

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 20	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2015 - * 096	Amendment No. (req. for Amendments *)
Filing by NASDAQ Stock Market Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934				
Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>
			Section 19(b)(3)(B) * <input type="checkbox"/>	
			Rule	
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
			<input type="checkbox"/> 19b-4(f)(3)	<input 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"/>		
Description				
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).				
<input type="text" value="Adopt a Kill Switch"/>				
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="Angela"/>		Last Name *	<input type="text" value="Dunn"/>
Title *	<input type="text" value="Associate General Counsel"/>			
E-mail *	<input type="text" value="angela.dunn@nasdaq.com"/>			
Telephone *	<input type="text" value="(215) 496-5692"/>	Fax	<input type="text"/>	
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="08/07/2015"/>		<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.				
<input type="button" value="edward.knight@nasdaq.com"/>				

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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) The NASDAQ Stock Market LLC (“Exchange” or “NASDAQ”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“Commission”) a proposal to amend Chapter VI, Section 6, entitled “Acceptance of Quotes and Orders,” of the rules governing the NASDAQ Options Market (“NOM” or “Exchange”). The Exchange proposes to adopt an optional Kill Switch protection.

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 is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The NASDAQ Board of Directors of the Exchange approved the submission of this proposed rule change on July 1, 2015. 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 Angela Saccomandi Dunn, Associate General Counsel, The NASDAQ OMX Group, Inc. at (215) 496-5692.

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 the filing is to adopt a new risk protection, a Kill Switch, applicable to all NOM Participants. The Kill Switch will allow NOM Participants to remove quotes and cancel open orders and prevent new order submission. This feature provides firms with a powerful risk management tool for immediate control of their quote and order activity.

The Exchange proposes to amend Chapter VI, Section 6, entitled “Acceptance of Quotes and Orders,” to add new section (d) to adopt the Kill Switch. The NASDAQ Options Kill Switch will be an optional tool that enables Participants to initiate a message(s)³ to the System to: (i) promptly remove quotes; and/or (ii) promptly cancel orders. Participants may submit a request to the System to remove/cancel quotes and/or orders based on certain identifiers on either a user or group level. Participants may elect to remove quotes and cancel orders by Exchange account, port, and/or badge or mnemonic (“Identifier”) or by a group (one or more Identifier combinations),⁴ which are provided by such Participant to the Exchange.⁵ Participants may not remove quotes/orders by symbol. The System will send an automated message to the Participant when a Kill Switch request has been processed by the Exchange’s System.

³ NOM Participants will be able to utilize an interface to send a message to the Exchange to initiate the Kill Switch or they may contact the Exchange directly.

⁴ The type of group permissible would be within a broker-dealer. For example, this could be including but not limited to all market maker accounts or all order entry ports.

⁵ Orders submitted by NOM Market Makers over Ouch to Trade Options (OTTO) interface will be treated as quotes for purposes of this rule.

If the Participant selects quotes to be cancelled utilizing the Kill Switch, the NOM Participant must send a message to the Exchange to request the removal of all quotes requested for the certain specified Identifier(s).⁶ The NOM Participant will be unable to enter any additional quotes for the affected Identifier(s) until re-entry has been enabled pursuant to proposed section (d)(iii).⁷

If the Participant selects orders to be cancelled utilizing the Kill Switch, the NOM Participant must send a message to the Exchange to request the cancellation of all orders requested for the certain specified Identifier(s).⁸ The NOM Participant will be unable to enter additional orders for the affected Identifier(s) until re-entry has been enabled pursuant to section (d)(iii).

Proposed section (d)(iii) stipulates that after quotes and/or orders are removed/cancelled by the NOM Participant utilizing the Kill Switch, the NOM Participant will be unable to enter additional quotes and/or orders for the affected Identifier(s) until the NOM Participant has made a request to the Exchange and Exchange staff has set a re-entry indicator to enable re-entry.⁹ Once enabled for re-entry, the System will send a Re-entry Notification Message to the NOM Participant. The applicable Clearing Participant for that NOM Participant also will be notified of the re-

⁶ See note 3.

