

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 17	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2018 - * 21	Amendment No. (req. for Amendments *)
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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"/>
			Rule		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

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 *).

A proposed rule change to extend the delay for re-introduction of legging functionality for Stock-Option Orders on INET by an additional year.

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 * Adrian Last Name * Griffiths

Title * Senior Associate General Counsel

E-mail * adrian.griffiths@nasdaq.com

Telephone * (212) 231-5176 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 03/16/2018

By Edward S. Knight

Executive Vice President and General Counsel

edward.knight@nasdaq.com

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

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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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

Add Remove View

Exhibit Sent As Paper Document

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

Exhibit 3 - Form, Report, or Questionnaire

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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

Add Remove View

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

Exhibit 5 - Proposed Rule Text

Add Remove View

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

Partial Amendment

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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”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to extend the delay for re-introduction of legging functionality for Stock-Option Orders on INET by an additional year.

The Exchange requests that the Commission waive the 30-day operative delay period contained in Exchange Act Rule 19b-4(f)(6)(iii).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 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.

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

Adrian Griffiths
Senior Associate General Counsel
Nasdaq, Inc.
212-231-5176

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 17 CFR 240.19b-4(f)(6)(iii).

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

a. Purpose

The purpose of the proposed rule change is to extend the delay for re-introduction of legging functionality for Stock-Option Orders on INET by an additional year. With the recent re-platform of the Exchange's trading system to INET, the Exchange delayed the re-introduction of legging functionality for Stock-Option Orders.⁴ As such, Stock-Option Orders entered on the Exchange today are not automatically executed against bids and offers on the Exchange for the individual legs pursuant to Rule 722(b)(3)(ii)-(iii) and Supplementary Material .02 to Rule 722. The Exchange proposes to extend the delay of implementation of legging functionality for Stock-Option Orders by an additional year. Stock-Option Orders will continue to execute against other Stock-Option Orders in the complex order book, thereby providing an opportunity for Members to have their Stock-Option Orders executed on the Exchange.

When the Exchange initially delayed legging functionality for Stock-Option Orders, the Exchange noted that it would re-introduce legging for Stock-Option Orders within one year from the date of that filing. The Exchange filed the initial rule change on March 21, 2017, and the additional one year delay would therefore extend the implementation timeline for this functionality to March 21, 2019. The extended delay would provide the Exchange additional time to develop and test this functionality on INET. The Exchange will issue an Options Trader Alert notifying Members when this functionality will be available. Furthermore, in connection with this change, the

⁴ See Securities Exchange Act Release No. 80316 (March 27, 2017) 82 FR 16084 (March 31, 2017) (SR-ISE-2017-28).

Exchange also proposes to amend Rule 722 to remove language about the migration of symbols to INET as this migration has been completed and all symbols listed by the Exchange are currently trading on the INET platform.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁶ 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. In particular, the Exchange believes that the proposed rule change is consistent with the protection of investors and the public interest as it would provide additional time to develop and test legging functionality for Stock-Option Orders on INET. Although the Exchange is now fully operating on the INET platform, additional time is necessary to re-implement this functionality to ensure a quality experience for Members. Members are already aware that this functionality has been delayed, and the Exchange will provide Members notice of the date when the functionality will be available. While the Exchange is proposing to extend the delay of legging functionality for these Stock-Option Orders, Members can continue to submit these orders to the Exchange where they can be executed against other Stock-Option Orders on the complex order book. No Members have notified the Exchange of significant impact on execution quality as a result of the delayed implementation of legging functionality for Stock-Option Orders, and therefore

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

the Exchange does not believe that extending the delay will have a significant impact on market participants. This functionality will be available on or before March 21, 2019.

Furthermore, the other proposed changes merely update this rule to reflect the fact that all symbols listed by ISE are currently traded on the INET platform.

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. Specifically, the Exchange does not believe that the proposed one year delay will impose any significant burden on intra-market competition because legging for Stock-Option Orders will be uniformly delayed for all Members. Similarly, the Exchange does not believe that the proposed delay will impose any significant burden on inter-market competition as it does not impact the ability of other markets to offer or not offer competing functionality. The Exchange believes that providing an additional year to develop and test this functionality will be beneficial to members.

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)⁷ of the Act and Rule 19b-4(f)(6) thereunder⁸ in that it effects a change

⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

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 Exchange believes that the proposed rule change does not significantly affect the protection of investors or the public interest as it would merely provide the Exchange additional time to develop and test legging functionality for Stock-Option Orders on the new INET platform. As mentioned previously in this proposed rule change, Members will continue to be able to execute their Stock-Option Orders against other Stock-Option Orders on the complex order book, thereby providing a means for these orders to be executed notwithstanding the proposed additional one year delay. Furthermore, Members are already aware that this functionality has been delayed, and the Exchange will provide Members notice of the date when the functionality will be available. In addition, the Exchange does not believe the proposed rule change imposes any significant burden on competition because legging for Stock-Option Orders will be uniformly delayed for all Members, and the proposed rule change does not impact the ability of other markets to offer or not offer competing functionality.

