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

File No.* SR - 2015 - * 056
Amendment No. (req. for Amendments *)

Filing by NASDAQ OMX BX, Inc.

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

Initial * ☑ Amendment * ☐ Withdrawal ☐

Section 19(b)(2) * ☐ Section 19(b)(3)(A) * ☑ Section 19(b)(3)(B) * ☐

Rule

☐ 19b-4(f)(1) ☐ 19b-4(f)(4)
☑ 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 the fee schedule under Exchange Rule 7018(a).

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 09/01/2015
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.

Digitally Sign and Lock Form

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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 the fee schedule under Exchange Rule 7018(a) with respect to execution and routing of orders in securities priced at $1 or more per share and to amend a credit under BX Rule 7018(e).

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 1, 2015. 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 the fee schedule under BX Rule 7018(a), relating to charges and credits provided for orders in securities priced and $1 or more per share that execute on BX, as well as to reduce a credit provided in connection with the Retail Price Improvement ("RPI") program under BX Rule 7018(e).

Under BX Rule 7018(a), the Exchange provides credits to member firms that access certain levels of liquidity on BX per month. The Exchange is proposing to amend several of the credit tiers for orders that access liquidity (excluding orders with midpoint pegging and excluding orders that receive price improvement and execute against an order with midpoint pegging), as well as modify the criteria for receiving certain of the credits. The Exchange also proposes a few minor changes made for the purposes of clarity and conformity.

Specifically, the Exchange proposes to add a new credit tier of $0.0016 per share executed, which will be provided for orders that access liquidity, excluding orders with midpoint pegging[3] and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses liquidity equal to or exceeding 0.15% of total consolidated volume[4] ("Consolidated Volume") during a

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3 A Midpoint Peg order has its priced based upon the national best bid and offer, excluding the effect that the Midpoint Peg Order itself has on the inside bid or inside offer. Primary Pegged Orders with an offset amount and Midpoint Pegged Orders will never be displayed. A Midpoint Pegged Order may be executed in sub-pennies if necessary to obtain a midpoint price. A new timestamp is created for the order each time it is automatically adjusted.

4 Consolidated Volume is defined as the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting

month. Additionally, the Exchange proposes to amend the credit tier of $0.0015 per share executed, which is provided for orders that access liquidity, excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses liquidity equal or exceeding 0.10% of Consolidated Volume by reducing the Consolidated Volume threshold to 0.09%.

BX also proposes to eliminate the credit tier of $0.0012 per share executed, which currently is provided for orders that access liquidity, excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses liquidity equal to or exceeding 0.10% of total Consolidated Volume during a month.

Next, the Exchange proposes to revise the criteria for a member to qualify for the credit tier of $0.0008 per share executed, which will be provided for orders that access liquidity, excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses (rather than adds as is currently stated) liquidity equal to or exceeding 0.05% (rather than 0.02% that is the current level), of total Consolidated Volume during a month.

BX is also proposing to slightly increase the charge for providing liquidity through the NASDAQ OMX BX Equities System ("System") for a displayed order

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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. See Rule 7018(a).

entered by a member that (i) adds liquidity equal to or exceeding 0.25% of total Consolidated Volume during a month; and (ii) adds and accesses liquidity equal to or exceeding 0.50% of total Consolidated Volume during a month from $0.0014 per share executed to $0.0016 per share executed.

Currently, a firm may become a Qualified Market Maker ("QMM") by being a member that provides through one or more of its BX 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 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.) during the month. The Exchange is proposing to increase the Consolidated Volume requirement from 0.15% to 0.20% during the month and to eliminate the additional requirement that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity during the month.

