

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="37"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2017"/> - * <input type="text" value="91"/> Amendment No. (req. for Amendments *) <input type="text"/>
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Filing by Nasdaq ISE, LLC  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

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

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

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

Proposal to amend the Exchange Schedule of Fees to (i) delete fees and descriptions thereof for connectivity no longer used by the Exchange; and (ii) add new fees for co location services, direct circuit connections, connections to third party services, point of presence connectivity, and connectivity to the Exchange Test Facility.

**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 \*  Last Name \*

Title \*

E-mail \*

Telephone \*  Fax

**Signature**

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

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

(Title \*)

Date

By

(Name \*)

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

edward.knight@nasdaq.com

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

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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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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 \***

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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, 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**

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Exhibit Sent As Paper Document

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

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

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Exhibit Sent As Paper Document

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

**Exhibit 4 - Marked Copies**

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

**Exhibit 5 - Proposed Rule Text**

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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 ISE, LLC (“ISE” 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 the Exchange’s Schedule of Fees to: (i) delete fees and descriptions thereof for connectivity no longer used by the Exchange; and (ii) add new fees for co-location services, direct circuit connections to the Exchange, connections to third party services, point of presence (“POP”) connectivity, and connectivity to the Exchange’s Test Facility (the “Test Facility”).

The Exchange requests that the Commission waive 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 senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange (the “Board”) on September 19, 2017. 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.

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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).

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

Brett M. Kitt  
Senior Associate General Counsel  
Nasdaq, Inc.  
(301) 978-8132

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

a. Purpose

The Exchange proposes to amend its Fee Schedule to eliminate certain fees associated with legacy options for connecting to ISE and to replace them with fees associated with new options for connecting to the Exchange that are similar to those that ISE's sister exchanges presently offer.

ISE is engaged in an initiative to migrate the Exchange's trading system to the Nasdaq INET architecture. As part of that initiative, ISE proposes to retire certain obsolete connectivity associated with the Exchange's legacy trading system and the fees associated with such connectivity.

Specifically, the Exchange proposes to discontinue offering Ethernet connectivity to the Exchange and also eliminate the fees it charges for such connectivity in Section VI.B of its Fee Schedule, entitled "Network Fees." The Exchange currently offers four Ethernet connection options: a 1 Gb connection at a cost of \$1,000 per month, a 10 Gb connection at a cost of \$4,500 per month, a 10 Gb low latency connection at a cost of \$8,000 per month, and a 40 Gb low latency connection at a cost of \$15,000 per month.

Additionally, the Exchange proposes to stop offering customers the ability to connect to the Exchange via an Application Programming Interface ("API") session or a Financial Information eXchange ("FIX") session, as these connection options are becoming obsolete with respect to the new trading system. The Exchange

correspondingly proposes to eliminate entirely Section V.C of its Fee Schedule, entitled “FIX Session/Session Fees.” The Exchange presently charges Market Makers monthly per API fees that depend upon the functionality of API and, if used for quoting, the amount of usage per day per user. The Exchange also charges Electronic Access Members monthly API and FIX fees based upon the number of sessions.

In lieu of the above, the Exchange proposes to offer customers various new options to connect to the Exchange and to assess fees for such connectivity. The connectivity options that the Exchange proposes to offer – colocation, direct circuit connectivity, connectivity to third party services, POP connectivity, and connectivity to the Exchange’s Test Facility – and the fees that the Exchange proposes to assess for such connectivity are similar to those that ISE’s affiliated Nasdaq, Inc. markets – including The NASDAQ Stock Market, LLC (“Nasdaq”), Nasdaq BX, Inc. (“BX”), and Nasdaq Phlx LLC (“Phlx”) – presently offer and assess to their customers under their respective rules. They are also the same as the connectivity options and fees that Nasdaq GEMX, LLC (“GEMX”) and Nasdaq MRX, LLC (“MRX”) propose to offer and assess under their respective rules in tandem with this filing. This proposal, in other words, seeks to harmonize the Exchange’s connectivity offerings and fees with those of its sister exchanges.

The first new connectivity option that the Exchange proposes to offer its customers is co-location. Co-location is a suite of hardware, power, telecommunication, and other ancillary products and services that allow market participants and vendors to place their trading and communications equipment in close physical proximity to the quoting and execution facilities of the Exchange and other Nasdaq, Inc. markets. The

Exchange provides co-location services and imposes fees through Nasdaq Technology Services LLC and pursuant to agreements with the owner/operator of its data center where both the Exchange's quoting and trading facilities and co-located customer equipment are housed. Users of colocation services include private extranet providers, data vendors, as well as Exchange members and non-members. The use of co-location services is entirely voluntary.

Like its sister exchanges, and as detailed in the proposed co-location fee schedule, the Exchange proposes to impose a uniform, non-discriminatory set of fees for various co-location services, including: fees for co-located connections to the Exchange and to third party services (described below) in various bandwidths; fees for cabinet space usage, or options for future space usage; installation and related power provision for hosted equipment; connectivity among multiple cabinets being used by the same customer as well as customer connectivity to the Exchange and telecommunications providers; and related maintenance and consulting services. Fees related to cabinet and power usage are incremental, with additional charges being imposed based on higher levels of cabinet and/or power usage, the use of non-standard cabinet sizes or special cabinet cooling equipment, or the re-selling of cabinet space.

In addition to co-location services, the Exchange proposes to offer several other connectivity options for customers that are located outside of the Exchange's primary data center in Carteret, New Jersey.

