

#### Remove Unnecessary Rule Text and Footnotes

The Exchange's proposal to remove unnecessary footnotes throughout the Pricing Schedule, remove the references to SOX, HGX and OSX in Section II and remove references to XDM, XEH, XEV and XDV in Section III are non-substantive rule changes which will not impose an undue burden on competition.

### Name Changes

The Exchange's proposal to update the Exchange's name, the references to PSX and NASDAQ BX and remove references to "OMX" are non-substantive rule changes which will not impose an undue burden on competition.

### Definitions

The Exchange's proposal to relocate rule text currently located within the footnotes will provide members with consolidated information in one place on the Pricing Schedule. The relocation of the rule text is a non-substantive rule change which will not impose an undue burden on competition.

### Rename Payment for Order Flow as Marketing Fee

The Exchange's proposal to rename "Payment for Order Flow" or "PFOF" as "Marketing Fee" is a non-substantive rule change which will not impose an undue 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)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)<sup>7</sup> of the Act and Rule 19b-4(f)(6) thereunder<sup>8</sup> in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose

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<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> 17 CFR 240.19b-4(f)(6).



any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

The Exchange's proposal to remove unnecessary footnote numbers throughout the Pricing Schedule, remove the references to SOX, HGX and OSX in Section II of the Pricing Schedule and remove references to XDM, XEH, XEV and XDV in Section III of the Pricing schedule do not significantly affect the protection of investors or the public interest or impose any significant burden on competition because these are non-substantive rule changes. The Exchange's proposal to update the Exchange's name, the references to PSX and NASDAQ BX and remove all references to "OMX" does not significantly affect the protection of investors or the public interest or impose any significant burden on competition because these are non-substantive rule changes. The Exchange's proposal to relocate rule text currently located within the footnotes does not significantly affect the protection of investors or the public interest or impose any significant burden on competition because these rule changes are non-substantive rule changes. The Exchange's proposal to rename "Payment for Order Flow" Fee or "PFOF" as the "Marketing Fee" does not significantly affect the protection of investors or the public interest or impose any significant burden on competition because this is a non-substantive rule change.

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

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30-day operative delay contained in Rule 19b-4(f)(6)(iii) so that it may update its Pricing Schedule immediately to reflect these non-substantive changes and avoid investor confusion. The Exchange believes that it is important to immediately update its Pricing Schedule to reflect current proposed rule changes to that document. Also, the Exchange believes that the amendments will bring clarity to the Pricing Schedule.

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

**EXHIBIT 1**

SECURITIES AND EXCHANGE COMMISSION  
(Release No. \_\_\_\_\_ ; File No. SR-Phlx-2016-30)

Self-Regulatory Organizations; NASDAQ PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Pricing Schedule

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 February 25, 2016, NASDAQ PHLX LLC (“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 Pricing Schedule to update the Pricing Schedule in various ways, (1) remove unnecessary rule text and footnotes; (2) update names of Nasdaq exchanges to reflect a recent name change; (3) update the current definitions to add detail and rearrange rule text; and (4) rename the Payment for Order Flow Fee.

The text of the proposed rule change is available on the Exchange’s Website at <http://nasdaqomxphlx.cchwallstreet.com/>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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<sup>1</sup> 15 U.S.C. § 78s(b)(1).

<sup>2</sup> 17 C.F.R. § 240.19b-4.

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

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

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

1. Purpose

The Exchange proposes to update its Pricing Schedule in various ways, which are explained below, to clarify its pricing. The Exchange proposes to specifically (1) remove unnecessary rule text and footnotes; (2) update names of the Exchange to reflect a recent name change; (3) update the current definitions to add detail and rearrange rule text; and (4) rename the Payment of Order Flow Fee.

Remove Unnecessary Rule Text and Footnotes

The Exchange proposes to remove unnecessary footnote numbers throughout the Pricing Schedule. The rule text contained within the footnotes will remain in the Pricing Schedule, the actual footnote numbers are being removed because the Exchange believes they are distracting and do not add clarity to the Pricing Schedule.

The Exchange also proposes to remove the references to SOX, HGX and OSX in Section II of the Pricing Schedule, titled "Multiply Listed Options Fees," because these symbols are currently only listed on Phlx and there is no confusion that they are Singly Listed symbols. These symbols were previously listed on The NASDAQ Options Market, LLC for some time, but this is no longer the case. SOX, HGX and OSX will

continue to be subject to Section III pricing. The Exchange is also removing references to XDM, XEH, XEV and XDV in Section III, titled “Singly Listed Options,” as the Exchange no longer lists options overlying these securities. These rule changes are non-substantive.

#### Name Changes

The Exchange’s name was recently updated<sup>3</sup> from “NASDAQ OMX PHLX LLC” to “NASDAQ PHLX LLC.” The Exchange is amending its name in the Pricing Schedule along with references to “NASDAQ OMX PSX,” changing it to “NASDAQ PSX,” and NASDAQ OMX BX, Inc.’s name will be changed to NASDAQ BX, Inc.<sup>4</sup> The Exchange proposes to update these names within the Pricing Schedule. The Exchange proposes to remove all references to “OMX” within the Pricing Schedule. These rule changes are non-substantive.

#### Definitions

The Exchange proposes to relocate rule text currently located within the footnotes to the text of certain definitions so the Exchange may consolidate information. These rule changes are non-substantive.

#### Rename Payment for Order Flow as Marketing Fee

The Exchange is proposing to rename the “Payment for Order Flow” Fee or “PFOF” as the “Marketing Fee.” The Exchange believes that this reference to this fee is more appropriate. This rule change is non-substantive.

