

Required fields are shown with yellow backgrounds and asterisks.

Filing by The Nasdaq Stock Market LLC
 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) *
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

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

Proposal to rename the title of Equity 5, relocate its current Rule 7000A Series, and make conforming cross-reference changes

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 * Sean Last Name * Bennett
 Title * Principal Associate General Counsel
 E-mail * Sean.Bennett@Nasdaq.com
 Telephone * (301) 978-8499 Fax

Signature

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

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

(Title *)

Date 05/23/2019 Global Chief Legal and Policy Officer
 By Edward S. Knight
 (Name *)

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

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the 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 *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

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

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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

Exhibit 4 - Marked Copies

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

Exhibit 5 - Proposed Rule Text

Add Remove View

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

Partial Amendment

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 (“Nasdaq” or “Exchange”), 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 (“SEC” or “Commission”) a proposal to (a) rename the title of Equity 5 “Order Audit Trail Services” under the Exchange’s rulebook (“Rulebook”) shell structure³ to Equity 5 “Order Audit Trail System”; (b) relocate its current Rule 7000A Series concerning the Order Audit Trail System (“OATS”) to Equity 5 “Order Audit Trail System” (as renamed by this proposal); and (c) make conforming cross-reference changes in Rules 5320A and IM-9216.

The Exchange requests that the Commission waive the 30-day operative delay period contained in Exchange Act Rule 19b-4(f)(6)(iii).⁴

A notice of the proposed rule change for publication in the Federal Register is attached as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In 2017, the Exchange added a shell structure to its Rulebook with the purpose of improving efficiency and readability and to align its rules closer to those of its five sister exchanges, Nasdaq BX, Inc. (“BX”); Nasdaq PHLX LLC (“Phlx”); Nasdaq ISE, LLC; Nasdaq GEMX, LLC; and Nasdaq MRX, LLC (“Affiliated Exchanges”). See Securities Exchange Act Release No. 82175 (November 29, 2017), 82 FR 57494 (December 5, 2017) (SR-NASDAQ-2017-125). This proposed change is the first of a total of three, which will move the OATS rules of Nasdaq, BX, and Phlx to their respective shell structures.

⁴ 17 CFR 240.19b-4(f)(6)(iii).

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 (the “Board”) on September 26, 2018. Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to:

T. Sean Bennett
Principal Associate General Counsel
Nasdaq, Inc.
(301) 978-8499

or

Alejandro Aguayo
Senior Paralegal
Nasdaq, Inc.
(301) 978-8417

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

a. Purpose

The Exchange proposes to (a) rename the title of Equity 5 “Order Audit Trail Services” under the Rulebook shell structure to Equity 5 “Order Audit Trail System”; (b) relocate its current Rule 7000A Series concerning OATS to Equity 5 “Order Audit Trail System” (as renamed by this proposal); and (c) make conforming cross-reference changes in Rules 5320A and IM-9216, as detailed below.

1. Rename the title of Equity 5

The title of Equity 5 is currently “Order Audit Trail Services.” The word “Services” was erroneously inserted when adopting the shell. The accurate word is

“System,” which reflects the name of the FINRA Order Audit Trail System to which the rules thereunder apply. Consequently, the Exchange is making a corrective change to the name of the rule.

2. Relocation of the OATS Rules

The Exchange, as part of its continued effort to promote efficiency and the conformity of its rule structure with those of the Affiliated Exchanges,⁵ and the goal of harmonizing and making its rule structure uniform, proposes to relocate the OATS rules, currently under the Rule 7000A Series, into Equity 5 “Order Audit Trail System” of the shell structure. Specifically, the Exchange will add the word “Section” and renumber the Rule 7000A Series as detailed in the table below:

7000A Series	Equity 5
7000A	Deleted
7400A	Equity 5
7410A	Section 1
7420A	Section 2
7430A	Section 3
7440A	Section 4
7450A	Section 5
7460A	Section 6
7470A	Deleted

The Exchange believes that the relocation of the OATS rules will facilitate the use of the Rulebook by Members⁶ of the Exchange, including BX and Phlx members, and other market participants. Moreover, the proposed changes are of a non-substantive nature and they will not amend the relocated rules, other than to update their numbers as previously detailed.

⁵ See footnote 3.

⁶ Exchange Rule 0120(i).

