

Required fields are shown with yellow backgrounds and asterisks.

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| Page 1 of * <input type="text" value="17"/> | SECURITIES AND EXCHANGE COMMISSION<br>WASHINGTON, D.C. 20549<br>Form 19b-4 | File No.* SR - <input type="text" value="2017"/> - * <input type="text" value="016"/> | Amendment No. (req. for Amendments *) <input type="text"/> |
|---|--|---|--|

Filing by NASDAQ BX, Inc.  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

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

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

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

Proposal to amend Rule 4770 to modify the date of Appendix B website data publication pursuant to the Regulation NMS Plan to Implement a Tick Size Pilot Program.

**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 * <input type="text" value="Andrew"/>                      | Last Name * <input type="text" value="Madar"/> |
| Title * <input type="text" value="Senior Associate General Counsel"/> |  |
| E-mail * <input type="text" value="Andrew.Madar@nasdaq.com"/>         |  |
| Telephone * <input type="text" value="(301) 978-8420"/>               | Fax <input type="text"/>                       |

**Signature**

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

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

(Title \*)

|  |   |
|--|---|
| Date <input type="text" value="02/28/2017"/>     | <input type="text" value="Executive Vice President and General Counsel"/> |
| By <input type="text" value="Edward S. Knight"/> | <input type="text" value="edward.knight@nasdaq.com"/>                     |

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

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

Add Remove View

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

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

Add Remove View

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

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

Add Remove View

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

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

Add Remove View

Exhibit Sent As Paper Document

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

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

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 the Proposed Rule Change

(a) NASDAQ BX, Inc. (“BX” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend Rule 4770 to modify the date of Appendix B website data publication pursuant to the Regulation NMS Plan to Implement a Tick Size Pilot Program (“Plan”).

The Exchange requests that the Commission waive the five-day pre-filing requirement and the 30-day operative delay period contained in Exchange Act Rule 19b-4(f)(6)(iii).<sup>3</sup>

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

The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Board of Directors of the Exchange on August 29, 2016. No other action is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to:

Andrew Madar  
Senior Associate General Counsel  
Nasdaq, Inc.

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

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

<sup>3</sup> 17 CFR 240.19b-4(f)(6)(iii).

301-978-8420

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

a. Purpose

Rule 4770(b) (Compliance with Data Collection Requirements)<sup>4</sup> implements the data collection and website publication requirements of the Plan.<sup>5</sup> Commentary .08 to Rule 4770 provides, among other things, that the requirement that the Exchange make certain data publicly available on the Exchange website pursuant to Appendix B and C to the Plan shall commence at the beginning of the Pilot Period,<sup>6</sup> and that BX shall make data for the Pre-Pilot Period publicly available on the Exchange website pursuant to Appendix B and C to the Plan by February 28, 2017.<sup>7</sup>

BX is proposing amendments to Commentary .08 to Rule 4770 to delay the date by which Pre-Pilot and Pilot Appendix B data is to be made publicly available on the

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<sup>4</sup> See Rule 4770(b). See also Securities Exchange Act Release No. 77457 (March 28, 2016), 81 FR 18913 (April 1, 2016) (SR-BX-2016-019).

<sup>5</sup> The Participants filed the Plan to comply with an order issued by the Commission on June 24, 2014. See Letter from Brendon J. Weiss, Vice President, Intercontinental Exchange, Inc., to Secretary, Commission, dated August 25, 2014 ("SRO Tick Size Plan Proposal"). See Securities Exchange Act Release No. 72460 (June 24, 2014), 79 FR 36840 (June 30, 2014); see also Securities Exchange Act Release No. 74892 (May 6, 2015), 80 FR 27513 (May 13, 2015).

<sup>6</sup> Unless otherwise defined herein, capitalized terms have the meaning ascribed to them in Rule 4770.

<sup>7</sup> On November 30, 2016, the SEC granted exemptive relief to the Participants to, among other things, delay the publication of website data pursuant to Appendices B and C to the Plan until February 28, 2017, and to delay the ongoing website publication by ninety days such that data would be published within 120 calendar days following the end of the month. See Letter from David S. Shillman, Associate Director, Division of Trading and Markets, Commission, to Marcia E. Asquith, Senior Vice President and Corporate Secretary, FINRA, dated November 30, 2016; see also Securities Exchange Act Release No. 79549 (December 14, 2016), 81 FR 92886 (December 20, 2016) (SR-BX-2017-067).

