



## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-97870; File No. SR-NASDAQ-2023-018]

### **Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend NOM Options 3 Rules**

July 10, 2023.

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 June 27, 2023, The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend The Nasdaq Options Market LLC (“NOM”) Rules at Options 3, Options Trading Rules, at: Section 4 Entry and Display of Quotes; Section 5, Entry and Display of Orders; Section 7, Types of Orders and Order and Quote Protocols; and Section 15, Risk Protections. The Exchange also proposes to amend Options 5, Section 4, Order Routing.

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

---

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

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

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

NOM proposes to amend Options 3, Options Trading Rules, at: Section 4 Entry and Display of Quotes; Section 5, Entry and Display of Orders; Section 7, Types of Orders and Order and Quote Protocols; and Section 15, Risk Protections. The Exchange also proposes to amend Options 5, Section 4, Order Routing. Each change will be discussed below. The amendments proposed herein seek to codify the current System functionality. The proposed amendments will not result in System changes.

Option 3, Sections 4 and 5

The Exchange proposes to codify existing functionality that allows Market Makers to submit their quotes to the Exchange in block quantities as a single bulk message. In other words, a Market Maker may submit a single message to the Exchange, which may contain bids and offers in multiple series. The Exchange’s current rules do not specify bulk messaging for orders. The Exchange has historically provided Market Makers with information regarding bulk messaging in its publicly available technical specifications.<sup>3</sup> To promote greater transparency, the Exchange is seeking to codify this functionality in its Rulebook. Specifically, the Exchange proposes to amend NOM Options 3, Section 4(b)(3) to memorialize that quotes may be submitted as a bulk message. The Exchange also proposes to add a definition of “bulk message” in new subparagraph (i) of Options 3, Section 4(b)(3), which will provide that a bulk message

---

<sup>3</sup> See [https://www.nasdaq.com/docs/2023/01/12/0054-Q23\\_SQF\\_8.2b%20akg\\_NAM.pdf](https://www.nasdaq.com/docs/2023/01/12/0054-Q23_SQF_8.2b%20akg_NAM.pdf) (specifying for bulk quoting of up to 200 quotes per quote block message). The specifications note in other places the manner in which a Participant can send such quote block messages.

means a single electronic message submitted by a Market Maker to the Exchange which may contain a specified number of quotations as designated by the Exchange.<sup>4</sup> The bulk message, submitted via SQF,<sup>5</sup> may enter, modify, or cancel quotes. Bulk messages are handled by the System in the same manner as it handles a single quote message. MRX recently added bulk messages to MRX Options 3, Section 4(b)(3).<sup>6</sup> The proposed amendment to the Rulebook to add NOM Options 3, Section 4(b)(3) will not result in a System change.

The Exchange also proposes to amend NOM Options 3, Section 4(b)(6) to provide the following,

A quote will not be executed at a price that trades through another market or displayed at a price that would lock or cross another market. If, at the time of entry, a quote would cause a locked or crossed market violation or would cause a trade-through, violation, it will be re-priced to the current national best offer (for bids) or the current national best bid (for offers) *as non-displayed*, and displayed at one minimum price variance above (for offers) or below (for bids) the national best price.

Where a quote is re-priced to avoid a locked or crossed market, the best bid or offer will be non-displayed and the re-priced order will be displayed at a price that is one minimum trading increment inferior to the ABBO. A similar change is proposed for Options 3, Section 5(d). MRX recently amended Options 3, Section 4(b)(6) and Options 3, Section 5(d) to include this language.<sup>7</sup> At this time, the Exchange proposes to amend NOM's rule text to reflect that the

---

<sup>4</sup> Id. As noted above, quote bulk messages can presently contain up to 200 quotes per message. This is the maximum amount that is permitted in a bulk message. The Exchange would announce any change to these specifications in an Options Technical Update distributed to all Participants.

