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Page 1 of * 29

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

File No. * SR 2022 - * 002

Amendment No. (req. for Amendments *)

Filing by NASDAQ BX, Inc.

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

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

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| <input type="checkbox"/> 19b-4(f)(1) | <input type="checkbox"/> 19b-4(f)(4) |
| <input checked="" type="checkbox"/> 19b-4(f)(2) | <input type="checkbox"/> 19b-4(f)(5) |
| <input type="checkbox"/> 19b-4(f)(3) | <input type="checkbox"/> 19b-4(f)(6) |

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010
Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

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

A proposal to amend FINRA Continuing Education Fees

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Angela Last Name * Dunn

Title * Principal Associate General Counsel

E-mail * Angela.Dunn@Nasdaq.com

Telephone * (215) 496-5692 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, NASDAQ BX, Inc. has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 01/12/2022


(Title *)

By John A. Zecca

EVP and Chief Legal Officer

(Name *)

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

 Date: 2022.01.12 11:59:29 -05'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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SR-BX-2022-002 19b-4.doc

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

Exhibit 1 - Notice of Proposed Rule Change *

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SR-BX-2022-002 Exhibit 1.doc

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

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

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

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

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

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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

Exhibit 5 - Proposed Rule Text

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SR-BX-2022-002 Exhibit 5.doc

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) Nasdaq BX, Inc. (“BX” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend BX’s Pricing Schedule at Equity 7, Section 30, Regulatory, Registration and Processing Fees, to reflect adjustments to FINRA Continuing Education Fees.

The Exchange also proposes technical amendments to BX Options 7, Section 1, General Provisions.

While the changes proposed herein are effective upon filing, the Exchange has designated the new Maintaining Qualifications Program (“MQP”) Fee, elimination of the \$100 Continuing Education Session Fee, and technical amendments to become operative on January 31, 2022. Additionally, the Exchange designates an \$18 Continuing Education Regulatory Element Session Fee to become operative on January 1, 2023.³

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

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors (the “Board”) on November 5,

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 93928 (January 7, 2021) (SR-FINRA-2021-034).

2020. Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

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

Angela Saccomandi Dunn
Principal Associate General Counsel
Nasdaq, Inc.
(215) 496-5692

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

a. Purpose

This proposal amends BX’s Pricing Schedule at Equity 7, Section 30, Regulatory, Registration and Processing Fees, to reflect adjustments to FINRA Continuing Education Fees.⁴ The FINRA fees are collected and retained by FINRA via Web CRD for the registration of employees of BX members that are not FINRA members (“Non-FINRA members”). The Exchange is merely listing these fees on its Pricing Schedule. The Exchange does not collect or retain these fees.

Today, BX Equity 7, Section 30, provides a list of FINRA Web CRD Fees, Fingerprint Processing Fees, and Continuing Education Fees. The Exchange proposes to amend the Continuing Education Fees within Equity 7, Section 30 on behalf of the Exchange. The fees listed within Equity 7, Section 30 reflect fees set by FINRA.

Specifically, the Exchange proposes to decrease the \$55 Continuing Education Web-based Fee to \$18. This amendment is made in accordance with a recent FINRA rule

⁴ FINRA operates Web CRD, the central licensing and registration system for the U.S. securities industry. FINRA uses Web CRD to maintain the qualification, employment and disciplinary histories of registered associated persons of broker-dealers.

change to adjust to its fees.⁵ FINRA currently charges a fee of \$55 to each individual who completes the Regulatory Element of the Continuing Education Requirements pursuant to Exchange General 4, Section 1240. In conjunction with the amendments to transition to an annual Regulatory Element requirement, FINRA amended the Continuing Education Regulatory Element Session Fee from \$55 to \$18.⁶ FINRA indicated in the Continuing Education Fee Filing that it would begin assessing the \$18 Continuing Education Regulatory Element Session Fee as of January 1, 2023 to coincide with the effective date of the transition to an annual Regulatory Element requirement.⁷

The Exchange proposes to eliminate the \$100.00 continuing education fee for each individual who is required to complete the S101 or S201. This fee applied to continuing education programs administered at test centers. In 2015, FINRA filed to end