⁷ Sweeps will also be cancelled. A sweep is a one-sided electronic quote submitted over the Specialized Quote Feed, which is the market making quoting interface.

⁸ See note 3.

⁹ The NOM Participant must directly and verbally contact the Exchange to request the re-set.

entry into the System after quotes and/or orders are removed/cancelled as a result of the Kill Switch, provided the Clearing Participant has requested to receive such notification.

The Exchange offers many risk mitigation and management tools today including, but not limited to, certain rapid fire risk controls,¹⁰ 15c 3-5 risk controls, Order Price Protections,¹¹ and cancel on disconnect and purge functionality for Specialized Quote Feed (SQF), Ouch to Trade Orders (OTTO) and FIX. The Kill Switch offers Participants a means to control their exposure, through an interface which is not dependent on the integrity of the Participant's own systems, should the Participant experience a failure.

The Exchange proposes to implement this rule within ninety (90) days of the implementation date. The Exchange will issue an Options Trader Alert in advance to inform market participants of such date.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act¹² in general, and furthers the objectives of Section 6(b)(5) of the Act¹³ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by enhancing the risk protections available to Exchange members. The proposal promotes policy goals of the Commission which has encouraged execution venues, exchange and non-exchange

¹⁰ See NOM Rules at Chapter VII, Section 6(f).

¹¹ See NOM Rules at Chapter VI, Section 18.

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(5).

alike, to enhance risk protection tools and other mechanisms to decrease risk and increase stability.

The individual firm benefits of enhanced risk protections flow downstream to counter-parties both at the Exchange and at other options exchanges, thereby increasing systemic protections as well. Additionally, because the Exchange offers this risk tools to all NOM Participants, the Exchange believes it will encourage liquidity generally and remove impediments to and perfects the mechanism of a free and open market and a national market system and protect investors and the public interest.

This optional risk tool as noted above will be offered to all NOM Participants. The Exchange further represents that its proposal will operate consistently with the firm quote obligations of a broker-dealer pursuant to Rule 602 of Regulation NMS and that the functionality is not mandatory. Specifically, any interest that is executable against a NOM Participant's quotes and orders that are received¹⁴ by the Exchange prior to the time the Kill Switch is processed by the System will automatically execute at the price up to the NOM Participant's size. The Kill Switch message will be accepted by the System in the order of receipt in the queue and will be processed in that order so that interest that is already accepted into the System will be processed prior to the Kill Switch message.

Specifically, with respect to NOM Market Makers, their obligation to provide continuous two-sided quotes on a daily basis is not diminished by the removal of such quotes and/or orders by utilizing the Kill Switch. NOM Market Makers will be required to provide continuous two-sided quotes on a daily basis. NOM Market Makers that utilize the Kill Switch will not be relieved of the obligation to provide continuous two-

¹⁴ The time of receipt for an order or quote is the time such message is processed by the Exchange book.

sided quotes on a daily basis, nor will it prohibit the Exchange from taking disciplinary action against a NOM Market Maker for failing to meet the continuous quoting obligation each trading day.

With respect to providing information regarding the removal of quotes and/or cancellation or orders as a result of the Kill Switch to the Clearing Participant, each Member that transacts through a Clearing Member on the Exchange executes a Letter of Guarantee wherein the Clearing Member accepts financial responsibility for all Exchange transactions made by the NOM Participant on whose behalf the Clearing Member submits the letter of guarantee. The Exchange believes that because Clearing Members guarantee all transactions on behalf of a Participant, and therefore, bear the risk associated with those transactions, it is appropriate for Clearing Members to have knowledge of the utilization of the Kill Switch, should the Clearing Member request such notification.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal does not impose an undue burden on inter-market competition because all NOM Participants may avail themselves of the Kill Switch, which functionality will be optional. The proposed rule change is meant to protect NOM Participants in the event the NOM Participant is suffering from a systems issue or due to the occurrence of unusual or unexpected market activity that would require them to withdraw from the market in order to protect investors. The ability to control risk at either the user or group level will permit the NOM Participant to protect itself from inadvertent exposure to excessive risk at the each level. Reducing such risk will enable NOM Participants to