<sup>5</sup> "Specialized Quote Feed" or "SQF" is an interface that allows Market Makers to connect, send, and receive messages related to quotes and Immediate-or-Cancel Orders into and from the Exchange. Features include the following: (1) options symbol directory messages (e.g., underlying instruments); (2) system event messages (e.g., start of trading hours messages and start of opening); (3) trading action messages (e.g., halts and resumes); (4) execution messages; (5) quote messages; (6) Immediate-or-Cancel Order messages; (7) risk protection triggers and purge notifications; and (8) opening imbalance messages. The SQF Purge Interface only receives and notifies of purge requests from the Market Maker. Market Makers may only enter interest into SQF in their assigned options series. See Options 3, Section 7(e)(1)(B).

<sup>6</sup> See Securities Exchange Act, Release No. 95982 (October 4, 2022), 87 FR 61391 (October 11, 2022) (SR-MRX-2022-18) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Its Rules in Connection With a Technology Migration to Enhanced Nasdaq Functionality) ("SR-MRX-2022-18").

<sup>7</sup> See Securities Exchange Act, Release No. 95807 (September 16, 2022), 87 FR 57933 (September 22, 2022) (SR-MRX-2022-16) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To

actual price remains non-displayed in this scenario. The proposed amendment to the Rulebook to add NOM Options 3, Section 4(b)(6) will not result in a System change.

Similarly, the Exchange proposes to add a new NOM Options 3, Section 4(b)(7) to clarify that, today, NOM's System will automatically execute eligible quotes using the Exchange's displayed best bid and offer ("BBO") or the Exchange's non-displayed order book ("internal BBO")<sup>8</sup> if the best bid and/or offer on the Exchange has been repriced pursuant to Options 3, Section 5(d) and Options 3, Section 4(b)(6). This rule text seeks to codify the current System function and make clear that the internal BBO is comprised of both orders and quotes.<sup>9</sup> MRX recently amended Options 3, Section 4(b)(7) to include the same language.<sup>10</sup> At this time, the Exchange proposes to align NOM's rule text in Options 3, Section 4(b)(7) to MRX's rule text in Options 3, Section 4(b)(7). The proposed amendment to the Rulebook to add NOM Options 3, Section 4(b)(7) will not result in a System change.

Finally, the Exchange proposes to amend NOM Options 3, Section 5(c) to include a citation to Options 3, Section 4(b)(6) as the internal BBO is comprised of both orders and quotes, similar to MRX.<sup>11</sup>

The amendments proposed to Options 3, Sections 4 and 5 do not change the current System functionality.

#### Options 3, Section 7

The Exchange proposes to amend the "Post-Only Order type at Options 3, Section 7(a)(9) to rename the order type "Add Liquidity Order". The Exchange believes the name better

---

Amend Certain Rules in Connection With a Technology Migration to Enhanced Nasdaq Functionality ("SR-MRX-2022-16").

<sup>8</sup> The internal BBO refers to the Exchange's non-displayed book.

<sup>9</sup> The Exchange also proposes to re-number current Options 3, Section 4(b)(7) as (8).

<sup>10</sup> See SR-MRX-2022-16.

<sup>11</sup> Id.

describes this order type. This is also the name of a similar order type on MRX.<sup>12</sup> The Exchange also proposes to capitalize the term “Opening Process” which refers to NOM Options 3, Section 8.

The Exchange proposes to amend the description of Specialized Quote Feed or “SQF” within NOM Options 3, Section 7(e)(1)(B) to add rule text which states, “Immediate-or-Cancel Orders entered into SQF are not subject to the Order Price Protection, Market Order Spread Protection, or Size Limitation Protection in Options 3, Section 15(a)(1), (a)(2), and (b)(2) respectively.” This rule text is currently noted within Options 3, Section 7(b)(2) above. The Exchange is adding the same language into the description of SQF to provide a more complete description. The addition of this information would align the level of information of NOM’s rule text to NOM’s rule text at Supplementary Material .03(c) to Options 3, Section 7. The Exchange is proposing a similar amendment to Options 3, Section 7(e)(1)(D) regarding Quote Using Orders or “QUO”<sup>13</sup> to state that, “Orders entered into QUO are not subject to the Order Price Protection or Size Limitation in Options 3, Section 15(a)(1) and (b)(2), respectively.” All orders entered into QUO are not subject to the Order Price Protection or Size Limitation protections, not Immediate-or-Cancel Orders. Also, the Market Order Spread Protection is not applicable to QUO because QUO cannot be utilized to send Market Orders to the Exchange, only FIX may be utilized to send Market Orders. The proposed amendment to NOM Options 3, Section 7(e)(1)(B) and (D) will not result in System changes.

