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

File No. * SR 2025 - * 041

Amendment No. (req. for Amendments *)

Filing by The Nasdaq Stock Market LLC

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

Initial *

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Amendment *

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Withdrawal

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Section 19(b)(2) *

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Section 19(b)(3)(A) *

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Section 19(b)(3)(B) *

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Extension of Time Period for
Commission Action *

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Date Expires *

Rule

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19b-4(f)(1)

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19b-4(f)(4)

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19b-4(f)(2)

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19b-4(f)(5)

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19b-4(f)(3)

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19b-4(f)(6)

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

Section 806(e)(1) *

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Section 806(e)(2) *

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

Section 3C(b)(2) *

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Exhibit 2 Sent As Paper Document

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Exhibit 3 Sent As Paper Document

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Description

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

A proposal to remove the Cabinet Proximity Option program and to amend Nasdaq Rule General 8, Section 1(d).

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 * Marsha

Last Name * Dixon

Title * Associate Vice President, Principal Associate General Counsel Nasdaq, Inc.

E-mail * Marsha.Dixon@Nasdaq.com

Telephone * (301) 978-8183

Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, The Nasdaq Stock Market LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 05/21/2025

(Title *)

By John Zecca

(Name *)

EVP and Chief Legal Officer

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



Date: 2025.05.21
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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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SR-NASDAQ-2025-041 19b-4.docx		

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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SR-NASDAQ-2025-041 Exhibit 1.docx		

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 Advanced 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 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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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.

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Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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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.

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Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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

Exhibit 5 - Proposed Rule Text

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SR-NASDAQ-2025-041 Exhibit 5.docx		

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) 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 remove the Cabinet Proximity Option program and to amend Nasdaq Rule General 8, Section 1(d) accordingly, as described further below. Nasdaq has requested that the Commission waive the operative delay to allow the proposed rule change to become effective on the date of this filing.

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.

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 (the “Board”). 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:

Marsha Dixon-Herbert
Associate Vice President, Principal Associate General Counsel
Nasdaq, Inc.
(301) 978-8183

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

Background

In 2010, Nasdaq established the Cabinet Proximity Option program (the "Program") where, for a monthly fee, customers can obtain an option for future use on available currently-unused cabinet floor space in proximity to their existing equipment.³ The Exchange offers reservations for low, medium, medium/high, high density cabinets and cabinets with power density greater than 10kW under the Program.⁴ Additionally, customers can reserve up to maximum of 20 cabinets which the Exchange endeavors to provide as close as reasonably possible to the customer's existing cabinet space, taking into consideration power availability within segments of the data center and the overall efficiency of use of data center resources as determined by the Exchange. The Program does not guarantee that reserved cabinets will be located in close proximity to a customer's current cabinets. If the reserving customer opts to exercise its reserved data center space, the reserving customer has three business days from the time of the request to formally contract with the Exchange for full payment for the reserved cabinet space in contention or the cabinet space will be reassigned.⁵ While the customer determines when to exercise a reservation, in limited circumstances, the Exchange could require a

³ See Securities Exchange Act Release No. 34-62397 (June 28, 2010), 75 FR 38860 (July 6, 2010) (SR-NASDAQ-2010-019).

⁴ See General 8, Section 1(d). Low density cabinets are cabinets with power densities less than or equal to 2.88 kilowatts ("kW"). Medium density cabinets are cabinets with power densities greater than 2.88 kW and less than or equal to 5 kW. Medium/High density cabinets are cabinets with power densities greater than 5 kW and less than or equal to 7 kW. High density cabinets are cabinets with power densities greater than 7 kW and less than 10 kW. See General 8, Section 1(a).

⁵ Since the inception of the Program, the Exchange has automated this process to enable immediate processing of a customer's reservation, without the 3-day wait.

customer to exercise a reservation. In making determinations to require exercise or relinquishment of reserved space as among numerous customers, the Exchange takes into consideration several factors, including: proximity between available reserved cabinet space and the existing space of a customer seeking additional space for actual cabinet usage; a customer's ratio of cabinets in use to those reserved; the length of time that a particular reservation(s) has been in place; and any other factor that the Exchange deems relevant to ensure overall efficiency in use of the data center space.

The Exchange offers the Cabinet Proximity Option program as a convenience to customers. No firms are required to reserve cabinets via the Program and it is only for those customers that choose to co-locate directly with the Exchange. Participants can avoid reserving cabinets under this program (and the related fee) by (1) co-locating but not reserving space in advance of needing it; (2) ordering cabinet space immediately and paying cabinet fees (without reserving in advance); (3) collocating indirectly through a vendor to defray costs; or (4) not collocating at all.