enter quotes and orders without any fear of inadvertent exposure to excessive risk, which in turn will benefit investors through increased liquidity for the execution of their orders. Such increased liquidity benefits investors because they receive better prices and because it lowers volatility in the options market. For these reasons, the Exchange does not believe this proposal imposes an undue burden on inter-market competition, rather the proposed rule change will have no impact on competition.

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)

Not applicable.

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

The proposed rule change is not based on the rules of another self-regulatory organization.

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. Proposed rule text.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-NASDAQ-2015-096)

August____, 2015

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing of Proposed Rule Change to adopt a Kill Switch

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 August 7, 2015, The NASDAQ Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend Chapter VI, Section 6, entitled “Acceptance of Quotes and Orders,” of the rules governing the NASDAQ Options Market (“NOM” or “Exchange”). The Exchange proposes to adopt an optional Kill Switch protection.

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

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 the filing is to adopt a new risk protection, a Kill Switch, applicable to all NOM Participants. The Kill Switch will allow NOM Participants to remove quotes and cancel open orders and prevent new order submission. This feature provides firms with a powerful risk management tool for immediate control of their quote and order activity.

The Exchange proposes to amend Chapter VI, Section 6, entitled "Acceptance of Quotes and Orders," to add new section (d) to adopt the Kill Switch. The NASDAQ Options Kill Switch will be an optional tool that enables Participants to initiate a message(s)³ to the System to: (i) promptly remove quotes; and/or (ii) promptly cancel orders. Participants may submit a request to the System to remove/cancel quotes and/or orders based on certain identifiers on either a user or group level. Participants may elect to remove quotes and cancel orders by Exchange account, port, and/or badge or

³ NOM Participants will be able to utilize an interface to send a message to the Exchange to initiate the Kill Switch or they may contact the Exchange directly.

mnemonic (“Identifier”) or by a group (one or more Identifier combinations),⁴ which are provided by such Participant to the Exchange.⁵ Participants may not remove quotes/orders by symbol. The System will send an automated message to the Participant when a Kill Switch request has been processed by the Exchange’s System.

If the Participant selects quotes to be cancelled utilizing the Kill Switch, the NOM Participant must send a message to the Exchange to request the removal of all quotes requested for the certain specified Identifier(s).⁶ The NOM Participant will be unable to enter any additional quotes for the affected Identifier(s) until re-entry has been enabled pursuant to proposed section (d)(iii).⁷

If the Participant selects orders to be cancelled utilizing the Kill Switch, the NOM Participant must send a message to the Exchange to request the cancellation of all orders requested for the certain specified Identifier(s).⁸ The NOM Participant will be unable to enter additional orders for the affected Identifier(s) until re-entry has been enabled pursuant to section (d)(iii).

Proposed section (d)(iii) stipulates that after quotes and/or orders are removed/cancelled by the NOM Participant utilizing the Kill Switch, the NOM

⁴ The type of group permissible would be within a broker-dealer. For example, this could be including but not limited to all market maker accounts or all order entry ports.

⁵ Orders submitted by NOM Market Makers over Ouch to Trade Options (OTTO) interface will be treated as quotes for purposes of this rule.

⁶ See note 3.

⁷ Sweeps will also be cancelled. A sweep is a one-sided electronic quote submitted over the Specialized Quote Feed, which is the market making quoting interface.

⁸ See note 3.

