OMB APPROVAL
OMB Number: 3235-0045 Estimated average burden hours per response............38

Required fields are shown with yellow backgrounds and asterisks.

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

File No.* SR - 2015 - * 005
Amendment No. (req. for Amendments *)

Filing by NASDAQ Stock Market

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

Initial * ☑ Amendment * ☐ Withdrawal ☐

Section 19(b)(2) * ☐ Section 19(b)(3)(A) * ☑ Section 19(b)(3)(B) * ☐

Rule

☐ 19b-4(f)(1) ☐ 19b-4(f)(4)
☐ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ☑ 19b-4(f)(6)

Pilot ☐

Extension of Time Period for Commission Action * ☐

Date Expires *

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * ☐ Section 806(e)(2) * ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

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

A proposal to amend Chapter IV, Section 6 to introduce finer $.50 strike price intervals in non-index Short Term Options with strike prices less than $100.

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 * Jurij Last Name * Trypupenko
Title * Associate General Counsel
E-mail * jurij.trypupenko@nasdaq.com
Telephone * (301) 978-8132 Fax (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.

Date 01/21/2015

By Edward S. Knight
(Name *)

(Title *)
Executive Vice President and General Counsel

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

edward.knight@nasdaq.com

Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information * Add Remove View	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 * Add Remove View	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 * Add Remove View	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 Add Remove View Exhibit Sent As Paper Document ☐	Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.
Exhibit 4 - Marked Copies Add Remove View	The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.
Exhibit 5 - Proposed Rule Text Add Remove View	The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.
Partial Amendment Add Remove View	If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) Pursuant to Section 19(b)(1) of 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”) a proposal to amend Chapter IV, Section 6 (Series of Options Contracts Open for Trading) to introduce finer $.50 strike price intervals in non-index Short Term Options with strike prices less than $100.

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 the Exchange pursuant to authority delegated by the Board of Directors of the Exchange (“Board”) on July 16, 2014. Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action by the Exchange is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to Jurij Trypupenko, Associate General Counsel, The NASDAQ OMX Group, Inc., at (301) 978-8132.

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

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

a. Purpose

The purpose of this proposed rule change is to amend Chapter IV, Section 6 governing the Short Term Option ("STO")[3] Series Program to introduce finer strike price intervals for certain STOs. In particular, the Exchange proposes to amend Chapter IV, Supplementary Material .07(e) to Section 6 to extend $0.50 strike price intervals in non-index options to STOs with strike prices less than $100 instead of the current $75. This proposed change is intended to eliminate gapped strikes between $75 and $100 that result from conflicting strike price parameters under the STO Series Program and the $2.50 Strike Price Program, as described in more detail below.

This is a competitive filing that is based on a recent STO proposal of the International Securities Exchange, LLC ("ISE").[4]

Under the Exchange's rules, the Exchange may list STOs in up to fifty option classes in addition to option classes that are selected by other securities exchanges that

3 STOs, also known as "weekly options" as well as "Short Term Options", are series in an options class that are approved for listing and trading on the Exchange in which the series are opened for trading on any Thursday or Friday that is a business day and that expire on the Friday of the next business week. If a Thursday or Friday is not a business day, the series may be opened (or shall expire) on the first business day immediately prior to that Thursday or Friday, respectively. STOs are listed and traded pursuant to the STO Series Program. For STO Series Program rules regarding non-index options, see Chapter 1, Section 1(a)(59) and Chapter IV, Supplementary Material .07 to Section 6. For STO Series Program rules regarding index options, see Chapter XIV, Section 2(p) and Chapter XIV, Section 11(h).