First, the Exchange proposes to offer a "Direct Circuit Connectivity" service, whereby subscribers may connect their facilities directly to the Exchange's primary data center using a circuit they obtain from an external telecommunications provider. For this

form of connectivity, the Exchange's proposal offers customers the choice of 1 GB, 1 GB Ultra, and 10 GB connections. The installation fee for all such connections will be \$1,500 and the monthly fee will be \$7,500 for 10 GB connections and \$2,500 for both 1 GB and 1 GB Ultra connections. The Exchange also proposes to charge a fee to customers that choose to install a cable router in its data center and a monthly fee for customers that choose to install equipment in the Exchange's data center to support the connectivity. Specifically, the Exchange proposes an installation fee of \$925 per router, switch or modem, and a monthly fee of \$150 to rent cabinet space based on a unit height of approximately 1.75 inches (commonly called a "U" space) and a maximum power of 125 Watts per U space.

Next, the Exchange proposes to offer a "POP Connectivity" service, whereby subscribers may use external telecommunication circuits to connect directly to one or more of the Exchange's satellite data centers (each, a "POP") that are located in places other than Carteret. Each POP, in turn, has a fully redundant connection to the Exchange's primary data center, such that subscribers may connect to the primary data center through its connection to a POP. For POP Connectivity to the Exchange, the Exchange proposes to offer 1 GB Ultra and 10 GB connections. The installation fee for all such connections will be \$1,500 and the monthly fee will be \$7,500 for 10 GB connections and \$2,500 for 1 GB Ultra connections.<sup>4</sup>

Additionally, the Exchange proposes to offer connectivity to third party services. The Exchange is proposing to offer this service to both non-co-location customers (via a

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<sup>4</sup> Clients will not be permitted to install routers in or rent cabinet space directly from the Exchange at the POPs. Accordingly, the fee schedule for POP connectivity will not include fees for these services.

direct circuit connection) and co-location customers alike. This connectivity will enable customers to receive third party market data feeds, including Securities Information Processors (“SIPs”)<sup>5</sup> data, and other non-exchange services.<sup>6</sup> The Exchange will offer this service to customers in both 10 GB Ultra and 1 GB Ultra connections. The installation fee for both 10 GB Ultra and 1 GB Ultra connections will be \$1,500. Meanwhile, the monthly fee will be \$5,000 for 10 GB Ultra connections and \$2,000 for 1 GB Ultra connections. For 1 GB Ultra or 10 GB Ultra connections for UTP only, the installation fee and monthly fee will be waived for the first two connections and thereafter the installation fee will be \$100 and the monthly fee also will be \$100. As with Direct Circuit Connectivity, the Exchange proposes to charge a \$925 fee to customers that choose to install a cable router in its data center for purposes of receiving the third party services as well as a monthly fee of \$150 for customers that choose to install equipment in the Exchange’s data center to support that connectivity.

Furthermore, the Exchange proposes to offer connectivity to its Test Facility. The Test Facility provides subscribers with a virtual system test environment that closely approximates the production environment and on which they may test their automated

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<sup>5</sup> The SIPs link the U.S. markets by processing and consolidating all protected bid/ask quotes and trades from every registered exchange trading venue and FINRA into a single data feed, and they disseminate and calculate critical regulatory information, including the National Best Bid and Offer, Limit Up Limit Down price bands, short sale restrictions and regulatory halts.

<sup>6</sup> Third Party Services includes not only SIP data feeds, but also data feeds from other exchanges and markets. For example, Third Party Connectivity will support connectivity to the FINRA/Nasdaq Trade Reporting Facility, BATS Depth Feeds, and NYSE Feeds. A customer must separately subscribe to the third party services to which it connects with a Third Party Connectivity subscription. The Exchange notes that customers that do not wish to subscribe to Direct Circuit Connectivity to Third Party Services may alternatively connect through an extranet provider or a market data redistributor.



systems that integrate with the Exchange. For example, subscribers may test upcoming Exchange releases and product enhancements, as well as test software prior to implementation. The Exchange proposes to assess certain fees for use of the Test Facility. Specifically, the Exchange proposes that subscribers to the Test Facility located in Carteret, New Jersey shall pay a fee of \$1,000 per hand-off, per month for connection to the Test Facility. The hand-off fee will include either a 1 GB or 10 GB switch port and a cross connect to the Test Facility. Subscribers will also pay a one-time installation fee of \$1,000 per handoff.

Finally, for each of the connectivity options discussed above, the Exchange proposes to include language in the fee schedule which states that connectivity to the Exchange also applies to connectivity to all of the other Nasdaq, Inc. markets, including Nasdaq, BX, Phlx, MRX, and GEMX. This purpose of this proposal is to specify that a client can use the connections it establishes and maintains to connect, not only to the Exchange, but also to any or all of its sister exchanges, and in doing so, it will be billed only once.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>7</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>8</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

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<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

The Exchange believes that it is reasonable to eliminate its existing Ethernet, FIX, and API connectivity offerings and their associated fees as the Exchange is migrating to a new platform that will offer new connectivity options. The Exchange notes that its customers have had ample prior notice of this transition.

The Exchange believes that proposed new connectivity fees are reasonable as a means of covering its costs associated with providing new connectivity options. Moreover, these new fees are reasonable because they are similar to or the same as the connectivity fees that the Exchange's sister exchanges, including Nasdaq, BX, and Phlx, charge under their respective rules.<sup>9</sup> They are also the same as those connectivity fees that GEMX and MRX are proposing to assess in filings being submitted to the Commission concurrently with this one. The Exchange also believes that it is reasonable and in the interest of the public and investors to harmonize all of the Exchange's connectivity options and connectivity fees now that all of the Nasdaq, Inc. exchanges are on a common platform.