⁵ See note 3 above. On September 21, 2021, the SEC approved amendments to FINRA Rules 1210 (Registration Requirements) and 1240 (Continuing Education Requirements) to, among other things, require registered persons to complete the Regulatory Element of CE annually by December 31 of each year, rather than every three years, and to complete Regulatory Element content for each representative or principal registration category that they hold. See Securities Exchange Act Release No. 93097 (September 21, 2021), 86 FR 53358 (September 27, 2021) (Order Approving File No. SR-FINRA-2021-015). The Regulatory Element is administered by FINRA and focuses on regulatory requirements and industry standards. The proposed rule change also included amendments to the Firm Element training, which is provided by each firm annually to its registered persons and focuses on securities products, services and strategies the firm offers, firm policies and industry trends.

⁶ FINRA notes that the proposed \$18 annual fee is comparable to the current \$55 fee over a three-year period. Moreover, the proposed fee for the annual Regulatory Element would be the same for all registered persons, regardless of the amount of annual content that they would be required to complete (that is, an individual who holds multiple registrations would be subject to the same proposed \$18 annual fee as an individual who holds a single registration). See note 3 above.

⁷ The Exchange would file to remove the rule text concerning the \$55 fee once the \$18 fee becomes operative.

test center delivery of the Regulatory Element.⁸ Effective October 1, 2015, Web-based delivery has been available for the Regulatory Element. The revised fee of \$18 is a Web-based delivery. The Exchange proposes to remove the outdated continuing education fee of \$100 from its Pricing Schedule related to test center delivery

The Exchange also proposes to adopt a new Maintaining Qualifications Program (“MQP”) Fee of \$100 fee for each individual electing to participate in the continuing education program, following the termination of a registration category, under FINRA Rule 1240(c) for each year that such individual is participating in the program.

Individuals who elect to participate in the MQP within two years from the termination of a registration would also be assessed any accrued annual fee. The proposed annual fee would be assessed at the time an eligible individual elects to participate in the continuing education program under FINRA Rule 1240(c) and thereafter annually each year that the individual continues in the program. This fee is paid directly to FINRA. FINRA indicated in the Continuing Education Fee Filing that it would begin assessing the \$100 MQP fee as of January 31, 2022.

With respect to the rule text, the current \$55 Continuing Education Fee is being reworded to reflect the elimination of the \$100 fee and renamed the “Continuing Education Regulatory Element Session Fee.” The \$55 will remain in effect until January

⁸ See Securities Exchange Act Release No. 75581 (July 31, 2015), 80 FR 47018 (August 6, 2015) (SR-FINRA-2015-015) (Order Approving a Proposed Rule Change to Provide a Web-based Delivery Method for Completing the Regulatory Element of the Continuing Education Requirements). FINRA phased out the test center delivery as of July 1, 2016. See FINRA Information Notice dated May 16, 2016 (<https://www.finra.org/rules-guidance/notices/information-notice-051616>).

1, 2023 so it is being retained in the Pricing Scheduled with a note that *“This fee will be amended on January 1, 2023 as noted below.”*

The FINRA Fees are user-based and there is no distinction in the cost incurred by FINRA if the user is a FINRA member or a Non-FINRA member. Accordingly, the proposed fees mirror those currently assessed by FINRA.

Technical Amendment

The Exchange also proposes to make technical amendments to BX Options 7, Section 1, General Provisions. The Exchange proposes to re-letter the entire section in order to easily cite to the various sections. Proposed “(a)” contains references that the Exchange proposes to alphabetize, without change to the rule text. The term “Joint Back Office” or “JBO” would be re-located to proposed section “a” as that is a descriptive term and does not belong with proposed “d”.

The Exchange proposes to add a new “b” and header, “For Purposes of Common Ownership Aggregation of Activity of Affiliated Members and Member Organizations” to more clearly delineate the rule text associated with aggregation of the activity of affiliates. The Exchange would also re-letter and re-number that section.

A “c” is proposed to be added to the adding and removing liquidity paragraph.

A “d” and new header is proposed to be added before the Removal of Days. The new header would provide, “For purposes of determining equity tier calculations under this section, any day that the market is not open for the entire trading day will be excluded from such calculation.” This new header would introduce the rule text which follows.