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<sup>3</sup> See Securities Exchange Act Release No. 76654 (December 15, 2015), 80 FR 79396 (December 21, 2015) (SR-Phlx-2015-105).

<sup>4</sup> See Securities Exchange Act Release No. 76656 (December 15, 2015), 80 FR 79381 (December 21, 2015) (SR-BX-2015-080).

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act<sup>5</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>6</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by bringing additional clarity to the Exchange's rules regarding pricing.

### Remove Unnecessary Rule Text and Footnotes

The Exchange's proposal to remove unnecessary footnote numbers throughout the Pricing Schedule will bring clarity to the Pricing Schedule. The Exchange believes that removing the actual numbers, while retaining the rule text, will remove these distracting footnotes and make the Pricing Schedule easier to read. Also, the Exchange proposes to remove the references to SOX, HGX and OSX in Section II, titled "Multiply Listed Options Fees," of the Pricing Schedule. This change is consistent with the Act and the protection of investors because these symbols are currently only listed on Phlx and there is no confusion that they are Singly Listed symbols. These symbols were listed on The NASDAQ Options Market, LLC for some time, but this is no longer the case. The Exchange's proposal to remove references to XDM, XEH, XEV and XDV in Section III, titled "Singly Listed Options," is consistent with the Act because the Exchange no longer lists options overlying these securities and removing these references will bring clarity to

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

<sup>6</sup> 15 U.S.C. 78f(b)(5).

the Pricing Schedule. The Exchange believes that these rule changes are consistent with the Act because they protect investors and the public interest by clarifying rules.

#### Name Changes

The Exchange's proposal to update the Exchange's name, the references to PSX and NASDAQ BX and remove all references to "OMX" will also clarify the Pricing Schedule by using the proper updated names. The Exchange believes that these rule changes are consistent with the Act because they protect investors and the public interest by clarifying its rules. These rule changes are non-substantive.

#### Definitions

The Exchange's proposal to relocate rule text within the footnotes will provide members with consolidated information in one place on the Pricing Schedule. The Exchange believes that these rule changes are consistent with the Act because they protect investors and the public interest by clarifying its rules. The Exchange is not altering the definitions; these changes are non-substantive.

#### Rename Payment for Order Flow as Marketing Fee

The Exchange's proposal to rename "Payment for Order Flow" Fee or "PFOF" as the "Marketing Fee" is consistent with the Act because this non-substantive change will not impact pricing and is simply a name change.

#### **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.

#### Remove Unnecessary Rule Text and Footnotes



The Exchange's proposal to remove unnecessary footnotes throughout the Pricing Schedule, remove the references to SOX, HGX and OSX in Section II and remove references to XDM, XEH, XEV and XDV in Section III are non-substantive rule changes which will not impose an undue burden on competition.

#### Name Changes

The Exchange's proposal to update the Exchange's name, the references to PSX and NASDAQ BX and remove references to "OMX" are non-substantive rule changes which will not impose an undue burden on competition.

#### Definitions

The Exchange's proposal to relocate rule text currently located within the footnotes will provide members with consolidated information in one place on the Pricing Schedule. The relocation of the rule text is a non-substantive rule change which will not impose an undue burden on competition.

#### Rename Payment for Order Flow as Marketing Fee

The Exchange's proposal to rename "Payment for Order Flow" or "PFOF" as "Marketing Fee" is a non-substantive rule change which will not impose an undue 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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed,

or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>7</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>8</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-Phlx-2016-30 on the subject line.

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<sup>7</sup> 15 U.S.C. § 78s(b)(3)(a)(iii).

<sup>8</sup> 17 C.F.R. § 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Paper comments:

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

All submissions should refer to File Number SR-Phlx-2016-30. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site

(<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-Phlx-2016-30 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>9</sup>

Robert W. Errett  
Deputy Secretary

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<sup>9</sup> 17 C.F.R. § 200.30-3(a)(12).

**EXHIBIT 5**

*New text is underlined; deleted text is in brackets.*

**NASDAQ [OMX] PHLX LLC<sup>[1]</sup> PRICING SCHEDULE  
THE EXCHANGE CALCULATES FEES ON A TRADE DATE BASIS.**

**POLICY FOR AMENDING BILLING INFORMATION: CORRECTIONS SUBMITTED AFTER TRADE DATE AND PRIOR TO THE ISSUANCE OF AN INVOICE BY THE EXCHANGE MUST BE SUBMITTED TO THE EXCHANGE IN WRITING AND MUST BE ACCOMPANIED BY SUPPORTING DOCUMENTATION. ONLY MEMBERS MAY SUBMIT TRADE CORRECTIONS.**

**ALL BILLING DISPUTES MUST BE SUBMITTED TO THE EXCHANGE IN WRITING AND MUST BE ACCOMPANIED BY SUPPORTING DOCUMENTATION. ALL DISPUTES MUST BE SUBMITTED NO LATER THAN SIXTY (60) DAYS AFTER RECEIPT OF A BILLING INVOICE, EXCEPT FOR DISPUTES CONCERNING NASDAQ [OMX] PSX FEES, PROPRIETARY DATA FEED FEES AND CO-LOCATION SERVICES FEES. THE EXCHANGE CALCULATES FEES ON A TRADE DATE BASIS. ONLY MEMBERS MAY SUBMIT BILLING DISPUTES.**

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<sup>[1]</sup> PHLX<sup>®</sup> is a registered trademark of Nasdaq, Inc.

**Table of Contents**

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VIII. NASDAQ [OMX] PSX Fees

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**PREFACE**

For purposes of assessing options fees and paying rebates, the following references should serve as guidance.