Exchange's website from February 28, 2017, until April 28, 2017. Appendix C data for the Pre-Pilot Period through the month of January 2017 will be published on the Exchange website on February 28, 2017, and, thereafter, on the original 30-day schedule.<sup>8</sup> As some of the data reporting requirements set forth in Rule 4770 require members to report data to their Designated Examining Authority ("DEA"), which may not be BX, the Exchange is also proposing to add references in Commentary .08 to reflect the fact that the Exchange or the DEA may be publishing such data.

In the SRO Tick Size Plan Proposal, the Participants stated that the public data will be made available for free "on a disaggregated basis by trading center" on the websites of the Participants and the Designated Examining Authorities.<sup>9</sup> However, market participants have expressed confidentiality concerns regarding this approach for over-the-counter ("OTC") data.<sup>10</sup> Thus, BX is filing the instant proposed rule change to provide additional time to assess a means of addressing the confidentiality concerns raised in connection with the publication of Appendix B data related to OTC activity in

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<sup>8</sup> Since, under Rule 4770(b)(4), BX is not independently publishing Market Maker profitability data collected pursuant to Item I of Appendix C of the Plan, no corresponding change to the language of Rule 4770(b)(4) relating to the timing of the publication of Appendix C data for the Pilot Period is needed.

<sup>9</sup> See Securities Exchange Act Release No. 73511 (November 3, 2014), 79 FR 66423 (November 7, 2014) (Notice of Filing of Proposed National Market System Plan to Implement a Tick Size Pilot Program on a One-Year Pilot Basis, File No. 4-657) ("Tick Size Plan Proposal").

<sup>10</sup> See letters from Adam C. Cooper, Senior Managing Director and Chief Legal Officer, Citadel Securities, to Brent J. Fields, Secretary, Commission, dated December 21, 2016 ("Citadel letter"); and William Hebert, Managing Director, Financial Information Forum, to Robert W. Errett, Deputy Secretary, Commission, dated December 21, 2016 ("FIF letter").

furtherance of the objectives of the Plan.<sup>11</sup> Pursuant to this amendment, Appendix B data publication will be delayed until April 28, 2017. The Participants anticipate filing additional proposed rule changes to address Appendix B data publication.

As noted in Item 2 of this filing, BX has filed the proposed rule change for immediate effectiveness. The operative date of the proposed rule change will be the date of filing.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>12</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>13</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. BX also believes that the proposal is consistent with Section 6(b)(8) of the Act,<sup>14</sup> which requires that Exchange rules not impose any burden on competition that is not necessary or appropriate.

The Plan is designed to allow the Commission, market participants, and the public to study and assess the impact of increment conventions on the liquidity and trading of the common stock of small-capitalization companies. BX believes that this proposal is consistent with the Act because it is in furtherance of the objectives of Section VII(A) of

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<sup>11</sup> In connection with its filing to implement a similar change in its rules, the Financial Industry Regulatory Authority, Inc. is also submitting an exemptive request to the SEC on behalf of all Plan Participants requesting relief from the relevant requirements of the Plan.

<sup>12</sup> 15 U.S.C. 78f(b).

<sup>13</sup> 15 U.S.C. 78f(b)(5).

<sup>14</sup> 15 U.S.C. 78f(b)(8).

the Plan in that it is designed to provide BX with additional time to assess a means of addressing the confidentiality concerns raised in connection with the publication of Appendix B data, to comply with the Plan's requirements that the data made publicly available will not identify the trading center that generated the data.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change implements the provisions of the Plan.

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

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii)<sup>15</sup> of the Act and Rule 19b-4(f)(6) thereunder<sup>16</sup> in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

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

<sup>16</sup> 17 CFR 240.19b-4(f)(6).

The proposed rule change is intended to address the requirement in Section VII(A) of the Plan that the data made publicly available will not identify the trading center that generated the data by providing additional time to assess a means of addressing the confidentiality concerns raised in connection with the publication of Appendix B data.<sup>17</sup> BX notes that the proposal also does not alter the information required to be submitted to the SEC.

