

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 21	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2013 - * 014	Amendment No. (req. for Amendments *)
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Filing by NASDAQ Stock Market
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 Section 806(e)(1) <input checked="" type="checkbox"/> Section 806(e)(2) <input checked="" type="checkbox"/>	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) <input checked="" type="checkbox"/>
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Exhibit 2 Sent As Paper Document <input checked="" type="checkbox"/>	Exhibit 3 Sent As Paper Document <input checked="" type="checkbox"/>
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Description

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

A proposal to add routing functionality to the Nasdaq System. Specifically, the Exchange proposes to amend Rule 4758, Order Routing.

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 * Edith Last Name * Hallahan

Title * Principal Associate General Counsel

E-mail * edith.hallahan@nasdaqomx.com

Telephone * (215) 496-5179 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 01/23/2013 Executive Vice President and General Counsel

By Edward S. Knight Edward S Knight,

(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.

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

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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

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 Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² The NASDAQ Stock Market LLC. (the “Exchange” or “Nasdaq”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to add routing functionality to the NASDAQ System (“System”). Specifically, the Exchange proposes to amend Rule 4758, Order Routing, as described below.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The text of the proposed rule change is below; proposed new language is underlined.

Equity Rules

* * * * *

4750. Execution Services

* * * * *

4758. Order Routing

(a) Order Routing Process

(1) No change.

(A) No change.

(i) – (xi) No change.

(xii) QDRK is a routing option under which orders check the System for available shares and simultaneously route the remaining shares to destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center.

(xiii) QCST is a routing option under which orders check the System for available shares and simultaneously route the remaining shares to destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS and to certain, but not all, exchanges. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center.

Orders that do not check the System for available shares prior to routing may not be sent to a facility of an exchange that is an affiliate of Nasdaq, except for orders that are sent to the NASDAQ OMX BX Equities Market or to the NASDAQ OMX PSX facility of NASDAQ OMX PHLX.

(B) No change.

(b) – (d) No change.

* * * * *

(b) and (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of Nasdaq pursuant to authority delegated by the Board of Directors on July 10, 2012. No other action is necessary for the filing of the rule change. Questions regarding this rule filing may be directed to Edith Hallahan, Principal Associate General Counsel, at (215) 496-5179.

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 attract additional business to and

enhance the functionality offered by Nasdaq by providing additional optional outbound routing services. Most equities exchanges today provide routing services and the Exchange offers a variety of routing strategies. Currently, Rule 4758, Order Routing, describes the order routing process and states that all routing shall be in compliance with Rule 611 of Regulation NMS under the Act.³ Furthermore, it enumerates Nasdaq's routing strategies: DOT, DOTI, STGY, SKNY, SCAN, SKIP, TFTY, MOPP, SAVE, SOLV, LIST and CART.

Proposed Rule 4758(a)(1)(A)(xii) will provide that QDRK is a routing option under which orders check the System for available shares and simultaneously route to certain destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS (i.e. "dark venues" or "dark pools"). If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center. This strategy is intended to attract market participants that seek to execute on Nasdaq or on dark pools without executing on another exchange. Members may seek to execute in this manner to interact with resting liquidity in addition to that available on Nasdaq, while also minimizing market impact and transaction fees.

For example, if the National Best Bid/Offer ("NBBO") is \$10.00 – \$10.01, and Nasdaq, DarkVenueA and ARCA each offer 100 shares at \$10.01, a QDRK order to buy 1000 shares at \$10.01 IOC will be handled as follows: 100 shares for execution on Nasdaq and 100 shares routed to DarkVenue A simultaneously at \$10.01; the remaining

³ 17 CFR 242.611.

800 shares are not routed and not executed, and cancelled back to the entering participant because it was an IOC order. The order did not route to ARCA because it is not a dark venue. As a second example, if the NBBO is \$10.00 – \$10.01, and Nasdaq, DarkVenueA and ARCA each offer 100 shares at \$10.01, a QDRK order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares for execution on Nasdaq and 100 shares routed to DarkVenue A simultaneously at \$10.01; the remaining 800 shares are posted on the Nasdaq book (because it is a DAY order). Once again, the order did not route to ARCA because it is not a dark venue.