The term “**Customer**” applies to any transaction that is identified by a member or member organization for clearing in the Customer range at The Options Clearing Corporation (“OCC”) which is not for the account of a broker or dealer or for the account of a “Professional” (as that term is defined in Rule 1000(b)(14)).<sup>[2]</sup>

The term “**Specialist**” applies to transactions for the account of a Specialist<sup>[3]</sup> (as defined in Exchange Rule 1020(a)). A Specialist is an Exchange member who is registered as an options specialist pursuant to Rule 1020(a). An options Specialist includes a Remote Specialist which is defined as an options specialist in one or more classes that does not have a physical presence on an Exchange floor and is approved by the Exchange pursuant to Rule 501.

The term “**ROT, SQT and RSQT**” applies to transactions for the accounts of Registered Option Traders<sup>[4]</sup> (“ROTs”), Streaming Quote Traders (“SQTs”),<sup>[5]</sup> and Remote Streaming Quote Traders (“RSQTs”).<sup>[6]</sup> For purposes of the Pricing Schedule, the term “**Market Maker**” will be utilized to describe fees and rebates applicable to ROTs, SQTs and RSQTs. RSQTs may also be referred to as Remote Market Markers (“RMMs”).

The term “**Registered Option Trader**” is defined in Exchange Rule 1014(b) as a regular member of the Exchange located on the trading floor who has received permission from the Exchange to trade in options for his own account. A ROT includes SQTs and RSQTs as well as on and off-floor ROTS.

The term “**Streaming Quote Trader**” is defined in Exchange Rule 1014(b)(ii)(A) as an ROT who has received permission from the Exchange to generate and submit option quotations electronically in options to which such SQT is assigned.

The term “**Remote Streaming Quote Trader**” is defined in Exchange Rule in 1014(b)(ii)(B) as an ROT that is a member affiliated with an RSQTO with no physical trading floor presence who has received permission from the Exchange to generate and submit option quotations electronically in options to which such RSQT has been assigned. A Remote Streaming Quote Trader Organization or “RSQTO,” which may also be referred to as a Remote Market Making Organization (“RMO”), is a member organization in good standing that satisfies the RSQTO readiness requirements in Rule 507(a).

The term “**Firm**” applies to any transaction that is identified by a member or member organization for clearing in the Firm range at OCC.

The term “**Professional**” applies to transactions for the accounts of Professionals, [(as defined in Exchange Rule 1000(b)(14)[)]] means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s).

The term “**Broker-Dealer**” applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

The term “**Joint Back Office**” or “**JBO**”<sup>[7]</sup> applies to any transaction that is identified by a member or member organization for clearing in the Firm range at OCC and is identified with an origin code as a JBO. A JBO will be priced the same as a Broker-Dealer. A JBO participant is a member, member organization or non-member organization that maintains a JBO arrangement with a clearing broker-dealer (“JBO Broker”) subject to the requirements of Regulation T Section 220.7 of the Federal Reserve System as further discussed at Exchange Rule 703.

\* \* \* \* \*

For purposes of determining average daily volume or volume-based pricing hereunder, any day that the market is not open for the entire trading day will be excluded from such calculation.

[<sup>2</sup> Rule 1000(b)(14) provides in relevant part: “The term “professional” means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s).]

[<sup>3</sup> A Specialist is an Exchange member who is registered as an options specialist pursuant to Rule 1020(a). An options Specialist includes a Remote Specialist which is defined as an options specialist in one or more classes that does not have a physical presence on an Exchange floor and is approved by the Exchange pursuant to Rule 501.]

[<sup>4</sup> A Registered Option Trader is defined in Exchange Rule 1014(b) as a regular member of the Exchange located on the trading floor who has received permission from the Exchange to trade in options for his own account. A ROT includes SQTs and RSQTs as well as on and off-floor ROTS.]

[<sup>5</sup> A Streaming Quote Trader is defined in Exchange Rule 1014(b)(ii)(A) as an ROT who has received permission from the Exchange to generate and submit option quotations electronically in options to which such SQT is assigned.]

[<sup>6</sup> A Remote Streaming Quote Trader is defined in Exchange Rule in 1014(b)(ii)(B) as an ROT that is a member affiliated with an RSQTO with no physical trading floor presence who has received permission from the Exchange to generate and submit option quotations electronically in options to which such RSQT has been assigned. A Remote Streaming Quote Trader Organization or "RSQTO," which may also be referred to as a Remote Market Making Organization ("RMO"), is a member organization in good standing that satisfies the RSQTO readiness requirements in Rule 507(a).]

[<sup>7</sup> A JBO participant is a member, member organization or non-member organization that maintains a JBO arrangement with a clearing broker-dealer ("JBO Broker") subject to the requirements of Regulation T Section 220.7 of the Federal Reserve System as further discussed at Exchange Rule 703.]

\* \* \* \* \*

**II. Multiply Listed Options Fees (Includes options overlying equities, ETFs, ETNs and indexes which are Multiply Listed<sup>[9]</sup>)**

	Customer Professional		Specialist and Market Maker		Broker-Dealer		Firm		
	Electronic	Floor	Electronic	Floor	Electronic	Floor	Electronic	Floor	
<b>Options Transaction Charge (Penny)</b>	\$0.00	\$0.48 <sup>[13]2</sup>	\$0.25	\$0.22	\$0.30	\$0.48 <sup>[13]2</sup>	\$0.25	\$0.48 <sup>[12],[13]2</sup>	\$0.25

**Pilot)**


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**Options  
Transaction  
Charge  
(non-Penny  
Pilot)**

\$0.00	\$0.75 <sup>[13]2,[14]3</sup>	\$0.25	\$0.25 <sup>[15]4</sup>	\$0.30	\$0.75 <sup>[13]2,[14]3</sup>	\$0.25	\$0.75 <sup>[12], [13]2,[14]3</sup>	\$0.25
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**Options  
Surcharge  
in MNX  
and NDX**

N/A	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
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**Options  
Surcharge  
in BXX**

N/A	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
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**Cabinet  
Options**

\$0.00	N/A	\$0.10	N/A	\$0.10	N/A	\$0.10	N/A	\$0.10
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- These fees are per contract.