Lastly, the Exchange is proposing to amend a credit provided under the Retail Price Improvement ("RPI") program in BX Rule 7018(e). The Exchange's RPI program provides incentives to member firms (or a division thereof) approved by the Exchange to participate in the program (a "Retail Member Organization") to submit designated "Retail Orders"[5] for the purpose of seeking price improvement. The Exchange is proposing to

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5 A Retail Order is defined in BX Rule 4780(a)(2), in part, as "an agency or riskless principal order that satisfies the criteria of FINRA Rule 5320.03, that originates from a natural person and is submitted to the Exchange by a Retail Member Organization, provided that no change is made to the terms of the order with respect to price (except in the case that a market order is changed to a marketable limit order) or side of market and the order does not originate from a trading algorithm or any other computerized methodology."

decrease the credit of $0.0002 per share executed to $0.0000 per share executed that is provided for a Retail Order that receives price improvement (when the accepted price of an order is different than the executed price of an order) and accesses non-RPI order with midpoint pegging.

b. Statutory Basis

BX believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,[6] in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,[7] 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 believes that the new and amended credit tiers for orders that access liquidity (excluding orders with midpoint pegging and excluding orders that receive price improvement and execute against an order with midpoint pegging), as well as the modified criteria for receiving certain of the credits based on Consolidated Volume

[6] 15 U.S.C. 78f.

[7] 15 U.S.C. 78f(b)(4) and (5).

together, as well as related clarifying changes, under BX Rule 7018(a) are reasonable because they provide additional opportunities for market participants to receive credits for participation on BX.

Specifically, the Exchange is proposing a new of $0.0016 per share executed credit tier, which requires liquidity accessed of 0.15% or more of Consolidated Volume during the month. The Exchange is also proposing a eliminate the $0.0012 per share executed credit tier, which currently requires liquidity accessed of 0.05% or more of Consolidated Volume during the month. Additionally, the Exchange is modifying the existing credit tier of $0.0008 per share executed by increasing the minimum total Consolidated Volume required from 0.02% to 0.05% and making it applicable to members that access rather than add liquidity. As such, the Exchange is generally providing increased credits for member firms that remove increasing amounts of liquidity from the Exchange. With respect to the accesses Consolidated Volume requirement to receive the $0.0008 credit, the Exchange believes this is reasonable because for firms to receive the increased credit they must remove a certain amount of Consolidated Volume, which will improve market quality for all participants.

The Exchange believes that the proposed credits noted above are equitably allocated and are not unfairly discriminatory as they are provided to all member firms that achieve the minimum level of Consolidated Volume required by the tier, with the member firms that remove the greatest level of Consolidated Volume receiving the greatest credit. Additionally, the Exchange believes that this proposed rule change being changed from a member that adds liquidity to being applicable to a member that accesses liquidity is reasonable because the Exchange desires to further incentivize member firms to participate in the Exchange by removing liquidity.

The Exchange believes that elimination of the $0.0012 per share executed credit tier is reasonable because the Exchange has added a $0.0016 credit tier per share executed, discussed above, and the Exchange desires to further incentivize member firms to participate in the Exchange by removing liquidity, generally. The Exchange believes that the proposed addition of the $0.0016 credit tier per share executed and elimination of the $0.0012 per share executed credit tier, are both an equitable allocation and are not unfairly discriminatory because the $0.0012 per share executed credit tier is a no longer needed incentive for market participant and member firms will continue to have the opportunity to qualify for a higher credit based on their participation in BX by removing liquidity.

Additionally, the Exchange believes reducing the Consolidated Volume threshold for the credit tier of $0.0015 per share executed, which is provided for orders that access liquidity (excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging) and that is entered by a member that accesses liquidity, from equal or exceeding 0.10% of Consolidated Volume to 0.09%, is reasonable because it will make it easier for members to receive a rebate at that level and encourage market participant activity and will also support price discovery and liquidity provision. The Exchange also believes this proposed rule change is an equitable allocation and is not unfairly discriminatory because it will apply uniformly to all member firms that so qualify.

The Exchange believes that the proposed change to slightly increase the charge assessed a member for entering a displayed order is reasonable because the exchange must balance the cost of credits provided for orders removing liquidity and the desire to provide QMMs with incentives to provide displayed orders. The Exchange notes that the proposed charge continues to be lower than the default charge assessed for all other displayed orders that do not otherwise qualify for a lower charge, and as such continues to act as an incentive to market participants to provide such liquidity. The Exchange believes that the proposed change is both equitably allocated and is not unfairly discriminatory because the slightly increased charge applies uniformly to all member firms that previously had qualified to receive such a credit.

