

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="45"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2014"/> - * <input type="text" value="049"/>	Amendment No. (req. for Amendments *) <input type="text"/>
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Filing by
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)(6)
			<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	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 Modify NASDAQ Rule 7018 Fees and Establish Fee Tiers for the Execution of Market-on-Close and Limit-on-Close Orders Executed in the NASDAQ Closing Cross and Eliminate the High Volume Market Participant Identifier Program.

Contact Information

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

First Name * <input type="text" value="Jonathan"/>	Last Name * <input type="text" value="Cayne"/>
Title * <input type="text" value="Senior Associate General Counsel"/>	
E-mail * <input type="text" value="jonathan.cayne@nasdaqomx.com"/>	
Telephone * <input type="text" value="(301) 978-8493"/>	Fax <input type="text" value="(301) 978-8472"/>

Signature

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

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

(Title *)

Date <input type="text" value="04/30/2014"/>	<input type="text" value="Executive Vice President and General Counsel"/>
By <input type="text" value="Edward S. Knight"/>	<input type="text"/>
(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.

Persona Not Validated - 1383935917270,

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

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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 Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² The NASDAQ Stock Market LLC (“NASDAQ” or “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) proposed changes to modify NASDAQ Rule 7018 fees assessed for execution and routing securities listed on the New York Stock Exchange (“NYSE”) and on exchanges other than NASDAQ and NYSE, as well as establishing fee tiers for the execution of Market-on-Close and Limit-on-Close orders executed in the NASDAQ Closing Cross and eliminating the high volume Market Participant Identifier program.

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on May 1, 2014.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and 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 NASDAQ pursuant to authority delegated by the Board of Directors of NASDAQ on July 17, 2013. NASDAQ staff will advise the Board of Directors of NASDAQ of any action taken

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

pursuant to delegated authority. No other action by NASDAQ is necessary for the filing of the rule change.

Questions regarding this rule filing may be directed to Jonathan F. Cayne, Senior Associate General Counsel, The NASDAQ OMX Group at (301) 978-8493 (telephone).

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

a. Purpose

NASDAQ is proposing to amend NASDAQ Rule 7018 to modify NASDAQ Rule 7018 fees assessed for execution and routing securities listed on NYSE ("Tape A") and on exchanges other than NASDAQ and the NYSE ("Tape B"), as well as establishing fee tiers for the execution of Market-on-Close and Limit-on-Close ("MOC/LOC") orders executed in the NASDAQ Closing Cross.

Specifically, NASDAQ is proposing to offer reduced access fees for firms that execute against resting midpoint liquidity for both Tape A and Tape B securities. The standard access fees are currently \$0.0030 per executed share, but the Exchange proposes to reduce this fee for Tape A and Tape B securities to \$0.0027 per executed share. The Exchange believes that the proposed discounted executions for taking midpoint liquidity will encourage firms that are interested in accessing more of the NASDAQ's price improving liquidity access more resting midpoint liquidity before routing to other destinations.

Additionally, the Exchange is proposing to establish new fee tiers for the execution of MOC/LOC orders executed in the NASDAQ Closing Cross. The new tiers are designed to reasonably raise revenue, benefit market participants that provide liquidity during market hours and the opportunity to lower the proposed price changes by

executing more volume via the NASDAQ Closing Cross. The Exchange proposes to begin offering tiers for the execution of MOC/LOC orders as follows:

- Tier A: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 1.40% of Consolidated Volume or MOC/LOC volume above 0.50% of Consolidated Volume: \$0.00065 per executed share
- Tier B: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.80% to 1.40% of Consolidated Volume or MOC/LOC volume above 0.30% to 0.50% of Consolidated Volume: \$0.0011 per executed share
- Tier C: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.50% to 0.80% of Consolidated Volume or MOC/LOC volume above 0.10% to 0.30% of Consolidated Volume : \$0.0012 per executed share
- Tier D: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.30% to 0.50% of Consolidated Volume: \$0.0013 per executed share
- Tier E: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.015% to 0.30% of Consolidated Volume: \$0.00135 per executed share
- Tier F: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 0.00% to 0.015% of Consolidated Volume: \$0.0014 per executed share

- Tier G: Member adds Nasdaq Options Market Customer and/or Professional liquidity in Penny Pilot Options and/or Non- Penny Pilot Options of 0.80% or more of national customer volume in multiply-listed equity and ETF options classes in a month: \$0.0010 per executed share

The new fee tiers for participation in the closing auctions essentially replace the high volume Market Participant Identifier (“High Volume MPID”) program that allowed a member that trades through a qualified High Volume MPID to pay a discounted fee per share executed with respect to executions of MOC/LOC orders when the same High Volume MPID is on both sides of the trade. Since this incentive program has been in place, the Exchange has observed that the High Volume MPID program is not widely-used and so it now proposes the new fee tiers discussed above. The proposed new fee tiers will result in higher fees for most firms, however, the Exchange is offering liquidity adding incentives and MOC/LOC incentives to materially reduce the proposed fees to be assessed for MOC/LOC executions in the NASDAQ Closing Cross. Finally, if a member qualifies for two tiers, the lower tier rate will apply.

b. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,³ in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,⁴ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which NASDAQ operates or controls, and is not designed to permit unfair discrimination

³ 15 U.S.C. 78f.

⁴ 15 U.S.C. 78f(b)(4) and (5).

between customers, issuers, brokers, or dealers. This proposal is reasonable, equitable and not unfairly discriminatory for the reasons noted below.

The proposed changes are reflective of NASDAQ's ongoing efforts to use reduced access fees and better targeted discount to attract orders that NASDAQ believes will improve market quality. Generally, NASDAQ seeks to provide customers with discounts that they deem helpful, and to eliminate those that they do not. By offering reduced access fees for firms that execute against resting midpoint liquidity and by replacing the High Volume MPID program with the new fee tiers for participation in the closing auction, NASDAQ believes it will be able to further promote these goals by providing better targeted incentives for market participants.