4 See Securities Exchange Act Release No. 73999 (January 6, 2015), 80 FR 1559 (January 12, 2015) (SR-ISE-2014-52) (order approving).

employ a similar program under their respective rules.[5] On any Thursday or Friday that is a business day, the Exchange may list STO series in designated option classes that expire at the close of business on each of the next five Fridays that are business days and are not Fridays in which monthly or quarterly options expire.[6] These STO series trade in $0.50, $1, or $2.50 or greater strike price intervals depending on the strike price and whether the option trades in dollar increments in the related monthly expiration.[7] Specifically, STOs in non-index option classes admitted to the STO Series Program currently trade in: (1) $0.50 or greater intervals for strike prices less than $75, or for option classes that trade in one dollar increments in the related monthly expiration option; (2) $1 or greater intervals for strike prices that are between $75 and $150; and (3) $2.50 or greater intervals for strike prices above $150.[8]

The Exchange also operates a $2.50 Strike Price Program that permits the Exchange to select up to sixty options classes on individual stocks to trade in $2.50 strike price intervals, in addition to option classes selected by other securities exchanges that employ a similar program under their respective rules.[9] Monthly expiration options in classes admitted to the $2.50 Strike Price Program trade in $2.50 intervals where the strike price is (1) greater than $25 but less than $50; or (2) between $50 and $100 if the strikes are no more than $10 from the closing price of the underlying stock in its primary market

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5 See Chapter IV, Supplementary Material .07(a) to Section 6.

6 See Chapter IV, Supplementary Material .07 to Section 6.

7 See Chapter IV, Supplementary Material .07(e) to Section 6.

8 Id.

9 See Chapter IV, Supplementary Material .03 to Section 6.

on the preceding day.[10] These strike price parameters conflict with strike prices allowed for STOs as dollar strikes between $75 and $100 otherwise allowed under the STO Series Program may be within $0.50 of strikes listed pursuant to the $2.50 Strike Price Program. In order to remedy this conflict, the Exchange proposes to extend the $0.50 strike price intervals currently allowed for STOs with strike prices less than $75 to STOs with strike prices less than $100.

With this proposed change, STOs in non-index option classes will trade in: (1) $0.50 or greater intervals for strike prices less than $100, or for option classes that trade in one dollar increments in the related monthly expiration option; (2) $1 or greater intervals for strike prices that are between $100 and $150; and (3) $2.50 or greater intervals for strike prices above $150.

b. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder, including the requirements of Section 6(b) of the Act.[11] In particular, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[12] requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and to perfect the mechanism for a free and open

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[10] Id. For a definition of "primary market", see Chapter 1, Section 1(a)(47).

[11] 15 U.S.C. 78f(b).

[12] 15 U.S.C. 78f(b)(5).

market and a national market system, and, in general, to protect investors and the public interest.

During the month prior to expiration, the Exchange is permitted to list related monthly option contracts in the narrower strike price intervals available for STO series.[13] After transitioning to short term strike price intervals, however, monthly options that trade in $2.50 intervals between $50 and $100 under the $2.50 Strike Price Program, trade with dollar strikes between $75 and $150. Due to the overlap of $1 and $2.50 intervals, the Exchange cannot list certain dollar strikes between $75 and $100 that conflict with the prior $2.50 strikes. For example, if the Exchange initially listed monthly options on ABC with $75, $77.50, and $80 strikes, the Exchange could list the $76 and $79 strikes when these transition to short term intervals. The Exchange would not be permitted to list the $77 and $78 strikes, however, as these are $0.50 away from the $77.50 strike already listed on the Exchange. This creates gapped strikes between $75 and $100, where investors are not able to trade otherwise allowable dollar strikes on the Exchange. Similarly, these conflicting strike price parameters create issues for investors who want to roll their positions from monthly to weekly expirations. In the example above, for instance, an investor that purchased a monthly ABC option with a $77.50 strike price would not be able to roll that position into a later short term expiration with the same strike price as that strike is unavailable under current STO Series Program rules. Permitting $0.50 intervals for STOs up to $100 would remedy both of these issues as strikes allowed under the $2.50 Strike Price Program would not conflict with the finer $0.50 strike price interval.

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13 See Chapter IV, Section 6(d).