The Exchange believes that the proposed increase to the monthly Consolidated Volume requirement from 0.15% to 0.20% for a firm to become a QMM is reasonable because member firms are being required to provide through one or more of its BX System MPIDs increased Consolidated Volume to qualify, which will increase liquidity in the market overall. Additionally, 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. BX also believes it is reasonable to eliminate the additional requirement that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity during the month because the Exchange believes removing this criteria will allow QMMs to focus on making better markets.

The Exchange also believes that the proposed increase to the monthly Consolidated Volume requirement from 0.15% to 0.20% for a firm to become a QMM is both equitably allocated and is not unfairly discriminatory because it the slightly higher Consolidated Volume requirement applies uniformly to firms seeking to qualify as a QMM. The Exchange also believes that the proposed changes to the criteria for a firm to qualify as a QMM expands the opportunity for firms to qualify as a QMM and further perfects the mechanism of a free and open market by making it easier to qualify for this beneficial, market improving program and bolster displayed liquidity by eliminating the additional requirement that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity during the month.

BX believes that the proposed change to decrease the credit of $0.0002 per share executed to $0.0000 per share executed that is provided for a Retail Order that receives price improvement (when the accepted price of an order is different than the executed price of an order) and accesses non-RPI order with midpoint pegging is reasonable because this incentive is no longer needed to improve the market for retail order flow. Also, the Exchange must continually adjust its incentives to remain competitive with other exchanges. The Exchange also believes the reduced credit is equitably allocated and is not unfairly discriminatory because it applies uniformly to all firms.

Finally, BX notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, BX must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges.

The changes reflect this environment because although they reflect changes to both credits and charges, with the price increases being minor, while the amended credits are designed overall to incentivize changes in market participant behavior to the benefit of the market overall.

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.[8] 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.

In this instance, the modification to the fee schedule, as well as modifications to the criteria to become a QMM, do 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

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

Exchange, it is likely that BX will lose market share as a result of the changes if they are unattractive to market participants.

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,[9] 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.

[9] 15 U.S.C. 78s(b)(3)(A)(ii).

11. Exhibits

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

5. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-BX-2015-056)

September __, 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 September 1, 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 the fee schedule under Exchange Rule 7018(a) with respect to execution and routing of orders in securities priced at $1 or more per share and to amend a credit under BX Rule 7018(e).

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on September 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. 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 is proposing to amend the fee schedule under BX Rule 7018(a), relating to charges and credits provided for orders in securities priced and $1 or more per share that execute on BX, as well as to reduce a credit provided in connection with the Retail Price Improvement ("RPI") program under BX Rule 7018(e).

Under BX Rule 7018(a), the Exchange provides credits to member firms that access certain levels of liquidity on BX per month. The Exchange is proposing to amend several of the credit tiers for orders that access liquidity (excluding orders with midpoint pegging and excluding orders that receive price improvement and execute against an order with midpoint pegging), as well as modify the criteria for receiving certain of the credits. The Exchange also proposes a few minor changes made for the purposes of clarity and conformity.

Specifically, the Exchange proposes to add a new credit tier of $0.0016 per share executed, which will be provided for orders that access liquidity, excluding orders with midpoint pegging[3] and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses liquidity equal to or exceeding 0.15% of total consolidated volume[4] ("Consolidated Volume") during a month. Additionally, the Exchange proposes to amend the credit tier of $0.0015 per share executed, which is provided for orders that access liquidity, excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses liquidity equal or exceeding 0.10% of Consolidated Volume by reducing the Consolidated Volume threshold to 0.09%.

BX also proposes to eliminate the credit tier of $0.0012 per share executed, which currently is provided for orders that access liquidity, excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses liquidity equal to or exceeding 0.10% of total Consolidated Volume during a month.

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3 A Midpoint Peg order has its priced based upon the national best bid and offer, excluding the effect that the Midpoint Peg Order itself has on the inside bid or inside offer. Primary Pegged Orders with an offset amount and Midpoint Pegged Orders will never be displayed. A Midpoint Pegged Order may be executed in sub-pennies if necessary to obtain a midpoint price. A new timestamp is created for the order each time it is automatically adjusted.