Specifically, the proposed changes are consistent with statutory requirements. The proposal to reduce access fees for firms that execute against resting midpoint liquidity from the standard access fee of \$0.0030 per executed share to \$0.0027 per executed share for Tape A and Tape B securities is consistent with a fair allocation of reasonable fees and not unfairly discriminatory because it is a price cut that applies uniformly to all NASDAQ members. NASDAQ believes that the fee reduction will incentivize firms to execute against midpoint liquidity and this, in turn, will lead to an increase in price improvement liquidity and price improvement generally benefits the investing public.

The impact of the change in adding new tiers for participation in the NASDAQ Closing Cross will be a price increase for many market participants, but those that provide greater liquidity during market hours or increase their usage of the NASDAQ Closing Cross will receive a greater discount. Generally speaking, the base rate will

increase from \$0.0010 to \$0.0014 per executed share as discussed more fully below, but the Exchange is providing various incentives to all market participants to lower the fees to be assessed for MOC/LOC executions.

The Exchange's proposal to establish Tier A in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 1.40% of Consolidated Volume or MOC/LOC volume above 0.50% of Consolidated Volume will be executed at \$0.00065 per share is equitable and not unfairly discriminatory because all market participants have the opportunity to achieve this tier if they choose to increase added liquidity or MOC/LOC volume. The fee is reasonable because it represents a price reduction when compared to the current rate of \$0.0010 per executed share and is approximately the average rate paid by those market participants that chose to avail themselves of the High Volume MPID discount.

The Exchange's proposal to establish Tier B in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.80% to 1.40% of Consolidated Volume or MOC/LOC volume above 0.30% to 0.50% of Consolidated Volume will be executed at \$0.0011 per share is equitable and not unfairly discriminatory. While this is a price increase, the Exchange is still providing opportunities for all market participants to reduce the per share rate by adding additional liquidity or executing a greater number of MOC/LOC shares.

The Exchange's proposal to establish Tier C in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.50% to 0.80% of Consolidated Volume or MOC/LOC volume above 0.10% to 0.30% of Consolidated Volume will be executed at \$0.0012 per share is equitable and not

unfairly discriminatory because this tier provides additional opportunities for members to reduce the fees to be paid for MOC/LOC executions.

The Exchange's proposal to establish Tier D in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.30% to 0.50% of Consolidated Volume will be executed at \$0.0013 per share is equitable and not unfairly discriminatory because this tier provides additional opportunities for members to reduce the fees to be paid for MOC/LOC executions.

The Exchange's proposal to establish Tier E in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.015% to 0.30% of Consolidated Volume will be executed at \$0.00135 per share is equitable and not unfairly discriminatory because this tier provides additional opportunities for members to reduce the fees to be paid for MOC/LOC executions.

The Exchange's proposal to establish Tier F in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 0.00% to 0.015% of Consolidated Volume will be executed at \$0.0014 per share is equitable and not unfairly discriminatory because the Exchange believes this represents the base rate for utilizing the NASDAQ Closing Cross. The Exchange spends significant testing and regulatory resources, among other resources, to ensure that the NASDAQ Closing cross is the industry standard. The Exchange believes that this proposed rate properly reflects that ongoing investment. Further, the Exchange is offering a variety of incentives that are discussed above and below for market participants to reduce their costs adding additional liquidity or increasing volume in the NASDAQ Closing Cross.

The Exchange's proposal to establish Tier G in which a member adds Nasdaq

Options Market Customer and/or Professional liquidity in Penny Pilot Options and/or Non- Penny Pilot Options of 0.80% or more of national customer volume in multiply-listed equity and ETF options classes in a month will be executed at \$0.0010 per share is equitable and not unfairly discriminatory because this provides an additional means for members to reduce their fees assessed for executions in the NASDAQ Closing Cross. Like the other tiers offered, this tier enhances market participants' choices to earn price cuts. They can add more liquidity on the Exchange or its options platform or they can use the NASDAQ Closing Cross instead of potential off-exchange alternatives.

Volume-based discounts such as the fees associated with the new tiers for participation in the Closing Cross proposed here have been widely adopted in the cash equities markets, and are equitable because they are open to all members on an equal basis and provide discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes of the Closing Cross. NASDAQ further notes that it operates in a highly competitive market in which market participants can readily favor competing venues, or in this case, internalize orders rather than exposing them to the broader market, if they deem fee levels at a particular venue to be excessive. NASDAQ believes that the new fee tiers will help ensure that its Closing Cross continues to attract high levels of participation.

Additionally, the elimination of High Volume MPID program is consistent with a fair allocation of reasonable fees and not unfairly discriminatory since the removal of the rule language pertaining to the incentives impacts all firms equally.

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

NASDAQ does not believe that the proposed rule changes will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.⁵ NASDAQ 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, NASDAQ 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 readily adjust their order routing practices, NASDAQ believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. In this instance, discounted executions for taking midpoint liquidity, as well as the replacement of the High Volume MPID program with the establishment of new fee tiers for the execution of MOC/LOC orders executed in the NASDAQ Closing Cross reflect this.

Accordingly, NASDAQ 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

Written comments were neither solicited nor received.

⁵ 15 U.S.C. 78f(b)(8).

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)(ii) of the Act,⁶ NASDAQ has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

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. Completed notice of proposed rule change for publication in the Federal Register.

5. Text of the proposed rule change.

⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NASDAQ-2014-049)

May __, 2014

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Modify NASDAQ Rule 7018 Fees and Establish Fee Tiers for the Execution of Market-on-Close and Limit-on-Close Orders Executed in the NASDAQ Closing Cross and Eliminate the High Volume Market Participant Identifier Program

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 April 30, 2014, The NASDAQ Stock Market LLC (“NASDAQ” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a 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

NASDAQ is proposing to modify NASDAQ Rule 7018 fees assessed for execution and routing securities listed on the New York Stock Exchange (“NYSE”) and on exchanges other than NASDAQ and NYSE, as well as establishing fee tiers for the execution of Market-on-Close and Limit-on-Close orders executed in the NASDAQ Closing Cross and eliminating the high volume Market Participant Identifier program.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on May 1, 2014.

