Required fields are shown with yellow backgrounds and asterisks.

OMB APPROVAL

OMB Number: 3235-0045
Estimated average burden
hours per response............38

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

File No.* SR - 2015 - * 038

Amendment No. (req. for Amendments *)

Filing by NASDAQ OMX BX, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * [x] Amendment * [ ] Withdrawal [ ]

Section 19(b)(2) * [ ] Section 19(b)(3)(A) * [x] Section 19(b)(3)(B) * [ ]

Rule

[ ] 19b-4(f)(1) [ ] 19b-4(f)(4)
[x] 19b-4(f)(2) [ ] 19b-4(f)(5)
[ ] 19b-4(f)(3) [ ] 19b-4(f)(6)

Pilot [ ] Extension of Time Period for Commission Action * [ ] Date Expires *

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * [ ] Section 806(e)(2) * [ ]

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) * [ ]

Exhibit 2 Sent As Paper Document [ ] Exhibit 3 Sent As Paper Document [ ]

Description

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

A proposed rule change to amend BX Rule 7018(a) and to eliminate the Excess Order Fee in BX Rule 7018(d).

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 * Jonathan Last Name * Cayne
Title * Senior Associate General Counsel
E-mail * jonathan.cayne@nasdaq.com
Telephone * (301) 978-8493 Fax (301) 978-8472

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.

Date 06/30/2015

By Edward S. Knight

(Name *)

(Title *)

Executive Vice President and General Counsel

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.

edward.knight@nasdaq.com

Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS 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 Add Remove View 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 Add Remove View	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 Add Remove View	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 Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4 thereunder,[2] NASDAQ OMX BX, Inc. ("BX" or "Exchange") is filing with the Securities and Exchange Commission ("Commission") a proposed rule change to amend BX Rule 7018(a) and to eliminate the Excess Order Fee in BX Rule 7018(d).

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on July 1, 2015.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and the text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange on July 16, 2014. Exchange staff will advise the Board of Directors of the Exchange of any action taken pursuant to delegated authority. No other action by the Exchange is necessary for the filing of the rule change.

Questions regarding this rule filing may be directed to Jonathan F. Cayne, Senior Associate General Counsel, at (301) 978-8493 (telephone).

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[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 Exchange is proposing to amend BX Rule 7018(a) and to eliminate the Excess Order Fee in BX Rule 7018(d).

Specifically, BX Rule 7018(a) defines the criteria for a firm to become a Qualified Market Maker ("QMM") as by being a member that provides through one or more of its NASDAQ OMX BX Equities System ("System") market participant identifiers ("MPIDs") more than 0.15% of consolidated volume ("Consolidated Volume") during the month. For a member qualifying under this method, the member must have at least one qualified MPID ("Qualified MPID"), that is, an MPID through which, for at least 200 securities, the QMM quotes at the national best bid and offer ("NBBO") an average of at least 50% of the time during regular market hours (9:30 a.m. through 4:00 p.m. ET) during the month. Currently, the member must also provide an average daily volume of 1.5M shares or more using orders with midpoint pegging during the month.

The Exchange proposes to modify this last part of the criteria such that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity (rather than using orders with midpoint liquidity) during the month. BX believes that by expanding the type of liquidity that allows firms to qualify as a QMM will improve the market by incentivizing firms to provide more liquidity and meet the other QMM criteria. Non-displayed orders, which include midpoint liquidity, can provide price improvement and improve the experience of members trading on the Exchange and thus provide a benefit to all other Exchange members.