Proposed Rule 4758(a)(1)(A)(xiii) will provide that QCST is a routing option under which orders check the System for available shares and simultaneously route to select dark venues and to certain low cost exchanges. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center. This strategy is also intended to attract market participants who seek to save on trading fees by only executing on the Exchange, on dark venues, or on no cost and low cost exchanges.

For example, if the NBBO is \$10.00 - \$10.01, and Nasdaq, DarkVenueA and ARCA each offer 100 shares at \$10.01, a QCST order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares for execution on Nasdaq and 100 shares routed to DarkVenue A simultaneously at \$10.01; the remaining 800 shares are posted on the Nasdaq book (because it is a DAY order). The order did not route to ARCA because it is neither a dark venue nor a no cost or low cost exchange. As a second example, if the NBBO is \$9.90 – \$10.00, with BYX offering 100 shares at \$10.00 and Nasdaq,

DarkVenueA and ARCA each offer 100 shares at \$10.01, a QCST order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares routed to BYX at \$10.00, 100 shares for execution on Nasdaq and 100 shares routed to DarkVenue A simultaneously at \$10.01; the remaining shares are posted on the Nasdaq book (because it is a DAY order). The order did not route to ARCA because it is neither a dark venue nor a no cost or low cost exchange.

In all cases, these routing strategies are designed to comply with SEC Rule 611 and the other provisions of Regulation NMS.⁴ Accordingly, both QDRK and QCST will honor Protected Quotations within the meaning of Regulation NMS and will not route to any market centers included in their respective routing table at a price inferior to an available Protected Quotation. For example, if the NBBO is \$9.90 – \$10.00, with NYSE offering 100 shares at \$10.00 and Nasdaq, DarkVenueA and ARCA each offering 100 shares at \$10.01, a QCST order to buy 1000 shares at \$10.01 DAY will not be routed because NYSE's Protected Quotation is not included in the routing table, by definition, for QCST.

The Exchange will notify its membership of the implementation date, which the Exchange expects will be on or about the 30th day after this filing.

b. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁵ in general, and with Sections 6(b)(5) of the Act,⁶ in

⁴ 17 CFR 242.611.

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(5).

particular, in that the proposal is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest, because Nasdaq will be better able to serve its customers and compete with other markets by offering additional optional routing services. Specifically, the two new routing strategies will provide market participants with greater flexibility in routing orders without developing order routing strategies on their own.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. Nasdaq competes with many exchanges and other execution venues for the execution of orders in equities. Market participants can choose where to send their orders. Accordingly, the proposal is pro-competitive in that it affords the Exchange the opportunity to compete with other exchanges in terms of offering new routing strategies.

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

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(6)⁸ thereunder, the Exchange has designated this proposal as one that 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 Exchange believes that the proposal is non-controversial, because it adopts two new order routing strategies that are substantially the same as those of other exchanges, as explained in detail below, which are optional.

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. Furthermore, a proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act⁹ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)¹⁰ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(6).

⁹ 17 CFR 240.19b-4(f)(6).

¹⁰ 17 CFR 240.19b-4(f)(6).

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

The changes proposed herein are similar to the routing strategies of other exchanges. Specifically, QDRK is substantially similar to BATS' DRT routing strategy¹¹ and EDGA's ROUD and ROUQ strategies,¹² which route to dark pools (referred to as a Comprehensive Liquidity Check).¹³ QCST is substantially similar to BATS' TRIM2 strategy¹⁴ and EDGA's ROBB strategy.¹⁵ The proposed strategies differ from EDGA's in that they will always simultaneously check the Exchange's book and route to the applicable destinations, whereas EDGA's strategies may either route simultaneously or sequentially, depending on the strategy and the User's instructions.¹⁶ BATS' routing strategies differ because they appear to be sequential. This difference is not significant, because both sequential and simultaneous routing exists on different exchanges and the

¹¹ <http://batstrading.com/features/>. See BATS Rule 11.13(a)(3)(E). See also http://cdn.batstrading.com/resources/features/bats_exchange_routing-strategies.pdf.