The Exchange believes that the proposed new fees are an equitable allocation and are not unfairly discriminatory because the Exchange will apply the same fees to all subscribers to the same connectivity options.

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

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<sup>9</sup> See Nasdaq Rule 7030, BX Rule 7030, and Nasdaq Phlx LLC Pricing Schedule Section VII.E (Test Facility); Nasdaq Rule 7034(b), BX Rule 7034(b), and Nasdaq Phlx LLC Pricing Schedule Section X (co-location); Nasdaq Rule 7051, BX Rule 7051, and Nasdaq Phlx LLC Pricing Schedule Section XI (direct connectivity).

Act. In terms of inter-market competition, the Exchange 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, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange 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. Because competitors are free to modify their own fees in response, and because market participants may connect to third parties instead of directly connecting to the Exchange, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the proposed changes to the charges assessed for connectivity to the Exchange are consistent with the fees assessed by other exchanges for the same or similar connectivity. Moreover, the Exchange must assess fees to cover the costs incurred in providing connectivity and members had been assessed fees for Exchange connectivity prior to the sunset of the old Exchange architecture. As a consequence, competition will not be burdened by the proposed fees. In sum, if the changes proposed herein are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes 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

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>10</sup> of the Act and Rule 19b-4(f)(6) thereunder<sup>11</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.

The proposal does not significantly affect the protection of investors or the public interest because it will eliminate obsolete connectivity services and replace them with services that customers will need to connect to the Exchange via its new trading platform. Such connectivity services will be similar or the same as those that are currently offered by the Exchange's sister exchanges. Moreover, the Exchange will charge fees for such connectivity that are similar to or the same as those fees charged by the other Nasdaq, Inc. exchanges. The proposal does not impose any significant burden on competition because it will harmonize its connectivity fee schedule with that of the other Nasdaq, Inc. exchanges.

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

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

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

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30-day operative delay contained in Rule 19b-4(f)(6)(iii) so that the Exchange may immediately begin offering the services necessary for its customers to connect to it under its new trading system.

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

The proposal is similar to Nasdaq Rules 7030, 7034, and 7051, BX Rules 7030, 7034, and 7051, and the Nasdaq Phlx LLC Pricing Schedule Sections VII, X, and XI.

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-ISE-2017-91)

October \_\_, 2017

Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Exchange's Schedule of Fees

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 October 5, 2017, Nasdaq ISE, LLC ("ISE" 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: (i) delete fees and descriptions thereof for connectivity no longer used by the Exchange; and (ii) add new fees for co-location services, direct circuit connections to the Exchange, direct circuit connections to third party services, point of presence ("POP") connectivity, and connectivity to the Exchange's Test Facility (the "Test Facility").

The text of the proposed rule change is available on the Exchange's Website at [www.ise.com](http://www.ise.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

The Exchange proposes to amend its Fee Schedule to eliminate certain fees associated with legacy options for connecting to ISE and to replace them with fees associated with new options for connecting to the Exchange that are similar to those that ISE's sister exchanges presently offer.

ISE is engaged in an initiative to migrate the Exchange's trading system to the Nasdaq INET architecture. As part of that initiative, ISE proposes to retire certain obsolete connectivity associated with the Exchange's legacy trading system and the fees associated with such connectivity.

Specifically, the Exchange proposes to discontinue offering Ethernet connectivity to the Exchange and also eliminate the fees it charges for such connectivity in Section VI.B of its Fee Schedule, entitled "Network Fees." The Exchange currently offers four Ethernet connection options: a 1 Gb connection at a cost of \$1,000 per month, a 10 Gb connection at a cost of \$4,500 per month, a 10 Gb low latency connection at a cost of \$8,000 per month, and a 40 Gb low latency connection at a cost of \$15,000 per month.



Additionally, the Exchange proposes to stop offering customers the ability to connect to the Exchange via an Application Programming Interface (“API”) session or a Financial Information eXchange (“FIX”) session, as these connection options are becoming obsolete with respect to the new trading system. The Exchange correspondingly proposes to eliminate entirely Section V.C of its Fee Schedule, entitled “FIX Session/Session Fees.” The Exchange presently charges Market Makers monthly per API fees that depend upon the functionality of API and, if used for quoting, the amount of usage per day per user. The Exchange also charges Electronic Access Members monthly API and FIX fees based upon the number of sessions.

In lieu of the above, the Exchange proposes to offer customers various new options to connect to the Exchange and to assess fees for such connectivity. The connectivity options that the Exchange proposes to offer – colocation, direct circuit connectivity, connectivity to third party services, POP connectivity, and connectivity to the Exchange’s Test Facility – and the fees that the Exchange proposes to assess for such connectivity are similar to those that ISE’s affiliated Nasdaq, Inc. markets – including The NASDAQ Stock Market, LLC (“Nasdaq”), Nasdaq BX, Inc. (“BX”), and Nasdaq Phlx LLC (“Phlx”) – presently offer and assess to their customers under their respective rules. They are also the same as the connectivity options and fees that Nasdaq GEMX, LLC (“GEMX”) and Nasdaq MRX, LLC (“MRX”) propose to offer and assess under their respective rules in tandem with this filing. This proposal, in other words, seeks to harmonize the Exchange’s connectivity offerings and fees with those of its sister exchanges.