The Exchange also proposes to delete BX Rule 7018(d), which is the Excess Order Fee. The Excess Order Fee was designed to provide a disincentive to member organizations to engage in order entry practices that are inefficient and thereby burdensome on the systems of BX by assessing a fee on member organizations if they reach a threshold of order activity based on an Order Entry Ratio calculation.[3] Although not a pervasive characteristic of the market, the fee was adopted to encourage member organizations with such practices to enhance the efficiency of their systems and modify their order entry practices, thus improving the market for all participants.[4] An unwanted consequence of the rule has been to capture beneficial, liquidity providing order flow and thereby dissuade member organizations from participating in BX in an effort to avoid triggering the fee. Moreover, the Exchange has observed that the fee is not assessed on a significant number of member organizations nor is it triggered every month, leading the Exchange to conclude that the small number of member organizations that may have been affected by the fee because of their inefficient order practices have taken the steps necessary to avoid such practices. The Exchange believes that, in light of the lack of consistent order activity that triggers the fee and the negative effect it has had on beneficial order flow, the Excess Order Fee should be eliminated. The Exchange notes that, should the inefficient order entry practices that gave rise to the fee once again arise, it may adopt the fee once again or take other steps to provide a disincentive for such practices.

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3 See BX Rule 7018(d)(2) for a definition of "Order Entry Ratio."

4 See Securities Exchange Act Release No. 67272 (June 27, 2012), 77 FR 39530 (July 3, 2012) (SR-BX-2012-042) (adopting the Excess Order Fee).

b. Statutory Basis

BX believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,[5] in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,[6] 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 or system which the Exchange operates or controls, and is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange proposes to amend the criteria for a firm to become a QMM. The criteria currently states that a member may become a QMM by providing through one or more of its System MPIDs more than 0.15% of Consolidated Volume during the month. For a member qualifying under this method, the member must have at least one Qualified MPID, that is, an MPID through which, for at least 200 securities, the QMM quotes at the NBBO an average of at least 50% of the time during regular market hours (9:30 a.m. through 4:00 p.m.) during the month. Currently, the member must also provide an

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5 15 U.S.C. 78f.

6 15 U.S.C. 78f(b)(4) and (5).

average daily volume of 1.5M shares or more using orders with midpoint pegging during the month.

The Exchange believes it is reasonable to modify this last part of the criteria such that the member must provide an average daily volume of 1.5M shares or more of non-displayed liquidity (rather than using orders with midpoint liquidity) during the month because non-displayed orders can provide price improvement and improve the experience of members trading on the Exchange and thus provide a benefit to all other Exchange members. Also, BX believes the proposed change is reasonable because it expands the opportunity for firms to qualify as a QMM.

The Exchange also believes that the proposed change is equitably allocated and not unfairly discriminatory because modifying the criteria, as stated above, applies uniformly to all members that seek to become a QMM. Additionally, the Exchange believes that the proposed change further perfects the mechanism of a free and open market by refining and making more effective the means by which a member firm may become a QMM. Furthermore firms that currently qualify as a QMM will not need to change behavior under the new qualification method as midpoint liquidity is considered non-displayed liquidity.

The Exchange believes that elimination of the Excess Order Fee is reasonable because the fee is not triggered by a significant number of member organizations nor is it triggered every month; however, the Exchange believes that certain member organizations are disincentivized from providing order activity that is beneficial to market participants. Moreover, the Exchange may adopt the fee once again should the issues that gave rise to it reemerge. The Exchange believes that the proposed change is consistent with an equitable allocation of fees and is not unfairly discriminatory because it eliminates a fee, which applies to all member organizations and which has served as a disincentive to certain market participants in providing beneficial order activity while also not being assessed significantly on member organizations. The Exchange believes that elimination of the Excess Order Fee will not unfairly burden competition because the fee is not relevant to competition. The Exchange notes that the fee was adopted to deter member organizations from using inefficient order practices that place excessive burdens on the systems of BX and, as a consequence, was not designed to impact competition among member organizations.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule changes will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.[7] BX notes that it operates in a highly competitive market in which market participants can readily favor dozens of different competing exchanges and alternative trading systems if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, BX must continually adjust its fees to remain competitive with other exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, BX believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

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[7] 15 U.S.C. 78f(b)(8).

