

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 22	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2015 - * 117	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 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 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"/>			
Description				
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).				
<input type="text" value="Options Testing Facility"/>				
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="10/16/2015"/>	<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 *

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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

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Exhibit Sent As Paper Document

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

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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

Exhibit 5 - Proposed Rule Text

Add Remove View

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

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the 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 the “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend its Options Pricing at Chapter XV to adopt a new Section 13, entitled “Testing Facilities” which describes fees in connection with the use of the Testing Facility (“NTF”) test environment located in Carteret, New Jersey.

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on October 26, 2015.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and a copy of the applicable portion of the rule text is attached hereto 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 1, 2015. Nasdaq staff will advise the Board of Directors of Nasdaq of any action taken pursuant to delegated authority. No other action by Nasdaq is necessary for the filing of the rule change.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Questions and comments on the proposed rule change may be directed to Angela Saccomandi Dunn, Associate General Counsel, Nasdaq, Inc. at (215) 496-5692.

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

a. Purpose

Nasdaq proposes to amend its Options Pricing at Chapter XV to adopt a new Section 13, entitled "Testing Facilities" to establish fees to subscribe for testing. Currently, Options Participants may test in a virtual trading environment for purposes of testing in Ashburn, Virginia ("Ashburn"), at no cost. The NTF provides subscribers a virtual System environment for testing upcoming Nasdaq releases and product enhancements, as well as testing firm software prior to implementation. The test environment closely approximates the production environment to enable subscribers to test their automated systems that integrate with the Exchange.

The Exchange is moving the options test environment from the Ashburn location to Carteret, NJ ("Carteret"), which is also the location of Nasdaq's primary trading System. While Options Participants will be able to continue to utilize the Ashburn facility at no cost until that facility is no longer in use, Options Participants will be able to subscribe to the Carteret test facility for future testing.³

The relatively large distance between the Ashburn Testing Facility and the majority of Nasdaq firms results in expensive connectivity costs for customers that connect via telecommunication providers. As a consequence, a large majority of member firms do not connect to Ashburn for NTF connectivity. In an effort to improve the utility

³ The Exchange anticipates that it will sunset the Ashburn trading testing functionality on January 29, 2016.

of the NTF, Nasdaq is developing a test environment located in Carteret that will provide the same functionality as the testing functionality of Ashburn, yet more closely approximate the live trading environment due to its proximity to the System and upgraded hardware. In particular, the Carteret test environment will take advantage of technology upgrades Nasdaq is making to its trading-related systems. Unlike the Ashburn test environment, the Carteret test environment will provide dedicated connectivity to the facility via a cross-connection to either a member firm's direct connection router in Carteret or its co-location cabinet.

Nasdaq notes that, because the Carteret facility also houses the System, subscribers to the Carteret test environment will no longer need to pay for third party connectivity to Ashburn,⁴ provided the sole purpose for connecting to Ashburn is for testing and not also for co-location or disaster recovery. Such member firms may use an existing connection to Carteret to access the NTF through the use of a dedicated switch port and cross connect within the facility. Similar to the equities test facility,⁵ the Exchange will assess a fee for the connection to this virtual trading environment for testing. Specifically, Nasdaq proposes a \$1,000 per hand-off, per month fee for connection to the Testing Facility. The hand-off fee includes either a 1Gb or 10Gb switch port and a cross connect to the Testing Facility. Subscribers shall also pay a one-time installation fee of \$1,000 per hand-off.

The connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ OMX PHLX LLC and NASDAQ OMX BX, Inc.

⁴ Today, member firms pay fees to third party connectivity providers to provide connection from the member firm to Ashburn.

⁵ See Nasdaq Rule 7030, concerning equities pricing.

Additionally, the connectivity may be utilized for either equities or options testing. If for example a Phlx member has already paid the \$1,000 per hand-off, per month for connection to the Testing Facility in Carteret, there would be no need to pay this fee for options testing.

Notwithstanding the foregoing, Nasdaq will also continue to offer certain limited testing capabilities free of charge at Carteret. Options Participants that connect to Carteret's NTF through a virtual private network ("VPN") through the internet for site-to-site limited order routing capability only will not be assessed a fee.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁶ in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,⁷ in particular. Nasdaq believes the proposal is consistent with Section 6(b)(4) of the Act⁸ 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 the Exchange operates or controls.

The proposed fees are equitably allocated because all Options Participants desiring to connect to the Carteret test environment will be assessed a uniform fee for those services. The Exchange believes that offering subscribers the option to subscribe to either 1Gb or 10Gb for the same fee is an equitable allocation because, unlike the live trading environment, there is no competitive advantage to possessing a higher capacity

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4) and (5).