In response to demand for additional power and cabinets, in September 2024, the Exchange expanded its co-location services by expanding its current data center ("NY11") to offer power and power distribution unit options in the new wing of the Exchange's expanded data center ("NY11-4") in Carteret, NJ. NY11-4 is being constructed with additional cabinet power options that are more consistent with power options used in other data centers across the globe. In addition to equalized connectivity

in NY11-4, the Exchange is undergoing an equalization across its entire data center campus, including its existing NY11 facility (“Equalization Project”).⁶

Historically, customers utilized the Program to ensure they could obtain additional cabinet floor space in proximity to their existing equipment. The Program offers customers the option to reserve up to 20 cabinets and exercise the reservation at any time, without the Exchange’s ability to deny or delay the reservation request and irrespective of the Exchange’s capacity to honor the reservation. With the expansion of NY11-4, and equalization of client connections within and among NY11 and NY11-4, the Exchange believes that it is more efficient to remove the reservation system so that it can better allocate cabinet space for immediate use. Therefore, in an ongoing effort to optimize power management and cabinet space, the Exchange is proposing to retire the Cabinet Proximity Option program. Elimination of the Program will enable the Exchange to only accept immediate orders and unilaterally determine where to place the customer’s cabinet, allowing the Exchange to more effectively manage its capacity planning process while undergoing its data center expansion. Similar to the current Program, the Exchange will not guarantee that cabinets will be located in close proximity to each other. Customers with current cabinet reservations will be given the option to cancel the reservation or convert their reservation to a power order in NY11-4, where the Exchange currently has more power options. If a customer does not choose either option

⁶ The Equalization Project is an ambitious project to equalize telco connectivity across the Exchange’s entire data center campus, including retrofitting equalized cabling and replacing the infrastructure with equidistant connectivity throughout its existing NY11 facility and the NY11-4 expansion. The Exchange estimates that the Project will require 18-24 months to complete, commencing as of the launch of NY11-4. Securities Exchange Act Release No. 34-101078 (Sept. 18, 2024), 89 FR 77937 (Sept. 24, 2024) (SR-NASDAQ-2024-054) (Proposal to expand co-location services).

before the deadline, the customer will forego the option to exercise and all open reservations will be cancelled.⁷

b. 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 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. For many years, customers have been able to reserve additional space in NY11 through the Cabinet Proximity program. Expanding the data center has allowed the Exchange to offer additional cabinet and power options. However, the Exchange does not have an unlimited supply of power and therefore, must manage its power allocation. As a result, in an effort to appropriately administer its power allocation, it is reasonable for the Exchange not to want to provide unlimited reservations with no expiration date, that can be exercised at any time and to want to eliminate the Program now that NY11-4 is available and the Equalization Project is underway, which will ensure that proximity and length of connections will be the same in NY11 and NY11-4.

The proposal would remove impediments and benefit the public interest by enabling the Exchange to have more control over its capacity planning and to efficiently manage the space and power in its data center, thereby ensuring that customers will have

⁷ The Exchange notified its customers and provided May 2 as their deadline to notify the Exchange of whether they would exercise or cancel their existing reservation.

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

sufficient cabinet space when they need it. Customers who have utilized the Program pay for their reserved cabinet spaces in arrears on a month-to-month basis and have not been billed for reservations beyond April 30, 2025. Therefore, customers will have paid for a reservation up to the time of retirement of the Program and no customer is in danger of not receiving a reservation space that they have already paid for. As discussed above, customers with existing cabinet reservations will be given the option to cancel or convert their reservation.

The Exchange also believes that the proposal will not be unfairly discriminatory, consistent with the objectives of Section 6(b)(5) of the Act¹⁰ because the Exchange is terminating the Program for all customers and all customers will continue to maintain the right to request cabinet space for immediate use.