3. Cross-Reference Updates

In connection with the changes described above, the Exchange proposes to update all internal and external cross-references in the Rulebook that direct the reader to the current placement of the OATS rules and/or any of their subsections. Specifically, the Exchange will update a cross-reference in Nasdaq Rule 5320A to OATS Rule 7440A, which will be renumbered Equity 5, Section 4. Similarly, the Exchange proposes to update the cross-reference in IM-9216 (Violations Appropriate for Disposition Under Plan Pursuant to SEC Rule 19d-1(c)(2)) that currently points to “Rules 6954 and 6955.” Rules 6954 and 6955 were respectively renumbered as OATS Rules 7440A and 7450A in 2012.⁷ This cross-reference will be updated as Equity 5, Sections 4 and 5.

The Exchange also proposes to correct a cross-reference in current OATS Rule 7460A (to be renumbered Equity 5, Section 6) that points to Nasdaq Rule 2110. Rule 2110 (Standards of Commercial Honor and Principles of Trade) was renumbered as Nasdaq Rule 2010A and, therefore, its cross-reference in the Equity 5, Section 6 will be updated accordingly.⁸

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁹ in general, and furthers the objectives of Section 6(b)(5) of the Act,¹⁰ in particular, in that it is designed to promote just and equitable principles of trade, to remove

⁷ See Securities Exchange Act Release No. 68153 (November 5, 2012), 77 FR 67409 (November 9, 2012) (SR-NASDAQ-2012-124).

⁸ Id.

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

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 promoting efficiency and structural conformity of the Exchange's rules with those of the Affiliated Exchanges and to make the Exchange's Rulebook, in the present case, the OATS rules, easier to read and more accessible to its Members, including BX and Phlx members, and market participants. The Exchange believes that the correction to Equity 5's title, relocation of the OATS rules, and cross-reference updates are of a non-substantive nature.

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 proposed changes do not impose a burden on competition because, as previously stated, they (i) are of a non-substantive nature, (ii) are intended to harmonize the structure of the Exchange's rules with those of its Affiliated Exchanges, and (iii) are intended to organize the Rulebook in a way that it will ease the Members', including BX and Phlx members, and market participants' navigation and reading of the rules.

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 foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii)¹¹ of the Act and Rule 19b-4(f)(6) thereunder¹² in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

The Exchange does not believe that the relocation of the OATS rules and other changes previously described will significantly affect the protection of investors or the public interest because the proposed changes are only intended to relocate the rules, update their cross-references, and correct the title of a rule in the shell structure. Moreover, the Exchange does not believe that this proposal will impose any significant burden on competition because, as explained, the changes are non-substantive, are intended to align the structure of the Exchange's Rulebook to the Affiliated Exchanges' and generally seek to improve the organization and readability of the Exchange's rules.

Furthermore, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

¹¹ 15 U.S.C. 78s(b)(3)(A)(iii).

¹² 17 CFR 240.19b-4(f)(6).

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.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30-day operative delay contained in Rule 19b-4(f)(6)(iii) so that the Exchange can promptly relocate the OATS rules and continue to reorganize its Rulebook as already done in previous filings. The Exchange's proposal will protect investors and the public interest, by promoting efficiency and the structural conformity of the Exchange's rules with those of the Affiliated Exchanges and to make the Exchange's Rulebook easier to read and more accessible to its Members, including BX and Phlx members, market participants, and the general public.

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

Not applicable.

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

Not applicable.

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

Not applicable.

11. Exhibits

1. Notice of Proposed Rule Change for publication in the Federal Register.
5. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. _____ ; File No. SR-NASDAQ-2019-046)

May __, 2019

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Relocate the Order Audit Trail System Rules

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 May 23, 2019, 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 (a) rename the title of Equity 5 “Order Audit Trail Services” under the Exchange’s rulebook (“Rulebook”) shell structure³ to Equity 5 “Order Audit Trail System”; (b) relocate its current Rule 7000A Series concerning the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In 2017, the Exchange added a shell structure to its Rulebook with the purpose of improving efficiency and readability and to align its rules closer to those of its five sister exchanges, Nasdaq BX, Inc. (“BX”); Nasdaq PHLX LLC (“Phlx”); Nasdaq ISE, LLC; Nasdaq GEMX, LLC; and Nasdaq MRX, LLC (“Affiliated Exchanges”). See Securities Exchange Act Release No. 82175 (November 29, 2017), 82 FR 57494 (December 5, 2017) (SR-NASDAQ-2017-125). This proposed change is the first of a total of three, which will move the OATS rules of Nasdaq, BX, and Phlx to their respective shell structures.