4 Consolidated Volume is defined as 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. See Rule 7018(a).

Next, the Exchange proposes to revise the criteria for a member to qualify for the credit tier of $0.0008 per share executed, which will be provided for orders that access liquidity, excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging, entered by a member that accesses (rather than adds as is currently stated) liquidity equal to or exceeding 0.05% (rather than 0.02% that is the current level), of total Consolidated Volume during a month.

BX is also proposing to slightly increase the charge for providing liquidity through the NASDAQ OMX BX Equities System ("System") for a displayed order entered by a member that (i) adds liquidity equal to or exceeding 0.25% of total Consolidated Volume during a month; and (ii) adds and accesses liquidity equal to or exceeding 0.50% of total Consolidated Volume during a month from $0.0014 per share executed to $0.0016 per share executed.

Currently, a firm may become a Qualified Market Maker ("QMM") by being a member that provides through one or more of its BX 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 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.) during the month. The Exchange is proposing to increase the Consolidated Volume requirement from 0.15% to 0.20% during the month and to eliminate the additional requirement that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity during the month.

Lastly, the Exchange is proposing to amend a credit provided under the Retail Price Improvement ("RPI") program in BX Rule 7018(e). The Exchange's RPI program provides incentives to member firms (or a division thereof) approved by the Exchange to participate in the program (a "Retail Member Organization") to submit designated "Retail Orders"[5] for the purpose of seeking price improvement. The Exchange is proposing to decrease the credit of $0.0002 per share executed to $0.0000 per share executed that is provided for a Retail Order that receives price improvement (when the accepted price of an order is different than the executed price of an order) and accesses non-RPI order with midpoint pegging.

2. Statutory Basis

BX believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,[6] in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,[7] 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,

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[5] A Retail Order is defined in BX Rule 4780(a)(2), in part, as "an agency or riskless principal order that satisfies the criteria of FINRA Rule 5320.03, that originates from a natural person and is submitted to the Exchange by a Retail Member Organization, provided that no change is made to the terms of the order with respect to price (except in the case that a market order is changed to a marketable limit order) or side of market and the order does not originate from a trading algorithm or any other computerized methodology."

[6] 15 U.S.C. 78f.

[7] 15 U.S.C. 78f(b)(4) and (5).

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 believes that the new and amended credit tiers for orders that access liquidity (excluding orders with midpoint pegging and excluding orders that receive price improvement and execute against an order with midpoint pegging), as well as the modified criteria for receiving certain of the credits based on Consolidated Volume together, as well as related clarifying changes, under BX Rule 7018(a) are reasonable because they provide additional opportunities for market participants to receive credits for participation on BX.

Specifically, the Exchange is proposing a new of $0.0016 per share executed credit tier, which requires liquidity accessed of 0.15% or more of Consolidated Volume during the month. The Exchange is also proposing a eliminate the $0.0012 per share executed credit tier, which currently requires liquidity accessed of 0.05% or more of Consolidated Volume during the month. Additionally, the Exchange is modifying the existing credit tier of $0.0008 per share executed by increasing the minimum total Consolidated Volume required from 0.02% to 0.05% and making it applicable to members that access rather than add liquidity. As such, the Exchange is generally providing increased credits for member firms that remove increasing amounts of liquidity from the Exchange. With respect to the accesses Consolidated Volume requirement to receive the $0.0008 credit, the Exchange believes this is reasonable because for firms to receive the increased credit they must remove a certain amount of Consolidated Volume, which will improve market quality for all participants.

The Exchange believes that the proposed credits noted above are equitably allocated and are not unfairly discriminatory as they are provided to all member firms that achieve the minimum level of Consolidated Volume required by the tier, with the member firms that remove the greatest level of Consolidated Volume receiving the greatest credit. Additionally, the Exchange believes that this proposed rule change being changed from a member that adds liquidity to being applicable to a member that accesses liquidity is reasonable because the Exchange desires to further incentivize member firms to participate in the Exchange by removing liquidity.

The Exchange believes that elimination of the $0.0012 per share executed credit tier is reasonable because the Exchange has added a $0.0016 credit tier per share executed, discussed above, and the Exchange desires to further incentivize member firms to participate in the Exchange by removing liquidity, generally. The Exchange believes that the proposed addition of the $0.0016 credit tier per share executed and elimination of the $0.0012 per share executed credit tier, are both an equitable allocation and are not unfairly discriminatory because the $0.0012 per share executed credit tier is a no longer needed incentive for market participant and member firms will continue to have the opportunity to qualify for a higher credit based on their participation in BX by removing liquidity.