Participant will be unable to enter additional quotes and/or orders for the affected Identifier(s) until the NOM Participant has made a request to the Exchange and Exchange staff has set a re-entry indicator to enable re-entry.⁹ Once enabled for re-entry, the System will send a Re-entry Notification Message to the NOM Participant. The applicable Clearing Participant for that NOM Participant also will be notified of the re-entry into the System after quotes and/or orders are removed/cancelled as a result of the Kill Switch, provided the Clearing Participant has requested to receive such notification.

The Exchange offers many risk mitigation and management tools today including, but not limited to, certain rapid fire risk controls,¹⁰ 15c3-5 risk controls, Order Price Protections,¹¹ and cancel on disconnect and purge functionality for Specialized Quote Feed (SQF), Ouch to Trade Orders (OTTO) and FIX. The Kill Switch offers Participants a means to control their exposure, through an interface which is not dependent on the integrity of the Participant's own systems, should the Participant experience a failure.

The Exchange proposes to implement this rule within ninety (90) days of the implementation date. The Exchange will issue an Options Trader Alert in advance to inform market participants of such date.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act¹² in general, and furthers the objectives of Section 6(b)(5) of the Act¹³ in particular,

⁹ The NOM Participant must directly and verbally contact the Exchange to request the re-set.

¹⁰ See NOM Rules at Chapter VII, Section 6(f).

¹¹ See NOM Rules at Chapter VI, Section 18.

¹² 15 U.S.C. 78f(b).

in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by enhancing the risk protections available to Exchange members. The proposal promotes policy goals of the Commission which has encouraged execution venues, exchange and non-exchange alike, to enhance risk protection tools and other mechanisms to decrease risk and increase stability.

The individual firm benefits of enhanced risk protections flow downstream to counter-parties both at the Exchange and at other options exchanges, thereby increasing systemic protections as well. Additionally, because the Exchange offers this risk tool to all NOM Participants, the Exchange believes it will encourage liquidity generally and remove impediments to and perfect the mechanism of a free and open market and a national market system and protect investors and the public interest.

This optional risk tool as noted above will be offered to all NOM Participants. The Exchange further represents that its proposal will operate consistently with the firm quote obligations of a broker-dealer pursuant to Rule 602 of Regulation NMS and that the functionality is not mandatory. Specifically, any interest that is executable against a NOM Participant's quotes and orders that are received¹⁴ by the Exchange prior to the time the Kill Switch is processed by the System will automatically execute at the price up to the NOM Participant's size. The Kill Switch message will be accepted by the System in

¹³ 15 U.S.C. 78f(b)(5).

¹⁴ The time of receipt for an order or quote is the time such message is processed by the Exchange book.

the order of receipt in the queue and will be processed in that order so that interest that is already accepted into the System will be processed prior to the Kill Switch message.

A NOM Market Makers' obligation to provide continuous two-sided quotes on a daily basis is not diminished by the removal of such quotes and/or orders by utilizing the Kill Switch. NOM Market Makers will be required to provide continuous two-sided quotes on a daily basis. NOM Market Makers that utilize the Kill Switch will not be relieved of the obligation to provide continuous two-sided quotes on a daily basis, nor will it prohibit the Exchange from taking disciplinary action against a NOM Market Maker for failing to meet the continuous quoting obligation each trading day.

With respect to providing information regarding the removal of quotes and/or cancellation of orders as a result of the Kill Switch to the Clearing Participant, each Member that transacts through a Clearing Member on the Exchange executes a Letter of Guarantee wherein the Clearing Member accepts financial responsibility for all Exchange transactions made by the NOM Participant on whose behalf the Clearing Member submits the letter of guarantee. The Exchange believes that because Clearing Members guarantee all transactions on behalf of a Participant, and therefore bear the risk associated with those transactions, it is appropriate for Clearing Members to have knowledge of the utilization of the Kill Switch, should the Clearing Member request such notification.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal does not impose an undue burden on inter-market competition because all NOM Participants may avail themselves of the Kill Switch, which functionality will