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. Nothing in the proposal imposes any burden on the ability of other exchanges to compete. The Exchange operates in a highly competitive market in which exchanges and other vendors offer co-location services as a means to facilitate the trading and other market activities of those market participants who believe that colocation enhances the efficiency of their operations. By eliminating cabinet reservations, the Exchange would align itself with other exchanges that do not offer a similar program.¹¹ Additionally, there

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ See e.g., Connectivity Fee Schedule for New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE National, Inc. and NYSE Texas, Inc., available at https://www.nyse.com/publicdocs/nyse/Wireless_Connectivity_Fees_and_Charges.pdf. These exchanges do not offer a cabinet reservation program.

is no burden to intra-market competition because the program is being terminated for all customers and the Exchange has provided all customers the option to cancel the reservation or convert their reservation to a power order in NY11-4 on a non-discriminatory basis. Use of any co-location service is completely voluntary, and each market participant can determine whether to use co-location services based on the requirements of its business operations.

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)¹² of the Act and Rule 19b-4(f)(6) thereunder¹³ 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 believes that the proposed rule change would not significantly affect the protection of investors or the public interest. The proposal would benefit the

¹² 15 U.S.C. 78s(b)(3)(A)(iii).

¹³ 17 CFR 240.19b-4(f)(6).

public interest by enabling the Exchange to have more control over its capacity planning and to efficiently manage the space and power provided to its customers, thereby allowing the Exchange to meet customer needs. As discussed above, with the expansion of NY11-4, and equalization of client connections within and among NY11 and NY11-4, the Exchange believes that it is more efficient to remove the reservation system so that it can better allocate cabinet space for immediate use. Customers that wish to order cabinets and power can continue to do so on a non-discriminatory basis.

Furthermore, Rule 19b-4(f)(6)(iii)¹⁴ 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.

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.

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) to allow the Exchange to

¹⁴ 17 CFR 240.19b-4(f)(6)(iii).

terminate the Cabinet Proximity Option program on the date of this filing. Customers will not be disadvantaged by this termination date because the Exchange has already provided all its customers with notice of the Program's termination and an opportunity to exercise their existing reservation(s) by May 2, 2025. The date has passed for customers to respond with whether to terminate or exercise their reservation. Therefore, waving the operative delay will not affect any customer or the Program and will not impose any significant burden on competition. Additionally, no customers have been billed for reservations beyond April 30, 2025, because the Exchange charges for the program on a month-to-month basis and customers are billed in arrears. Further, customers are not precluded from ordering cabinet space immediately and paying cabinet fees. Therefore, the Exchange does not believe there is any benefit to customers to extend the reservation service for an additional month when it intends on termination the Program.

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-2025-041)

May __, 2025

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Remove the Cabinet Proximity Option Program

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on May 21, 2025 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 remove the Cabinet Proximity Option program and to amend Nasdaq Rule General 8, Section 1(d) accordingly, as described further below.

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings>, 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

In 2010, Nasdaq established the Cabinet Proximity Option program (the "Program") where, for a monthly fee, customers can obtain an option for future use on available currently-unused cabinet floor space in proximity to their existing equipment.³ The Exchange offers reservations for low, medium, medium/high, high density cabinets and cabinets with power density greater than 10kW under the Program.⁴ Additionally, customers can reserve up to maximum of 20 cabinets which the Exchange endeavors to provide as close as reasonably possible to the customer's existing cabinet space, taking into consideration power availability within segments of the data center and the overall efficiency of use of data center resources as determined by the Exchange. The Program does not guarantee that reserved cabinets will be located in close proximity to a

³ See Securities Exchange Act Release No. 34-62397 (June 28, 2010), 75 FR 38860 (July 6, 2010) (SR- NASDAQ-2010-019).

⁴ See General 8, Section 1(d). Low density cabinets are cabinets with power densities less than or equal to 2.88 kilowatts ("kW"). Medium density cabinets are cabinets with power densities greater than 2.88 kW and less than or equal to 5 kW. Medium/High density cabinets are cabinets with power densities greater than 5 kW and less than or equal to 7 kW. High density cabinets are cabinets with power densities greater than 7 kW and less than 10 kW. See General 8, Section 1(a).

customer's current cabinets. If the reserving customer opts to exercise its reserved data center space, the reserving customer has three business days from the time of the request to formally contract with the Exchange for full payment for the reserved cabinet space in contention or the cabinet space will be reassigned.⁵ While the customer determines when to exercise a reservation, in limited circumstances, the Exchange could require a customer to exercise a reservation. In making determinations to require exercise or relinquishment of reserved space as among numerous customers, the Exchange takes into consideration several factors, including: proximity between available reserved cabinet space and the existing space of a customer seeking additional space for actual cabinet usage; a customer's ratio of cabinets in use to those reserved; the length of time that a particular reservation(s) has been in place; and any other factor that the Exchange deems relevant to ensure overall efficiency in use of the data center space.