Additionally, the Exchange believes reducing the Consolidated Volume threshold for the credit tier of $0.0015 per share executed, which is provided for orders that access liquidity (excluding orders with midpoint pegging and orders that receive price improvement and execute against an order with midpoint pegging) and that is entered by a member that accesses liquidity, from equal or exceeding 0.10% of Consolidated Volume to 0.09%, is reasonable because it will make it easier for members to receive a rebate at that level and encourage market participant activity and will also support price discovery and liquidity provision. The Exchange also believes this proposed rule change is an equitable allocation and is not unfairly discriminatory because it will apply uniformly to all member firms that so qualify.

The Exchange believes that the proposed change to slightly increase the charge assessed a member for entering a displayed order is reasonable because the exchange must balance the cost of credits provided for orders removing liquidity and the desire to provide QMMs with incentives to provide displayed orders. The Exchange notes that the proposed charge continues to be lower than the default charge assessed for all other displayed orders that do not otherwise qualify for a lower charge, and as such continues to act as an incentive to market participants to provide such liquidity. The Exchange believes that the proposed change is both equitably allocated and is not unfairly discriminatory because the slightly increased charge applies uniformly to all member firms that previously had qualified to receive such a credit.

The Exchange believes that the proposed increase to the monthly Consolidated Volume requirement from 0.15% to 0.20% for a firm to become a QMM is reasonable because member firms are being required to provide through one or more of its BX System MPIDs increased Consolidated Volume to qualify, which will increase liquidity in the market overall. Additionally, 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. BX also believes it is reasonable to eliminate the additional requirement that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity during the month because the Exchange believes removing this criteria will allow QMMs to focus on making better markets.

The Exchange also believes that the proposed increase to the monthly Consolidated Volume requirement from 0.15% to 0.20% for a firm to become a QMM is both equitably allocated and is not unfairly discriminatory because it the slightly higher Consolidated Volume requirement applies uniformly to firms seeking to qualify as a QMM. The Exchange also believes that the proposed changes to the criteria for a firm to qualify as a QMM expands the opportunity for firms to qualify as a QMM and further perfects the mechanism of a free and open market by making it easier to qualify for this beneficial, market improving program and bolster displayed liquidity by eliminating the additional requirement that the member must also provide an average daily volume of 1.5M shares or more of non-displayed liquidity during the month.

BX believes that the proposed change to decrease the credit of \$0.0002 per share executed to \$0.0000 per share executed that is provided for a Retail Order that receives price improvement (when the accepted price of an order is different than the executed price of an order) and accesses non-RPI order with midpoint pegging is reasonable because this incentive is no longer needed to improve the market for retail order flow. Also, the Exchange must continually adjust its incentives to remain competitive with other exchanges. The Exchange also believes the reduced credit is equitably allocated and is not unfairly discriminatory because it applies uniformly to all firms.

Finally, BX notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, BX must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. The changes reflect this environment because although they reflect changes to both credits and charges, with the price increases being minor, while the amended credits are designed overall to incentivize changes in market participant behavior to the benefit of the market overall.

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.[8] 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

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

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 the fee schedule, as well as modifications to the criteria to become a QMM, do 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.

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[9] and paragraph (f) of Rule 19b-4[10] 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

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9 15 U.S.C. 78s(b)(3)(A).

10 17 CFR 240.19b-4(f).

appropriate in the public interest, for the protection of investors, or 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. Please include File Number SR-BX-2015-056 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-2015-056. 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-BX-2015-056 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.[11]

Robert W. Errett
Deputy Secretary

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[11] 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.