In this instance, the modification to part of the criteria to become a QMM does not impose a burden on competition because it is optional and is the subject of competition from other exchanges. The Exchange does not believe that the proposed change will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets. Moreover, because there are numerous competitive alternatives to the use of the Exchange, it is likely that BX will lose market share as a result of the changes if they are unattractive to market participants.

As noted above, the Exchange believes that elimination of the Excess Order Fee will not unfairly burden competition because the fee is not relevant to competition as it was adopted to deter member organizations from using inefficient order practices that place excessive burdens on the systems of BX. Moreover, other exchanges' fee schedules do not restrict order activity by using a fee like the Excess Order Fee. As noted, the practices that prompted the Exchange to adopt the rule have subsided and, consequently, the change does not impact the ability of any market participant or trading venue to compete.

Accordingly, BX does not believe that the proposed rule change will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

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

Written comments were neither solicited nor 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,[8] BX 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.

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. Completed notice of proposed rule change for publication in the Federal Register.

5. Text of the proposed rule change.

[8] 15 U.S.C. 78s(b)(3)(A)(ii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-BX-2015-038)

June __, 2015

Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Exchange Rule 7018

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 June 30, 2015, NASDAQ OMX BX, Inc. ("BX" 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 BX Rule 7018(a) and to eliminate the Excess Order Fee in BX Rule 7018(d).

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on July 1, 2015.

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

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

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

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. <u>Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change</u>

1. <u>Purpose</u>

The Exchange is proposing to amend BX Rule 7018(a) and to eliminate the Excess Order Fee in BX Rule 7018(d).

Specifically, BX Rule 7018(a) defines the criteria for a firm to become a Qualified Market Maker ("QMM") as by being a member that provides through one or more of its NASDAQ OMX BX Equities System ("System") market participant identifiers ("MPIDs") more than 0.15% of consolidated volume ("Consolidated Volume") during the month. For a member qualifying under this method, the member must have at least one qualified MPID ("Qualified MPID"), that is, an MPID through which, for at least 200 securities, the QMM quotes at the national best bid and offer ("NBBO") an average of at least 50% of the time during regular market hours (9:30 a.m. through 4:00 p.m. ET) during the month. Currently, the member must also provide an average daily volume of 1.5M shares or more using orders with midpoint pegging during the month.

The Exchange proposes to modify this last part of the criteria such that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity (rather than using orders with midpoint liquidity) during the month. BX believes that by expanding the type of liquidity that allows firms to qualify as a QMM will improve the market by incentivizing firms to provide more liquidity and meet the other QMM criteria. Non-displayed orders, which include midpoint liquidity, can provide price improvement and improve the experience of members trading on the Exchange and thus provide a benefit to all other Exchange members.

The Exchange also proposes to delete BX Rule 7018(d), which is the Excess Order Fee. The Excess Order Fee was designed to provide a disincentive to member organizations to engage in order entry practices that are inefficient and thereby burdensome on the systems of BX by assessing a fee on member organizations if they reach a threshold of order activity based on an Order Entry Ratio calculation.[3] Although not a pervasive characteristic of the market, the fee was adopted to encourage member organizations with such practices to enhance the efficiency of their systems and modify their order entry practices, thus improving the market for all participants.[4] An unwanted consequence of the rule has been to capture beneficial, liquidity providing order flow and thereby dissuade member organizations from participating in BX in an effort to avoid triggering the fee. Moreover, the Exchange has observed that the fee is not assessed on a significant number of member organizations nor is it triggered every month, leading the Exchange to conclude that the small number of member organizations that may have been affected by the fee because of their inefficient order practices have taken the steps necessary to avoid such practices. The Exchange believes that, in light of the lack of

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consistent order activity that triggers the fee and the negative effect it has had on beneficial order flow, the Excess Order Fee should be eliminated. The Exchange notes that, should the inefficient order entry practices that gave rise to the fee once again arise, it may adopt the fee once again or take other steps to provide a disincentive for such practices.