¹² See EDGA Rule 11.9(b)(3)(b) and (c)(iv).

¹³ <http://www.directedge.comn/Portals/0/docs/Marketing/EDGARRoutingStrategyMatrix.pdf>

¹⁴ See Securities Exchange Act Release No. 66325 (February 6, 2012), 77 FR 7640 (February 13, 2012) (SR-BYX-2012-04) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Add Reference to an Additional Variation of an Existing Routing Strategy).

¹⁵ ROBB involves routing to BX and BYX. See *supra* note 12. See also Securities Exchange Act Release No. 64466 (May 11, 2011), 76 FR 28489 (May 17, 2011) (SR-EDGA-2011-16)(Notice of Filing and Immediate Effectiveness of Proposed Rule to Amend EDGA Rule 11.9 to Introduce Additional Routing Options to the Rule).

¹⁶ See Securities Exchange Act Release No. 67299 (June 28, 2012), 77 FR 39787 (July 5, 2012) (SR-EDGA-2012-25)(Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to New Simultaneous Routing Functionality).

respective exchange rules spell this out, such that participants will easily discern how a particular routing strategy works and how it compares across exchanges.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act
Not applicable.
10. Advanced Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act
Not applicable.
11. Exhibits
 1. Completed notice of proposed rule change for publication in the Federal Register.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. _____ ; File No. SR-NASDAQ-2013-014)

January __, 2013

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Add Routing Functionality to the NASDAQ System

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹, and Rule 19b-4² thereunder, notice is hereby given that on January 23, 2013, The NASDAQ Stock Market LLC (“Nasdaq” 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 Nasdaq. 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

Nasdaq proposes to amend Rule 4758, Order Routing, to add routing functionality to the NASDAQ System (“System”).

The text of the proposed rule change is below. Proposed new language is underlined.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Equity Rules

* * * * *

4750. Execution Services

* * * * *

4758. Order Routing

(a) Order Routing Process

(1) No change.

(A) No change.

(i) – (xi) No change.

(xii) QDRK is a routing option under which orders check the System for available shares and simultaneously route the remaining shares to destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center.

(xiii) QCST is a routing option under which orders check the System for available shares and simultaneously route the remaining shares to destinations on the System routing table that are not posting Protected Quotations within the meaning of

Regulation NMS and to certain, but not all, exchanges. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center.

Orders that do not check the System for available shares prior to routing may not be sent to a facility of an exchange that is an affiliate of Nasdaq, except for orders that are sent to the NASDAQ OMX BX Equities Market or to the NASDAQ OMX PSX facility of NASDAQ OMX PHLX.

(B) No change.

(b) – (d) No change.

* * * * *

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. 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 attract additional business to and enhance the functionality offered by Nasdaq by providing additional optional outbound routing services. Most equities exchanges today provide routing services and the Exchange offers a variety of routing strategies. Currently, Rule 4758, Order Routing, describes the order routing process and states that all routing shall be in compliance with Rule 611 of Regulation NMS under the Act.³ Furthermore, it enumerates Nasdaq's routing strategies: DOT, DOTI, STGY, SKNY, SCAN, SKIP, TFTY, MOPP, SAVE, SOLV, LIST and CART.

Proposed Rule 4758(a)(1)(A)(xii) will provide that QDRK is a routing option under which orders check the System for available shares and simultaneously route to certain destinations on the System routing table that are not posting Protected Quotations within the meaning of Regulation NMS (i.e. "dark venues" or "dark pools"). If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center. This strategy is intended to attract market participants that seek to execute on Nasdaq or on dark pools without executing on another exchange. Members may seek to execute in this manner to interact with resting liquidity in addition to that available on Nasdaq, while also minimizing market impact and transaction fees.

³ 17 CFR 242.611.