The text of the proposed rule change is available at nasdaq.cchwallstreet.com at NASDAQ's principal office, 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, NASDAQ 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 those 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 parts of such statements.

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

1. Purpose

NASDAQ is proposing to amend NASDAQ Rule 7018 to modify NASDAQ Rule 7018 fees assessed for execution and routing securities listed on NYSE ("Tape A") and on exchanges other than NASDAQ and the NYSE ("Tape B"), as well as establishing fee tiers for the execution of Market-on-Close and Limit-on-Close ("MOC/LOC") orders executed in the NASDAQ Closing Cross.

Specifically, NASDAQ is proposing to offer reduced access fees for firms that execute against resting midpoint liquidity for both Tape A and Tape B securities. The standard access fees are currently \$0.0030 per executed share, but the Exchange proposes to reduce this fee for Tape A and Tape B securities to \$0.0027 per executed share. The Exchange believes that the proposed discounted executions for taking midpoint liquidity will encourage firms that are interested in accessing more of the NASDAQ's price

improving liquidity access more resting midpoint liquidity before routing to other destinations.

Additionally, the Exchange is proposing to establish new fee tiers for the execution of MOC/LOC orders executed in the NASDAQ Closing Cross. The new tiers are designed to reasonably raise revenue, benefit market participants that provide liquidity during market hours and the opportunity to lower the proposed price changes by executing more volume via the NASDAQ Closing Cross. The Exchange proposes to begin offering tiers for the execution of MOC/LOC orders as follows:

- Tier A: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 1.40% of Consolidated Volume or MOC/LOC volume above 0.50% of Consolidated Volume: \$0.00065 per executed share
- Tier B: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.80% to 1.40% of Consolidated Volume or MOC/LOC volume above 0.30% to 0.50% of Consolidated Volume: \$0.0011 per executed share
- Tier C: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.50% to 0.80% of Consolidated Volume or MOC/LOC volume above 0.10% to 0.30% of Consolidated Volume : \$0.0012 per executed share
- Tier D: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.30% to 0.50% of Consolidated Volume: \$0.0013 per executed share

- Tier E: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.015% to 0.30% of Consolidated Volume: \$0.00135 per executed share
- Tier F: Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 0.00% to 0.015% of Consolidated Volume: \$0.0014 per executed share
- Tier G: Member adds Nasdaq Options Market Customer and/or Professional liquidity in Penny Pilot Options and/or Non- Penny Pilot Options of 0.80% or more of national customer volume in multiply-listed equity and ETF options classes in a month: \$0.0010 per executed share

The new fee tiers for participation in the closing auctions essentially replace the high volume Market Participant Identifier (“High Volume MPID”) program that allowed a member that trades through a qualified High Volume MPID to pay a discounted fee per share executed with respect to executions of MOC/LOC orders when the same High Volume MPID is on both sides of the trade. Since this incentive program has been in place, the Exchange has observed that the High Volume MPID program is not widely-used and so it now proposes the new fee tiers discussed above. The proposed new fee tiers will result in higher fees for most firms, however, the Exchange is offering liquidity adding incentives and MOC/LOC incentives to materially reduce the proposed fees to be assessed for MOC/LOC executions in the NASDAQ Closing Cross. Finally, if a member qualifies for two tiers, the lower tier rate will apply.

2. Statutory Basis

NASDAQ believes that the proposed rule change is consistent with the provisions

of Section 6 of the Act,³ in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,⁴ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which NASDAQ operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. This proposal is reasonable, equitable and not unfairly discriminatory for the reasons noted below.

The proposed changes are reflective of NASDAQ's ongoing efforts to use reduced access fees and better targeted discount to attract orders that NASDAQ believes will improve market quality. Generally, NASDAQ seeks to provide customers with discounts that they deem helpful, and to eliminate those that they do not. By offering reduced access fees for firms that execute against resting midpoint liquidity and by replacing the High Volume MPID program with the new fee tiers for participation in the closing auction, NASDAQ believes it will be able to further promote these goals by providing better targeted incentives for market participants.

Specifically, the proposed changes are consistent with statutory requirements. The proposal to reduce access fees for firms that execute against resting midpoint liquidity from the standard access fee of \$0.0030 per executed share to \$0.0027 per executed share for Tape A and Tape B securities is consistent with a fair allocation of reasonable fees and not unfairly discriminatory because it is a price cut that applies uniformly to all NASDAQ members. NASDAQ believes that the fee reduction will incentivize firms to execute against midpoint liquidity and this, in turn, will lead to an

³ 15 U.S.C. 78f.

⁴ 15 U.S.C. 78f(b)(4) and (5).

increase in price improvement liquidity and price improvement generally benefits the investing public.

The impact of the change in adding new tiers for participation in the NASDAQ Closing Cross will be a price increase for many market participants, but those that provide greater liquidity during market hours or increase their usage of the NASDAQ Closing Cross will receive a greater discount. Generally speaking, the base rate will increase from \$0.0010 to \$0.0014 per executed share as discussed more fully below, but the Exchange is providing various incentives to all market participants to lower the fees to be assessed for MOC/LOC executions.

The Exchange's proposal to establish Tier A in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 1.40% of Consolidated Volume or MOC/LOC volume above 0.50% of Consolidated Volume will be executed at \$0.00065 per share is equitable and not unfairly discriminatory because all market participants have the opportunity to achieve this tier if they choose to increase added liquidity or MOC/LOC volume. The fee is reasonable because it represents a price reduction when compared to the current rate of \$0.0010 per executed share and is approximately the average rate paid by those market participants that chose to avail themselves of the High Volume MPID discount.