2. Statutory Basis

BX believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,[5] in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,[6] 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 or system which the Exchange operates or controls, and is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange proposes to amend the criteria for a firm to become a QMM. The criteria currently states that a member may become a QMM by providing through one or more of its System MPIDs more than 0.15% of Consolidated Volume during the month.

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[5] 15 U.S.C. 78f.

[6] 15 U.S.C. 78f(b)(4) and (5).

For a member qualifying under this method, the member must have at least one Qualified MPID, that is, an MPID through which, for at least 200 securities, the QMM quotes at the NBBO an average of at least 50% of the time during regular market hours (9:30 a.m. through 4:00 p.m.) during the month. Currently, the member must also provide an average daily volume of 1.5M shares or more using orders with midpoint pegging during the month.

Exchange believes it is reasonable to modify this last part of the criteria such that the member must provide an average daily volume of 1.5M shares or more of non-displayed liquidity (rather than using orders with midpoint liquidity) during the month because non-displayed orders can provide price improvement and improve the experience of members trading on the Exchange and thus provide a benefit to all other Exchange members. Also, BX believes the proposed change is reasonable because it expands the opportunity for firms to qualify as a QMM.

The Exchange also believes that the proposed change is equitably allocated and not unfairly discriminatory because modifying the criteria, as stated above, applies uniformly to all members that seek to become a QMM. Additionally, the Exchange believes that the proposed change further perfects the mechanism of a free and open market by refining and making more effective the means by which a member firm may become a QMM. Furthermore firms that currently qualify as a QMM will not need to change behavior under the new qualification method as midpoint liquidity is considered non-displayed liquidity.

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

The Exchange does not believe that the proposed rule changes will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.[7] BX notes that it operates in a highly competitive market in which market participants can readily favor dozens of different competing exchanges and alternative trading systems if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, BX must continually adjust its fees to remain competitive with other exchanges. Because competitors are free to modify their own fees in response, and

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7 15 U.S.C. 78f(b)(8).

because market participants may readily adjust their order routing practices, BX believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the modification to part of the criteria to become a QMM does not impose a burden on competition because it is optional and is the subject of competition from other exchanges. The Exchange does not believe that the proposed change will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets. Moreover, because there are numerous competitive alternatives to the use of the Exchange, it is likely that BX will lose market share as a result of the changes if they are unattractive to market participants.

As noted above, the Exchange believes that elimination of the Excess Order Fee will not unfairly burden competition because the fee is not relevant to competition as it was adopted to deter member organizations from using inefficient order practices that place excessive burdens on the systems of BX. Moreover, other exchanges' fee schedules do not restrict order activity by using a fee like the Excess Order Fee. As noted, the practices that prompted the Exchange to adopt the rule have subsided and, consequently, the change does not impact the ability of any market participant or trading venue to compete.

Accordingly, BX does not believe that the proposed rule change will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

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 change has become effective pursuant to Section 19(b)(3)(A) of the Act[8] and paragraph (f) of Rule 19b-4[9] thereunder. 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 necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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. Please include File Number SR-BX-2015-038 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-BX-2015-038. This file number should be included on the subject line if e-mail is used. To help the Commission process and

8 15 U.S.C. 78s(b)(3)(A).

9 17 CFR 240.19b-4(f).

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-BX-2015-038 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.[10]

Robert W. Errett
Deputy Secretary

10 17 CFR 200.30-3(a)(12).

EXHIBIT 5

The text of the proposed rule change is below. Proposed new language is underlined; deletions are bracketed.

* * * * * *

7018. NASDAQ OMX BX Equities System 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 BX Equities System by members for all securities priced at $1 or more per share that it trades. 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. As used in this rule, "price improvement" shall mean instances when the accepted price of an order differs from the executed price of an order.