Finally, an “e” is proposed before the Collection of Exchange Fees and Other Claims section.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁹ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,¹⁰ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes it is reasonable to decrease the \$55 Continuing Education Regulatory Element Session Fee for all Registrations to \$18 in accordance with an adjustment to FINRA’s fees.¹¹ The Exchange’s rule text will reflect the current rates for continuing education that will be assessed by FINRA as of January 1, 2023. The proposed fee is identical to a fee adopted by FINRA related to its continuing education. The costs are borne by FINRA when a Non-FINRA member engages in continuing education.

The Exchange believes eliminating the outdated \$100 fee for continuing education is reasonable as test center delivery of the Regulatory Element was phased out in 2016 and the continuing education programs are no longer offered at testing centers.¹²

The Exchange believes that it is reasonable to adopt a new MQP Fee of \$100 for

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4) and (5).

¹¹ See note 3 above.

¹² See note 8 above.

each individual electing to participate in the continuing education program under FINRA Rule 1240(c) for each year that such individual is participating in the program.

Individuals who elect to participate in the program within two years from the termination of a registration would also be assessed any accrued annual fee. The proposed fee is identical to a fee adopted by FINRA related to its continuing education. The costs are borne by FINRA when a Non-FINRA member engages in continuing education.

Further, the proposal is also equitable and not unfairly discriminatory because the Exchange will not be collecting or retaining these fees, therefore, the Exchange will not be in a position to apply them in an inequitable or unfairly discriminatory manner.

Technical Amendment

The Exchange's proposal to make technical amendments within BX Options 7, Section 1 is reasonable, equitable and not unfairly discriminatory as the amendments are non-substantive. The amendments will bring greater clarity to the rule text.

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 Exchange does not believe that this proposal creates an unnecessary or inappropriate inter-market burden on competition as FINRA's fees apply to all market participants. Specifically, the Exchange does not believe that this proposal creates an unnecessary or inappropriate intra-market burden on competition as the decreased Continuing Education Regulatory Element Session Fee for all Registrations of \$18 will be assessed by FINRA to all Members who are required to complete the Regulatory Element of the Continuing Education Requirements pursuant to Exchange General 4,

Section 1240. Likewise, with respect to the \$100 MQP Fee, the Exchange does not believe that this proposal creates an unnecessary or inappropriate intra-market burden on competition because the fee will be assessed by FINRA to all individuals electing to participate in the continuing education program under FINRA Rule 1240(c) for each year that such individual is participating in the program. Finally, eliminating the outdated \$100 fee for continuing education does not create an unnecessary or inappropriate intra-market burden on competition as test center delivery of the Regulatory Element was phased out and the continuing education programs are no longer offered at testing centers.¹³ Further, the proposal does not impose an undue burden on competition because the Exchange will not be collecting or retaining these fees, therefore, the Exchange will not be in a position to apply them in an inequitable or unfairly discriminatory manner.

Technical Amendment

The Exchange's proposal to make technical amendments within BX Options 7, Section 1 does not impose an undue burden on competition as the amendments are non-substantive. The amendments will bring greater clarity to the rule text.

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.

¹³ See note 8 above.

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,¹⁴ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

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

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

Not applicable.

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

Not applicable.

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

Not applicable.

11. Exhibits

1. Notice of Proposed Rule Change for publication in the Federal Register.

5. Text of the proposed rule change.

¹⁴ 15 U.S.C. 78s(b)(3)(A)(ii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-BX-2022-002)

January __, 2022

Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend FINRA Continuing Education Fees

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 January 12, 2022, 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 BX’s Pricing Schedule at Equity 7, Section 30, Regulatory, Registration and Processing Fees, to reflect adjustments to FINRA Continuing Education Fees.

The Exchange also proposes technical amendments to BX Options 7, Section 1, General Provisions.

While the changes proposed herein are effective upon filing, the Exchange has designated the new Maintaining Qualifications Program (“MQP”) Fee, elimination of the \$100 Continuing Education Session Fee, and technical amendments to become operative

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

on January 31, 2022. Additionally, the Exchange designates an \$18 Continuing Education Regulatory Element Session Fee to become operative on January 1, 2023.³

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

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

This proposal amends BX's Pricing Schedule at Equity 7, Section 30, Regulatory, Registration and Processing Fees, to reflect adjustments to FINRA Continuing Education Fees.⁴ The FINRA fees are collected and retained by FINRA via Web CRD for the registration of employees of BX members that are not FINRA members ("Non-FINRA

³ See Securities Exchange Act Release No. 93928 (January 7, 2021) (SR-FINRA-2021-034).