The Exchange offers the Cabinet Proximity Option program as a convenience to customers. No firms are required to reserve cabinets via the Program and it is only for those customers that choose to co-locate directly with the Exchange. Participants can avoid reserving cabinets under this program (and the related fee) by (1) co-locating but not reserving space in advance of needing it; (2) ordering cabinet space immediately and paying cabinet fees (without reserving in advance); (3) collocating indirectly through a vendor to defray costs; or (4) not collocating at all.

In response to demand for additional power and cabinets, in September 2024, the Exchange expanded its co-location services by expanding its current data center

⁵ Since the inception of the Program, the Exchange has automated this process to enable immediate processing of a customer's reservation, without the 3-day wait.

(“NY11”) to offer power and power distribution unit options in the new wing of the Exchange’s expanded data center (“NY11-4”) in Carteret, NJ. NY11-4 is being constructed with additional cabinet power options that are more consistent with power options used in other data centers across the globe. In addition to equalized connectivity in NY11-4, the Exchange is undergoing an equalization across its entire data center campus, including its existing NY11 facility (“Equalization Project”).⁶

Historically, customers utilized the Program to ensure they could obtain additional cabinet floor space in proximity to their existing equipment. The Program offers customers the option to reserve up to 20 cabinets and exercise the reservation at any time, without the Exchange’s ability to deny or delay the reservation request and irrespective of the Exchange’s capacity to honor the reservation. With the expansion of NY11-4, and equalization of client connections within and among NY11 and NY11-4, the Exchange believes that it is more efficient to remove the reservation system so that it can better allocate cabinet space for immediate use. Therefore, in an ongoing effort to optimize power management and cabinet space, the Exchange is proposing to retire the Cabinet Proximity Option program. Elimination of the Program will enable the Exchange to only accept immediate orders and unilaterally determine where to place the customer’s cabinet, allowing the Exchange to more effectively manage its capacity planning process while undergoing its data center expansion. Similar to the current

⁶ The Equalization Project is an ambitious project to equalize telco connectivity across the Exchange’s entire data center campus, including retrofitting equalized cabling and replacing the infrastructure with equidistant connectivity throughout its existing NY11 facility and the NY11-4 expansion. The Exchange estimates that the Project will require 18-24 months to complete, commencing as of the launch of NY11-4. Securities Exchange Act Release No. 34-101078 (Sept. 18, 2024), 89 FR 77937 (Sept. 24, 2024) (SR-NASDAQ-2024-054) (Proposal to expand co-location services).

Program, the Exchange will not guarantee that cabinets will be located in close proximity to each other. Customers with current cabinet reservations will be given the option to cancel the reservation or convert their reservation to a power order in NY11-4, where the Exchange currently has more power options. If a customer does not choose either option before the deadline, the customer will forego the option to exercise and all open reservations will be cancelled.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 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. For many years, customers have been able to reserve additional space in NY11 through the Cabinet Proximity program. Expanding the data center has allowed the Exchange to offer additional cabinet and power options. However, the Exchange does not have an unlimited supply of power and therefore, must manage its power allocation. As a result, in an effort to appropriately administer its power allocation, it is reasonable for the Exchange not to want to provide unlimited reservations with no expiration date, that can be exercised at any time and to want to eliminate the Program now that NY11-4 is

⁷ The Exchange notified its customers and provided May 2 as their deadline to notify the Exchange of whether they would exercise or cancel their existing reservation.

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

available and the Equalization Project is underway, which will ensure that proximity and length of connections will be the same in NY11 and NY11-4.

The proposal would remove impediments and benefit the public interest by enabling the Exchange to have more control over its capacity planning and to efficiently manage the space and power in its data center, thereby ensuring that customers will have sufficient cabinet space when they need it. Customers who have utilized the Program pay for their reserved cabinet spaces in arrears on a month-to-month basis and have not been billed for reservations beyond April 30, 2025. Therefore, customers will have paid for a reservation up to the time of retirement of the Program and no customer is in danger of not receiving a reservation space that they have already paid for. As discussed above, customers with existing cabinet reservations will be given the option to cancel or convert their reservation.

The Exchange also believes that the proposal will not be unfairly discriminatory, consistent with the objectives of Section 6(b)(5) of the Act¹⁰ because the Exchange is terminating the Program for all customers and all customers will continue to maintain the right to request cabinet space for immediate use.