Credit for entering order that accesses liquidity in the NASDAQ OMX BX Equities System:

* * * * * *

All other non-displayed orders:	$0.0028 per share executed
All other orders:	$0.0020 per share executed

A firm may become a Qualified Market Maker by being a member that provides through one or more of its NASDAQ OMX BX Equities System MPIDs more than 0.15% of Consolidated Volume during the month. For a member qualifying under this method, the member must have at least one Qualified MPID, that is, an MPID through which, for at least 200 securities, the Qualified Market Maker quotes at the NBBO an average of at least 50% of the time during regular market hours (9:30 a.m. through 4:00 p.m.) during the month. The member must also provide an average daily volume of 1.5M shares or more [using orders with midpoint pegging]<u>of non-displayed liquidity</u> during the month.

* * * * *

(b) – (c) No change.

(d) <u>Reserved</u> [Excess Order Fee

(1) To deter members from inefficient order entry practices that place excessive burdens on the systems of the Exchange and other members and that may negatively impact the

usefulness of market data, the Exchange imposes an Excess Order Fee on members with an “Order Entry Ratio” of more than 100. The Order Entry Ratio is calculated, and the Excess Order Fee imposed, on a monthly basis. All calculations under the rule will be based on orders received by the Exchange during regular market hours (generally, 9:30 a.m. to 4:00 p.m.) and will exclude orders received at other times, even if they execute during regular market hours.

(2) For each member, the Order Entry Ratio is the ratio of (i) the member’s Weighted Order Total to (ii) the greater of one (1) or the number of displayed, non-marketable orders sent to the Exchange by the member that execute in full or in part. The Weighted Order Total is the number of displayed, non-marketable orders sent to the Exchange by the member, as adjusted by a “Weighting Factor”“ The applicable Weighting Factor is applied to each order based on its price in comparison to the national best bid or best offer (“NBBO”) at the time of order entry:

<u>Order’s Price versus NBBO at Entry</u>	<u>Weighting Factor</u>
Less than 0.20% away	0x
0.20% to 0.99% away	1x
1.00% to 1.99% away	2x
2.00% or more away	3x

Thus, in calculating the Weighted Order Total, an order that was more than 2.0% away from the NBBO would be equivalent to three orders that were 0.50% away. Due to the applicable Weighting Factor of 0x, orders entered less than 0.20% away from the NBBO would not be included in the Weighted Order Total, but would be included in the “executed” orders component of the Order Entry Ratio if they execute in full or part. The following example illustrates the calculation of the Order Entry Ratio:

• A member enters 15,000,000 displayed, liquidity-providing orders:

• 10,000,000 orders are entered at the NBBO. The Weighting Factor for these orders is 0x.

• 5,000,000 orders are entered at a price that is 1.50% away from the NBBO. The Weighting Factor for these orders is 2x.

• Of the 15,000,000 orders, 90,000 are executed.

• The Weighted Order Total is (10,000,000 x 0) + (5,000,000 x 2) = 10,000,000. The Order Entry Ratio is 10,000,000 / 90,000 = 111

(3) If a member has an Order Entry Ratio of more than 100, the Order Entry Fee will be calculated by determining the member’s Excess Weighted Orders. Excess Weighted Orders are calculated by subtracting (i) the Weighted Order Total that would result in the

member having an Order Entry Ratio of 100 from (ii) the member's actual Weighted Order Total.

In the example above, the Weighted Order Total that would result in an Order Entry Ratio of 100 is 9,000,000, since 9,000,000 / 90,000 = 100. Accordingly, the Excess Weighted Orders would be 10,000,000 - 9,000,000 = 1,000,000.

The Excess Order Fee charged to the member will then be determined by multiplying the Applicable Rate by the number of Excess Weighted Orders. The Applicable Rate is determined based on the member's Order Entry Ratio.

Order Entry Ratio	Applicable Rate
101 - 1,000	$0.005
More than 1,000	$0.01

In the example above, the Applicable Rate would be $0.005, based on the member's Order Entry Ratio of 111. Accordingly, the monthly Excess Order Fee would be 1,000,000 x $0.005 = $5,000.

(4) Notwithstanding the foregoing, members with a daily average Weighted Order Total of less than 100,000 during the month will not be subject to the Excess Order Fee.]

(e) No change.

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