Order Audit Trail System (“OATS”) to Equity 5 “Order Audit Trail System” (as renamed by this proposal); and (c) make conforming cross-reference changes in Rules 5320A and IM-9216.

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.

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 Exchange proposes to (a) rename the title of Equity 5 “Order Audit Trail Services” under the Rulebook shell structure to Equity 5 “Order Audit Trail System”; (b) relocate its current Rule 7000A Series concerning OATS to Equity 5 “Order Audit Trail System” (as renamed by this proposal); and (c) make conforming cross-reference changes in Rules 5320A and IM-9216, as detailed below.

1. Rename the title of Equity 5

The title of Equity 5 is currently “Order Audit Trail Services.” The word “Services” was erroneously inserted when adopting the shell. The accurate word is “System,” which reflects the name of the FINRA Order Audit Trail System to which the

rules thereunder apply. Consequently, the Exchange is making a corrective change to the name of the rule.

2. Relocation of the OATS Rules

The Exchange, as part of its continued effort to promote efficiency and the conformity of its rule structure with those of the Affiliated Exchanges,⁴ and the goal of harmonizing and making its rule structure uniform, proposes to relocate the OATS rules, currently under the Rule 7000A Series, into Equity 5 “Order Audit Trail System” of the shell structure. Specifically, the Exchange will add the word “Section” and renumber the Rule 7000A Series as detailed in the table below:

7000A Series	Equity 5
7000A	Deleted
7400A	Equity 5
7410A	Section 1
7420A	Section 2
7430A	Section 3
7440A	Section 4
7450A	Section 5
7460A	Section 6
7470A	Deleted

The Exchange believes that the relocation of the OATS rules will facilitate the use of the Rulebook by Members⁵ of the Exchange, including BX and Phlx members, and other market participants. Moreover, the proposed changes are of a non-substantive nature and they will not amend the relocated rules, other than to update their numbers as previously detailed.

⁴ See footnote 3.

⁵ Exchange Rule 0120(i).

3. Cross-Reference Updates

In connection with the changes described above, the Exchange proposes to update all internal and external cross-references in the Rulebook that direct the reader to the current placement of the OATS rules and/or any of their subsections. Specifically, the Exchange will update a cross-reference in Nasdaq Rule 5320A to OATS Rule 7440A, which will be renumbered Equity 5, Section 4. Similarly, the Exchange proposes to update the cross-reference in IM-9216 (Violations Appropriate for Disposition Under Plan Pursuant to SEC Rule 19d-1(c)(2)) that currently points to “Rules 6954 and 6955.” Rules 6954 and 6955 were respectively renumbered as OATS Rules 7440A and 7450A in 2012.⁶ This cross-reference will be updated as Equity 5, Sections 4 and 5.

The Exchange also proposes to correct a cross-reference in current OATS Rule 7460A (to be renumbered Equity 5, Section 6) that points to Nasdaq Rule 2110. Rule 2110 (Standards of Commercial Honor and Principles of Trade) was renumbered as Nasdaq Rule 2010A and, therefore, its cross-reference in the Equity 5, Section 6 will be updated accordingly.⁷

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁸ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁹ in particular, in that it is designed to promote just and equitable principles of trade, to remove

⁶ See Securities Exchange Act Release No. 68153 (November 5, 2012), 77 FR 67409 (November 9, 2012) (SR-NASDAQ-2012-124).

⁷ Id.

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

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 promoting efficiency and structural conformity of the Exchange's rules with those of the Affiliated Exchanges and to make the Exchange's Rulebook, in the present case, the OATS rules, easier to read and more accessible to its Members, including BX and Phlx members, and market participants. The Exchange believes that the correction to Equity 5's title, relocation of the OATS rules, and cross-reference updates are of a non-substantive nature.

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 proposed changes do not impose a burden on competition because, as previously stated, they (i) are of a non-substantive nature, (ii) are intended to harmonize the structure of the Exchange's rules with those of its Affiliated Exchanges, and (iii) are intended to organize the Rulebook in a way that it will ease the Members', including BX and Phlx members, and market participants' navigation and reading of the rules.