⁴ FINRA operates Web CRD, the central licensing and registration system for the U.S. securities industry. FINRA uses Web CRD to maintain the qualification, employment and disciplinary histories of registered associated persons of broker-dealers.

members”). The Exchange is merely listing these fees on its Pricing Schedule. The Exchange does not collect or retain these fees.

Today, BX Equity 7, Section 30, provides a list of FINRA Web CRD Fees, Fingerprint Processing Fees, and Continuing Education Fees. The Exchange proposes to amend the Continuing Education Fees within Equity 7, Section 30 on behalf of the Exchange. The fees listed within Equity 7, Section 30 reflect fees set by FINRA.

Specifically, the Exchange proposes to decrease the \$55 Continuing Education Web-based Fee to \$18. This amendment is made in accordance with a recent FINRA rule change to adjust to its fees.⁵ FINRA currently charges a fee of \$55 to each individual who completes the Regulatory Element of the Continuing Education Requirements pursuant to Exchange General 4, Section 1240. In conjunction with the amendments to transition to an annual Regulatory Element requirement, FINRA amended the Continuing Education Regulatory Element Session Fee from \$55 to \$18.⁶ FINRA indicated in the

⁵ See note 3 above. On September 21, 2021, the SEC approved amendments to FINRA Rules 1210 (Registration Requirements) and 1240 (Continuing Education Requirements) to, among other things, require registered persons to complete the Regulatory Element of CE annually by December 31 of each year, rather than every three years, and to complete Regulatory Element content for each representative or principal registration category that they hold. See Securities Exchange Act Release No. 93097 (September 21, 2021), 86 FR 53358 (September 27, 2021) (Order Approving File No. SR-FINRA-2021-015). The Regulatory Element is administered by FINRA and focuses on regulatory requirements and industry standards. The proposed rule change also included amendments to the Firm Element training, which is provided by each firm annually to its registered persons and focuses on securities products, services and strategies the firm offers, firm policies and industry trends.

⁶ FINRA notes that the proposed \$18 annual fee is comparable to the current \$55 fee over a three-year period. Moreover, the proposed fee for the annual Regulatory Element would be the same for all registered persons, regardless of the amount of annual content that they would be required to complete (that is, an individual who holds multiple registrations would be subject to the same proposed

Continuing Education Fee Filing that it would begin assessing the \$18 Continuing Education Regulatory Element Session Fee as of January 1, 2023 to coincide with the effective date of the transition to an annual Regulatory Element requirement.⁷

The Exchange proposes to eliminate the \$100.00 continuing education fee for each individual who is required to complete the S101 or S201. This fee applied to continuing education programs administered at test centers. In 2015, FINRA filed to end test center delivery of the Regulatory Element.⁸ Effective October 1, 2015, Web-based delivery has been available for the Regulatory Element. The revised fee of \$18 is a Web-based delivery. The Exchange proposes to remove the outdated continuing education fee of \$100 from its Pricing Schedule related to test center delivery

The Exchange also proposes to adopt a new Maintaining Qualifications Program (“MQP”) Fee of \$100 fee for each individual electing to participate in the continuing education program, following the termination of a registration category, under FINRA Rule 1240(c) for each year that such individual is participating in the program.

Individuals who elect to participate in the MQP within two years from the termination of a registration would also be assessed any accrued annual fee. The proposed annual fee

\$18 annual fee as an individual who holds a single registration). See note 3 above.

⁷ The Exchange would file to remove the rule text concerning the \$55 fee once the \$18 fee becomes operative.

⁸ See Securities Exchange Act Release No. 75581 (July 31, 2015), 80 FR 47018 (August 6, 2015) (SR-FINRA-2015-015) (Order Approving a Proposed Rule Change to Provide a Web-based Delivery Method for Completing the Regulatory Element of the Continuing Education Requirements). FINRA phased out the test center delivery as of July 1, 2016. See FINRA Information Notice dated May 16, 2016 (<https://www.finra.org/rules-guidance/notices/information-notice-051616>).

would be assessed at the time an eligible individual elects to participate in the continuing education program under FINRA Rule 1240(c) and thereafter annually each year that the individual continues in the program. This fee is paid directly to FINRA. FINRA indicated in the Continuing Education Fee Filing that it would begin assessing the \$100 MQP fee as of January 31, 2022.