The Exchange's proposal to establish Tier B in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.80% to 1.40% of Consolidated Volume or MOC/LOC volume above 0.30% to 0.50% of Consolidated Volume will be executed at \$0.0011 per share is equitable and not unfairly discriminatory. While this is a price increase, the Exchange is still providing

opportunities for all market participants to reduce the per share rate by adding additional liquidity or executing a greater number of MOC/LOC shares.

The Exchange's proposal to establish Tier C in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.50% to 0.80% of Consolidated Volume or MOC/LOC volume above 0.10% to 0.30% of Consolidated Volume will be executed at \$0.0012 per share is equitable and not unfairly discriminatory because this tier provides additional opportunities for members to reduce the fees to be paid for MOC/LOC executions.

The Exchange's proposal to establish Tier D in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.30% to 0.50% of Consolidated Volume will be executed at \$0.0013 per share is equitable and not unfairly discriminatory because this tier provides additional opportunities for members to reduce the fees to be paid for MOC/LOC executions.

The Exchange's proposal to establish Tier E in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.015% to 0.30% of Consolidated Volume will be executed at \$0.00135 per share is equitable and not unfairly discriminatory because this tier provides additional opportunities for members to reduce the fees to be paid for MOC/LOC executions.

The Exchange's proposal to establish Tier F in which shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 0.00% to 0.015% of Consolidated Volume will be executed at \$0.0014 per share is equitable and not unfairly discriminatory because the Exchange believes this represents the base rate for utilizing the NASDAQ Closing Cross. The Exchange spends significant

testing and regulatory resources, among other resources, to ensure that the NASDAQ Closing cross is the industry standard. The Exchange believes that this proposed rate properly reflects that ongoing investment. Further, the Exchange is offering a variety of incentives that are discussed above and below for market participants to reduce their costs adding additional liquidity or increasing volume in the NASDAQ Closing Cross.

The Exchange's proposal to establish Tier G in which a member adds Nasdaq Options Market Customer and/or Professional liquidity in Penny Pilot Options and/or Non- Penny Pilot Options of 0.80% or more of national customer volume in multiply-listed equity and ETF options classes in a month will be executed at \$0.0010 per share is equitable and not unfairly discriminatory because this provides an additional means for members to reduce their fees assessed for executions in the NASDAQ Closing Cross. Like the other tiers offered, this tier enhances market participants' choices to earn price cuts. They can add more liquidity on the Exchange or its options platform or they can use the NASDAQ Closing Cross instead of potential off-exchange alternatives.

Volume-based discounts such as the fees associated with the new tiers for participation in the Closing Cross proposed here have been widely adopted in the cash equities markets, and are equitable because they are open to all members on an equal basis and provide discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes of the Closing Cross. NASDAQ further notes that it operates in a highly competitive market in which market participants can readily favor competing venues, or in this case, internalize orders rather than exposing them to the

broader market, if they deem fee levels at a particular venue to be excessive. NASDAQ believes that the new fee tiers will help ensure that its Closing Cross continues to attract high levels of participation.

Additionally, the elimination of High Volume MPID program is consistent with a fair allocation of reasonable fees and not unfairly discriminatory since the removal of the rule language pertaining to the incentives impacts all firms equally.

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

NASDAQ does not believe that the proposed rule changes will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.⁵ NASDAQ 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, NASDAQ 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 readily adjust their order routing practices, NASDAQ believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. In this instance, discounted executions for taking midpoint liquidity, as well as the replacement of the High Volume MPID program with the establishment of new fee tiers for the execution of MOC/LOC orders executed in the NASDAQ Closing Cross reflect this.

⁵ 15 U.S.C. 78f(b)(8).

Accordingly, NASDAQ 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

Written comments were neither solicited nor received.

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

The foregoing change has become effective pursuant to Section 19(b)(3)(A) of the Act,⁶ and paragraph (f)⁷ of Rule 19b-4, thereunder. 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 necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NASDAQ-2014-049 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-2014-049. 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 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-2014-049, 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

Kevin M. O'Neill
Deputy Secretary

⁸ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

The text of the proposed rule change is below. Proposed new language is underlined; proposed deletions are bracketed.

7018. Nasdaq Market Center Order Execution and Routing

(a) The following charges shall apply to the use of the order execution and routing services of the Nasdaq Market Center by members for all securities priced at \$1 or more that it trades. For purposes of determining a member's shares of liquidity routed, TFTY, MOPB, MOPP, SAVE, SOLV, CART, QDRK, QCST and directed orders are not counted. As used in this rule, the term "Consolidated Volume" shall mean the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month, excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of a member's trading activity, expressed as a percentage of or ratio to Consolidated Volume, the date of the annual reconstitution of the Russell Investments Indexes shall be excluded from both total Consolidated Volume and the member's trading activity.

(1) Fees for Execution and Routing of Orders in Nasdaq-Listed Securities

Charge to enter orders that execute in the Nasdaq Market Center:	
member with Market-on-Close and/or Limit-on-Close orders executed in the Nasdaq Closing Cross, entered through a single Nasdaq Market Center market participant identifier ("MPID"), that represent more than 0.06% of Consolidated Volume during the month:	\$0.0030 per share executed
all other orders that execute in the Nasdaq Market Center:	\$0.0030 per share executed
Charge to member entering STGY, SCAN, SKNY, or SKIP order that executes in a venue other than the Nasdaq Market Center and charge to member entering a LIST order that executes in a venue other than the Nasdaq Market Center, but not in an opening, re-opening, or closing process:	\$0.0030 per share executed
Charge or credit to member entering TFTY, MOPB, MOPP, SAVE, SOLV, CART, QDRK,	Charge of \$0.0035 per share executed for directed orders