### Options 3, Section 15

---

<sup>12</sup> See MRX Options 7, Section 7(n).

<sup>13</sup> “Quote Using Orders” or “QUO” is an interface that allows Market Makers to connect, send, and receive messages related to single-sided orders to and from the Exchange. Order Features include the following: (1) options symbol directory messages (e.g., underlying); (2) system event messages (e.g., start of trading hours messages and start of opening); (3) trading action messages (e.g., halts and resumes); (4) execution messages; (5) order messages; and (6) risk protection triggers and cancel notifications. Orders submitted by Market Makers over this interface are treated as quotes. Market Makers may only enter interest into QUO in their assigned options series.

MRX recently amended its Order Price Protection (“OPP”)<sup>14</sup> rule.<sup>15</sup> MRX’s OPP rule utilized different rule text to explain the OPP functionality than is currently on NOM. At this time, the Exchange proposes to amend NOM Options 3, Section 15(a)(1) to align NOM’s rule text to MRX’s rule text within Options 3, Section 15(a)(1)(A). Specifically, the Exchange proposes to remove the references to “day limit, good til cancelled, and immediate or cancel orders” and, instead, simply refer to “Limit” Orders as that order type accurately captures the scope of the orders subject to OPP. Further, the Exchange proposes to remove “market orders” from the next sentence since OPP only applies to limit orders. The Exchange also proposes to capitalize “Opening” and add Process in Options 2, Section 15(a)(1)(A) to refer to the Opening Process within Options 3, Section 8. The proposed amendment to Options 3, Section 15(a)(1) will not result in a System change.

Additionally, the Exchange proposes to amend its Acceptable Trade Range (“ATR”) Rule within NOM Options 3, Section 15(b)(1).<sup>16</sup> MRX recently amended its ATR rule.<sup>17</sup> MRX’s ATR rule utilized different rule text to explain the ATR functionality. At this time, the Exchange proposes to amend Options 3, Section 15(b)(1)(A) to add the word “quote” in that same sentence, where it was omitted and also add the words “after the Posting Period” to explain when a new ATR would be calculated to provide more context to the rule.<sup>18</sup>

Additionally, similar to MRX Options 3, Section 15(a)(2)(A)(v) the Exchange proposes to add the following rule text within NOM Options 3, Section 15(b)(1)(C),

There will be three categories of options for Acceptable Trade Range: (1) Penny Interval Program Options trading in one cent increments for options trading at less than \$3.00 and increments of five cents for options trading at \$3.00 or more, (2) Penny Interval Program Options trading in one-cent increments for all prices, and (3) Non-Penny Interval Program Options.

---

<sup>14</sup> OPP prevents the execution of Limit Orders at prices outside pre-set parameters.

<sup>15</sup> See SR-MRX-2022-18.

<sup>16</sup> ATR is designed to guard against the System from experiencing dramatic price swings by preventing the immediate execution of quotes and orders beyond the thresholds set by the protection.

<sup>17</sup> See SR-MRX-2022-16.

<sup>18</sup> The Exchange also proposes technical amendments to capitalize “the” and add opening parentheses in two places.