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

No written comments were either solicited or received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant

to Section 19(b)(3)(A)(iii) of the Act¹⁰ and subparagraph (f)(6) of Rule 19b-4 thereunder.¹¹

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. 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:

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-2019-046 on the subject line.

¹⁰ 15 U.S.C. 78s(b)(3)(A)(iii).

¹¹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Paper comments:

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

All submissions should refer to File Number SR-NASDAQ-2019-046. 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-2019-046 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.¹²

Eduardo A. Aleman
Assistant Secretary

¹² 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Deleted text is [bracketed]. New text is underlined.

The Nasdaq Stock Market Rules

* * * * *

Equity Rules

* * * * *

5320A. Prohibition Against Trading Ahead of Customer Orders

(a) Nasdaq members and persons associated with a member shall comply with FINRA Rule 5320 as if such Rule were part of Nasdaq's rules.

(b) For purposes of this Rule:

(1) references to Rules 4512, 5310, 5320, and 7440 shall be construed as references to Nasdaq Rules 4512A, 5310A, 5320A, and Equity 5, Section 4[7440A], respectively;

(2) – (4) No change.

* * * * *

[7000A. Order Audit Trail Series**7400A. Order Audit Trail System****7410A. Definitions**

For purposes of the Rule 7000A Series:

(a) Terms shall have the same meaning as those defined in the Nasdaq By-Laws and rules, unless otherwise specified.

(b) "Bunched Order" shall mean two or more orders that are aggregated prior to execution.

(c) "Customer" shall mean a person other than a broker or dealer.

(d) "Nasdaq Market Center" shall have the same meaning as the term "Nasdaq Market Center" in Rule 4701(a).

(e) "Electronic Communication Network" shall mean any electronic system that widely disseminates to third parties orders entered therein by an exchange market maker or over-the-counter market maker, and permits such orders to be executed in whole or in part, and as further defined in Rule 600 of SEC Regulation NMS.

- (f) “Electronic Order” shall mean an order captured by a member in an electronic order-routing or execution system.
- (g) “Index Arbitrage Trade” shall have the same meaning as the term “Index Arbitrage” in New York Stock Exchange Rule 7410.
- (h) “Intermarket sweep order” shall have the same meaning as contained in Rule 600 of SEC Regulation NMS.
- (i) “Manual Order” shall mean an order that is captured by a member other than in an electronic order-routing or execution system.
- (j) “Order” shall mean any oral, written, or electronic instruction to effect a transaction in an equity security listed on The Nasdaq Stock Market that is received by a member from another person for handling or execution, or that is originated by a department of a member for execution by the same or another member, other than any such instruction to effect (1) a proprietary transaction originated by a trading desk in the ordinary course of a member’s market making activities in a Nasdaq-listed equity security or (2) effect a bona fide hedge transaction involving a Nasdaq-listed equity security originated by a trading desk in the ordinary course of the member’s options market making activities.
- (k) “Order Audit Trail System” shall mean the automated system owned and operated by FINRA that is designed to capture order information in equity securities listed on The Nasdaq Stock Market reported by members for integration with trade and quotation information to provide FINRA with an accurate time sequenced record of orders and transactions.
- (l) “Program Trade” shall have the same meaning as the term “Program Trading” in New York Stock Exchange Rule 7410.
- (m) “Reporting Agent” shall mean a third party that enters into any agreement with a member pursuant to which the Reporting Agent agrees to fulfill such member’s obligations under Rule 7450A.
- (n) “Reporting Member” shall mean a member that receives or originates an order and has an obligation to record and report information under Rules 7440A and 7450A. A member shall not be considered a Reporting Member in connection with an order, if the following conditions are met:
 - (1) the member engages in a non-discretionary order routing process, pursuant to which it immediately routes, by electronic or other means, all of its orders to:
 - (A) a single receiving Reporting Member; or
 - (B) two receiving Reporting Members, provided:

- (i) orders are routed by the member to each receiving Reporting Member on a predetermined schedule approved by FINRA; and
 - (ii) orders are routed to two receiving Reporting Members pursuant to the schedule for a time period not to exceed one year; and
- (2) the member does not direct and does not maintain control over subsequent routing or execution by the receiving Reporting Member;
 - (3) the receiving Reporting Member records and reports all information required under Rules 7440A and 7450A with respect to the order; and
 - (4) the member has a written agreement with the receiving Reporting Member specifying the respective functions and responsibilities of each party to effect full compliance with the requirements of Rules 7440A and 7450A.
- (o) “Proprietary Trading Firm” shall mean a Nasdaq member that trades its own capital and that does not have “customers,” as that term is defined in paragraph (c) of this Rule, and that is not a FINRA member. The funds used by a Proprietary Trading firm must be exclusively firm funds and all trading must be in the firm’s accounts. Traders must be owners of, employees of, or contractors to the firm.