⁸ 15 U.S.C. 78f(b)(4).

switch port in the test environment. The test environment is designed to closely mirror the live trading environment for Options Participants, including matching the capacity of each Options Participant's live environment switch port. In the absence of any competitive advantage, charging a uniform fee for both 1Gb and 10Gb switch ports is an equitable allocation of fees. Nasdaq believes that charging a uniform fee will encourage member firms to subscribe to Carteret, and further encourage those that subscribe to use the same hardware as is used by them for connectivity to the live trading environment.

The proposed fees are reasonable because they are designed to cover the costs incurred by the Exchange to develop the test facility and the costs incurred by the Exchange to continue to offer the test environment. The proposed fee should allow the Exchange to recoup these costs and also make a profit, while providing Options Participants with a superior test environment that more closely mirrors that of the live trading environment on the Exchange. Nasdaq believes that offering both 1Gb and 10Gb connectivity for the same fee is reasonable as the increased incremental cost it incurs by offering the 10Gb switch port at the lower fee is outweighed by the benefit all subscribers will receive if Options Participants use hardware identical to what they use in the live trading environment, hence furthering the goal of creating a test environment that closely mirrors the live trading environment.

Further, the connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ OMX PHLX LLC and NASDAQ OMX BX, Inc. This connectivity may be utilized for either equities or options testing. If for example a Nasdaq member has already paid the \$1,000 per hand-off, per month for connection to the Testing Facility in Carteret, there would be no need to pay this fee for options testing.

The Exchange also believes the proposal furthers the objectives of Section 6(b)(5) of the Act⁹ 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 and is not designed to permit unfair discrimination between customer, issuers, brokers and dealers. Nasdaq does not believe that the proposed fees are unfairly discriminatory to subscribers to 10Gb live trading environment connectivity because, unlike the live trading environment where the capacity of connectivity to Nasdaq may confer a competitive advantage to a market participant and therefore price differentiation is appropriate for the benefit conferred, there is no such benefit conferred in the trade test environment. Nasdaq does not believe that the proposed fees are unfairly discriminatory among subscribers to the Carteret test facility because all Options Participants that subscribe to the service will be assessed the same fees. Because the proposed fees do not discriminate between 1Gb and 10Gb connectivity options, Options Participants are able to subscribe to Carteret without regard to the cost of their switch port capacity election. Nasdaq believes that by not discriminating on this basis it will encourage participants to connect to the Carteret test environment in the same manner as they do to the live trading environment, and thereby help Carteret more closely mirror the live test environment, as discussed above. Providing a more useful and accurate test environment will serve to improve live trading on Nasdaq and the national market system by permitting Options Participants the ability to accurately test changes prior to implementing them in the live trading environment, thereby reducing the likelihood of a potentially disruptive system

⁹ 15 U.S.C. 78f(b)(5).

failure in the live trading environment, which has the potential to affect all market participants.

Finally, the Exchange will continue to offer Options Participants certain limited testing capabilities free of charge at Carteret through VPN. While this feature offers limited capability in terms of functionality, the Exchange continues to offer a free of charge alternative to Options Participants desiring to utilize the NTF.

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

Nasdaq does not believe that the proposed rule change will result in any intra-market or inter-market burdens on competition that are not necessary or appropriate in furtherance of the purposes of the Act, as amended. The proposed fees for access to the Carteret test environment more closely approximate the live trading environment, subscribing member firms will be able to more accurately test their trading systems and avoid potentially disruptive system failures in the live trading environment. Despite the fee that will now be assessed to Options Participants for testing, the Exchange believes that Options Participants utilizing this service will benefit from the move to Carteret because the test environment is designed to closely mirror the live trading environment for Options Participants, including matching the capacity of each Options Participant's live environment switch port. Subscribing to the test facility is optional.

Also, the connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ OMX PHLX LLC and NASDAQ OMX BX, Inc. Members that are already connected for equities testing would not incur an additional charge. This connectivity may be utilized for either equities or options testing. Finally, subscribing to the test facility is optional.

Additionally, the Exchange does not believe that the move to Carteret and imposition of connectivity fees to the NTF creates an undue burden on competition because the Exchange will continue to offer Options Participants certain limited testing capabilities free of charge at Carteret through VPN.

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)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,¹⁰ 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. Advanced Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

11. Exhibits

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

5. Proposed rule text.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-NASDAQ-2015-117)

October __, 2015

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Options Testing Facility

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 October 16, 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 its Options Pricing at Chapter XV to adopt a new Section 13, entitled “Testing Facilities” which describes fees in connection with the use of the Testing Facility (“NTF”) test environment located in Carteret, New Jersey.