This is how NOM operates today. This rule text makes clear the application of NOM Options 3, Section 3 to the ATR rule by explicitly stating the Exchange’s ability to set different ATR values by options category. These ATR values are set forth in NOM’s System Settings document which is posted online.<sup>19</sup> The Exchange believes this rule text will add greater clarity to the ATR rule. The proposed amendment to Options 3, Section 15(b)(1) will not result in a System change.

The Exchange proposes to capitalize the words “opening process” at the end of Options 3, Section 15(c)(1) which refers to the Anti-Internalization functionality. The term refers to the process within Options 3, Section 8.

The Exchange proposes to add the words “or quote” to Options 3, Section 15(c)(3) which refers to the Post-Only Quoting Protection. The paragraph refers to order or quote throughout and was mistakenly omitted in one sentence.

#### Options 5, Section 4

Options 5, Section 4 describes the manner in which NOM routes orders. The Exchange proposes to amend NOM Options 5, Section 4(a) to eliminate the following rule text,

The term “System routing table” refers to the proprietary process for determining the specific trading venues to which the System routes orders and the order in which it routes them. The Exchange reserves the right to maintain a different System routing table for different routing options and to modify the System routing table at any time without notice.

When ISE filed to amend its routing rules, it did not include this sentence.<sup>20</sup> At this time, the Exchange proposes to remove this unnecessary term that is not utilized elsewhere within Options 5, Section 4. Removing this rule text will harmonize NOM’s Options 5, Section 4 rule with ISE’s Options 5, Section 4(e). The proposed amendment to Options 5, Section 4(a) will not result in a System change.

---

<sup>19</sup> <https://www.nasdaq.com/docs/BXOptionsSystemSettings>.

<sup>20</sup> See Securities Exchange Act Release No. 94894 (May 18, 2022), 87 FR 30294 (May 12, 2022) (SR-ISE-2022-11) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Routing Functionality in Connection With a Technology Migration).

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>21</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>22</sup> 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.

### Option 3, Sections 4 and 5

The Exchange believes that its proposal to memorialize its bulk message functionality within Options 3, Section 4(b)(3) is consistent with the Act as it will codify existing functionality, thereby promoting transparency in the Exchange's rules and reducing any potential confusion.<sup>23</sup> This functionality provides Market Makers with an additional tool to meet their various quoting obligations in a manner they deem appropriate, consistent with the purpose of the bulk message functionality to facilitate Market Makers' provision of liquidity. By providing Market Makers with additional control over the quotes they use to provide liquidity to the Exchange, this tool may benefit all investors through additional execution opportunities at potentially improved prices. Today, MRX offers this same functionality within Options 3, Section 4(b)(3). Further, the Exchange does not believe that the offering the bulk message functionality to only Market Makers would permit unfair discrimination. Market Makers play a unique and critical role in the options market by providing liquidity and active markets, and are subject to various quoting obligations which other market participants are not, including obligations to maintain active markets, update quotes in response to changed market conditions, to compete with other Market Makers in its appointed classes, and to provide intra-day quotes in

---

<sup>21</sup> 15 U.S.C. 78f(b).

<sup>22</sup> 15 U.S.C. 78f(b)(5).

<sup>23</sup> As discussed above, this existing functionality is currently described in the Exchange's publicly available technical specifications. See supra note 3.

its appointed classes.<sup>24</sup> Bulk message functionality provides Market Makers with a means to help them satisfy these obligations. The proposed amendment to the Rulebook to add NOM Options 3, Section 4(b)(3) will not result in a System change.

The Exchange's proposal to amend Options 3, Section 4(b)(6) to make clear that the actual price remains non-displayed during re-pricing is consistent with the Act and removes impediments to and perfects the mechanism of a free and open market and a national market system because it displays a re-priced order that does not lock or cross an away market. The rule text clearly explains that the best bid or offer will be non-displayed and the re-priced order will be displayed. A similar change is proposed for NOM Options 3, Section 5(d). MRX recently amended Options 3, Section 4(b)(6) and Options 3, Section 5(d) to include the same language.<sup>25</sup> The proposed change aligns NOM's rule text to MRX's rule text. The proposed amendment to the Rulebook to add NOM Options 3, Section 4(b)(6) will not result in a System change.