With respect to the rule text, the current \$55 Continuing Education Fee is being reworded to reflect the elimination of the \$100 fee and renamed the “Continuing Education Regulatory Element Session Fee.” The \$55 will remain in effect until January 1, 2023 so it is being retained in the Pricing Scheduled with a note that *“This fee will be amended on January 1, 2023 as noted below.”*

The FINRA Fees are user-based and there is no distinction in the cost incurred by FINRA if the user is a FINRA member or a Non-FINRA member. Accordingly, the proposed fees mirror those currently assessed by FINRA.

Technical Amendment

The Exchange also proposes to make technical amendments to BX Options 7, Section 1, General Provisions. The Exchange proposes to re-letter the entire section in order to easily cite to the various sections. Proposed “(a)” contains references that the Exchange proposes to alphabetize, without change to the rule text. The term “Joint Back Office” or “JBO” would be re-located to proposed section “a” as that is a descriptive term and does not belong with proposed “d”.

The Exchange proposes to add a new “b” and header, “For Purposes of Common Ownership Aggregation of Activity of Affiliated Members and Member Organizations”

to more clearly delineate the rule text associated with aggregation of the activity of affiliates. The Exchange would also re-letter and re-number that section.

A “c” is proposed to be added to the adding and removing liquidity paragraph.

A “d” and new header is proposed to be added before the Removal of Days. The new header would provide, “For purposes of determining equity tier calculations under this section, any day that the market is not open for the entire trading day will be excluded from such calculation.” This new header would introduce the rule text which follows.

Finally, an “e” is proposed before the Collection of Exchange Fees and Other Claims section.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁹ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,¹⁰ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes it is reasonable to decrease the \$55 Continuing Education Regulatory Element Session Fee for all Registrations to \$18 in accordance with an adjustment to FINRA’s fees.¹¹ The Exchange’s rule text will reflect the current rates for continuing education that will be assessed by FINRA as of January 1, 2023. The

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4) and (5).

¹¹ See note 3 above.

proposed fee is identical to a fee adopted by FINRA related to its continuing education. The costs are borne by FINRA when a Non-FINRA member engages in continuing education.

The Exchange believes eliminating the outdated \$100 fee for continuing education is reasonable as test center delivery of the Regulatory Element was phased out in 2016 and the continuing education programs are no longer offered at testing centers.¹²

The Exchange believes that it is reasonable to adopt a new MQP Fee of \$100 for each individual electing to participate in the continuing education program under FINRA Rule 1240(c) for each year that such individual is participating in the program. Individuals who elect to participate in the program within two years from the termination of a registration would also be assessed any accrued annual fee. The proposed fee is identical to a fee adopted by FINRA related to its continuing education. The costs are borne by FINRA when a Non-FINRA member engages in continuing education.

Further, the proposal is also equitable and not unfairly discriminatory because the Exchange will not be collecting or retaining these fees, therefore, the Exchange will not be in a position to apply them in an inequitable or unfairly discriminatory manner.

Technical Amendment

The Exchange's proposal to make technical amendments within BX Options 7, Section 1 is reasonable, equitable and not unfairly discriminatory as the amendments are non-substantive. The amendments will bring greater clarity to the rule text.

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

The Exchange does not believe that the proposed rule change will impose any

¹² See note 8 above.

burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that this proposal creates an unnecessary or inappropriate inter-market burden on competition as FINRA's fees apply to all market participants. Specifically, the Exchange does not believe that this proposal creates an unnecessary or inappropriate intra-market burden on competition as the decreased Continuing Education Regulatory Element Session Fee for all Registrations of \$18 will be assessed by FINRA to all Members who are required to complete the Regulatory Element of the Continuing Education Requirements pursuant to Exchange General 4, Section 1240. Likewise, with respect to the \$100 MQP Fee, the Exchange does not believe that this proposal creates an unnecessary or inappropriate intra-market burden on competition because the fee will be assessed by FINRA to all individuals electing to participate in the continuing education program under FINRA Rule 1240(c) for each year that such individual is participating in the program. Finally, eliminating the outdated \$100 fee for continuing education does not create an unnecessary or inappropriate intra-market burden on competition as test center delivery of the Regulatory Element was phased out and the continuing education programs are no longer offered at testing centers.¹³ Further, the proposal does not impose an undue burden on competition because the Exchange will not be collecting or retaining these fees, therefore, the Exchange will not be in a position to apply them in an inequitable or unfairly discriminatory manner.