The first new connectivity option that the Exchange proposes to offer its customers is co-location. Co-location is a suite of hardware, power, telecommunication, and other ancillary products and services that allow market participants and vendors to place their trading and communications equipment in close physical proximity to the quoting and execution facilities of the Exchange and other Nasdaq, Inc. markets. The Exchange provides co-location services and imposes fees through Nasdaq Technology Services LLC and pursuant to agreements with the owner/operator of its data center where both the Exchange's quoting and trading facilities and co-located customer equipment are housed. Users of colocation services include private extranet providers, data vendors, as well as Exchange members and non-members. The use of co-location services is entirely voluntary.

Like its sister exchanges, and as detailed in the proposed co-location fee schedule, the Exchange proposes to impose a uniform, non-discriminatory set of fees for various co-location services, including: fees for co-located connections to the Exchange and to third party services (described below) in various bandwidths; fees for cabinet space usage, or options for future space usage; installation and related power provision for hosted equipment; connectivity among multiple cabinets being used by the same customer as well as customer connectivity to the Exchange and telecommunications providers; and related maintenance and consulting services. Fees related to cabinet and power usage are incremental, with additional charges being imposed based on higher levels of cabinet and/or power usage, the use of non-standard cabinet sizes or special cabinet cooling equipment, or the re-selling of cabinet space.

In addition to co-location services, the Exchange proposes to offer several other connectivity options for customers that are located outside of the Exchange's primary data center in Carteret, New Jersey.

First, the Exchange proposes to offer a "Direct Circuit Connectivity" service, whereby subscribers may connect their facilities directly to the Exchange's primary data center using a circuit they obtain from an external telecommunications provider. For this form of connectivity, the Exchange's proposal offers customers the choice of 1 GB, 1 GB Ultra, and 10 GB connections. The installation fee for all such connections will be \$1,500 and the monthly fee will be \$7,500 for 10 GB connections and \$2,500 for both 1 GB and 1 GB Ultra connections. The Exchange also proposes to charge a fee to customers that choose to install a cable router in its data center and a monthly fee for customers that choose to install equipment in the Exchange's data center to support the connectivity. Specifically, the Exchange proposes an installation fee of \$925 per router, switch or modem, and a monthly fee of \$150 to rent cabinet space based on a unit height of approximately 1.75 inches (commonly called a "U" space) and a maximum power of 125 Watts per U space.

Next, the Exchange proposes to offer a "POP Connectivity" service, whereby subscribers may use external telecommunication circuits to connect directly to one or more of the Exchange's satellite data centers (each, a "POP") that are located in places other than Carteret. Each POP, in turn, has a fully redundant connection to the Exchange's primary data center, such that subscribers may connect to the primary data center through its connection to a POP. For POP Connectivity to the Exchange, the Exchange proposes to offer 1 GB Ultra and 10 GB connections. The installation fee for

all such connections will be \$1,500 and the monthly fee will be \$7,500 for 10 GB connections and \$2,500 for 1 GB Ultra connections.<sup>3</sup>

Additionally, the Exchange proposes to offer connectivity to third party services. The Exchange is proposing to offer this service to both non-co-location customers (via a direct circuit connection) and co-location customers alike. This connectivity will enable customers to receive third party market data feeds, including Securities Information Processors (“SIPs”)<sup>4</sup> data, and other non-exchange services.<sup>5</sup> The Exchange will offer this service to customers in both 10 GB Ultra and 1 GB Ultra connections. The installation fee for both 10 GB Ultra and 1 GB Ultra connections will be \$1,500. Meanwhile, the monthly fee will be \$5,000 for 10 GB Ultra connections and \$2,000 for 1 GB Ultra connections. For 1 GB Ultra or 10 GB Ultra connections for UTP only, the installation fee and monthly fee will be waived for the first two connections and thereafter the installation fee will be \$100 and the monthly fee also will be \$100. As with Direct Circuit Connectivity, the Exchange proposes to charge a \$925 fee to customers

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<sup>3</sup> Clients will not be permitted to install routers in or rent cabinet space directly from the Exchange at the POPs. Accordingly, the fee schedule for POP connectivity will not include fees for these services.

<sup>4</sup> The SIPs link the U.S. markets by processing and consolidating all protected bid/ask quotes and trades from every registered exchange trading venue and FINRA into a single data feed, and they disseminate and calculate critical regulatory information, including the National Best Bid and Offer, Limit Up Limit Down price bands, short sale restrictions and regulatory halts.

<sup>5</sup> Third Party Services includes not only SIP data feeds, but also data feeds from other exchanges and markets. For example, Third Party Connectivity will support connectivity to the FINRA/Nasdaq Trade Reporting Facility, BATS Depth Feeds, and NYSE Feeds. A customer must separately subscribe to the third party services to which it connects with a Third Party Connectivity subscription. The Exchange notes that customers that do not wish to subscribe to Direct Circuit Connectivity to Third Party Services may alternatively connect through an extranet provider or a market data redistributor.

that choose to install a cable router in its data center for purposes of receiving the third party services as well as a monthly fee of \$150 for customers that choose to install equipment in the Exchange's data center to support that connectivity.

Furthermore, the Exchange proposes to offer connectivity to its Test Facility. The Test Facility provides subscribers with a virtual system test environment that closely approximates the production environment and on which they may test their automated systems that integrate with the Exchange. For example, subscribers may test upcoming Exchange releases and product enhancements, as well as test software prior to implementation. The Exchange proposes to assess certain fees for use of the Test Facility. Specifically, the Exchange proposes that subscribers to the Test Facility located in Carteret, New Jersey shall pay a fee of \$1,000 per hand-off, per month for connection to the Test Facility. The hand-off fee will include either a 1 GB or 10 GB switch port and a cross connect to the Test Facility. Subscribers will also pay a one-time installation fee of \$1,000 per handoff.