7420A. Applicability

- (a) Unless otherwise indicated, the requirements of the Rule 7400A Series are in addition to the requirements contained elsewhere in the Nasdaq Rules.
- (b) Unless otherwise indicated, the requirements of the Rule 7400A Series shall apply to all Nasdaq Members and to their associated persons.
- (c) Unless otherwise indicated, the requirements of the Rule 7400A Series shall apply to all executed or unexecuted orders for equity securities listed on Nasdaq.

7430A. Synchronization of Member Business Clocks

- (a) Nasdaq members shall comply with FINRA Rule 4590 as if such Rule were part of Nasdaq’s rules.
- (b) For purposes of this Rule, references to “the FINRA By-Laws or other FINRA rules” shall be construed as references to “the Nasdaq Rules”.

7440A. Recording of Order Information

- (a) Nasdaq members and persons associated with a member shall comply with FINRA Rule 7440 as if such Rule were part of Nasdaq’s rules. Nasdaq and FINRA are parties to the FINRA Regulatory Contract pursuant to which FINRA has agreed to perform certain functions on behalf of Nasdaq. In addition, functions performed by FINRA, FINRA

departments, and FINRA staff under Nasdaq Rule 7440A are being performed by FINRA on behalf of Nasdaq.

(b) For purposes of this Rule:

- (1) references to FINRA Rules 7420 through 7460 shall be construed as references to Nasdaq Rules 7420A through 7460A;
- (2) references to FINRA Rules 5320, 7440, and 7450 shall be construed as references to Nasdaq Rules 5320A, 7440A, and 7450A, respectively.

(c) Nasdaq members shall assign and enter a unique order identifier, in the form prescribed by Nasdaq, to all orders that are electronically transmitted to the Nasdaq Market Center. An order identifier shall not be required for orders that are manually transmitted.

7450A. Order Data Transmission Requirements

(a) Except as provided in paragraph (b), Nasdaq members and persons associated with a member shall comply with FINRA Rule 7450 as if such Rule were part of Nasdaq's rules. Nasdaq and FINRA are parties to the FINRA Regulatory Contract pursuant to which FINRA has agreed to perform certain functions on behalf of Nasdaq. Therefore, Nasdaq members are complying with Nasdaq Rule 7450A by complying with FINRA Rule 7450 as written, including, for example, filing requirements and notifications. In addition, functions performed by FINRA, FINRA departments, and FINRA staff under Nasdaq Rule 7450A are being performed by FINRA on behalf of Nasdaq.

(b) Proprietary Trading Firms and their associated persons shall be required to comply with FINRA Rule 7450 as if such Rule were part of Nasdaq's rules, only when they receive a request from Nasdaq Regulation to submit order information with respect to specific time periods identified in such request. Nothing in this Rule shall be construed to limit the obligations of Proprietary Trading Firms and their associated persons under any other Rule of the 7400A Series, including but not limited to, Rule 7440A.

(c) For purposes of this Rule, references to FINRA Rule 7440 shall be construed as references to Nasdaq Rule 7440A.

7460A. Violation of Order Audit Trail System Rules

Failure of a member or person associated with a member to comply with any of the requirements of Rule 7410A through Rule 7460A may be considered conduct that is inconsistent with high standards of commercial honor and just and equitable principles of trade, in violation of Rule 2110.