be optional. The proposed rule change is meant to protect NOM Participants in the event the NOM Participant is suffering from a systems issue or from the occurrence of unusual or unexpected market activity that would require them to withdraw from the market in order to protect investors. The ability to control risk at either the user or group level will permit the NOM Participant to protect itself from inadvertent exposure to excessive risk at the each level. Reducing such risk will enable NOM Participants to enter quotes and orders without any fear of inadvertent exposure to excessive risk, which in turn will benefit investors through increased liquidity for the execution of their orders. Such increased liquidity benefits investors because they receive better prices and because it lowers volatility in the options market. For these reasons, the Exchange does not believe this proposal imposes an undue burden on inter-market competition, rather the proposed rule change will have no impact on competition.

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

No written comments were either solicited or received.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission shall: (a) by order approve or disapprove such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

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

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NASDAQ-2015-096 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-2015-076. 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-2015-076 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.¹⁵

Robert W. Errett
Deputy Secretary

¹⁵ 17 CFR 200.30-3(a)(12).

Exhibit 5

New text is underlined; deleted text is in brackets.

NASDAQ Stock Market Rules

* * * * *

Options Rules

* * * * *

Chapter VI Trading Systems

* * * * *

Sec. 6 Acceptance of Quotes and Orders

All bids or offers made and accepted on NOM in accordance with the NOM Rules shall constitute binding contracts, subject to applicable requirements of the Rules of the Exchange and the Rules of the Clearing Corporation.

(a) General - A System order is an order that is entered into the System for display and/or execution as appropriate. Such orders are executable against marketable contra-side orders in the System.

(1) All System Orders shall indicate whether they are a call or put and buy or sell and a price, if any. Systems Orders can be designated as Immediate or Cancel ("IOC"), Good-till-Cancelled ("GTC"), Day ("DAY") or WAIT.

(2) A System order may also be designated as a Limit Order, a Minimum Quantity Order, a Market Order, a Price Improving Order, an All-or-None Order, or a Post-Only Order.

(b) Routing - All System orders entered by Participants directing or permitting routing to other market centers shall be routed for potential display and/or execution as set forth in Section 11 below. Routing shall be available in System securities as well as Non-System securities listed on other exchanges.

(c) Market Order Spread Protection. System Orders that are Market Orders will be rejected if the NBBO is wider than a preset threshold at the time the order is received by the System.

(d) NASDAQ Options Kill Switch is an optional tool that enables NOM Participants to initiate a message(s) to the System to: (i) promptly remove quotes; and/or (ii) promptly cancel orders. Participants may submit a request to the System to remove/cancel quotes and/or orders based on certain identifier(s) on either a user or group level ("Identifier"). Permissible groups must reside within a single broker-dealer. The System will send an automated message to the NOM Participant when a Kill Switch request has been processed by the Exchange's System.

(i) If quotes are cancelled by the NOM Participant utilizing the Kill Switch, it will result in the removal of all quotes requested for the Identifier(s). The NOM Participant will be unable to enter any additional quotes for the affected Identifier(s) until re-entry has been enabled pursuant to section (d)(iii).

(ii) If orders are cancelled by the NOM Participant utilizing the Kill Switch, it will result in the cancellation of all orders requested for the Identifier(s). The NOM Participant will be unable to enter additional orders for the affected Identifier(s) until re-entry has been enabled pursuant to section (d)(iii).

(iii) After quotes and/or orders are removed/cancelled by the NOM Participant utilizing the Kill Switch, the NOM Participant will be unable to enter additional quotes and/or orders for the affected Identifier(s) until the NOM Participant has made a verbal request to the Exchange and Exchange staff has set a re-entry indicator to enable re-entry. Once enabled for re-entry, the System will send a Re-entry Notification Message to the NOM Participant. The applicable Clearing Participant also will be notified of the re-entry into the System after quotes and/or orders are removed/cancelled as a result of the Kill Switch, provided the Clearing Participant has requested to receive such notification.

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