The Exchange's proposal to add a new Options 3, Section 4(b)(7) to clarify that, today, NOM's System will automatically execute eligible quotes using the Exchange's displayed best bid and offer ("BBO") or the Exchange's non-displayed order book ("internal BBO") if the best bid and/or offer on the Exchange has been repriced pursuant to Options 3, Section 5(d) and Options 3, Section 4(b)(6) is consistent with the Act and protects investors and the public interest. This rule text seeks to codify the current System function and make clear that the internal BBO is comprised of both orders and quotes, both of which are considered for price checks. MRX recently amended Options 3, Section 4(b)(7) to include this language.<sup>26</sup> The proposed change aligns NOM's rule text to MRX's rule text. The proposed amendment to the Rulebook to add NOM Options 3, Section 4(b)(7) will not result in a System change.

### Options 3, Section 7

---

<sup>24</sup> See Options 2, Sections 4 and 5.

<sup>25</sup> See SR-MRX-2022-16.

<sup>26</sup> Id.

The Exchange’s proposal to amend the name of the “Post-Only Order type at Options 3, Section 7(a)(9) to rename the order type “Add Liquidity Order” is a non-substantive technical amendment that will align the name to that used on MRX.<sup>27</sup>

The Exchange’s proposal to amend the description of SQF within Options 3, Section 7(e)(1)(B) and the description of QUO within Options 3, Section 7(e)(1)(D) is consistent with the Act as this rule text is currently noted within Options 3, Section 7(b)(2) above. The addition of this language into the description of SQF and QUO provides a more complete description of this protocol. The addition of this information also aligns the level of information with that offered on MRX for SQF within Supplementary Material .03(c) to Options 3, Section 7 and differentiates the information from QUO. All orders entered into QUO are not subject to the Order Price Protection or Size Limitation protections, not Immediate-or-Cancel Orders. Also, the Market Order Spread Protection is not applicable to QUO because QUO cannot be utilized to send Market Orders to the Exchange, only FIX may be utilized to send Market Orders. The proposed amendment to NOM Options 3, Section 7(e)(1)(B) will not result in a System change.

#### Options 3, Section 15

The Exchange’s proposal to amend NOM Options 3, Section 15(a)(1) to align NOM’s OPP rule text to MRX’s OPP rule text within Options 3, Section 15(a)(1)(A) is consistent with the Act<sup>28</sup> because removing the references to “day limit, good til cancelled, and immediate or cancel orders” and, instead, referring to “Limit” Orders accurately captures the scope of the orders subject to OPP. This change would also make unnecessary the reference to market orders. The proposed amendment to Options 3, Section 15(a)(1) will not result in a System change.

The Exchange’s proposal to amend the ATR Rule within Options 3, Section 15(b)(1) is consistent with the Act. MRX recently amended its ATR rule.<sup>29</sup> MRX’s ATR rule utilized

---

<sup>27</sup> See MRX Options 7, Section 7(n).

<sup>28</sup> MRX recently amended its Order Price Protection (“OPP”) rule. See SR-MRX-2022-18.

<sup>29</sup> See SR-MRX-2022-16.

different rule text to explain the ATR functionality. Amending NOM Section 15(b)(1) to add the words “after the Posting Period” to explain when a new ATR would be calculated provides more context to the rule will provide greater context to the sentence. Additionally, adding the word “quote” in the one sentence where it is omitted will add clarity the sentence. The proposed amendment to Options 3, Section 15(b)(1) will not result in a System change. Also, adding rule text within NOM Options 3, Section 15(b)(1)(C) to make clear the Exchange’s ability to set different ATR values by options category is consistent with the Act because the ATR risk protection limits the range of prices at which an order and quote trades and would take into account the minimum increment. The ability for the Exchange to set the ATR based on the increment allows the Exchange to set appropriate limits. The Exchange believes this rule text will add greater clarity to the ATR rule. The proposed amendment to Options 3, Section 15(b)(1) will not result in a System change.

