



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105244; File No. SR-NASDAQ-2026-031]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Fees for Connectivity Services

April 15, 2026.

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 April 10, 2026, 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 Exchange’s fees for connectivity services, 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>, and at the principal office of the Exchange.

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 purpose of the proposed rule change is to amend Rule Options 7, Section 13 to increase the Exchange’s fees relating to its Testing Facilities³ by 10%.⁴ Rule Options 7, Section 13 provides that subscribers to the Testing Facility located in Carteret, New Jersey shall pay a fee of \$1,000 per hand-off, per month for connection to the Testing Facility. The hand-off fee includes either a 1Gb or 10Gb switch port and a cross connect to the Testing Facility. In addition, Options 7, Section 13 provides that subscribers shall also pay a one-time installation fee of \$1,000 per hand-off. The Exchange proposes to increase these aforementioned fees by 10% to require that subscribers to the Testing Facility shall pay a fee of \$1,100 per hand-off, per month for connection to the Testing Facility and a one-time installation fee of \$1,100 per hand-off.

The proposed increases in fees would enable the Exchange to maintain and improve its market technology and services to remain competitive with its peers. Over the years, customer demand for more sophisticated, higher-throughput, lower-latency, and higher-power connectivity solutions has increased. The Exchange continues to invest in maintaining, improving, and enhancing its connectivity products, services, and facilities for the benefit and often at the behest of its customers. Nevertheless, the Exchange has not increased the Testing Facility fees included in this proposal since before 2017. In this proposal, the Exchange proposes to increase such

³ The Exchange operates a test environment in Carteret, New Jersey. References to the “Testing Facility” refers to this test environment. See Rule Options 7, Section 13.

⁴ The Exchange in 2024 filed a proposed rule change to amend, among other rules, Rule Equity 7 (“Pricing Schedule”), to increase certain fees for its Testing Facilities by 10 percent (10%) See Securities Exchange Act Release No. 101690 (Nov. 21, 2024), 89 FR 93731 (Nov. 27, 2024) (SR-NASDAQ-2024-067) (“2024 Proposal”). The Exchange now proposes a corresponding increase to the Testing Facility fees under Options 7, consistent with the basis for and rationale supporting the 2024 Proposal as it regards the Rule Equity 7 adjustments. As proposed, the proposal would thus align the Testing Facility fees under the Exchange’s Options 7 Rule with those for the same services under its Equity Rules 7 as adjusted in the 2024 Proposal. The Exchange is proposing no other changes to its rules.

Testing Facility fees by 10%, consistent with the adjustments made to analogous services in the 2024 Proposal.⁵

As discussed below, the Exchange proposes to adjust its fees by an industry- and product-specific inflationary measure. It is reasonable and consistent with the Act for the Exchange to recoup its investments, at least in part, by adjusting its fees. Continuing to operate at current fee levels impacts the Exchange's ability to enhance its offerings and the interests of market participants and investors.

The fee increases the Exchange proposes are based on an industry-specific Producer Price Index ("PPI"), which is a tailored measure of inflation.⁶ As a general matter, the Producer Price Index is a family of indexes that measures the average change over time in selling prices received by domestic producers of goods and services. PPI measures price change from the perspective of the seller. This contrasts with other metrics, such as the Consumer Price Index ("CPI"), that measure price change from the purchaser's perspective.⁷ About 10,000 PPIs for individual products and groups of products are tracked and released each month.⁸ PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector's output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the Data Processing and Related Services PPI ("Data PPI"), which is an industry net-output PPI that measures the average change in selling prices received by companies that provide data processing services.

⁵ See *supra* note 4 and accompanying text (discussing the 2024 Proposal in part and noting that this proposal would align the Testing Facility fees under the Exchange's Options 7 Rule with those for the corresponding services under its Equity Rule 7 as adjusted in the 2024 Proposal).

⁶ See <https://fred.stlouisfed.org/series/PCU518210518210>.

⁷ See <https://www.bls.gov/ppi/overview.htm>.

⁸ See *Id.*

The Data PPI was introduced in January 2002 by the Bureau of Labor Statistics (“BLS”) as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is identified as NAICS - 518210 in the North American Industry Classification System.⁹ According to the BLS “[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists of vendors who use their own computer systems—often utilizing proprietary software—to process customers’ transactions and data. Companies that offer processing services collect, organize, and store a customer’s transactions and other data for record-keeping purposes. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in index calculation are the actual prices billed for the selected service contract.”¹⁰

The Exchange believes the Data PPI is an appropriate measure to be considered in the context of the proposed rule change to modify the fee for its connectivity products because the Exchange uses its “own computer systems” and “proprietary software,” i.e., its own data center and proprietary matching engine software, respectively, to collect, organize, store and report customers’ transactions in U.S. equity securities on the Exchange’s proprietary trading platform. In other words, the Exchange is in the business of data processing and related services.