Finally, for each of the connectivity options discussed above, the Exchange proposes to include language in the fee schedule which states that connectivity to the Exchange also applies to connectivity to all of the other Nasdaq, Inc. markets, including Nasdaq, BX, Phlx, MRX, and GEMX. This purpose of this proposal is to specify that a client can use the connections it establishes and maintains to connect, not only to the Exchange, but also to any or all of its sister exchanges, and in doing so, it will be billed only once.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>7</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange believes that it is reasonable to eliminate its existing Ethernet, FIX, and API connectivity offerings and their associated fees as the Exchange is migrating to a new platform that will offer new connectivity options. The Exchange notes that its customers have had ample prior notice of this transition.

The Exchange believes that proposed new connectivity fees are reasonable as a means of covering its costs associated with providing new connectivity options. Moreover, these new fees are reasonable because they are similar to or the same as the connectivity fees that the Exchange's sister exchanges, including Nasdaq, BX, and Phlx, charge under their respective rules.<sup>8</sup> They are also the same as those connectivity fees that GEMX and MRX are proposing to assess in filings being submitted to the Commission concurrently with this one. The Exchange also believes that it is reasonable and in the interest of the public and investors to harmonize all of the Exchange's

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

<sup>7</sup> 15 U.S.C. 78f(b)(5).

<sup>8</sup> See Nasdaq Rule 7030, BX Rule 7030, and Nasdaq Phlx LLC Pricing Schedule Section VII.E (Test Facility); Nasdaq Rule 7034(b), BX Rule 7034(b), and Nasdaq Phlx LLC Pricing Schedule Section X (co-location); Nasdaq Rule 7051, BX Rule 7051, and Nasdaq Phlx LLC Pricing Schedule Section XI (direct connectivity).

connectivity options and connectivity fees now that all of the Nasdaq, Inc. exchanges are on a common platform.

The Exchange believes that the proposed new fees are an equitable allocation and are not unfairly discriminatory because the Exchange will apply the same fees to all subscribers to the same connectivity options.

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. In terms of inter-market competition, the Exchange 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, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange 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. Because competitors are free to modify their own fees in response, and because market participants may connect to third parties instead of directly connecting to the Exchange, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the proposed changes to the charges assessed for connectivity to the Exchange are consistent with the fees assessed by other exchanges for the same or similar connectivity. Moreover, the Exchange must assess fees to cover the costs incurred in providing connectivity and members had been assessed fees for Exchange connectivity prior to the sunset of the old Exchange architecture. As a consequence, competition will not be burdened by the proposed fees. In sum, if the changes proposed

herein are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes 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

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>9</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>10</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

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<sup>9</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>10</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.



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-ISE-2017-91 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-ISE-2017-91. 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-ISE-2017-91 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>11</sup>

Eduardo A. Aleman  
Assistant Secretary

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<sup>11</sup> 17 CFR 200.30-3(a)(12).

**EXHIBIT 5**

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

**Nasdaq ISE****Schedule of Fees**

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**V. Trading Application Software****A. – B. No changes.****C. Reserved. [FIX Session/API Session Fees]****[1. Market Makers**

Quoting, Order Entry and Listening - \$1,000 per month per API. Minimum of two. Each API fee allows for up to 1,500,000 quotes per day per user as measured on an average in a single month. Each incremental usage of up to 1,500,000 quotes per day per user shall incur an additional API fee of \$1,000 per month. Market Makers that achieve Market Maker Plus in 200 or more symbols (other than SPY) will have the above fees for that month capped at 200 sessions. Market Makers that achieve Market Maker Plus in SPY will receive credit for five sessions. Market Makers that quote in all FX option products will not have their FX option quotes counted towards the 1,500,000 quote threshold, and will receive additional credit for twelve sessions. All credited sessions will be applied after the 200 API session cap.]

[Order Entry and Listening - \$750 per month per API. A Listener may engage in any activity except submit orders and quotes, alter orders and cancel orders.]

[Listening - \$175 per month per API]

**[2. EAM Options API\***

First five sessions - \$250 per session per month.  
Sixth and additional sessions - \$100 per session per month.]

[\* The connectivity provided under this section provides connectivity to both the Nasdaq ISE, LLC and Nasdaq GEMX, LLC.]

**[3. EAM Options FIX Sessions\***

First and second session - \$250 per session per month.  
Third and additional sessions - \$50 per session per month.]

[\* The connectivity provided under this section provides connectivity to both the Nasdaq ISE, LLC and Nasdaq GEMX, LLC.]

**D. No changes.****VI. Access Services****A. No changes.****B. Reserved.[Network Fees]**

[Ethernet – Fees are charged per connection and apply to both members and non-members.\*]

[1 Gigabit – \$1,000 per month.  
10 Gigabits – \$4,500 per month.]

[\* The connectivity provided under this section provides connectivity to both the Nasdaq ISE, LLC and Nasdaq GEMX, LLC.]

[Ethernet – Low Latency. Fees are charged per connection and apply to both members and non-members.\*]

[10 Gigabits – \$8,000 per month.  
40 Gigabits – \$15,000 per month.]

[\* The connectivity provided under this section provides connectivity to both the Nasdaq ISE, LLC and Nasdaq GEMX, LLC.]