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

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

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the five-day pre-filing requirement and the 30-day operative delay contained in Rule 19b-

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<sup>17</sup> See supra note 10.



4(f)(6)(iii) so that the proposed rule change may become operative prior to February 28, 2017, which is the current publication date for Appendix B data.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

1. Notice of Proposed Rule Change for publication in the Federal Register.
5. Text of the proposed rule change.

**EXHIBIT 1**

SECURITIES AND EXCHANGE COMMISSION  
(Release No. \_\_\_\_\_ ; File No. SR-BX-2017-016)

March \_\_, 2017

Self-Regulatory Organizations; NASDAQ BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Data Reporting Requirements of Rule 4770

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 28, 2017, NASDAQ 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 Rule 4770 to modify the date of Appendix B website data publication pursuant to the Regulation NMS Plan to Implement a Tick Size Pilot Program (“Plan”).

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

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

<sup>2</sup> 17 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

Rule 4770(b) (Compliance with Data Collection Requirements)<sup>3</sup> implements the data collection and website publication requirements of the Plan.<sup>4</sup> Commentary .08 to Rule 4770 provides, among other things, that the requirement that the Exchange make certain data publicly available on the Exchange website pursuant to Appendix B and C to the Plan shall commence at the beginning of the Pilot Period,<sup>5</sup> and that BX shall make data for the Pre-Pilot Period publicly available on the Exchange website pursuant to Appendix B and C to the Plan by February 28, 2017.<sup>6</sup>

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<sup>3</sup> See Rule 4770(b). See also Securities Exchange Act Release No. 77457 (March 28, 2016), 81 FR 18913 (April 1, 2016) (SR-BX-2016-019).

<sup>4</sup> The Participants filed the Plan to comply with an order issued by the Commission on June 24, 2014. See Letter from Brendon J. Weiss, Vice President, Intercontinental Exchange, Inc., to Secretary, Commission, dated August 25, 2014 ("SRO Tick Size Plan Proposal"). See Securities Exchange Act Release No 72460 (June 24, 2014), 79 FR 36840 (June 30, 2014); see also Securities Exchange Act Release No. 74892 (May 6, 2015), 80 FR 27513 (May 13, 2015).

<sup>5</sup> Unless otherwise defined herein, capitalized terms have the meaning ascribed to them in Rule 4770.

<sup>6</sup> On November 30, 2016, the SEC granted exemptive relief to the Participants to, among other things, delay the publication of website data pursuant to Appendices B and C to the Plan until February 28, 2017, and to delay the ongoing website

BX is proposing amendments to Commentary .08 to Rule 4770 to delay the date by which Pre-Pilot and Pilot Appendix B data is to be made publicly available on the Exchange's website from February 28, 2017, until April 28, 2017. Appendix C data for the Pre-Pilot Period through the month of January 2017 will be published on the Exchange website on February 28, 2017, and, thereafter, on the original 30-day schedule.<sup>7</sup> As some of the data reporting requirements set forth in Rule 4770 require members to report data to their Designated Examining Authority ("DEA"), which may not be BX, the Exchange is also proposing to add references in Commentary .08 to reflect the fact that the Exchange or the DEA may be publishing such data.

In the SRO Tick Size Plan Proposal, the Participants stated that the public data will be made available for free "on a disaggregated basis by trading center" on the websites of the Participants and the Designated Examining Authorities.<sup>8</sup> However, market participants have expressed confidentiality concerns regarding this approach for over-the-counter ("OTC") data.<sup>9</sup> Thus, BX is filing the instant proposed rule change to

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publication by ninety days such that data would be published within 120 calendar days following the end of the month. See Letter from David S. Shillman, Associate Director, Division of Trading and Markets, Commission, to Marcia E. Asquith, Senior Vice President and Corporate Secretary, FINRA, dated November 30, 2016; see also Securities Exchange Act Release No. 79549 (December 14, 2016), 81 FR 92886 (December 20, 2016) (SR-BX-2017-067).

<sup>7</sup> Since, under Rule 4770(b)(4), BX is not independently publishing Market Maker profitability data collected pursuant to Item I of Appendix C of the Plan, no corresponding change to the language of Rule 4770(b)(4) relating to the timing of the publication of Appendix C data for the Pilot Period is needed.