For example, if the National Best Bid/Offer (“NBBO”) is \$10.00 – \$10.01, and Nasdaq, DarkVenueA and ARCA each offer 100 shares at \$10.01, a QDRK order to buy 1000 shares at \$10.01 IOC will be handled as follows: 100 shares for execution on Nasdaq and 100 shares routed to DarkVenue A simultaneously at \$10.01; the remaining 800 shares are not routed and not executed, and cancelled back to the entering participant because it was an IOC order. The order did not route to ARCA because it is not a dark venue. As a second example, if the NBBO is \$10.00 – \$10.01, and Nasdaq, DarkVenueA and ARCA each offer 100 shares at \$10.01, a QDRK order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares for execution on Nasdaq and 100 shares routed to DarkVenue A simultaneously at \$10.01; the remaining 800 shares are posted on the Nasdaq book (because it is a DAY order). Once again, the order did not route to ARCA because it is not a dark venue.

Proposed Rule 4758(a)(1)(A)(xiii) will provide that QCST is a routing option under which orders check the System for available shares and simultaneously route to select dark venues and to certain low cost exchanges. If shares remain un-executed after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center. This strategy is also intended to attract market participants who seek to save on trading fees by only executing on the Exchange, on dark venues, or on no cost and low cost exchanges.

For example, if the NBBO is \$10.00 - \$10.01, and Nasdaq, DarkVenueA and ARCA each offer 100 shares at \$10.01, a QCST order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares for execution on Nasdaq and 100 shares routed to

DarkVenue A simultaneously at \$10.01; the remaining 800 shares are posted on the Nasdaq book (because it is a DAY order). The order did not route to ARCA because it is neither a dark venue nor a no cost or low cost exchange. As a second example, if the NBBO is \$9.90 – \$10.00, with BYX offering 100 shares at \$10.00 and Nasdaq, DarkVenueA and ARCA each offer 100 shares at \$10.01, a QCST order to buy 1000 shares at \$10.01 DAY will be handled as follows: 100 shares routed to BYX at \$10.00, 100 shares for execution on Nasdaq and 100 shares routed to DarkVenue A simultaneously at \$10.01; the remaining shares are posted on the Nasdaq book (because it is a DAY order). The order did not route to ARCA because it is neither a dark venue nor a no cost or low cost exchange.

In all cases, these routing strategies are designed to comply with SEC Rule 611 and the other provisions of Regulation NMS.⁴ Accordingly, both QDRK and QCST will honor Protected Quotations within the meaning of Regulation NMS and will not route to any market centers included in their respective routing table at a price inferior to an available Protected Quotation. For example, if the NBBO is \$9.90 – \$10.00, with NYSE offering 100 shares at \$10.00 and Nasdaq, DarkVenueA and ARCA each offering 100 shares at \$10.01, a QCST order to buy 1000 shares at \$10.01 DAY will not be routed because NYSE's Protected Quotation is not included in the routing table, by definition, for QCST.

The Exchange will notify its membership of the implementation date, which the Exchange expects will be on or about the 30th day after this filing.

⁴ 17 CFR 242.611.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁵ in general, and with Sections 6(b)(5) of the Act,⁶ in particular, in that the proposal is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest, because Nasdaq will be better able to serve its customers and compete with other markets by offering additional optional routing services. Specifically, the two new routing strategies will provide market participants with greater flexibility in routing orders without developing order routing strategies on their own.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. Nasdaq competes with many exchanges and other execution venues for the execution of orders in equities. Market participants can choose where to send their orders. Accordingly, the proposal is pro-competitive in that it affords the Exchange the opportunity to compete with other exchanges in terms of offering new routing strategies.

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(5).

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)(ii) of the Act⁷ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁸

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. The Exchange has provided the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

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:

⁷ 15 U.S.C. 78s(b)(3)(a)(ii).

⁸ 17 CFR 240.19b-4(f)(6).

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-NASDAQ-2013-014 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-NASDAQ-2013-014. 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-NASDAQ-2013-014 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.⁹

Kevin M. O'Neill
Deputy Secretary

⁹ 17 CFR 200.30-3(a)(12).