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on October 26, 2015.

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

Nasdaq proposes to amend its Options Pricing at Chapter XV to adopt a new Section 13, entitled “Testing Facilities” to establish fees to subscribe for testing. Currently, Options Participants may test in a virtual trading environment for purposes of testing in Ashburn, Virginia (“Ashburn”), at no cost. The NTF provides subscribers a virtual System environment for testing upcoming Nasdaq releases and product enhancements, as well as testing firm software prior to implementation. The test environment closely approximates the production environment to enable subscribers to test their automated systems that integrate with the Exchange.

The Exchange is moving the options test environment from the Ashburn location to Carteret, NJ (“Carteret”), which is also the location of Nasdaq’s primary trading System. While Options Participants will be able to continue to utilize the Ashburn facility at no cost until that facility is no longer in use, Options Participants will be able to subscribe to the Carteret test facility for future testing.³

³ The Exchange anticipates that it will sunset the Ashburn trading testing functionality on January 29, 2016.

The relatively large distance between the Ashburn Testing Facility and the majority of Nasdaq firms results in expensive connectivity costs for customers that connect via telecommunication providers. As a consequence, a large majority of member firms do not connect to Ashburn for NTF connectivity. In an effort to improve the utility of the NTF, Nasdaq is developing a test environment located in Carteret that will provide the same functionality as the testing functionality of Ashburn, yet more closely approximate the live trading environment due to its proximity to the System and upgraded hardware. In particular, the Carteret test environment will take advantage of technology upgrades Nasdaq is making to its trading-related systems. Unlike the Ashburn test environment, the Carteret test environment will provide dedicated connectivity to the facility via a cross-connection to either a member firm's direct connection router in Carteret or its co-location cabinet.

Nasdaq notes that, because the Carteret facility also houses the System, subscribers to the Carteret test environment will no longer need to pay for third party connectivity to Ashburn,⁴ provided the sole purpose for connecting to Ashburn is for testing and not also for co-location or disaster recovery. Such member firms may use an existing connection to Carteret to access the NTF through the use of a dedicated switch port and cross connect within the facility. Similar to the equities test facility,⁵ the Exchange will assess a fee for the connection to this virtual trading environment for testing. Specifically, Nasdaq proposes a \$1,000 per hand-off, per month fee for connection to the Testing Facility. The hand-off fee includes either a 1Gb or 10Gb

⁴ Today, member firms pay fees to third party connectivity providers to provide connection from the member firm to Ashburn.

⁵ See Nasdaq Rule 7030, concerning equities pricing.

switch port and a cross connect to the Testing Facility. Subscribers shall also pay a one-time installation fee of \$1,000 per hand-off.

The connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ OMX PHLX LLC and NASDAQ OMX BX, Inc. Additionally, the connectivity may be utilized for either equities or options testing. If for example a Phlx member has already paid the \$1,000 per hand-off, per month for connection to the Testing Facility in Carteret, there would be no need to pay this fee for options testing.

Notwithstanding the foregoing, Nasdaq will also continue to offer certain limited testing capabilities free of charge at Carteret. Options Participants that connect to Carteret's NTF through a virtual private network ("VPN") through the internet for site-to-site limited order routing capability only will not be assessed a fee.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁶ in general, and with Sections 6(b)(4) and 6(b)(5) of the Act,⁷ in particular. Nasdaq believes the proposal is consistent with Section 6(b)(4) of the Act⁸ 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 the Exchange operates or controls.

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4) and (5).

⁸ 15 U.S.C. 78f(b)(4).

The proposed fees are equitably allocated because all Options Participants desiring to connect to the Carteret test environment will be assessed a uniform fee for those services. The Exchange believes that offering subscribers the option to subscribe to either 1Gb or 10Gb for the same fee is an equitable allocation because, unlike the live trading environment, there is no competitive advantage to possessing a higher capacity switch port in the test environment. The test environment is designed to closely mirror the live trading environment for Options Participants, including matching the capacity of each Options Participant's live environment switch port. In the absence of any competitive advantage, charging a uniform fee for both 1Gb and 10Gb switch ports is an equitable allocation of fees. Nasdaq believes that charging a uniform fee will encourage member firms to subscribe to Carteret, and further encourage those that subscribe to use the same hardware as is used by them for connectivity to the live trading environment.