<sup>8</sup> See Securities Exchange Act Release No. 73511 (November 3, 2014), 79 FR 66423 (November 7, 2014) (Notice of Filing of Proposed National Market System Plan to Implement a Tick Size Pilot Program on a One-Year Pilot Basis, File No. 4-657) ("Tick Size Plan Proposal").

<sup>9</sup> See letters from Adam C. Cooper, Senior Managing Director and Chief Legal Officer, Citadel Securities, to Brent J. Fields, Secretary, Commission, dated

provide additional time to assess a means of addressing the confidentiality concerns raised in connection with the publication of Appendix B data related to OTC activity in furtherance of the objectives of the Plan.<sup>10</sup> Pursuant to this amendment, Appendix B data publication will be delayed until April 28, 2017. The Participants anticipate filing additional proposed rule changes to address Appendix B data publication.

BX has filed the proposed rule change for immediate effectiveness. The operative date of the proposed rule change will be the date of filing.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>11</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>12</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. BX also believes that the proposal is consistent with Section 6(b)(8) of the Act,<sup>13</sup> which requires that Exchange rules not impose any burden on competition that is not necessary or appropriate.

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December 21, 2016 (“Citadel letter”); and William Hebert, Managing Director, Financial Information Forum, to Robert W. Errett, Deputy Secretary, Commission, dated December 21, 2016 (“FIF letter”).

<sup>10</sup> In connection with its filing to implement a similar change in its rules, the Financial Industry Regulatory Authority, Inc. is also submitting an exemptive request to the SEC on behalf of all Plan Participants requesting relief from the relevant requirements of the Plan.

<sup>11</sup> 15 U.S.C. 78f(b).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

<sup>13</sup> 15 U.S.C. 78f(b)(8).

The Plan is designed to allow the Commission, market participants, and the public to study and assess the impact of increment conventions on the liquidity and trading of the common stock of small-capitalization companies. BX believes that this proposal is consistent with the Act because it is in furtherance of the objectives of Section VII(A) of the Plan in that it is designed to provide BX with additional time to assess a means of addressing the confidentiality concerns raised in connection with the publication of Appendix B data, to comply with the Plan's requirements that the data made publicly available will not identify the trading center that generated the data.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change implements the provisions of the Plan.

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

No written comments were either solicited or received.

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

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

to Section 19(b)(3)(A)(iii) of the Act<sup>14</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>15</sup>

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

#### IV. Solicitation of Comments

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

##### Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-BX-2017-016 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.

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<sup>14</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>15</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

All submissions should refer to File Number SR-BX-2017-016. 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-2017-016 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

Robert W. Errett  
Deputy Secretary

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<sup>16</sup> 17 CFR 200.30-3(a)(12).



**EXHIBIT 5**

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

**Rules of NASDAQ BX**

\* \* \* \* \*

**4770 Compliance with Regulation NMS Plan to Implement a Tick Size Pilot**

(a) – (d) No Change.

**Commentary:**

.01 - .07 No Change.

.08 A Trading Center shall begin the data collection required pursuant to Appendix B.I.a(1) through B.II.(y) of the Plan and Item I of Appendix C of the Plan on April 4, 2016. The requirement that the Exchange or their DEA provide information to the SEC within 30 days following month end pursuant to Appendix B and C of the Plan shall commence at the beginning of the Pilot Period. Notwithstanding the provisions of paragraphs (b)(2)(B), (b)(3)(C), and (b)(5) of this Rule, [W]with respect to data for the Pre-Pilot and Pilot Period, the requirement that the Exchange or DEA make [certain ]Appendix B data publicly available on the Exchange's or DEA's web site [pursuant to Appendix B and C to the Plan ]shall commence [at the beginning of the Pilot Period]on April 28, 2017. Notwithstanding the provisions of paragraph (b)(4)[s (b)(2)(B), (b)(3)(C), and (b)(5)] of this Rule, the Exchange or DEA shall make Appendix C data for the Pre-Pilot Period through January 2017 publicly available on the Exchange or DEA's web site [pursuant to Appendix B and C to the Plan ]by February 28, 2017.

.09 through .13 No Change.

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