Technical Amendment

¹³ See note 8 above.

The Exchange's proposal to make technical amendments within BX Options 7, Section 1 does not impose an undue burden on competition as the amendments are non-substantive. The amendments will bring greater clarity to the rule text.

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

No written comments were either solicited or received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.¹⁴

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

¹⁴ 15 U.S.C. 78s(b)(3)(A)(ii).

- Send an e-mail to rule-comments@sec.gov. Please include File SR-BX-2022-002 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-BX-2022-002. 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-2022-002 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.¹⁵

J. Matthew DeLesDernier
Assistant Secretary

¹⁵ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined; deleted text is in brackets.

NASDAQ BX, Inc. Rules

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Equity Rules

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Equity 7 Pricing Schedule

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Section 30. Regulatory, Registration and Processing Fees

(a) The following fees will be collected and retained by FINRA via the Web Central Registration Depository (CRDSM) registration system for the registration of associated persons of Exchange members that are not also FINRA members. FINRA, on behalf of the Exchange, will bill and collect these fees.

General Registration Fees:

\$125 for each initial Form U4 filed for the registration of a representative or principal;

\$110 for the additional processing of each initial or amended Form U4, Form U5 or Form BD that includes the initial reporting, amendment, or certification of one or more disclosure events or proceedings; and

\$45 FINRA Annual System Processing Fee Assessed only during Renewals.

Fingerprint Processing Fees:

\$29.50-Initial Submission (Electronic)

\$44.50-Initial Submission (Paper)

\$15.00-Second Submission (Electronic)

\$30.00-Second Submission (Paper)

\$29.50-Third Submission (Electronic)

\$44.50-Third Submission (Paper)

\$30.00-FINRA Processing Fee for Fingerprint Results Submitted by Self-Regulatory Organizations other than FINRA.

Continuing Education Fee:

The Continuing Education Fee will be assessed as to each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to Exchange General 4, Section 1240. This fee is paid directly to FINRA.

[\$100 session fee (\$55.00 if the Continuing Education is Web-based) for each individual who is required to complete the Regulatory Element of the Continuing Education Requirements (S101 and S201).]

\$55 Continuing Education Regulatory Element Session Fee for each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to Exchange General 4, Section 1240. This fee will be amended on January 1, 2023 as noted below.

Maintaining Qualifications Program (“MQP”) Fee: \$100 fee for each individual electing to participate in the continuing education program under FINRA Rule 1240(c) for each year that such individual is participating in the program. Individuals who elect to participate in the program within two years from the termination of a registration would also be assessed any accrued annual fee. This fee is paid directly to FINRA.

The below Continuing Education Regulatory Element Session Fee will be assessed by FINRA commencing on January 1, 2023

\$18 Continuing Education Regulatory Element Session Fee for all Registrations. This fee will be assessed as to each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to Exchange General 4, Section 1240. This fee is paid directly to FINRA.

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Options Rules

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Options 7 Pricing Schedule

Section 1 General Provisions

BX Options Participants may be subject to the Charges for Membership, Services and Equipment in the Equity 7 Rules, General 8, Sections 1–2, as well as the fees in this Options 7.

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

[The term "**Customer**" or ("C") applies to any transaction that is identified by a Participant for clearing in the Customer range at The Options Clearing Corporation ("OCC") which is not for the account of broker or dealer or for the account of a "Professional" (as that term is defined in Options 1, Section 1(a)(48)).

The term "**BX Options Market Maker**" or ("M") is a Participant that has registered as a Market Maker on BX Options pursuant to Options 2, Section 1, and must also remain in good standing pursuant to Options 2, Section 9. In order to receive Market Maker pricing in all securities, the Participant must be registered as a BX Options Market Maker in at least one security.