**C. – D. No changes.****E. Co-Location Services**

The following charges are assessed by Nasdaq ISE for co-location services:<sup>1</sup>

**1. Cabinets****Cabinet with Power**

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>Super High Density Cabinet (&gt;10kW - &lt;=17.3kW)</u>	<u>\$4,500***</u>	<u>\$8,000**</u>
<u>High Density Cabinet (&gt;7kW - &lt;10kW)</u>	<u>\$3,500</u>	<u>\$4,500**</u>
<u>Medium-High Density Cabinet (&gt;5kW - &lt;=7kW)</u>	<u>\$3,500</u>	<u>\$3,500**</u>
<u>Medium Density Cabinet (&gt;2.88kW - &lt;=5kW)</u>	<u>\$3,500</u>	<u>\$2,500**</u>

<u>Low Density Cabinet (&lt;=2.88kW)</u>	<u>\$3,500</u>	<u>\$2,000**</u>
<u>Half Cabinet*</u>		<u>\$2,000</u>

\*Not available to new subscribers.

\*\*Discount of 15% of fee available to users of 25 or more full cabinets who commit to a 3 year term; Discount of 10% of fee available to users of 25 or more full cabinets who commit to a 2 year term.

\*\*\*Includes larger cabinet (30" W x 48" D x 96" H). Standard installation fee of \$3,500 would apply if smaller cabinet (24"W x 42"D x 84"H) is requested.

Note: Cabinet power cap is based on the available power at 80% of the breaker capacity of all circuit pairs within a cabinet (where a primary/redundant circuit pair is considered a single circuit).

### **Shared Cabinet Space**

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

\*No more than 2 4U Blocks. Access restricted to Nasdaq ISE personnel.

### **Specialty Cabinet Charge**

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

### **Multi-Firm Cabinet Charge**

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

## 2. Connectivity

### **External Telco /Inter-Cabinet Connectivity**

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>Category 6 Cable patch</u>	<u>\$300</u>	<u>\$350*</u>
<u>DS-3 Connection</u>	<u>\$500</u>	<u>\$350*</u>

<u>Fiber</u>	<u>\$500</u>	<u>\$350*</u>
<u>POTS Line</u>	<u>\$0</u>	<u>\$50</u>
<u>One-Time Telco Connectivity Expedite Fee</u>	<u>\$1,400</u>	<u>\$0</u>
<u>Inter-Cabinet Telco connection outside Nasdaq space</u>		<u>\$1,000</u>
<u>100MB Connectivity - Metro NY/NJ Area Destination</u>	<u>\$1,165**</u>	<u>\$1,650**</u>
<u>1G Connectivity - Metro NY/NJ Area Destination</u>	<u>\$2,150**</u>	<u>\$2,150**</u>
<u>10G Connectivity - Metro NY/NJ Area Destination</u>	<u>\$5,000**</u>	<u>\$5,000**</u>
<u>100MB Connectivity - Toronto Area Destination</u>	<u>\$4,850**</u>	<u>\$4,100**</u>
<u>1G Connectivity - Toronto Area Destination</u>	<u>\$7,700**</u>	<u>\$9,850**</u>
<u>10G Connectivity - Toronto Area Destination</u>	<u>\$14,200**</u>	<u>\$28,400**</u>
<u>100MB Connectivity - Chicago Area Destination</u>	<u>\$3,500**</u>	<u>\$7,350**</u>
<u>1G Connectivity - Chicago Area Destination</u>	<u>\$4,900**</u>	<u>\$12,800**</u>
<u>10G Connectivity - Chicago Area Destination</u>	<u>\$10,650**</u>	<u>\$26,900**</u>

\* Requesting party only. Not applicable to inter-cabinet connections among the same customer.

\*\* Includes fiber telco cross connect within the Exchange's data center.

**Connectivity to Nasdaq ISE\***

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>Fiber Connection to Nasdaq ISE (10Gb)</u>	<u>\$1,000</u>	<u>\$10,000</u>
<u>Fiber Connection to Nasdaq ISE (10Gb Ultra)</u>	<u>\$1,500</u>	<u>\$15,000</u>
<u>Fiber Connection to Nasdaq ISE (40Gb)</u>	<u>\$1,500</u>	<u>\$20,000</u>
<u>Fiber Connection to Nasdaq ISE (1Gb Ultra)</u>	<u>\$1,500</u>	<u>\$2,500</u>
<u>Fiber Connection to Nasdaq ISE (1Gb)</u>	<u>\$1,000</u>	<u>\$2,500</u>
<u>1Gb Copper Connection to Nasdaq ISE</u>	<u>\$1,000</u>	<u>\$2,500</u>

\* The connectivity provided under this rule also provides connectivity to the other markets of The NASDAQ Stock Market, LLC, NASDAQ BX, Inc., Nasdaq PHLX LLC, Nasdaq MRX, LLC, and Nasdaq GEMX, LLC.

**Connectivity to Third Party Services**

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>Third Party Services Fiber Connection (10Gb Ultra)</u>	<u>\$1,500*</u>	<u>\$5,000*</u>
<u>Third Party Services Fiber Connection (1Gb Ultra)</u>	<u>\$1,500*</u>	<u>\$2,000*</u>
<u>Third Party Services Fiber Connection (1Gb Ultra or 10Gb Ultra for UTP only)</u>	<u>\$100*</u>	<u>\$100*</u>

\*Waived for two connections per client to UTP SIP feeds only (UQDF and UTDF).