The STO Series Program has been well-received by market participants and the Exchange believes that introducing finer strike price intervals for STOs with strike prices between $75 and $100, and thereby eliminating the gapped strikes described above, will benefit these market participants by giving them more flexibility to closely tailor their investment and hedging decisions.

With regard to the impact of this proposal on system capacity, the Exchange has analyzed its capacity and represents that it and the Options Price Reporting Authority ("OPRA") have the necessary systems capacity to handle any potential additional traffic associated with this proposed rule change. The Exchange believes that its members will not have a capacity issue as a result of this proposal. The Exchange also represents that it does not believe this expansion will cause fragmentation of liquidity.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the Exchange believes that the proposed rule change will result in additional investment options and opportunities to achieve the investment objectives of market participants seeking efficient trading and hedging vehicles, to the benefit of investors, market participants, and the marketplace in general.

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

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

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

The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A)[14] of the Act and Rule 19b-4(f)(6) thereunder.[15]

The Exchange asserts that the 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 after its filing date, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The proposed rule change is substantially similar in all material respects to a rule proposal of the ISE, and raises no new issues.[16]

The Exchange also provided the Commission with written notice of its intent to file the proposal, along with a brief description and text of the proposal, prior to the date of the filing of the proposed rule change as required by Rule 19b-4(f)(6). The Exchange requests that the Commission waive the 30-day operative delay period. Waiver of the operative delay is consistent with the protection of investors and the public interest because it will ensure fair competition among exchanges by allowing the Exchange to open additional series of individual stocks and ETF options in $.50 strike price intervals up to $100 in the same manner as ISE. This will result in additional investment options and opportunities to achieve the investment objectives of market participants seeking efficient trading and hedging vehicles, to the benefit of investors, market participants, and the marketplace in general.

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[14] 15 U.S.C. 78s(b)(3)(A).

[15] 17 CFR 240.19b-4(f)(6).

[16] See supra note 4.

For the foregoing reasons, the Exchange believes the rule filing qualifies for expedited effectiveness as a "non-controversial" rule change under Rule 19b-4(f)(6) of the Act.

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

As discussed above, this proposed rule change is based on a rule proposal of the ISE.[17]

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

Not applicable.

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

Not applicable.

11. Exhibits

1. Notice of proposed rule for publication in the Federal Register.

5. Text of the proposed rule change.

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[17] See Securities Exchange Act Release No. 73999 (January 6, 2015), 80 FR 1559 (January 12, 2015) (SR-ISE-2014-52) (order approving).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NASDAQ-2015-005)

January ___, 2015

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Regarding the Short Term Option Series 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 January 21, 2015. The NASDAQ Stock Market LLC ("NASDAQ" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of the Substance of the Proposed Rule Change

The Exchange proposes to amend Chapter IV, Section 6 (Series of Options Contracts Open for Trading) to introduce finer $.50 strike price intervals in non-index Short Term Options with strike prices less than $100.

The text of the proposed rule change is available at http://nasdaq.cchwallstreet.com/, at the Exchange's principal office, and at the Commission's Public Reference Room.

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of this proposed rule change is to amend Chapter IV, Section 6 governing the Short Term Option ("STO")[3] Series Program to introduce finer strike price intervals for certain STOs. In particular, the Exchange proposes to amend Chapter IV, Supplementary Material .07(e) to Section 6 to extend $0.50 strike price intervals in non-index options to STOs with strike prices less than $100 instead of the current $75. This proposed change is intended to eliminate gapped strikes between $75 and $100 that result from conflicting strike price parameters under the STO Series Program and the $2.50 Strike Price Program, as described in more detail below.

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[3] STOs, also known as "weekly options" as well as "Short Term Options", are series in an options class that are approved for listing and trading on the Exchange in which the series are opened for trading on any Thursday or Friday that is a business day and that expire on the Friday of the next business week. If a Thursday or Friday is not a business day, the series may be opened (or shall expire) on the first business day immediately prior to that Thursday or Friday, respectively. STOs are listed and traded pursuant to the STO Series Program. For STO Series Program rules regarding non-index options, see Chapter 1, Section 1(a)(59) and Chapter IV, Supplementary Material .07 to Section 6. For STO Series Program rules regarding index options, see Chapter XIV, Section 2(p) and Chapter XIV, Section 11(h).