The term "**Lead Market Maker**" or ("LMM") applies to a registered BX Options Market Maker that is approved pursuant to Options 2, Section 3 to be the LMM in an options class (options classes).

The term "**Non-BX Options Market Maker**" or ("O") is a registered market maker on another options exchange that is not a BX Options Market Maker. A Non-BX Options Market Maker must append the proper Non-BX Options Market Maker designation to orders routed to BX Options.

The term "**Non-Customer**" shall include a Professional, Broker-Dealer and Non-BX Options Market Maker.

The term "**Firm**" or ("F") applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

The term "**Professional**" or ("P") means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) pursuant to Options 1, Section 1(a)(48). All Professional orders shall be appropriately marked by Participants.

The term "**Broker-Dealer**" or ("B") applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

The term "**Common Ownership**" shall mean Participants under 75% common ownership or control. Common Ownership shall apply to all pricing in Options 7, Section 2 for which a volume threshold or volume percentage is required to obtain the pricing.]

The term "**Broker-Dealer**" or ("B") applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

The term "**BX Options Market Maker**" or ("M") is a Participant that has registered as a Market Maker on BX Options pursuant to Options 2, Section 1, and must also remain in

good standing pursuant to Options 2, Section 9. In order to receive Market Maker pricing in all securities, the Participant must be registered as a BX Options Market Maker in at least one security.

The term "**Common Ownership**" shall mean Participants under 75% common ownership or control. Common Ownership shall apply to all pricing in Options 7, Section 2 for which a volume threshold or volume percentage is required to obtain the pricing.

The term "**Customer**" or ("C") applies to any transaction that is identified by a Participant for clearing in the Customer range at The Options Clearing Corporation ("OCC") which is not for the account of broker or dealer or for the account of a "Professional" (as that term is defined in Options 1, Section 1(a)(48)).

The term "**Firm**" or ("F") applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

The term "**Joint Back Office**" or "**JBO**" applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC and is identified with an origin code as a JBO. A JBO will be priced the same as a Broker-Dealer as of September 1, 2014. A JBO participant is a Participant that maintains a JBO arrangement with a clearing broker-dealer ("JBO Broker") subject to the requirements of Regulation T Section 220.7 of the Federal Reserve System as further discussed in Options 6D, Section 4.

The term "**Lead Market Maker**" or ("LMM") applies to a registered BX Options Market Maker that is approved pursuant to Options 2, Section 3 to be the LMM in an options class (options classes).

The term "**Non-BX Options Market Maker**" or ("O") is a registered market maker on another options exchange that is not a BX Options Market Maker. A Non-BX Options Market Maker must append the proper Non-BX Options Market Maker designation to orders routed to BX Options.

The term "**Non-Customer**" shall include a Professional, Broker-Dealer and Non-BX Options Market Maker.

The term "**Professional**" or ("P") means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) pursuant to Options 1, Section 1(a)(48). All Professional orders shall be appropriately marked by Participants.

(b) For Purposes of Common Ownership Aggregation of Activity of Affiliated Members and Member Organizations

([a]1) For purposes of applying any options transaction fee or rebate where the fee assessed, or rebate provided by BX depends upon the volume of an Options Participant's

activity, an Options Participant may request that BX aggregate its activity with the activity of its affiliates.

([1]A) An Options Participant requesting aggregation of affiliate activity shall be required to certify to BX the affiliate status of entities whose activity it seeks to aggregate prior to receiving approval for aggregation, and shall be required to inform BX immediately of any event that causes an entity to cease to be an affiliate. BX shall review available information regarding the entities, and reserves the right to request additional information to verify the affiliate status of an entity. BX shall approve a request unless it determines that the certification is not accurate.

([2]B) If two or more Options Participants become affiliated on or prior to the sixteenth day of a month, and submit the required request for aggregation on or prior to the twenty-second day of the month, an approval of the request by BX shall be deemed to be effective as of the first day of that month. If two or more Options Participants become affiliated after the sixteenth day of a month, or submit a request for aggregation after the twenty-second day of the month, an approval of the request by BX shall be deemed to be effective as of the first day of the next calendar month.

([b]2) For purposes of applying any options transaction fee or rebate where the fee assessed, or rebate provided, by BX depends upon the volume of an Options Participant's activity, references to an entity (including references to a "Options Participant") shall be deemed to include the entity and its affiliates that have been approved for aggregation.