<p>QCST or directed order that executes in a venue other than the Nasdaq Market Center:</p>	<p>Charge of \$0.0030 per share executed for TFTY orders that execute at NASDAQ OMX PSX For CART orders that execute at NASDAQ OMX PSX, Nasdaq will pass through all fees assessed and rebates offered by NASDAQ OMX PSX No charge or credit for TFTY, SOLV, CART, or SAVE orders that execute at NASDAQ OMX BX Charge of \$0.0030 per share executed for SAVE or SOLV orders that execute at venues other than NASDAQ OMX BX Charge of \$0.0035 per share executed for a MOPB or MOPP order Charge of \$0.0007 per share executed for TFTY orders that execute on venues other than NASDAQ OMX BX or NASDAQ OMX PSX Charge of \$0.0007 per share executed for QCST and QDRK orders, except no charge or credit for QCST orders that execute on NASDAQ OMX BX</p>
<p>Credit to member for displayed quotes/orders (other than Supplemental Orders or Designated Retail Orders) that provide liquidity:</p>	
<p>member with (i) shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 1.60% or more of Consolidated Volume during the month, or (ii) shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.60% or more of Consolidated Volume during the month, and shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 0.75% or more of Consolidated Volume during the month:</p>	<p>\$0.00305 per share executed</p>
<p>member with (i) shares of liquidity provided in all securities through one of its Nasdaq Market</p>	<p>\$0.0030 per share executed</p>

Center MPIDs that represent 1.20% or more of Consolidated Volume during the month, or (ii) shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.20% or more of Consolidated Volume during the month, and shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 0.75% or more of Consolidated Volume during the month:	
member with shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent more than 0.90% of Consolidated Volume during the month:	\$0.00295 per share executed
member (i) that is a registered market maker through one of its Nasdaq Market Center MPIDs in at least 7,000 securities, (ii) with shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent more than 0.75% of Consolidated Volume during the month, and (iii) with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.90% of Consolidated Volume during the month:	\$0.00295 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.45% of Consolidated Volume during the month:	\$0.0029 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.30% of Consolidated Volume during the month:	\$0.0027 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.30% of Consolidated Volume during the month, including shares of liquidity provided with respect to securities that are listed on exchanges other than NASDAQ or NYSE that	\$0.0029 per share executed

represent more than 0.10% of Consolidated Volume:	
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.10% of Consolidated Volume during the month:	\$0.0025 per share executed
member with shares of liquidity accessed in all securities through one or more of its Nasdaq Market Center MPIDs representing more than 0.65% of Consolidated Volume during the month; provided that the member also provides a daily average of at least 2 million shares of liquidity in all securities through one or more of its Nasdaq Market Center MPIDs during the month:	\$0.0029 per share executed
member with shares of liquidity accessed in all securities through one or more of its Nasdaq Market Center MPIDs representing more than 0.45% of Consolidated Volume during the month; provided that the member also provides a daily average of at least 2 million shares of liquidity in all securities through one or more of its Nasdaq Market Center MPIDs during the month:	\$0.0025 per share executed
member (i) with shares of liquidity provided in all securities during the month representing more than 0.10% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) that adds Total NOM Market Maker Volume, as defined in Chapter XV, Section 2 of the Nasdaq Options Market rules, of 80,000 or more contracts per day in a month executed through one or more of its Nasdaq Options Market MPIDs:	\$0.0029 per share executed
member with (i) shares of liquidity provided in all securities during the month representing more than 0.15% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) Total Volume, as defined in Chapter XV, Section 2 of the Nasdaq Options Market rules, of 100,000 or more contracts per day in a month executed	\$0.0029 per share executed

through one or more of its Nasdaq Option Market MPIDs:	
member (i) with shares of liquidity provided in all securities during the month representing at least 0.40% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) that qualifies for the Nasdaq Options Market Customer and Professional Rebate to Add Liquidity in Penny Pilot Options Tier 8 under Chapter XV, Section 2 of the Nasdaq Options Market rules during the month through one or more of its Nasdaq Options Market MPIDs:	\$0.0030 per share executed
member with shares of liquidity provided in all securities during the month representing less than 0.10% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs; provided that (i) the member also provides a daily average of at least 250,000 shares of liquidity provided in securities listed on an exchange other than NASDAQ, or (ii) the member routes a daily average volume of at least 10,000 shares during the month via the QDRK routing strategy:	\$0.0020 per share executed
Credit to other members:	\$0.0015 per share executed
Credit for non-displayed orders (other than Supplemental Orders) that provide liquidity:	<p>\$0.0017 per share executed for midpoint orders if the member provides an average daily volume of 5 million or more shares through midpoint orders during the month</p> <p>\$0.0014 per share executed for midpoint orders if the member provides an average daily volume of less than 5 million shares through midpoint orders during the month</p> <p>\$0.0005 per share executed for other non-displayed orders if the member provides an average daily volume of 1 million or more shares per day through midpoint orders or other non-displayed</p>

	orders during the month No charge or credit for other non-displayed orders
Credit for Supplemental Orders:	\$0.0018 per share executed for Supplemental Orders entered through a Nasdaq Market Center MPID through which the member provides an average daily volume during the month of more than 1 million shares of liquidity via Supplemental Orders \$0.0015 per share executed for other Supplemental Orders
Credit for displayed Designated Retail Orders:*	\$0.0033 per share executed
LIST order that executes in Nasdaq's closing process:	Applicable charges as provided in Rule 7018(d)
LIST order that executes in Nasdaq's opening process:	Applicable charges as provided in Rule 7018(e)
LIST order that executes in Nasdaq's halt cross process:	Applicable charges as provided in Rule 7018(f)