This is a competitive filing that is based on a recent STO proposal of the International Securities Exchange, LLC ("ISE").[4]

Under the Exchange's rules, the Exchange may list STOs in up to fifty option classes in addition to option classes that are selected by other securities exchanges that employ a similar program under their respective rules.[5] On any Thursday or Friday that is a business day, the Exchange may list STO series in designated option classes that expire at the close of business on each of the next five Fridays that are business days and are not Fridays in which monthly or quarterly options expire.[6] These STO series trade in \$0.50, \$1, or \$2.50 or greater strike price intervals depending on the strike price and whether the option trades in dollar increments in the related monthly expiration.[7] Specifically, STOs in non-index option classes admitted to the STO Series Program currently trade in: (1) \$0.50 or greater intervals for strike prices less than \$75, or for option classes that trade in one dollar increments in the related monthly expiration option; (2) \$1 or greater intervals for strike prices that are between \$75 and \$150; and (3) \$2.50 or greater intervals for strike prices above \$150.[8]

The Exchange also operates a \$2.50 Strike Price Program that permits the Exchange to select up to sixty options classes on individual stocks to trade in \$2.50 strike price intervals, in addition to option classes selected by other securities exchanges that

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4 See Securities Exchange Act Release No. 73999 (January 6, 2015), 80 FR 1559 (January 12, 2015) (SR-ISE-2014-52) (order approving).

5 See Chapter IV, Supplementary Material .07(a) to Section 6.

6 See Chapter IV, Supplementary Material .07 to Section 6.

7 See Chapter IV, Supplementary Material .07(e) to Section 6.

8 Id.

employ a similar program under their respective rules.[9] Monthly expiration options in classes admitted to the $2.50 Strike Price Program trade in $2.50 intervals where the strike price is (1) greater than $25 but less than $50; or (2) between $50 and $100 if the strikes are no more than $10 from the closing price of the underlying stock in its primary market on the preceding day.[10] These strike price parameters conflict with strike prices allowed for STOs as dollar strikes between $75 and $100 otherwise allowed under the STO Series Program may be within $0.50 of strikes listed pursuant to the $2.50 Strike Price Program. In order to remedy this conflict, the Exchange proposes to extend the $0.50 strike price intervals currently allowed for STOs with strike prices less than $75 to STOs with strike prices less than $100.

With this proposed change, STOs in non-index option classes will trade in: (1) $0.50 or greater intervals for strike prices less than $100, or for option classes that trade in one dollar increments in the related monthly expiration option; (2) $1 or greater intervals for strike prices that are between $100 and $150; and (3) $2.50 or greater intervals for strike prices above $150.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder, including the requirements of Section 6(b) of the Act.[11] In particular, the Exchange believes the proposed rule change is consistent with the

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9 See Chapter IV, Supplementary Material .03 to Section 6.

10 Id. For a definition of "primary market", see Chapter 1, Section 1(a)(47).

11 15 U.S.C. 78f(b).

Section 6(b)(5)[12] requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and to perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest.

During the month prior to expiration, the Exchange is permitted to list related monthly option contracts in the narrower strike price intervals available for STO series.[13] After transitioning to short term strike price intervals, however, monthly options that trade in $2.50 intervals between $50 and $100 under the $2.50 Strike Price Program, trade with dollar strikes between $75 and $150. Due to the overlap of $1 and $2.50 intervals, the Exchange cannot list certain dollar strikes between $75 and $100 that conflict with the prior $2.50 strikes. For example, if the Exchange initially listed monthly options on ABC with $75, $77.50, and $80 strikes, the Exchange could list the $76 and $79 strikes when these transition to short term intervals. The Exchange would not be permitted to list the $77 and $78 strikes, however, as these are $0.50 away from the $77.50 strike already listed on the Exchange. This creates gapped strikes between $75 and $100, where investors are not able to trade otherwise allowable dollar strikes on the Exchange. Similarly, these conflicting strike price parameters create issues for investors who want to roll their positions from monthly to weekly expirations. In the example above, for instance, an investor that purchased a monthly ABC option with a

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12 15 U.S.C. 78f(b)(5).