([c]3) For purposes of options pricing, the term "affiliate" of an Options Participant shall mean any Options Participant under 75% common ownership or control of that Options Participant.

The term "**Appointed MM**" is a BX Options Market Maker who has been appointed by an Order Flow Provider ("OFP") for purposes of qualifying as an Affiliated Entity. An OFP is a Participant that submits orders, as agent or principal, to the Exchange.

The term "**Appointed OFP**" is an OFP who has been appointed by a BX Options Market Maker for purposes of qualifying as an Affiliated Entity.

The term "**Affiliated Entity**" is a relationship between an Appointed MM and an Appointed OFP for purposes of aggregating eligible volume for pricing in Options 7, Section 2(1) for which a volume threshold or volume percentage is required to qualify for higher rebates or lower fees. BX Options Market Makers and OFPs are required to send an email to the Exchange to appoint their counterpart, at least 3 business days prior to the last day of the month to qualify for the next month. The Exchange will acknowledge receipt of the emails and specify the date the Affiliated Entity is eligible for applicable pricing in Options 7, Section 2(1). Each Affiliated Entity relationship will commence on the 1st of a month and may not be terminated prior to the end of any month. An Affiliated

Entity relationship will automatically renew each month until or unless either party terminates earlier in writing by sending an email to the Exchange at least 3 business days prior to the last day of the month to terminate for the next month. Participants under Common Ownership may not qualify as a counterparty comprising an Affiliated Entity. Each Participant may qualify for only one (1) Affiliated Entity relationship at any given time.

[The term "**Joint Back Office**" or "**JBO**" applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC and is identified with an origin code as a JBO. A JBO will be priced the same as a Broker-Dealer as of September 1, 2014. A JBO participant is a Participant that maintains a JBO arrangement with a clearing broker-dealer ("JBO Broker") subject to the requirements of Regulation T Section 220.7 of the Federal Reserve System as further discussed in Options 6D, Section 4.]

(c) With respect to Options 7, Sections 2(1) and (2) the order that is received by the trading system first in time shall be considered an order adding liquidity and an order that trades against that order shall be considered an order removing liquidity.

(d) For purposes of determining equity tier calculations under this section, any day that the market is not open for the entire trading day will be excluded from such calculation.

(a) Removal of Days for Purposes of Pricing Tiers:

(i)

(A) Any day that the Exchange announces in advance that it will not be open for trading will be excluded from the options tier calculations set forth in its Pricing Schedule; and (B) any day with a scheduled early market close ("Scheduled Early Close") may be excluded from the options tier calculations only pursuant to paragraph (iii) below.

(ii) The Exchange may exclude the following days ("Unanticipated Events") from the options tier calculations only pursuant to paragraph (iii) below, specifically any day that: (A) the market is not open for the entire trading day, (B) the Exchange instructs Participants in writing to route their orders to other markets, (C) the Exchange is inaccessible to Participants during the 30-minute period before the opening of trade due to an Exchange system disruption, or (D) the Exchange's system experiences a disruption that lasts for more than 60 minutes during regular trading hours.

(iii) If a day is to be excluded as a result of paragraph (i)(B) or (ii) above, the Exchange will exclude the day from any Participant's monthly options tier calculations as follows:

(A) the Exchange may exclude from the ADV calculation any Scheduled Early Close or Unanticipated Event; and

(B) the Exchange may exclude from any other applicable options tier calculation provided for in its Pricing Schedule (together with (ii)(A), "Tier Calculations") any Scheduled Early Close or Unanticipated Event.

provided, in each case, that the Exchange will only remove the day for Participants that would have a lower Tier Calculation with the day included.

(e) Collection of Exchange Fees and Other Claims-BX Options

Each BX Options Participant, and all applicants for registration, shall be required to provide a clearing account number for an account at the National Securities Clearing Corporation ("NSCC") for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange or other charges related to General 2, Section 2. If a member disputes an invoice, the Exchange will not include the disputed amount in the debit if the member has disputed the amount in writing to the Exchange's designated staff by the 15th of the month, or the following business day if the 15th is not a business day, and the amount in dispute is at least \$10,000 or greater.

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