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. Nothing in the proposal imposes any burden on the ability of other exchanges to compete. The Exchange operates in a highly competitive market in which exchanges and other vendors offer co-location services as a means to facilitate the trading and other

¹⁰ 15 U.S.C. 78f(b)(5).

market activities of those market participants who believe that colocation enhances the efficiency of their operations. By eliminating cabinet reservations, the Exchange would align itself with other exchanges that do not offer a similar program.¹¹ Additionally, there is no burden to intra-market competition because the program is being terminated for all customers and the Exchange has provided all customers the option to cancel the reservation or convert their reservation to a power order in NY11-4 on a non-discriminatory basis. Use of any co-location service is completely voluntary, and each market participant can determine whether to use co-location services based on the requirements of its business operations

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 Act¹² and subparagraph (f)(6) of Rule 19b-4 thereunder.¹³

¹¹ See e.g., Connectivity Fee Schedule for New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE National, Inc. and NYSE Texas, Inc., available at https://www.nyse.com/publicdocs/nyse/Wireless_Connectivity_Fees_and_Charges.pdf. These exchanges do not offer a cabinet reservation program.

¹² 15 U.S.C. 78s(b)(3)(A)(iii).

¹³ 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

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.

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) to allow the Exchange to terminate the Cabinet Proximity Option program on the date of this filing. Customers will not be disadvantaged by this termination date because the Exchange has already provided all its customers with notice of the Program's termination and an opportunity to exercise their existing reservation(s) by May 2, 2025. The date has passed for customers to respond with whether to terminate or exercise their reservation. Therefore, waving the operative delay will not affect any customer or the Program and will not impose any significant burden on competition. Additionally, no customers have been billed for reservations beyond April 30, 2025, because the Exchange charges for the program on a month-to-month basis and customers are billed in arrears. Further, customers are not precluded from ordering cabinet space immediately and paying cabinet fees. Therefore,

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.

the Exchange does not believe there is any benefit to customers to extend the reservation service for an additional month when it intends on termination the Program.

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-NASDAQ-2025-041 on the subject line.

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-2025-041. This file number should be included on the subject line if email 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 website (<https://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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NASDAQ-2025-041 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Sherry R. Haywood,

Assistant Secretary.

¹⁴ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

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

THE NASDAQ STOCK MARKET LLC RULES**GENERAL 8 CONNECTIVITY****Section 1. Co-Location Services**

The following charges are assessed for co-location services: ¹

(a) – (c) No change.

(d) Additional Charges/Services

Additional Items

Description	Installation Fee	Ongoing Monthly Fee
Cooling (Door) Fans	\$1,650	\$0
Perforated Floor Tiles	\$275	\$0
Cabinet Extension	\$550	\$0
Super High Density Cabinet Kit	\$4,950	\$0
Additional Cabinet Shelves	\$220	\$0
Single Master Key Locks	\$192.50	\$0
Cable Downspouts	\$825	\$0
Cabinet Caging	Installation Specific	\$3,300
Custom Installation	Installation Specific	\$0
Cabinet Equipment Storage	\$0	\$550
Copper Patch Cords	\$4.95 +\$0.55 per foot	\$0
Fiber Patch Cords - Multi-mode	\$22 +\$1.65 per meter	\$0
Fiber Patch Cords - Single-mode	\$26.40 +\$0.825 per meter	\$0
Twinax Patch Cords	\$37.40 +\$11.00 per meter	\$0

Power Cords - 5-15P to C13 - 2 to 4 feet	\$5.50	\$0
Power Cords - C14 to C19 - 2 to 4 feet	\$11	\$0
PDU – Phase 1*	\$4,100	\$0
PDU – Phase 3*	\$5,260	\$0
Switch Monitored PDU Add On*	\$2,000	\$0
Equipment Storage	\$0	\$110
Internet Bandwidth - 1Mb	\$0	\$330
Internet Bandwidth - 2Mb	\$0	\$550
Internet Bandwidth - 3Mb	\$0	\$770
Internet Bandwidth - 4Mb	\$0	\$990
Internet Bandwidth - 5Mb	\$0	\$1,210
GPS Antenna - Shared	\$900	\$600
GPS Antenna - Dedicated	\$1,500	\$600
[Cabinet Proximity Option Fee]	[\$0]	[\$1,100 per medium or low density cabinet, or \$1,650 per medium/high or high density cabinet or \$3,000 per cabinet with power density >10kW]

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