7470A. Reserved]

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9200. Disciplinary Proceedings

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IM-9216. Violations Appropriate for Disposition Under Plan Pursuant to SEC Rule 19d-1(c)(2)

- Rules 2210 and 2211 and IM-2210-1, - 2210-4 — Communications with the public.
- Rule 3360 — Failure to timely file reports of short positions on Form NS-1.
- Rule 3110 — Failure to keep and preserve books, accounts, records, memoranda, and correspondence in conformance with all applicable laws, rules, regulations and statements of policy promulgated thereunder, and with the Rules of Nasdaq.
- Rule 8211 — Failure to submit trading data as requested.
- Rule 1013 — Failure to timely submit amendments to Form BD.
- General 4, Section 1.1210.12 — Failure to timely submit amendments to Form U4.
- Rule 1013 — Failure to timely submit amendments to Form U5.
- General 4, Section 1.1240 — Failure to comply with the Firm Element of the continuing education requirements.
- Rule 3010(b) — Failure to timely file reports pursuant to the Taping Rule.
- Rule 3070 — Failure to timely file reports.
- Rule 4619(e) — Failure to timely file notifications pursuant to SEC Regulation M.
- Equity 5, Sections 4 and 5[Rules 6954 and 6955] — Failure to submit data in accordance with the Order Audit Trail System ("OATS").
- Rule 11870 — Failure to abide by Customer Account Transfer Contracts.
- Failure to provide or update contact information as required by Nasdaq Rules.
- Nasdaq Options Market Rules, Chapter X, Section 7 - Penalty for Minor Rule Violations for Options Trading
- SEC Exchange Act Rule 604 — Failure to properly display limit orders.
- SEC Exchange Act Rule 605(b)(5) — Failure to properly update published quotations in certain Electronic Communication Networks ("ECNs").

- SEC Exchange Act Rule 17a-5 — Failure to timely file FOCUS reports and annual audit reports.
- SEC Exchange Act Rule 17a-10 — Failure to timely file Schedule I.

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The Nasdaq Stock Market LLC Rules

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Equity Rules

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Equity 5 Order Audit Trail System[Services]

Section 1. Definitions

For purposes of the Equity 5 Series:

- (a) Terms shall have the same meaning as those defined in the Nasdaq By-Laws and rules, unless otherwise specified.
- (b) “Bunched Order” shall mean two or more orders that are aggregated prior to execution.
- (c) “Customer” shall mean a person other than a broker or dealer.
- (d) “Nasdaq Market Center” shall have the same meaning as the term “Nasdaq Market Center” in Rule 4701(a).
- (e) “Electronic Communication Network” shall mean any electronic system that widely disseminates to third parties orders entered therein by an exchange market maker or over-the-counter market maker, and permits such orders to be executed in whole or in part, and as further defined in Rule 600 of SEC Regulation NMS.
- (f) “Electronic Order” shall mean an order captured by a member in an electronic order-routing or execution system.
- (g) “Index Arbitrage Trade” shall have the same meaning as the term “Index Arbitrage” in New York Stock Exchange Rule 7410.
- (h) “Intermarket sweep order” shall have the same meaning as contained in Rule 600 of SEC Regulation NMS.
- (i) “Manual Order” shall mean an order that is captured by a member other than in an electronic order-routing or execution system.

- (j) “Order” shall mean any oral, written, or electronic instruction to effect a transaction in an equity security listed on The Nasdaq Stock Market that is received by a member from another person for handling or execution, or that is originated by a department of a member for execution by the same or another member, other than any such instruction to effect (1) a proprietary transaction originated by a trading desk in the ordinary course of a member’s market making activities in a Nasdaq-listed equity security or (2) effect a bona fide hedge transaction involving a Nasdaq-listed equity security originated by a trading desk in the ordinary course of the member’s options market making activities.
- (k) “Order Audit Trail System” shall mean the automated system owned and operated by FINRA that is designed to capture order information in equity securities listed on The Nasdaq Stock Market reported by members for integration with trade and quotation information to provide FINRA with an accurate time sequenced record of orders and transactions.
- (l) “Program Trade” shall have the same meaning as the term “Program Trading” in New York Stock Exchange Rule 7410.
- (m) “Reporting Agent” shall mean a third party that enters into any agreement with a member pursuant to which the Reporting Agent agrees to fulfill such member’s obligations under Equity 5, Section 5.
- (n) “Reporting Member” shall mean a member that receives or originates an order and has an obligation to record and report information under Equity 5, Sections 4 and 5. A member shall not be considered a Reporting Member in connection with an order, if the following conditions are met:
- (1) the member engages in a non-discretionary order routing process, pursuant to which it immediately routes, by electronic or other means, all of its orders to:
- (A) a single receiving Reporting Member; or
- (B) two receiving Reporting Members, provided:
- (i) orders are routed by the member to each receiving Reporting Member on a predetermined schedule approved by FINRA; and
- (ii) orders are routed to two receiving Reporting Members pursuant to the schedule for a time period not to exceed one year; and
- (2) the member does not direct and does not maintain control over subsequent routing or execution by the receiving Reporting Member;
- (3) the receiving Reporting Member records and reports all information required under Equity 5, Sections 4 and 5 with respect to the order; and

(4) the member has a written agreement with the receiving Reporting Member specifying the respective functions and responsibilities of each party to effect full compliance with the requirements of Equity 5, Sections 4 and 5.