The proposed fees are reasonable because they are designed to cover the costs incurred by the Exchange to develop the test facility and the costs incurred by the Exchange to continue to offer the test environment. The proposed fee should allow the Exchange to recoup these costs and also make a profit, while providing Options Participants with a superior test environment that more closely mirrors that of the live trading environment on the Exchange. Nasdaq believes that offering both 1Gb and 10Gb connectivity for the same fee is reasonable as the increased incremental cost it incurs by offering the 10Gb switch port at the lower fee is outweighed by the benefit all subscribers will receive if Options Participants use hardware identical to what they use in the live trading environment, hence furthering the goal of creating a test environment that closely mirrors the live trading environment.

Further, the connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ OMX PHLX LLC and NASDAQ OMX BX, Inc. This connectivity may be utilized for either equities or options testing. If for example a Nasdaq member has already paid the \$1,000 per hand-off, per month for connection to the Testing Facility in Carteret, there would be no need to pay this fee for options testing.

The Exchange also believes the proposal furthers the objectives of Section 6(b)(5) of the Act⁹ 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 and is not designed to permit unfair discrimination between customer, issuers, brokers and dealers. Nasdaq does not believe that the proposed fees are unfairly discriminatory to subscribers to 10Gb live trading environment connectivity because, unlike the live trading environment where the capacity of connectivity to Nasdaq may confer a competitive advantage to a market participant and therefore price differentiation is appropriate for the benefit conferred, there is no such benefit conferred in the trade test environment. Nasdaq does not believe that the proposed fees are unfairly discriminatory among subscribers to the Carteret test facility because all Options Participants that subscribe to the service will be assessed the same fees. Because the proposed fees do not discriminate between 1Gb and 10Gb connectivity options, Options Participants are able to subscribe to Carteret without regard to the cost of their switch port capacity election. Nasdaq believes that by not discriminating on this basis it will encourage participants to connect to the Carteret test environment in the same manner as they do to the live trading

⁹ 15 U.S.C. 78f(b)(5).

environment, and thereby help Carteret more closely mirror the live test environment, as discussed above. Providing a more useful and accurate test environment will serve to improve live trading on Nasdaq and the national market system by permitting Options Participants the ability to accurately test changes prior to implementing them in the live trading environment, thereby reducing the likelihood of a potentially disruptive system failure in the live trading environment, which has the potential to affect all market participants.

Finally, the Exchange will continue to offer Options Participants certain limited testing capabilities free of charge at Carteret through VPN. While this feature offers limited capability in terms of functionality, the Exchange continues to offer a free of charge alternative to Options Participants desiring to utilize the NTF.

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

Nasdaq does not believe that the proposed rule change will result in any intra-market or inter-market burdens on competition that are not necessary or appropriate in furtherance of the purposes of the Act, as amended. The proposed fees for access to the Carteret test environment more closely approximate the live trading environment, subscribing member firms will be able to more accurately test their trading systems and avoid potentially disruptive system failures in the live trading environment. Despite the fee that will now be assessed to Options Participants for testing, the Exchange believes that Options Participants utilizing this service will benefit from the move to Carteret because the test environment is designed to closely mirror the live trading environment for Options Participants, including matching the capacity of each Options Participant's live environment switch port. Subscribing to the test facility is optional.

Also, the connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ OMX PHLX LLC and NASDAQ OMX BX, Inc. Members that are already connected for equities testing would not incur an additional charge. This connectivity may be utilized for either equities or options testing. Finally, subscribing to the test facility is optional.

Additionally, the Exchange does not believe that the move to Carteret and imposition of connectivity fees to the NTF creates an undue burden on competition because the Exchange will continue to offer Options Participants certain limited testing capabilities free of charge at Carteret through VPN.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.¹⁰

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.

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

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-2015-117 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-2015-117. 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-2015-117 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.¹¹

Robert W. Errett
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined.

NASDAQ Stock Market Rules

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Options Rules

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Chapter XV Options Pricing

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Sec. 13 Testing Facilities

The Exchange operates a test environment in Carteret, New Jersey. References to the “Testing Facility” refers to this test environment.

(1) Subscribers to the Testing Facility shall pay a fee of \$1,000 per hand-off, per month for connection to the Testing Facility. The hand-off fee includes either a 1Gb or 10Gb switch port and a cross connect to the Testing Facility. Subscribers shall also pay a one-time installation fee of \$1,000 per hand-off.

(2) Subscribers may access the Testing Facility at no cost through a VPN for site-to-site limited order routing capability only.

The connectivity provided under this rule also provides connectivity to the other test environments of NASDAQ OMX PHLX LLC and NASDAQ OMX BX, Inc. Additionally, the connectivity may be utilized for either equities or options testing.

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