13 See Chapter IV, Section 6(d).

$77.50 strike price would not be able to roll that position into a later short term expiration with the same strike price as that strike is unavailable under current STO Series Program rules. Permitting $0.50 intervals for STOs up to $100 would remedy both of these issues as strikes allowed under the $2.50 Strike Price Program would not conflict with the finer $0.50 strike price interval.

The STO Series Program has been well-received by market participants and the Exchange believes that introducing finer strike price intervals for STOs with strike prices between $75 and $100, and thereby eliminating the gapped strikes described above, will benefit these market participants by giving them more flexibility to closely tailor their investment and hedging decisions.

With regard to the impact of this proposal on system capacity, the Exchange has analyzed its capacity and represents that it and the Options Price Reporting Authority ("OPRA") have the necessary systems capacity to handle any potential additional traffic associated with this proposed rule change. The Exchange believes that its members will not have a capacity issue as a result of this proposal. The Exchange also represents that it does not believe this expansion will cause fragmentation of liquidity.

B. <u>Self-Regulatory Organization's Statement on Burden on Competition</u>

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the Exchange believes that the proposed rule change will result in additional investment options and opportunities to achieve the investment objectives of market participants seeking efficient trading and hedging vehicles, to the benefit of investors, market participants, and the marketplace in general.

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 proposed rule change has become effective pursuant to Section 19(b)(3)(A)[14] of the Act and Rule 19b-4(f)(6)(iii) thereunder[15] because the 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.

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

IV. Solicitation of Comments

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

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[14] 15 U.S.C. 78s(b)(3)(A).

[15] 17 CFR 240.19b-4(f)(6)(iii).

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-2015-005 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-NASDAQ-2015-005. 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-2015-005 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.[16]

Kevin M. O'Neill
Deputy Secretary

[16] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Proposed new text is <u>underlined</u>. Deleted text is [bracketed].

NASDAQ Stock Market
Options Rules

* * * * *

Chapter IV Securities Traded on NOM

Sec 1 – Sec 5 No Change.

Sec. 6 Series of Options Contracts Open for Trading

(a) – (g) No Change.

Supplementary Material to Section 6

.01 - .06 No Change.

.07 *Short Term Option Series*: After an option class has been approved for listing and trading on the Exchange, the Exchange may open for trading on any Thursday or Friday that is a business day ("Short Term Option Opening Date") series of options on that class that expire at the close of business on each of the next five consecutive Fridays that are business days ("Short Term Option Expiration Date"). If the Exchange is not open for business on the respective Thursday or Friday, the Short Term Option Opening Date will be the first business day immediately prior to that respective Thursday or Friday. Similarly, if the Exchange is not open for business on the Friday of the following business week, the Short Term Option Expiration Date will be the first business day immediately prior to that Friday. Regarding Short Term Option Series:

(a) - (d) No Change.

(e) The interval between strike prices on Short Term Option Series may be (i) $0.50 or greater where the strike price is less than $[75]<u>100</u>, and $1 or greater where the strike price is between $[75]<u>100</u> and $150 for all classes that participate in the Short Term Options Series Program; (ii) $0.50 for classes that trade in one dollar increments in Related non-Short Term Options and that participate in the Short Term Option Series Program; or (iii) $2.50 or greater where the strike price is above $150. Related non-Short Term Option series shall be opened during the month prior to expiration of such Related non-Short Term Option series in the same manner as permitted in Supplementary Material to Section 6 at .07 and in the same strike price intervals that are permitted in Supplementary Material to Section 6 at .07.

.08 - .09 No Change.

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