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

⁸ 17 CFR 240.19b-4(f)(6).

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 can extend the delay as proposed prior to the end of the current delay period, which is scheduled to end on March 21, 2018. The Exchange believes that extending the delay prior to the end of the current delay period will ensure that the Exchange's rules continue to properly reflect the delay of this functionality, which will not be available on INET by the currently scheduled date.

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 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-2018-21)

March __, 2018

Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Extend the Delay for Re-introduction of Legging Functionality for Stock-Option Orders on INET by An Additional Year

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 March 16, 2018, 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 extend the delay for re-introduction of legging functionality for Stock-Option Orders on INET by an additional year.

The text of the proposed rule change is available on the Exchange’s Website at <http://ise.cchwallstreet.com/>, 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 purpose of the proposed rule change is to extend the delay for re-introduction of legging functionality for Stock-Option Orders on INET by an additional year. With the recent re-platform of the Exchange's trading system to INET, the Exchange delayed the re-introduction of legging functionality for Stock-Option Orders.³ As such, Stock-Option Orders entered on the Exchange today are not automatically executed against bids and offers on the Exchange for the individual legs pursuant to Rule 722(b)(3)(ii)-(iii) and Supplementary Material .02 to Rule 722. The Exchange proposes to extend the delay of implementation of legging functionality for Stock-Option Orders by an additional year. Stock-Option Orders will continue to execute against other Stock-Option Orders in the complex order book, thereby providing an opportunity for Members to have their Stock-Option Orders executed on the Exchange.

When the Exchange initially delayed legging functionality for Stock-Option Orders, the Exchange noted that it would re-introduce legging for Stock-Option Orders within one year from the date of that filing. The Exchange filed the initial rule change on March 21, 2017, and the additional one year delay would therefore extend the implementation timeline for this functionality to March 21, 2019. The extended delay

³ See Securities Exchange Act Release No. 80316 (March 27, 2017) 82 FR 16084 (March 31, 2017) (SR-ISE-2017-28).

would provide the Exchange additional time to develop and test this functionality on INET. The Exchange will issue an Options Trader Alert notifying Members when this functionality will be available. Furthermore, in connection with this change, the Exchange also proposes to amend Rule 722 to remove language about the migration of symbols to INET as this migration has been completed and all symbols listed by the Exchange are currently trading on the INET platform.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁵ 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. In particular, the Exchange believes that the proposed rule change is consistent with the protection of investors and the public interest as it would provide additional time to develop and test legging functionality for Stock-Option Orders on INET. Although the Exchange is now fully operating on the INET platform, additional time is necessary to re-implement this functionality to ensure a quality experience for Members. Members are already aware that this functionality has been delayed, and the Exchange will provide Members notice of the date when the functionality will be available. While the Exchange is proposing to extend the delay of legging functionality for these Stock-Option Orders, Members can continue to submit these orders to the Exchange where they can be

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

executed against other Stock-Option Orders on the complex order book. No Members have notified the Exchange of significant impact on execution quality as a result of the delayed implementation of legging functionality for Stock-Option Orders, and therefore the Exchange does not believe that extending the delay will have a significant impact on market participants. This functionality will be available on or before March 21, 2019. Furthermore, the other proposed changes merely update this rule to reflect the fact that all symbols listed by ISE are currently traded on the INET platform.

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. Specifically, the Exchange does not believe that the proposed one year delay will impose any significant burden on intra-market competition because legging for Stock-Option Orders will be uniformly delayed for all Members. Similarly, the Exchange does not believe that the proposed delay will impose any significant burden on inter-market competition as it does not impact the ability of other markets to offer or not offer competing functionality. The Exchange believes that providing an additional year to develop and test this functionality will be beneficial to members.

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 Act⁶ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁷

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

IV. Solicitation of Comments

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

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-ISE-2018-21 on the subject line.

⁶ 15 U.S.C. 78s(b)(3)(A)(iii).

⁷ 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.

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-2018-21. 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-2018-21 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.⁸

Eduardo A. Aleman
Assistant Secretary

⁸ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

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

Nasdaq ISE Rules

* * * * *

Rule 722. Complex Orders

[ISE will migrate symbols to the INET platform pursuant to a symbol migration commencing in the second quarter of 2017.] Stock-Option Orders [that have migrated to the INET platform] will not be automatically executed against bids and offers on the Exchange for the individual legs (“legging”) pursuant to Rule 722(b)(3)(ii)-(iii) and Supplementary Material .02 to Rule 722. Stock-Option Orders will continue to execute against other Stock-Option Orders in the complex order book. [The Exchange will specify the symbol migration schedule in an Options Trader Alert to be issued by the Exchange.] The Exchange will recommence legging for Stock-Option Orders on ISE on or before March 21, 2019[within one year from the date of the filing of SR-ISE-2017-28 to be announced in a separate Options Trader Alert]. The Exchange will issue an Options Trader Alert notifying Members when this functionality will be available.

* * * * *

(a) and (b) No change.

Supplementary Material to Rule 722

.01 - .07 No change.

* * * * *