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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:	
Order that receives price improvement and executes against an order with Midpoint pegging:	$0.0000 per share executed
Order with Midpoint pegging that removes liquidity:	$0.0000 per share executed
Order that accesses liquidity (excluding orders with Midpoint pegging and excluding orders that receive price improvement and execute against an order with Midpoint pegging) entered by a member that accesses liquidity equal to or exceeding 0.20% of total Consolidated Volume during a month:	$0.0017 per share executed
Order that accesses liquidity (excluding orders with Midpoint pegging and excluding orders that receive price improvement and execute against an order with Midpoint pegging) entered by a member that accesses liquidity equal to or exceeding 0.15% of total Consolidated Volume during a month:	$0.001[5]6 per share executed
Order that accesses liquidity (excluding orders with Midpoint pegging and excluding orders that receive price improvement and execute against an order with Midpoint pegging) entered by a member that [adds]accesses liquidity equal to or exceeding	$0.001[2]5 per share executed

0.0[5]9% of total Consolidated Volume during month:

Order that accesses liquidity (excluding orders with Midpoint pegging and excluding orders that receive price improvement and execute against an order with Midpoint pegging) entered by a member that [adds]accesses 0.0[2]5% of total Consolidated Volume during a month:	$0.0008 per share executed
All other orders:	$0.0006 per share executed
Charge for providing liquidity through the NASDAQ OMX BX Equities System:	
Displayed order entered by a Qualified Market Maker:	$0.0014 per share executed
Displayed order entered by a member that (i) adds liquidity equal to or exceeding 0.25% of total Consolidated Volume during a month; and (ii) adds and accesses liquidity equal to or exceeding 0.50% of total Consolidated Volume during a month:	$0.001[4]6 per share executed
Displayed order entered by a member that adds liquidity equal to or exceeding 0.20% of total Consolidated Volume during a month:	$0.0018 per share executed
Displayed order entered by a member that adds liquidity equal to or exceeding 0.10% of total Consolidated Volume during a month:	$0.0019 per share executed
Order with Midpoint pegging entered by a member that adds 0.02% of total Consolidated Volume of non-displayed liquidity:	$0.0005 per share executed
Order with Midpoint pegging entered by other member:	$0.0015 per share executed
Non-displayed orders (other than orders with Midpoint pegging) entered by a member that adds 0.06% of total Consolidated Volume of non-displayed liquidity:	$0.0024 per share executed
All other non-displayed orders:	$0.0030 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]20% 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 of non-displayed liquidity during the month.]

Charge for BSTG or BSCN order that executes in a venue other than the NASDAQ OMX BX Equities System:	$0.0030 per share executed at NYSE
	$0.0030 per share executed at venues other than NYSE
Charge for BMOP order that executes in a venue other than the NASDAQ OMX BX Equities System:	$0.0035 per share executed at NYSE
	$0.0035 per share executed at venues other than NYSE
Charge for BTFY order that executes in a venue other than the NASDAQ OMX BX Equities System:	$0.0030 per share executed at NYSE
	$0.0030 per share executed at NASDAQ
	$0.0030 per share executed at NASDAQ OMX PSX
	$0.0007 per share executed at venues other than NYSE, NASDAQ and NASDAQ OMX PSX
Charge for BCRT order that executes in a venue other than the NASDAQ OMX BX Equities System:	$0.0030 per share executed at NASDAQ OMX PSX
	$0.0030 per share executed at NASDAQ
Charge for BDRK and BCST order that executes in a venue other than the NASDAQ OMX BX Equities System:	$0.0010 per share executed

(b) – (d) No change.

(e) Retail Price Improvement Program Pricing for Retail Orders and Retail Price Improvement Orders

Notwithstanding the foregoing, the following fees and credits shall apply to execution of Retail Orders and Retail Price Improvement Orders under Rule 4780:

Charge for Retail Price Improvement Order that provides liquidity:	$0.0025 per share executed
Charge or Credit for Retail Orders that access liquidity:	
Retail Order that accesses liquidity provided by a Retail Price Improvement Order:	Credit of $0.0025 per share executed
Retail Order that receives price improvement (when the accepted price of an order is different than the executed price of an order) and accesses non-Retail Price Improvement order with Midpoint pegging:	Credit of $0.000[2]<u>0</u> per share executed
Retail Order that accesses other liquidity on the Exchange book:	Credit of $0.0017 per share executed
Type 2 Retail Order that is routed to another trading venue for execution:	The charge or credit otherwise applicable to routed orders under Rule 7018(a) or 7018(b)

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