**Market Data Connectivity\***

**The following Market Data feeds are delivered to the NASDAQ OMX Data Center via a fiber optic network:**

<u>Description</u>	<u>Installation Fee</u>	<u>Ongoing Monthly Fee</u>
<u>Nasdaq</u>	<u>\$1,000</u>	<u>\$0</u>
<u>SIAC</u>	<u>\$1,000</u>	
<u>CTS/CQS</u>		<u>\$1,412</u>
<u>OpenBook Realtime</u>		<u>\$2,500</u>
<u>OpenBook Ultra</u>		<u>\$2,500</u>
<u>NYSE Alerts</u>		<u>\$200</u>
<u>NYSE Trades</u>		<u>\$100</u>
<u>Arca Trades</u>		<u>\$100</u>
<u>ArcaBook Multicast</u>		<u>\$1,500</u>
<u>Arca BBO</u>		<u>\$125</u>
<u>AMEX- Ultra/Trades/Alerts/LRP</u>		<u>\$100</u>
<u>OPRA</u>		<u>\$6,000</u>
<u>CME</u>	<u>\$1,000</u>	<u>\$3,500</u>
<u>Access Fee per location device/user</u>		<u>\$65</u>
<u>BATS Multicast PITCH</u>	<u>\$1,000</u>	
<u>BATS</u>		<u>\$4,000</u>
<u>BATS Y</u>		<u>\$1,500</u>
<u>Direct Edge</u>	<u>\$1,000</u>	
<u>EDGA</u>		<u>\$2,500</u>
<u>EDGX</u>		<u>\$2,500</u>



<u>TSX/TSXV</u>	<u>\$1,000</u>
<u>TSX and TSXV Level 1 Feed</u>	<u>\$300</u>
<u>TSX and TSVX Level 2 Feed</u>	<u>\$1,000</u>
<u>TSX Quantum Level 1 Feed</u>	<u>\$100</u>
<u>TSX Quantum Level 2 Feed</u>	<u>\$300</u>

\*Pricing is for connectivity only and is similar to connectivity fees imposed by other vendors. The fees are generally based on the amount of bandwidth needed to accommodate a particular feed and Nasdaq ISE is not the exclusive method to get market data connectivity. Market data fees are charged independently by Nasdaq ISE and other exchanges.

The following multicast Market Data feeds are delivered to the Exchange Data Center via a wireless network (microwave or millimeter wave):

<u>Description</u>	<u>Installation Fee</u>	<u>Recurring Monthly Fee*</u>
<u>NYSE Equities (Arca Integrated)</u>	<u>\$5,000</u>	<u>\$10,000</u>
<u>NYSE Equities (NYSE Integrated)</u>	<u>\$5,000</u>	<u>\$10,000</u>
<u>BATS Multicast PITCH (BZX and BYX)</u>	<u>\$2,500</u>	<u>\$7,500</u>
<u>Direct EDGE Depth of Book (EDGA, EDGX)</u>	<u>\$2,500</u>	<u>\$7,500</u>
<u>CME Multicast Total</u>	<u>\$5,000</u>	<u>\$23,500</u>
<u>CME Equities Futures Data Only</u>		<u>\$10,000</u>
<u>CME Fixed Income Futures Data Only</u>		<u>\$10,000</u>
<u>CME Metals Futures Data Only</u>		<u>\$3,500</u>

\*Subscribers with three to five microwave or millimeter wave wireless subscriptions under Section VI.E receive a 5% discount on all such subscriptions; subscribers with six to ten microwave or millimeter wave wireless subscriptions under Section VI.E receive a 10% discount on all such subscriptions; subscribers with eleven to fourteen microwave or millimeter wave wireless subscriptions under Section VI.E receive a 15% discount on all

such subscriptions; and subscribers with fifteen or more microwave or millimeter wave wireless subscriptions under Section VI.E receive a 20% discount on all such subscriptions.

### 3. Power

#### **Cabinet Power**

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>2x20 amp 110 volt</u>	<u>\$2,000</u>	<u>\$0</u>
<u>2x30 amp 110 volt</u>	<u>\$2,000</u>	<u>\$0</u>
<u>2x20 amp 208 volt</u>	<u>\$2,000</u>	<u>\$0</u>
<u>2x30 amp 208 volt</u>	<u>\$2,000</u>	<u>\$0</u>
<u>Phase 3 2x 20 amp 208 volt</u>	<u>\$3,000</u>	<u>\$0</u>
<u>Phase 3 2x 30 amp 208 volt</u>	<u>\$3,000</u>	<u>\$0</u>
<u>2x60 amp 208 volt</u>	<u>\$3,000</u>	<u>\$0</u>
<u>Phase 3 2x 40 amp 208 volt</u>	<u>\$3,000</u>	<u>\$0</u>
<u>Phase 3 2x 50 amp 208 volt</u>	<u>\$3,000</u>	<u>\$0</u>
<u>Phase 3 2x 60 amp 208 volt</u>	<u>\$3,000</u>	<u>\$0</u>
<u>2x30 amp 48 volt DC</u>	<u>\$3,000</u>	<u>\$0</u>

### 4. Additional Charges/Services

#### **Additional Items**

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>Cooling (Door) Fans</u>	<u>\$1,500</u>	<u>\$0</u>
<u>Perforated Floor Tiles</u>	<u>\$250</u>	<u>\$0</u>
<u>Cabinet Extension</u>	<u>\$500</u>	<u>\$0</u>