<sup>9</sup>The following symbols will be assessed the fees in Section III for Singly Listed Options: SOX, HGX and OSX.]

<sup>12</sup>Firm electronic simple orders in AAPL, BAC, EEM, FB, FXI, IWM, QQQ, TWTR, VXX and XLF will be assessed \$0.37.

<sup>13</sup>Electronic Complex Orders will be assessed \$0.35 per contract.

<sup>14</sup>Any member or member organization under Common Ownership with another member or member organization that qualifies for Customer Rebate Tiers 4 or 5 in Section B of the Pricing Schedule will be assessed \$0.60 per contract.

<sup>15</sup>Any member or member organization under Common Ownership with another member or member organization that qualifies for Customer Rebate Tiers 4 or 5 in Section B of the Pricing Schedule will be assessed \$0.23 per contract.

\* \* \* \* \*

*Strategy Caps:*

To qualify for a strategy cap, the buy and sell side of a transaction must originate from the Exchange floor.



<b>Floor Options Transactions - Multiply Listed Options</b>	<b>Strategy</b>	<b>Qualification</b>	<b>Cap</b>
Specialist, Market Maker, Professional, Firm and Broker- Dealer	dividend, merger and short stock interest strategies	executed on the same trading day in the same options class when such members are trading in their own proprietary accounts.	\$1,500
Specialist, Market Maker, Professional, Firm and Broker- Dealer	reversal and conversion strategies	executed on the same trading day in the same options class	\$700
Specialist, Market Maker, Professional, Firm and Broker- Dealer	jelly rolls	executed on the same trading day in the same options class	\$700
Specialist, Market Maker, Professional, Firm and Broker- Dealer	box spreads	executed on the same trading day in the same options class	\$700
Per member organization	dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategies ("Monthly Strategy Cap") <sup>[1]</sup>	combined executions in a month when trading in own proprietary accounts	\$65,000

<sup>[1]</sup> ● Reversal and conversion, jelly roll and box spread strategy executions will not be included in the Monthly Strategy Cap for a Firm. Reversal and conversion, jelly roll and box spread strategy executions (as defined in this Section II) are included in the Monthly Firm Fee Cap. All dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategy executions (as defined in this Section II) will be excluded from the Monthly Market Maker Cap.

#### **[Payment For Order Flow]Marketing Fees**

Options that are trading in the Penny Pilot Program	\$0.25 per contract
Remaining Equity Options	\$0.70 per contract

- For trades resulting from either Directed or non-Directed Orders that are delivered electronically and executed on the Exchange, the above fees will be assessed on Specialists, Market Makers and Directed ROTs on those trades when the Specialist unit or Directed ROT elects to participate in the [payment for order flow]Marketing program.

- No [payment for order flow]Marketing [f]Fees will be assessed on trades that are not delivered electronically.
- No [payment for order flow]Marketing [f]Fees will be assessed on Professional orders.
- No [payment for order flow]Marketing [f]Fees will be assessed on transactions which execute against an order for which the Exchange broadcast an order exposure alert in Penny Pilot Options.
- [Payment for Order Flow]Marketing Fees will be assessed on transactions resulting from Customer orders and are available to be disbursed by the Exchange according to the instructions of the Specialist units/Specialists or Directed ROTs to order flow providers who are members or member organizations, who submit, as agent, Customer orders to the Exchange or non-members or non-member organizations who submit, as agent, Customer orders to the Exchange through a member or member organization who is acting as agent for those Customer orders.
- Any excess [payment for order flow]Marketing Fee funds billed but not utilized by the Specialist or Directed ROT will be carried forward unless the Directed ROT or Specialist elects to have those funds rebated to the applicable ROT, Directed ROT or Specialist on a pro rata basis, reflected as a credit on the monthly invoices. At the end of each calendar quarter, the Exchange will calculate the amount of excess funds from the previous quarter and subsequently rebate excess funds on a pro-rata basis to the applicable ROT, Directed ROT or Specialist who paid into that pool of funds.
- Each month, the Exchange will assess an administrative fee of .45% on the total amount of the funds collected each month.

### III. Singly Listed Options (Includes options overlying FX Options,<sup>[10]</sup> equities, ETFs, ETNs, and indexes not listed on another exchange<sup>[9]</sup>)

U.S. dollar-settled foreign currency options include XDB, XDE, XDN, XDS, XDA, XDZ and XDC.

#### Singly Listed Options

	Customer	Professional	Specialist and Market Maker	Firm	Broker- Dealer
<b>Options Transaction Charge</b>	\$0.40	\$0.75	\$0.40	\$0.75	\$0.75

#### FX Options

##### Part A. Simple

**Order**

	<b>Customer Specialist</b>	<b>Market Maker</b>	<b>Firm</b>	<b>Broker-Dealer</b>	<b>Professional</b>
<b>Rebate for Adding Liquidity</b>	\$0.00	\$0.20	\$0.20	\$0.00	\$0.00
<b>Fee for Removing Liquidity</b>	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40

**Part B. Complex Order**

	<b>Customer Specialist</b>	<b>Market Maker</b>	<b>Firm</b>	<b>Broker-Dealer</b>	<b>Professional</b>
<b>Fee for Adding Liquidity</b>	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40
<b>Fee for Removing Liquidity</b>	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40

\* \* \* \* \*

**PIXL Executions in FX Options:**

- Initiating Order: \$0.20 per contract.
- All other participants: \$0.40 per contract.