(2) Fees for Execution and Routing of Securities Listed on NYSE

Charge to enter orders that execute in the Nasdaq Market Center:	
member with Market-on-Close and/or Limit-on-Close orders executed in the Nasdaq Closing Cross, entered through a single Nasdaq Market Center MPID, that represent more than 0.06% of Consolidated Volume during the month:	\$0.0029 per share executed
all other orders that execute in the Nasdaq Market Center:	\$0.0030 per share executed

<p>Charge or credit to member entering DOTI, STGY, SCAN, SKNY, or SKIP order that executes in a venue other than the Nasdaq Market Center, and charge to member entering a LIST order that executes in a venue other than the Nasdaq Market Center, but not in an opening, closing, or reopening process:</p>	<p>No charge or credit for DOTI orders that execute in NASDAQ OMX BX \$0.0015 per share executed credit for orders that add liquidity at the NYSE after routing \$0.0030 fee per share executed for other orders</p>
<p>Charge or credit to member entering TFTY, MOPB, MOPP, SAVE, SOLV, CART, QCST, QDRK or directed order that executes in a venue other than the Nasdaq Market Center:</p>	<p>Charge of \$0.0035 per share executed for directed orders For CART orders that executed at NASDAQ OMX PSX, Nasdaq will pass through all fees assessed and rebates offered by NASDAQ OMX PSX No charge or credit for TFTY, SOLV, CART, or SAVE orders that execute at NASDAQ OMX BX Charge of \$0.0035 per share executed for a MOPB or MOPP order For TFTY orders that execute: (i) at venues other than NYSE, NASDAQ OMX BX or NASDAQ OMX PSX, charge of \$0.0007 per share executed; or (ii) at the NYSE or NASDAQ OMX PSX, charge of \$0.0030 per share executed For SAVE or SOLV orders that execute: (i) at venues other than NASDAQ OMX BX, charge of \$0.0030 per share executed Charge of \$0.0007 per share executed for QCST and QDRK orders, except no charge or credit for QCST orders that execute on NASDAQ OMX BX</p>
<p>Credit to member for displayed quotes/orders (other than Supplemental Orders or Designated Retail Orders) that provide liquidity:</p>	
<p>member with (i) shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that</p>	<p>\$0.00305 per share executed</p>

represent 1.60% or more of Consolidated Volume during the month, or (ii) shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.60% or more of Consolidated Volume during the month, and shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 0.75% or more of Consolidated Volume during the month:	
member with (i) shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 1.20% or more of Consolidated Volume during the month, or (ii) shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.20% or more of Consolidated Volume during the month, and shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 0.75% or more of Consolidated Volume during the month:	\$0.0030 per share executed
member with shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent more than 0.90% of Consolidated Volume during the month:	\$0.00295 per share executed
member (i) that is a registered market maker through one of its Nasdaq Market Center MPIDs in at least 7,000 securities, (ii) with shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent more than 0.75% of Consolidated Volume during the month, and (iii) with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.90% of Consolidated Volume during the month:	\$0.00295 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that	\$0.0029 per share executed

represent more than 0.45% of Consolidated Volume during the month:	
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.30% of Consolidated Volume during the month during the month:	\$0.0027 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.30% of Consolidated Volume during the month, including shares of liquidity provided with respect to securities that are listed on exchanges other than NASDAQ or NYSE that represent more than 0.10% of Consolidated Volume:	\$0.0029 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.10% of Consolidated Volume during the month:	\$0.0025 per share executed
member with shares of liquidity accessed in all securities through one or more of its Nasdaq Market Center MPIDs representing more than 0.65% of Consolidated Volume during the month; provided that the member also provides a daily average of at least 2 million shares of liquidity in all securities through one or more of its Nasdaq Market Center MPIDs during the month:	\$0.0029 per share executed
member with shares of liquidity accessed in all securities through one or more of its Nasdaq Market Center MPIDs representing more than 0.45% of Consolidated Volume during the month; provided that the member also provides a daily average of at least 2 million shares of liquidity in all securities through one or more of its Nasdaq Market Center MPIDs during the month:	\$0.0025 per share executed

member (i) with shares of liquidity provided in all securities during the month representing more than 0.10% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) that adds Total NOM Market Maker Volume, as defined in Chapter XV, Section 2 of the Nasdaq Options Market rules, of 80,000 or more contracts per day in a month executed through one or more of its Nasdaq Options Market MPIDs:	\$0.0029 per share executed
member with (i) shares of liquidity provided in all securities during the month representing more than 0.15% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) Total Volume, as defined in Chapter XV, Section 2 of the Nasdaq Options Market rules, of 100,000 or more contracts per day in a month executed through one or more of its Nasdaq Options Market MPIDs:	\$0.0029 per share executed
member (i) with shares of liquidity provided in all securities during the month representing at least 0.40% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) that qualifies for the Nasdaq Options Market Customer and Professional Rebate to Add Liquidity in Penny Pilot Options Tier 8 under Chapter XV, Section 2 of the Nasdaq Options Market rules during the month through one or more of its Nasdaq Options Market MPIDs:	\$0.0030 per share executed
<u>firms that execute against resting midpoint liquidity:</u>	<u>\$0.0027 per share executed</u>
Credit to other members:	\$0.0020 per share executed
Credit for non-displayed orders (other than Supplemental Orders) that provide	\$0.0017 per share executed for midpoint orders if the member provides an average

liquidity:	daily volume of 5 million or more shares through midpoint orders during the month \$0.0014 per share executed for midpoint orders if the member provides an average daily volume of less than 5 million shares through midpoint orders during the month \$0.0010 per share executed for other non-displayed orders if the member provides an average daily volume of 1 million or more shares per day through midpoint orders or other non-displayed orders during the month \$0.0005 per share executed for other non-displayed orders
Credit for Supplemental Orders:	\$0.0018 per share executed for Supplemental Orders entered through a Nasdaq Market Center MPID through which the member provides an average daily volume during the month of more than 1 million shares of liquidity via Supplemental Orders \$0.0015 per share executed for other Supplemental Orders
Credit for displayed Designated Retail Orders:*	\$0.0033 per share executed
Order that is routed to NYSE and then routed to another venue for execution:	NASDAQ will pass-through any routing fees charged to NASDAQ by NYSE
DOT or LIST Order that executes in the NYSE closing process:	\$0.00095 per share executed
DOT or LIST Order that executes in the NYSE opening process or reopening process:	\$0.0005 per share executed, but not to exceed \$15,000 per month per member
Per order charge for round lot or mixed lot	\$0.01 fee per DOTI Order when during a