#### Options 5, Section 4

Eliminating an unnecessary term in Options 5, Section 4(a) that is not utilized elsewhere within Options 5, Section 4 which is unnecessary is consistent with the Act as it will remove confusion. The proposed amendment to Options 5, Section 4(a) will not result in a System change.

#### 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.

#### Option 3, Sections 4 and 5

The Exchange believes that its proposal to memorialize its bulk message functionality within Options 3, Section 4(b)(3) does not impose an undue burden on intra-market competition. While the Exchange currently offers this functionality to Market Makers only, bulk messaging is intended to provide Market Makers with an additional tool to meet their various quoting obligations in a manner they deem appropriate. As such, the Exchange believes that this

functionality may facilitate Market Makers' provision of liquidity, thereby benefiting all market participants through additional execution opportunities at potentially improved prices.

Furthermore, while the Exchange will offer the proposed Post-Only Quote Configuration to Market Makers only, the proposed risk protection will enhance the ability of Market Makers to add liquidity and avoid removing liquidity from the Exchange's order book in the manner described above. Greater liquidity benefits all market participants by providing more trading opportunities and attracting greater participation by Market Makers. The Exchange believes that its proposal to memorialize its bulk message functionality within Options 3, Section 4(b)(3) does not impose an undue burden on inter-market competition as other options exchanges may adopt this functionality.

The Exchange's proposal to amend NOM's rules at Options 3, Section 4(b)(6) and Options 3, Section 4(b)(7) do not impose an undue burden on competition because all options markets must not trade-through other orders on their markets as well as away markets. The proposed change aligns NOM's rule text to MRX's rule text.

#### Options 3, Section 7

The Exchange's proposal to amend the name of the "Post-Only Order type at Options 3, Section 7(a)(9) to rename the order type "Add Liquidity Order" is a non-substantive technical amendment that does not impose an undue burden on competition.

Amending the description of SQF within Options 3, Section 7(e)(1)(B) and the description of QUO within Options 3, Section 7(e)(1)(D) does not impose an undue burden on competition. The addition of this language into the description of SQF and QUO provides a more complete description of this protocol.

#### Options 3, Section 15

The Exchange's proposal to amend NOM Options 3, Section 15(a)(1) to align NOM's OPP rule text to MRX's OPP rule text within Options 3, Section 15(a)(1)(A) does not impose an undue burden on competition because removing the references to "day limit, good til cancelled,

and immediate or cancel orders” and, instead, referring to “Limit” Orders accurately captures the scope of the orders subject to OPP. This change would also make unnecessary the reference to market orders.

The Exchange’s proposal to amend the ATR Rule within Options 3, Section 15(b)(1) does not impose an undue burden on competition. Amending NOM Section 15(b)(1) to add the words “after the Posting Period” to explain when a new ATR would be calculated provides more context to the rule will provide greater context to the sentence. Additionally, adding the word “quote” in the one sentence where it is omitted will add clarity the sentence. Adding rule text within NOM Options 3, Section 15(b)(1)(C) to make clear the Exchange’s ability to set different ATR values by options category does not impose an undue burden on competition because the ability for the Exchange to set the ATR based on the increment allows the Exchange to set appropriate limits. The Exchange believes this rule text will add greater clarity to the ATR rule.

#### Options 5, Section 4

Eliminating an unnecessary reference within amend Options 5, Section 4(a) does not impose an undue burden on competition because the term is not utilized elsewhere within Options 5, Section 4.

#### 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 Act<sup>30</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>31</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. 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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-NASDAQ-2023-018 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-2023-018. 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

---

<sup>30</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>31</sup> 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.

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-2023-018 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.<sup>32</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2023-14910 Filed: 7/13/2023 8:45 am; Publication Date: 7/14/2023]

---

<sup>32</sup> 17 CFR 200.30-3(a)(12).