[<sup>9</sup>The following symbols will be assessed the fees in Section III for Singly Listed Options: SOX, HGX and OSX.]

[<sup>10</sup>U.S. dollar-settled foreign currency options include XDB, XDE, XDN, XDS, XDA, XDM, XEH, XEV, XDZ, XDC and XDV.]

**IV. Other Transaction Fees**

**A. PIXL Pricing**

\* \* \* \* \*

All other fees discussed in Section II, including [Payment for Order Flow]Marketing Fees and surcharges, will also apply as appropriate.

\* \* \* \* \*

**D. Options Regulatory Fee<sup>[12]</sup>****\$0.0034 as of February 1, 2016**

<sup>[12]</sup> *The Options Regulatory Fee will be assessed on each member for all options transactions executed or cleared by the member that are cleared by The Options Clearing Corporation ("OCC") in the customer range regardless of the exchange on which the transaction occurs. The fee is collected indirectly from members through their clearing firms by OCC on behalf of PHLX. The Exchange will notify members via an Options Trader Alert of any change in the amount of the fee at least 30 calendar days prior to the effective date of the change.*

**E. Market Access and Routing Subsidy ("MARS")**

\* \* \* \* \*

**MARS Payment**

\* \* \* \* \*

A Phlx member will not be entitled to receive any other revenue for the use of its System specifically with respect to orders routed to Phlx with the exception of [Payment for Order Flow or "PFOF"]the Marketing Fee.

\* \* \* \* \*

**VI. MEMBERSHIP FEES****A. Permit and Registration Fees**

Permit Fees for Phlx Members (per month)

Phlx Permit Fees<sup>[16]</sup>

Floor Broker Permit Fee	\$3,000
Floor Specialist and Floor Market Maker	\$4,500

Permit Fees for all other member and member organizations, including Remote Specialists and Remote Market Makers: \$4,000 in a given month, unless the member or member organization or member organizations under Common Ownership, executes at least 100 options in a Phlx house account that is assigned to one of the member organizations in a given month, in which case the Permit Fee will be \$2,300 for that month.

PSX Only Permit Fees:

Members and member organizations: \$4,000 in a given month, unless the member or member organization averages at least 1,000 shares executed per day

in a given month, in which case the Permit Fee will be \$0.00.

<sup>[16]</sup> A member or member organization will pay an additional Permit Fee for each sponsored options participant, which fee will be the Permit Fee that is assessed to the member or member organization sponsoring the options participant.

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Application Fee<sup>[14, 18, #] \*</sup>

<sup>[18]</sup> An applicant will be assessed the Application Fee each time an applicant applies for membership, notwithstanding the fact that the applicant may have been a former permit holder.] \$350

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Application Fee for Lapsed Applications<sup>[14] \*</sup> \$350

An applicant will be assessed the Application Fee each time an applicant applies for membership, notwithstanding the fact that the applicant may have been a former permit holder.

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Transfer of Affiliation Fee<sup>[19]</sup> \$350

<sup>[19]</sup> The Exchange will not assess the Initiation Fee on a permit holder who applies to transfer affiliation from one member organization to another member organization if the permit holder continuously held his or her permit without any lapse in membership.

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Account Fee<sup>[14] \*</sup> \$50.00  
monthly

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Initiation Fee<sup>[14, #] \*</sup> \$1,500

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Inactive Nominee Fee \$600 for 6  
months<sup>[20, 21]</sup>

<sup>[20]</sup> The member organization will be assessed \$100 per month for the applicable six month period unless the member organization provides proper notice of its intent to terminate an inactive nominee prior to the first day of the next billing month.

<sup>[21]</sup> An inactive nominee's status expires after six months unless it has been reaffirmed in writing by the member organization or is sooner terminated. A member organization will be assessed the Inactive Nominee Fee every time the status is reaffirmed. An inactive nominee is also assessed Application and Initiation Fees when such person applies to be an inactive nominee. Such fees are reassessed if there is a lapse in their inactive nominee status. However, an inactive nominee would not be assessed Application and Initiation Fees if such inactive nominee applied for membership without any lapse in that individual's

association with a particular member organization. An Inactive Nominee is also assessed the Trading Floor Personnel Registration Fee.

<sup>[14]</sup> \* Applicants that apply for membership solely to participate in the NASDAQ [OMX] PSX equities market are not assessed an Application Fee, Initiation Fee, or Account Fee. Should such approved member or member organization subsequently elect to engage in business on Phlx XL II, the Exchange's options platform, the Initiation Fee and Account Fee will apply.

\* \* \* \* \*

### **B. Streaming Quote Trader ("SQT") Fees**

<b>Number of Option Class Assignments<sup>[22]</sup></b>	<b>SQT Fees</b>
Tier 1: Up to 200 classes	\$0.00 per calendar month
Tier 2: Up to 400 classes	\$2,200 per calendar month
Tier 3: Up to 600 classes	\$3200.00 per calendar month
Tier 4: Up to 800 classes	\$4200.00 per calendar month
Tier 5: Up to 1000 classes	\$5200.00 per calendar month
Tier 6: Up to 1200 classes	\$6200.00 per calendar month
Tier 7: All equity issues	\$7,200 per calendar month

<sup>[22]</sup> In calculating the number of option class assignments, equity options including ETFs and ETNs will be counted. Currencies and indexes will not be counted in the number of option class assignments.

