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SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-84684; File No. SR-NASDAQ-2018-098)

November 29, 2018

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Relocate the Exchange's Pricing Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on November 19, 2018, 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 and II, 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) relocate its current Rule 7000 Series ("Equities Pricing"), entitled "Charges for Membership, Services, and Equipment," and The Nasdaq Options Market LLC's ("NOM") rules at Chapter XV ("Options Pricing"; together, "Equities and Options Pricing") to the Exchange's rulebook's ("Rulebook") shell structure<sup>3</sup>; (b) make conforming cross-reference changes throughout the Rulebook; and (c) amend the Equity 4's title in the shell structure.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 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, The Nasdaq Stock Market LLC; Nasdaq PHLX LLC; Nasdaq ISE, LLC; Nasdaq GEMX, LLC; and Nasdaq MRX, LLC ("Affiliated Exchanges"). See Securities Exchange Act Release No. 82174 (November 29, 2017), 82 FR 57492 (December 5, 2017) (SR-BX-2017-054).

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) relocate the Equities and Options Pricing rules, currently under the Equities Rule 7000 Series and Options Chapter XV of the NOM rules, into the Rulebook's shell structure, respectively, under Equity 7 and Options 7 (both named "Pricing Schedule"); (b) make conforming cross-reference changes throughout the Rulebook; and (c) amend the Equity 4's title, "Equity Listing Rules," in the shell structure, as detailed below.

(a) Relocation of the Pricing Rules

The Exchange, as part of its continued effort to promote efficiency and the conformity of its processes with those of the Affiliated Exchanges,<sup>4</sup> and the goal of harmonizing and uniformizing its rules, proposes to relocate the Equities Pricing rules, currently under the Rule 7000 Series, into Equity 7, Pricing Schedule, of the shell structure. Specifically, the Exchange

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<sup>4</sup> See footnote 3.

will add the word “Section” and renumber the Equities Pricing rules as detailed in the table below:

| 7000 Series | Equity 7         |
|-------------|------------------|
| 7000        | Section 1        |
| 7001        | Section 10       |
| 7002        | Section 20       |
| 7003        | Section 30       |
| 7007        | Section 70       |
| 7010        | Section 100      |
| 7011        | Section 111      |
| 7012        | Section 112      |
| 7013        | Section 113      |
| 7014        | Section 114      |
| 7015        | Section 115      |
| 7016        | Section 116      |
| 7017        | Section 117      |
| 7018        | Section 118      |
| 7019        | Section 119      |
| 7020        | Section 120      |
| 7021        | Section 121      |
| 7022        | Section 122      |
| 7023        | Section 123      |
| IM-7023-1   | Section 123-IM-1 |
| 7024        | Section 124      |
| 7025        | Section 125      |
| 7026        | Section 126      |
| IM-7026-1   | Section 126-IM-1 |
| 7027        | Section 127      |
| 7028        | Section 128      |
| 7029        | Section 129      |
| 7030        | Section 130      |
| 7031        | Section 131      |
| 7032        | Section 132      |
| 7033        | Section 133      |
| 7034        | Section 134      |
| 7035        | Section 135      |
| 7036        | Section 136      |
| 7037        | Section 137      |

| <b>7000 Series</b> | <b>Equity 7</b>  |
|--------------------|------------------|
| IM-7037-1          | Section 137-IM-1 |
| 7038               | Section 138      |
| 7039               | Section 139      |
| IM-7039-1          | Section 139-IM-1 |
| 7040               | Section 140      |
| 7041               | Section 141      |
| 7042               | Section 142      |
| 7043               | Section 143      |
| 7044               | Section 144      |
| 7045               | Section 145      |
| 7046               | Section 146      |
| 7047               | Section 147      |
| IM-7047-1          | Section 147-IM-1 |
| 7048               | Section 148      |
| 7049               | Section 149      |
| 7050               | Section 150      |
| 7051               | Section 151      |
| 7052               | Section 152      |
| 7053               | Section 153      |
| 7054               | Section 154      |
| 7055               | Section 155      |
| 7056               | Section 156      |
| 7057               | Section 157      |
| IM-7057-1          | Section 157-IM-1 |
| 7058               | Section 158      |
| 7059               | Section 159      |
| 7060               | Section 160      |
| 7061               | Section 161      |
| 7100               | Section 200      |

The Exchange will also relocate the Options Pricing rules, currently under Chapter XV of the NOM rules, into Options 7, Pricing Schedule, of the shell structure. No renumbering of the Options Pricing rules will be necessary other than replacing the abbreviated word “Sec.” with the full word “Section.”

The Exchange believes that the relocation of the Equities and Options Pricing rules will facilitate the use of the Rulebook by Members<sup>5</sup> of the Exchange, including those who are members of other Affiliated Exchanges, 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.

(b) Cross-Reference Updates

In connection with the changes described above, the Exchange proposes to update all cross-references in the Rulebook that direct the reader to the current placement of the Equities and Options Pricing rules and/or any of their subsections. Specifically, the Exchange will update the cross-references in Nasdaq Rules 1002(c)(1), IM-5220, and 8320(a)(1). Moreover, for consistency with the current title of General 8, Section 2 (“Direct Connectivity”), the Exchange proposes to update the description provided under Rule 7007(a) (to be relocated under Equity 7, Section 70(a)) by removing the text “to Nasdaq”.

(c) Amendment of the Equity 4’s Title

Finally, the Exchange will amend Equity 4’s title in the shell structure, currently “Equity Listing Rules,” and replace it with the word “Reserved,” since no rules will be placed in this section of the shell structure.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>7</sup> in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect

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<sup>5</sup> Exchange Rule 0120(i).

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(5).

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 processes with those of the Affiliated Exchanges and to make the Exchange's Rulebook easier to read and more accessible to its Members and market participants. The Exchange believes that the relocation of the Equities and Options Pricing rules, cross-reference updates, and the amendment to the Equity 4's title 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' 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 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 if consistent with the protection of investors and the public interest,

the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>8</sup> and Rule 19b-4(f)(6)(iii) thereunder.<sup>9</sup>

The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange states that waiver of the 30-day operative delay will allow it to promptly relocate the Pricing Schedule rules and continue to reorganize its Rulebook as already done in previous filings. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest, as it would allow the Exchange, without delay, to reorganize its Rulebook in a manner that improves accessibility, readability and structural consistency with the rules of its Affiliated Exchanges. For this reason, the Commission designates the proposed rule change to be operative upon filing.<sup>10</sup>

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.

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<sup>8</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>9</sup> 17 CFR 240.19b-4(f)(6)(iii). As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of 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.

<sup>10</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

#### 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](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2018-098 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-2018-098. 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 website (<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.

Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NASDAQ-2018-098, 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.<sup>11</sup>

Eduardo A. Aleman  
Assistant Secretary

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<sup>11</sup> 17 CFR 200.30-3(a)(12).