DOTI orders:	month: (i) a market participant sends an average of more than 10,000 DOTI Orders per day through one or more of its MPIDs; and (ii) the ratio of DOTI Orders to executions exceeds 300 to 1. The fee will apply to each DOTI Order that exceeds the 300 to 1 ratio. In calculating daily average DOTI Orders, Nasdaq will exclude the day with the highest ratio of DOTI Orders to executions.
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(3) Fees for Execution and Routing of Orders in Securities Listed on Exchanges other than Nasdaq and NYSE (“Tape B Securities”)

Charge to member entering order that executes in the Nasdaq Market Center:	
member with Market-on-Close and/or Limit-on-Close orders executed in the Nasdaq Closing Cross, entered through a single Nasdaq Market Center MPID, that represent more than 0.06% of Consolidated Volume during the month:	\$0.0029 per share executed
all other orders that execute in the Nasdaq Market Center:	\$0.0030 per share executed
Charge or credit to member entering DOTI, STGY, SCAN, SKNY, or SKIP order that executes in a venue other than the Nasdaq Market Center, and charge to member entering a LIST order that executes in a venue other than the Nasdaq Market Center, but not in an opening, closing or re-opening process:	No charge or credit for DOTI orders that execute in NASDAQ OMX BX For other orders, charge of \$0.0030 per share executed
Charge or credit to member entering TFTY, MOPB, MOPP, SAVE, SOLV, CART, QDRK, QCST or directed order that executes in a venue other than the Nasdaq Market Center:	Charge of \$0.0035 per share executed for directed orders Charge of \$0.0030 per share executed for TFYY orders that execute at NASDAQ OMX PSX For CART orders that execute at NASDAQ OMX PSX, Nasdaq will pass through all fees assessed and rebates offered by NASDAQ OMX

	<p>PSX</p> <p>No charge or credit for TFTY, SOLV, CART, or SAVE orders that execute at NASDAQ OMX BX</p> <p>Charge of \$0.0030 per share executed for SAVE or SOLV orders that execute at venues other than NASDAQ OMX BX</p> <p>Charge of \$0.0035 per share executed for a MOPB or MOPP order</p> <p>Charge of \$0.0007 per share executed for TFTY orders that execute in venues other than NASDAQ OMX BX or NASDAQ OMX PSX</p> <p>Charge of \$0.0007 per share executed for QCST and QDRK, except no charge or credit for QCST orders that execute on NASDAQ OMX BX</p>
Credit to member for displayed quotes/orders (other than Supplemental Orders or Designated Retail Orders) that provide liquidity:	
member with (i) shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 1.60% or more of Consolidated Volume during the month, or (ii) shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.60% or more of Consolidated Volume during the month, and shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 0.75% or more of Consolidated Volume during the month:	\$0.00305 per share executed
member with (i) shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent 1.20% or more of Consolidated Volume during the month, or (ii) shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.20% or more of Consolidated Volume during the month, and shares of liquidity provided in all securities	\$0.0030 per share executed

through one of its Nasdaq Market Center MPIDs that represent 0.75% or more of Consolidated Volume during the month:	
member with shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent more than 0.90% of Consolidated Volume during the month:	\$0.00295 per share executed
member (i) that is a registered market maker through one of its Nasdaq Market Center MPIDs in at least 7,000 securities, (ii) with shares of liquidity provided in all securities through one of its Nasdaq Market Center MPIDs that represent more than 0.75% of Consolidated Volume during the month, and (iii) with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.90% of Consolidated Volume during the month:	\$0.00295 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.45% of Consolidated Volume during the month:	\$0.0029 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.30% of Consolidated Volume during the month:	\$0.0027 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.30% of Consolidated Volume during the month, including shares of liquidity provided with respect to securities that are listed on exchanges other than NASDAQ or NYSE that represent more than 0.10% of Consolidated Volume:	\$0.0029 per share executed
member with shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent more than 0.10% of Consolidated Volume during the	\$0.0025 per share executed

month:	
member with shares of liquidity accessed in all securities through one or more of its Nasdaq Market Center MPIDs representing more than 0.65% of Consolidated Volume during the month; provided that the member also provides a daily average of at least 2 million shares of liquidity in all securities through one or more of its Nasdaq Market Center MPIDs during the month:	\$0.0029 per share executed
member with shares of liquidity accessed in all securities through one or more of its Nasdaq Market Center MPIDs representing more than 0.45% of Consolidated Volume during the month; provided that the member also provides a daily average of at least 2 million shares of liquidity in all securities through one or more of its Nasdaq Market Center MPIDs during the month:	\$0.0025 per share executed
member (i) with shares of liquidity provided in all securities during the month representing more than 0.10% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) that adds Total NOM Market Maker Volume, as defined in Chapter XV, Section 2 of the Nasdaq Options Market rules, of 80,000 or more contracts per day in a month executed through one or more of its Nasdaq Options Market MPIDs:	\$0.0029 per share executed
member with (i) shares of liquidity provided in all securities during the month representing more than 0.15% of Consolidated Volume during the month, through one or more of its Nasdaq Market Center MPIDs, and (ii) Total Volume, as defined in Chapter XV, Section 2 of the Nasdaq Options Market rules, of 100,000 or more contracts per day in a month executed through one or more of its Nasdaq Options Market MPIDs:	\$0.0029 per share executed
member (i) with shares of liquidity provided in all securities during the month representing at least 0.40% of Consolidated Volume during the month, through one or more of its Nasdaq	\$0.0030 per share executed