### **C. Remote Market Maker Organization (RMO) Fee**

<b>Number of Option Class Assignments<sup>[23]</sup></b>	<b>RMO Fee</b>
Tier 1: less than 100 classes	\$5,000 per month
Tier 2: More than 100 classes and less than 999 classes	\$8,000 per month
Tier 3: 1000 or more classes	\$11,000 per month

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<sup>[23]</sup> In calculating the number of option class assignments, equity options including ETFs and ETNs will be counted. Currencies and indexes will not be counted in the number of option class assignments.

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**D. Remote Specialist Fee<sup>[24]</sup>**

\$200 per option  
allocation per month

<sup>[24]</sup>The Remote Specialist Fee will be capped at \$4,500 per month.

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**VII. OTHER MEMBER FEES**

\* \* \* \* \*

**B. Port Fees**

**Order Entry Port Fee**

\$650 per month per  
mnemonic<sup>[25]</sup>

<sup>[25]</sup>The Order Entry Port Fee will be waived for mnemonics that are used exclusively for complex orders where one of the components of the complex order is the underlying security.

Member organizations will not be assessed an Order Entry Port Fee for additional ports acquired for ten business days for the purpose of transitioning technology. The member organization is required to provide the Exchange with written notification of the transition and all additional ports, provided at no cost, will be removed at the end of the ten business days.

**Active SQF Port Fee<sup>[26]</sup>**

\$1,250 per port per month

<sup>[26]</sup>Active SQF Port Fees will be capped at \$42,000 per month.

\* \* \* \* \*

**E. Testing Facilities**

\* \* \* \* \*

The connectivity provided under this rule also provides connectivity to the other test environments of The NASDAQ Stock Market LLC and NASDAQ [OMX] BX, Inc. Additionally, the connectivity may be utilized for either equities or options testing.

\* \* \* \* \*

**VIII. NASDAQ [OMX] PSX FEES**

**Access Services Fees**

The following charges are assessed by the Exchange for ports to establish connectivity to the NASDAQ [OMX] PSX market, as well as ports to receive data from the NASDAQ [OMX] PSX market:

\* \* \* \* \*

**Order Execution and Routing**

(a) The following charges and credits shall apply to the use of the order execution and routing services of the NASDAQ [OMX] PSX System by member organizations for all securities that it trades priced at \$1 or more per share:

(1) Fees for Execution of Quotes/Orders in Nasdaq-Listed Securities, Securities Listed on the New York Stock Exchange ("NYSE") and Securities Listed on Exchanges other than Nasdaq and NYSE. As used in this rule, the term "Consolidated Volume" shall mean the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month in equity securities, excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of a member's trading activity, expressed as a percentage of, or ratio to, Consolidated Volume, the date of the annual reconstitution of the Russell Investments Indexes shall be excluded from both total Consolidated Volume and the member's trading activity.

Charge to member organization entering order that executes in NASDAQ [OMX] PSX:	\$0.0029 per share executed in Nasdaq-Listed Securities
	\$0.0028 per share executed in NYSE-Listed Securities
	\$0.0028 per share executed in Securities Listed on Exchanges other than Nasdaq and NYSE

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Credit to member organization providing liquidity through the



NASDAQ [OMX] PSX  
System:

Displayed Quote/Order: \$0.0031 per share executed for Quotes/Orders entered by a member organization that provides and accesses 0.35% or more of Consolidated Volume during the month

\$0.0029 per share executed for Quotes/Orders entered by a member organization that provides and accesses 0.25% or more of Consolidated Volume during the month

\$0.0025 per share executed for Quotes/Orders entered by a member organization that provides and accesses 0.05% or more of Consolidated Volume during the month

\$0.0023 per share executed for all other Quotes/Orders

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Non-Displayed Order  
Charges and Credits:

\$0.0023 per share executed credit for all orders with midpoint pegging that provide liquidity

\$0.0000 per share executed credit for other non-displayed orders that provide liquidity

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(2) Fees for Routing of Orders in All Securities

Charge to member organization entering PSTG at NYSE \$0.0030 per share executed

or PSCN order that executes  
in a venue other  
than the NASDAQ [OMX]  
PSX System:

\$0.0000 per share executed  
at NASDAQ [OMX] BX

\$0.0030 per share executed  
in other venues

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Charge to member  
organization entering PMOP  
order that executes in a  
venue other than the  
NASDAQ [OMX] PSX  
System:

\$0.0035 per share executed  
at NYSE

\$0.0035 per share executed  
at venues other than NYSE

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Charge to member  
organization entering PTFY  
order that executes in a  
venue other than the  
NASDAQ [OMX] PSX  
System:

\$0.0030 per share executed  
at NYSE

\$0.0007 per share executed  
at venues other than NYSE,  
NASDAQ or NASDAQ  
[OMX] BX

\$0.0030 per share executed  
at NASDAQ

\$0.0000 per share executed  
at NASDAQ [OMX] BX

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Charge to member  
organization entering PCRT  
order that executes in a  
venue other than the  
NASDAQ [OMX] PSX  
System:

\$0.0030 per share executed  
at NASDAQ

\$0.0000 per share executed  
at NASDAQ [OMX] BX

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Charge to member  
organization entering  
XDRK order that executes  
in a venue other than the  
NASDAQ [OMX] PSX  
System:

\$0.0007 per share executed

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Charge to member  
organization entering XCST

\$0.0000 per share executed  
at NASDAQ [OMX] BX

order that executes in a venue other than the NASDAQ [OMX] PSX System:	\$0.0007 per share for shares executed at a venue other than NASDAQ [OMX] BX
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(b) The following charges and credits shall apply to the use of the order execution and routing services of the NASDAQ [OMX] PSX System by member organizations for all securities that it trades priced at less than \$1 per share:

Charge to member organization entering order that executes in NASDAQ [OMX] PSX:	0.20% of the total transaction cost
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Credit to member organization providing liquidity through the NASDAQ [OMX] PSX System:	\$0
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Charge to member organization entering order that executes in a venue other than the NASDAQ [OMX] PSX System:	0.3% of the total transaction cost
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**Testing Facilities**

\* \* \* \* \*

(d) Subscribers to the Testing Facility located in Carteret, New Jersey shall pay a fee of \$1,000 per hand-off, per month for connection to the Testing Facility. The hand-off fee includes either a 1Gb or 10Gb switch port and a cross connect to the Testing Facility. Subscribers shall also pay a one-time installation fee of \$1,000 per hand-off, which is waived for all installations ordered prior to March 31, 2014.

The connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ [OMX] BX, Inc. and The NASDAQ Stock Market LLC.

\* \* \* \* \*

**PSX TotalView**

(a) PSX TotalView Entitlement

The PSX TotalView entitlement allows a subscriber to see all individual NASDAQ [OMX] PSX participant orders displayed in NASDAQ [OMX] PSX, the aggregate size of such orders at each price level, and the trade data for executions that occur within NASDAQ [OMX] PSX.

\* \* \* \* \*

(c) Free-Trial Offers

(1) For the period ending on the last day of the twelfth full calendar month following the launch of NASDAQ [OMX] PSX, the Exchange will waive Subscriber fees, enterprise license fees, Direct Access fees, and Distributor fees (but not the Annual Administrative fee) for PSX TotalView.

(2) After the period of one year from the launch of NASDAQ [OMX] PSX, the Exchange will allow distributors to provide PSX TotalView to new Subscribers receiving PSX TotalView for the first time free of charge for an individual one-month trial period. This fee waiver will be applied to the first full month of charges following the date on which a new individual Subscriber or potential individual Subscriber is first entitled by a distributor to receive access to PSX TotalView. A distributor may only provide this waiver to a specific individual Subscriber once. For the period of any waiver, the PSX TotalView fee of \$40 per Subscriber per month (professional) or \$1 per Subscriber per month (non-professional) will be waived.

\* \* \* \* \*

**PSX Last Sale and NASDAQ Last Sale Plus Data Feeds**

\* \* \* \* \*

(b) NASDAQ Last Sale Plus ("NLS Plus"). NLS Plus is a comprehensive data feed produced by NASDAQ [OMX] Information LLC. It provides last sale data as well as consolidated volume of NASDAQ U.S. equity markets (PSX, The NASDAQ Stock Market ("NASDAQ"), and NASDAQ [OMX] BX ("BX")) and the NASDAQ/FINRA Trade Reporting Facility ("TRF"). NLS Plus also reflects cumulative volume real-time trading activity across all U.S. exchanges for Tape C securities.

NLS Plus also contains: Trade Price, Trade Size, Sale Condition Modifiers, Cumulative Consolidated Market Volume, End of Day

Trade Summary, Adjusted Closing Price, IPO Information, and Bloomberg ID. Additionally, pertinent regulatory information such as Market Wide Circuit Breaker, Reg SHO Short Sale Price Test Restricted Indicator, Trading Action, and Symbol Directory are included. NLS Plus may be received by itself or in combination with NASDAQ Basic. Additionally, NLS Plus reflects cumulative volume real-time trading activity across all U.S. exchanges for Tape A securities and Tape B securities.

- (1) Firms that receive NLS Plus shall pay the annual administrative fees for NLS, BX Last Sale, and PSX Last Sale. Additionally, Internal Distributors or External Distributors shall pay a data consolidation fee of \$350 per month. "Internal Distributors" are Distributors that receive NLS Plus data and then distribute that data to one or more Subscribers within the Distributor's own entity. "External Distributors" are Distributors that receive NLS Plus data and then distribute that data to one or more Subscribers outside the Distributor's own entity.
- (2) Firms that receive NLS Plus would either be liable for NLS fees or NASDAQ Basic fees.
- (3) In the event that NASDAQ [OMX] BX and/or NASDAQ [OMX] PHLX adopt user fees for BX Last Sale and/or PSX Last Sale, firms that receive NLS Plus would also be liable for such fees.

\* \* \* \* \*

### **Short Sale Monitor**

\* \* \* \* \*

(b) The PSX Data Add-On service provides an MPID subscribed to the Short Sale Monitor subscription with a record of trades in covered securities executed on PSX that are marked "short exempt." The PSX Data Add-On service is available at no cost for a trial period ending March 31, 2011, and for a fee of \$50 per MPID, per month. An MPID subscribed to the Short Sale Monitor of NASDAQ or NASDAQ [OMX] BX need not subscribe additionally to the PSX Short Sale Monitor to subscribe to the PSX Data Add-On service.

\* \* \* \* \*

### **X. Co-Location Services**

\* \* \* \* \*

**Temporary Fee Reduction for Cabinets with Power.**

New cabinets ordered during January and February of 2013 will be assessed standard installation fees and reduced Ongoing Monthly Fees as set forth below. Reduced fees shall apply only to the new cabinets, for a period of 24 months, and only for so long as the total number of cabinets controlled by a given customer exceeds the total of cabinets controlled by that customer as of December 31, 2012.