<u>Super High Density Cabinet Kit</u>	<u>\$4,500</u>	<u>\$0</u>
<u>Additional Cabinet Shelves</u>	<u>\$200</u>	<u>\$0</u>
<u>Single Master Key Locks</u>	<u>\$175</u>	<u>\$0</u>
<u>Cable Downspouts</u>	<u>\$750</u>	<u>\$0</u>
<u>Cabinet Caging</u>	<u>Installation Specific</u>	<u>\$3,000</u>
<u>Custom Installation</u>	<u>Installation Specific</u>	<u>\$0</u>
<u>Cabinet Equipment Storage</u>	<u>\$0</u>	<u>\$500</u>
<u>Copper Patch Cords</u>	<u>\$4.50 +\$.50 per foot</u>	<u>\$0</u>
<u>Fiber Patch Cords - Multi-mode</u>	<u>\$20 +\$1.50 per meter</u>	<u>\$0</u>
<u>Fiber Patch Cords - Single-mode</u>	<u>\$24 +\$.75 per meter</u>	<u>\$0</u>
<u>Twinax Patch Cords</u>	<u>\$34 +\$10 per meter</u>	<u>\$0</u>
<u>Power Cords - 5-15P to C13 - 2 to 4 feet</u>	<u>\$5</u>	<u>\$0</u>
<u>Power Cords - C14 to C19 - 2 to 4 feet</u>	<u>\$10</u>	<u>\$0</u>
<u>Equipment Storage</u>	<u>\$0</u>	<u>\$100</u>
<u>Internet Bandwidth - 1Mb</u>	<u>\$0</u>	<u>\$300</u>
<u>Internet Bandwidth - 2Mb</u>	<u>\$0</u>	<u>\$500</u>
<u>Internet Bandwidth - 3Mb</u>	<u>\$0</u>	<u>\$700</u>
<u>Internet Bandwidth - 4Mb</u>	<u>\$0</u>	<u>\$900</u>
<u>Internet Bandwidth - 5Mb</u>	<u>\$0</u>	<u>\$1,100</u>

<u>GPS Antenna</u>	<u>Installation Specific</u>	<u>\$200</u>
<u>Cabinet Proximity Option Fee</u>	<u>\$0</u>	<u>\$1000 per medium or low density cabinet, or \$1500 per medium/high or high density cabinet</u>

**Services**

<b><u>Description</u></b>	<b><u>Rate</u></b>
<u>Power Consulting Service (billed in hourly increments)</u>	<u>\$250/hr plus materials if necessary</u>
<u>Remote Hands Service</u>	<u>\$150/hr</u>

**F. Direct Circuit Connection to Nasdaq ISE\***

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>Direct Circuit Connection to Nasdaq ISE (10Gb)</u>	<u>\$1,500</u>	<u>\$7,500</u>
<u>Direct Circuit Connection to Nasdaq ISE (supports up to 1Gb)</u>	<u>\$1,500</u>	<u>\$2,500</u>
<u>Direct Circuit Connection to Nasdaq ISE (1Gb Ultra)</u>	<u>\$1,500</u>	<u>\$2,500</u>
<u>Optional Cable Router</u>	<u>\$925</u>	
<u>Per U of Cabinet Space**</u>		<u>\$150</u>

\*The connectivity provided under this rule also provides connectivity to the other markets of NASDAQ BX, Inc., Nasdaq PHLX LLC, The NASDAQ Stock Market LLC, Nasdaq MRX LLC, and Nasdaq GEMX LLC.

\*\*Fees are based on a height unit of approximately 1.75 inches high, commonly called a "U" space and a maximum power of 125 Watts per U space.

**G. Direct Circuit Connection to Third Party Services**

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
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<u>Third Party Services Direct Connection (10Gb Ultra)</u>	<u>\$1,500*</u>	<u>\$5,000*</u>
<u>Third Party Services Direct Connection (1Gb Ultra)</u>	<u>\$1,500*</u>	<u>\$2,000*</u>
<u>Third Party Services Direct Connection (1Gb Ultra or 10Gb Ultra for UTP only)</u>	<u>\$100*</u>	<u>\$100*</u>
<u>Optional Cable Router</u>	<u>\$925</u>	
<u>Per U of Cabinet Space**</u>		<u>\$150</u>

\*Waived for two connections per client to UTP SIP feeds only (UQDF and UTDF).

\*\*Fees are based on a height unit of approximately 1.75 inches high, commonly called a "U" space and a maximum power of 125 Watts per U space.

#### **H. Point of Presence (POP) Connectivity\***

<b><u>Description</u></b>	<b><u>Installation Fee</u></b>	<b><u>Ongoing Monthly Fee</u></b>
<u>POP Connection to Nasdaq ISE (10Gb)</u>	<u>\$1,500</u>	<u>\$7,500</u>
<u>POP Connection to Nasdaq ISE (1Gb Ultra)</u>	<u>\$1,500</u>	<u>\$2,500</u>

\*The connectivity provided under this rule also provides connectivity to the other markets of NASDAQ BX, Inc., Nasdaq PHLX LLC, The NASDAQ Stock Market LLC, Nasdaq MRX LLC, and Nasdaq GEMX LLC.

#### **I. Exchange Testing Facilities**

Subscribers to the Testing Facility located in Carteret, New Jersey shall pay a fee of \$1,000 per hand-off, per month for connection to the Testing Facility. The hand-off fee includes either a 1Gb or 10Gb switch port and a cross connect to the Testing Facility. Subscribers shall also pay a one-time installation fee of \$1,000 per handoff.

The connectivity provided under this rule also provides connectivity to the other markets of NASDAQ BX, Inc., Nasdaq PHLX LLC, The NASDAQ Stock Market LLC, Nasdaq MRX LLC, and Nasdaq GEMX LLC.

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