(o) “Proprietary Trading Firm” shall mean a Nasdaq member that trades its own capital and that does not have “customers,” as that term is defined in paragraph (c) of this Rule, and that is not a FINRA member. The funds used by a Proprietary Trading firm must be exclusively firm funds and all trading must be in the firm’s accounts. Traders must be owners of, employees of, or contractors to the firm.

Section 2. Applicability

(a) Unless otherwise indicated, the requirements of the Equity 5 Series are in addition to the requirements contained elsewhere in the Nasdaq Rules.

(b) Unless otherwise indicated, the requirements of the Equity 5 Series shall apply to all Nasdaq Members and to their associated persons.

(c) Unless otherwise indicated, the requirements of the Equity 5 Series shall apply to all executed or unexecuted orders for equity securities listed on Nasdaq.

Section 3. Synchronization of Member Business Clocks

(a) Nasdaq members shall comply with FINRA Rule 4590 as if such Rule were part of Nasdaq’s rules.

(b) For purposes of this Rule, references to “the FINRA By-Laws or other FINRA rules” shall be construed as references to “the Nasdaq Rules”.

Section 4. Recording of Order Information

(a) Nasdaq members and persons associated with a member shall comply with FINRA Rule 7440 as if such Rule were part of Nasdaq’s rules. Nasdaq and FINRA are parties to the FINRA Regulatory Contract pursuant to which FINRA has agreed to perform certain functions on behalf of Nasdaq. In addition, functions performed by FINRA, FINRA departments, and FINRA staff under Nasdaq Equity 5, Section 4 are being performed by FINRA on behalf of Nasdaq.

(b) For purposes of this Rule:

(1) references to FINRA Rules 7420 through 7460 shall be construed as references to Nasdaq Equity 5, Sections 2 through 6;

(2) references to FINRA Rules 5320, 7440, and 7450 shall be construed as references to Nasdaq Rule 5320A, Nasdaq Equity 5, Section 4, and Nasdaq Equity 5, Section 5, respectively.

(c) Nasdaq members shall assign and enter a unique order identifier, in the form prescribed by Nasdaq, to all orders that are electronically transmitted to the Nasdaq Market Center. An order identifier shall not be required for orders that are manually transmitted.

Section 5. Order Data Transmission Requirements

(a) Except as provided in paragraph (b), Nasdaq members and persons associated with a member shall comply with FINRA Rule 7450 as if such Rule were part of Nasdaq's rules. Nasdaq and FINRA are parties to the FINRA Regulatory Contract pursuant to which FINRA has agreed to perform certain functions on behalf of Nasdaq. Therefore, Nasdaq members are complying with Nasdaq Equity 5, Section 5 by complying with FINRA Rule 7450 as written, including, for example, filing requirements and notifications. In addition, functions performed by FINRA, FINRA departments, and FINRA staff under Nasdaq Equity 5, Section 5 are being performed by FINRA on behalf of Nasdaq.

(b) Proprietary Trading Firms and their associated persons shall be required to comply with FINRA Rule 7450 as if such Rule were part of Nasdaq's rules, only when they receive a request from Nasdaq Regulation to submit order information with respect to specific time periods identified in such request. Nothing in this Rule shall be construed to limit the obligations of Proprietary Trading Firms and their associated persons under any other Rule of the Equity 5 Series, including but not limited to, Equity 5, Section 4.

(c) For purposes of this Rule, references to FINRA Rule 7440 shall be construed as references to Nasdaq Equity 5, Section 4.

Section 6. Violation of Order Audit Trail System Rules

Failure of a member or person associated with a member to comply with any of the requirements of Equity 5, Sections 1 through 6 may be considered conduct that is inconsistent with high standards of commercial honor and just and equitable principles of trade, in violation of Rule 2010A.

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