Market Center MPIDs, and (ii) that qualifies for the Nasdaq Options Market Customer and Professional Rebate to Add Liquidity in Penny Pilot Options Tier 8 under Chapter XV, Section 2 of the Nasdaq Options Market rules during the month through one or more of its Nasdaq Options Market MPIDs:	
<u>firms that execute against resting midpoint liquidity:</u>	<u>\$0.0027 per share executed</u>
Credit to other members:	\$0.0020 per share executed
Credit for non-displayed orders (other than Supplemental Orders) that provide liquidity:	<p>\$0.0017 per share executed for midpoint orders if the member provides an average daily volume of 5 million or more shares through midpoint orders during the month</p> <p>\$0.0014 per share executed for midpoint orders if the member provides an average daily volume of less than 5 million shares through midpoint orders during the month</p> <p>\$0.0010 per share executed for other non-displayed orders if the member provides an average daily volume of 1 million or more shares per day through midpoint orders or other non-displayed orders during the month</p> <p>\$0.0005 per share executed for other non-displayed orders</p>
Credit for Supplemental Orders:	<p>0.0018 per share executed for Supplemental Orders entered through a Nasdaq Market Center MPID through which the member provides an average daily volume during the month of more than 1 million shares of liquidity via Supplemental Orders</p> <p>\$0.0015 per share executed for other Supplemental Orders</p>
Credit for displayed Designated Retail Orders:*	\$0.0033 per share executed

Order that is routed to NYSEAmex or NYSEArca and then routed to another venue for execution:	NASDAQ will pass-through any routing fees charged to NASDAQ by NYSEAmex or NYSEArca, as applicable
LIST order that executes in an exchange's closing process:	\$0.001 per share executed in the NYSEArca closing process \$0.00095 per share executed in the NYSEAmex closing process
LIST order that executes in an exchange's opening process:	\$0.0005 per share executed in the NYSEArca opening process; provided, however, that total charges for all LIST orders that execute in the NYSEArca opening process shall not exceed \$10,000 per month \$0.0005 per share executed in the NYSEAmex opening process
LIST order that executes in an exchange's re-opening process:	\$0.001 per share executed in the NYSEArca re-opening process \$0.0005 per share executed in the NYSEAmex re-opening process

(b) The following charges shall apply to the use of the order execution and routing services of the Nasdaq Market Center by members for all orders at all times for all securities priced at less than \$1.

Charge to member entering order that executes in the Nasdaq Market Center:	0.3% of the total transaction cost
Charge to member entering order that routes and executes at an away market:	0.3% of the total transaction cost

(c) No change.

(d) Closing Cross

(1) Fees

Market-on-Close and Limit-on-Close orders executed in the Nasdaq Closing Cross	[\$0.0010 per share executed] <u>Subject to the tiers below [(except] as provided in Rule 7018(d)(2)</u>
All other quotes and orders executed in the Nasdaq Closing Cross	\$0.0002 per share executed

(2) [High Volume MPIDs. A member that trades through a Market Participant Identifier (“MPID”) that qualifies as a High Volume MPID will pay a discounted fee of \$0.0001 per share executed with respect to executions of “Market-On-Close” and “Limit-on-Close” orders when the same High Volume MPID is on both sides of the trade.] Market-on-Close and Limit-on-Close (“MOC/LOC”) orders executed in the Nasdaq Closing Cross Tiers.

<u>Tiers</u>	<u>Volume</u>	<u>Price Per Executed Share</u>
<u>Tier A</u>	<u>Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 1.40% of Consolidated Volume or MOC/LOC volume above 0.50% of Consolidated Volume</u>	<u>\$0.00065 per executed share</u>
<u>Tier B</u>	<u>Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.80% to 1.40% of Consolidated Volume or MOC/LOC volume above 0.30% to 0.50% of Consolidated Volume</u>	<u>\$0.0011 per executed share</u>

<u>Tiers</u>	<u>Volume</u>	<u>Price Per Executed Share</u>
<u>Tier C</u>	<u>Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.50% to 0.80% of Consolidated Volume or MOC/LOC volume above 0.10% to 0.30% of Consolidated Volume</u>	<u>\$0.0012 per executed share</u>
<u>Tier D</u>	<u>Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.30% to 0.50% of Consolidated Volume</u>	<u>\$0.0013 per executed share</u>
<u>Tier E</u>	<u>Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.015% to 0.30% of Consolidated Volume</u>	<u>\$0.00135 per executed share</u>
<u>Tier F</u>	<u>Shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent 0.00% to 0.015% of Consolidated Volume</u>	<u>\$0.0014 per executed share</u>

<u>Tiers</u>	<u>Volume</u>	<u>Price Per Executed Share</u>
<u>Tier G</u>	<u>member adds Nasdaq Options Market Customer and/or Professional liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of 0.80% or more of national customer volume in multiply-listed equity and ETF options classes in a month</u>	<u>\$0.0010 per executed share</u>

[A “High Volume MPID” is an MPID through which a member:

(A) executes more than 100 million shares of “Market-On-Close” or “Limit-On-Close” orders in the NASDAQ Closing Cross per month, and

(B) has an average daily volume through the Nasdaq Market Center in all securities during the month of more than:

(i) 95 million shares of liquidity provided, if average total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities is more than 10 billion shares per day during the month;

(ii) 85 million shares of liquidity provided, if average total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities is between 9,000,000,001 and 10 billion shares per day during the month;

(iii) 75 million shares of liquidity provided, if average total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities is between 8,000,000,001 and 9 billion shares per day during the month; or

(iv) 65 million shares of liquidity provided, if average total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities is 8 billion or fewer shares per day during the month.]

(e) – (m) No change.

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