Super High Density	\$8,000
High Density	\$4,500
Medium-High Density	\$3,500
Medium Density	\$2,500
Low Density	\$2,000

**Shared Cabinet Space**

<b>Description</b>	<b>Installation Fee</b>	<b>Ongoing Monthly Fee</b>
4U Block of Cabinet Space including up to 500W of power *	\$150 per hour	\$600

\* No more than 2 4U Blocks. Access restricted to NASDAQ [OMX] PHLX personnel.

**Specialty Cabinet Charge**

<b>Description</b>	<b>Ongoing Monthly Fee</b>
Additional Charge per Cabinet for cabinet > 24"W for each 6"W increment greater than 24"W - 2x the ongoing cabinet fee if the cabinet is >=48"W	\$500 per 6" or 2x the Ongoing Cabinet fee

**Multi-Firm Cabinet Charge**

<b>Description</b>	<b>Ongoing Monthly Fee</b>
Additional Charge per Cabinet for each cabinet that supports a firm other than the firm contracted to receive the cabinet by Nasdaq Technology Services	\$500

*(b) Connectivity*

**External Telco /Inter-Cabinet Connectivity**

<b>Description</b>	<b>Installation Fee</b>	<b>Ongoing Monthly Fee</b>
Category 6 Cable patch	\$300	\$300*
DS-3 Connection	\$500	\$300*
Fiber	\$500	\$300*
POTS Line	\$0	\$0
One-Time Telco Connectivity Expedite Fee	\$1,400	\$0
Inter-Cabinet Telco connection outside Nasdaq space		\$1,000
100MB Connectivity - Metro NY/NJ Area Destination	\$1,165 **	\$1,650 **
1G Connectivity - Metro NY/NJ Area Destination	\$2,150 **	\$2,150 **
10G Connectivity - Metro NY/NJ Area Destination	\$5,000 **	\$5,000 **
100MB Connectivity - Toronto Area Destination	\$4,850 **	\$4,100 **
1G Connectivity - Toronto Area Destination	\$7,700 **	\$9,850 **
10G Connectivity - Toronto Area Destination	\$14,200 **	\$28,400 **
100MB Connectivity - Chicago Area Destination	\$3,500 **	\$7,350 **

1G Connectivity - Chicago Area Destination	\$4,900 **	\$12,800 **
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10G Connectivity - Chicago Area Destination	\$10,650 **	\$26,900 **
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\* Requesting party only. Not applicable to inter-cabinet connections among the same customer.

\*\* Includes fiber telco cross connect within NASDAQ [OMX] data center.

### Connectivity to Phlx

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Description	Installation Fee	Ongoing Monthly Fee
Fiber Connection to Phlx (10Gb)	\$1,000	\$5000
Fiber Connection to Phlx (10Gb Ultra)	\$1,500 **	\$15,000
Fiber Connection to Phlx (40Gb)	\$1,500	\$15,000
Fiber Connection to Phlx (1Gb)	\$1,000	\$1,000
1Gb Copper Connection to Phlx	\$1,000	\$1,000

\* The connectivity provided under this rule also provides connectivity to the other markets of The NASDAQ Stock Market LLC and NASDAQ [OMX] BX, Inc.

\*\* The installation fee will be waived for customers that complete new orders for 10Gb Ultra connection to Phlx prior to August 31, 2013.

### Market Data Connectivity \*

Description	Installation Fee	Ongoing Monthly Fee
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Nasdaq	\$1,000	\$0
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SIAC	\$1,000	
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CTS/CQS		\$1,412
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OpenBook Realtime		\$2,500
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OpenBook Ultra		\$2,500
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NYSE Alerts		\$200
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NYSE Trades		\$100
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Arca Trades		\$100
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ArcaBook Multicast		\$1,500
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ARCA BBO		\$125
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AMEX- Ultra/Trades/Alerts/LRP		\$100
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OPRA		\$6,000
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CME	\$1,000	\$3,500
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Access Fee per location device/user		\$65
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BATS Multicast PITCH	\$1,000	
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BATS		\$4,000
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BATS Y		\$1,500
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Direct Edge	\$1,000	
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EDGA	\$2,500
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EDGX	\$2,500
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TSX/TSXV	\$1,000
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TSX and TSXV Level 1 Feed	\$300
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TSX and TSXV Level 2 Feed	\$1,000
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TSX Quantum Level 1 Feed	\$100
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TSX Quantum Level 2 Feed	\$300
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\* Pricing is for telco connectivity only and is similar to connectivity fees imposed by other vendors. The fees are generally based on the amount of bandwidth needed to accommodate a particular feed and NASDAQ [OMX] PHLX is not the exclusive method to get market data connectivity. Market data fees are charged independently by the NASDAQ [OMX] PHLX and other exchanges.

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### **IX. Proprietary Data Feed Fees Top of PHLX Options ("TOPO")**

\* \* \* \* \*

- A Professional Subscriber is any Subscriber that is not a Non-Professional Subscriber. If the NASDAQ [OMX] Subscriber agreement is signed in the name of a business or commercial entity, such entity would be considered a Professional Subscriber.

\* \* \* \* \*

- A "distributor" of NASDAQ [OMX] PHLX data is any entity that receives a feed or data file of data directly from NASDAQ [OMX] PHLX or indirectly through another entity and then distributes it either internally (within that entity) or externally (outside that entity). All distributors shall execute a NASDAQ [OMX] PHLX distributor agreement.

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