For purposes of this proposed rule change, the Exchange examined the Data PPI value for the period from January 2017 through February 2026, the most recent month for which data is

⁹ NAICS appears in table 5 of the PPI Detailed Report and is available at <https://data.bls.gov/timeseries/PCU518210518210>.

¹⁰ See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-servicesindustry-naics-518210.htm>.

available at the time of this filing.¹¹ The Data PPI had a starting value of 109 in January 2017 and an ending value of 123.670 in February 2026, representing an increase of approximately 13.59% over this period.

This indicates that companies who are also in the data storage and processing business have generally increased prices for a specified service covered under NAICS 518210 by an average of 13.59% during this period. Based on that percentage change, the Exchange proposes to make a one-time fee increase of 10%, which reflects only a portion of the cumulative inflation experienced since the most recent adjustments to these fees on or about 2017.¹²

The Exchange further believes the Data PPI is an appropriate measure for purposes of the proposed rule change on the basis that it is a stable metric with limited volatility, unlike other consumer-side inflation metrics. In fact, the Data PPI has not experienced a greater than 3.09% increase year over year since Data PPI was introduced into the PPI in January 2002. The average calendar year change from January 2002 to January 2026 was 0.70%, with a cumulative increase of 20.32% over this 24-year period. The Exchange believes the Data PPI is considerably less volatile than other inflation metrics such as CPI, which has had individual calendar-year increases of more than 6.5%, and a cumulative increase of over 81% over the same period.¹³

The Exchange believes the Data PPI, and significant investments into, and enhanced performance of, the Exchange support the reasonableness of the proposed fee increases.¹⁴ As the Exchange notes above, the Exchange has relied on Data PPI, as well as its investments into and

¹¹ See 2024 Proposal, supra note 4.

¹² See 2024 Proposal, supra note 4. The proposed adjustments would thus align the fees for the Testing Facility under Rule Options 7 with fees for the corresponding Testing Facility service under Equity Rule 7 as adjusted pursuant to the 2024 Proposal.

¹³ See <https://www.usinflationcalculator.com/>.

¹⁴ See supra discussion of connectivity product and facility improvements. Additionally, other exchanges have filed for increases in certain fees, based in part on comparisons to inflation. See, e.g., Securities Exchange Act Release Nos. 34-100004 (April 22, 2024), 89 FR 32465 (April 26, 2024) (SR-CboeBYX-2024-012); and 34-100398 (June 21, 2024), 89 FR 53676 (June 27, 2024) (SR-BOX-2024-16); Securities Exchange Act Release No. 34-100994 (September 10, 2024), 89 FR 75612 (September 16, 2024) (SR-NYSEARCA-2024-79). See also supra note 4 and accompanying text.

enhanced performance of the Exchange to support the reasonableness of proposed fees for a substantively identical service or product under Rule Equity 7.¹⁵

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,¹⁶ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,¹⁷ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

This belief is based on two factors. First, the current fees do not properly reflect the quality of the services and products, as fees for the services and products in question have been static in nominal terms, and therefore falling in real terms due to inflation. Second, the Exchange believes that investments made in enhancing the capacity and speed of Exchange systems increase the performance of the services and products.

The Proposed Rule Change Is Reasonable

As noted above, the Exchange has not increased any of the fees included in this proposal since 2017 or earlier. However, in the years following the most recent fee increases, the Exchange has made significant investments in upgrades to its connectivity products, services, and facilities, enhancing the quality of its services. Between 2017 and 2026, the period under consideration in this proposal, the inflation rate was 3.25% per year, on average, producing a cumulative inflation rate of 33.32%.¹⁸ Using the more targeted inflation number of Data PPI, the cumulative inflation rate was 13.59%. The exchange believes the Data PPI is a reasonable metric to base this fee increase on because it is targeted to producer-side increases in the data processing industry.

¹⁵ See 2024 Proposal, *supra* note 4.

¹⁶ 15 U.S.C. 78f(b).

¹⁷ 15 U.S.C. 78f(b)(4) and (5).

¹⁸ See <https://www.officialdata.org/us/inflation/2017?amount=1>.

Notwithstanding inflation, as noted above, the Exchange has not increased its fees for the subject service. The proposed fee changes represent a modest increase from the current fees. As discussed above, the Exchange is limiting its proposed fee increases to 10% of the current fees, which as discussed above reflects only a portion of the cumulative inflation experienced since the most recent adjustments to these fees on or about 2017. The Exchange believes the proposed fee increase is reasonable in light of the Exchange’s continued expenditure in maintaining a robust technology ecosystem. Furthermore, the Exchange continues to invest in maintaining and enhancing its connectivity products for the benefit and often at the behest of its customers and global investors.¹⁹ The goal of the enhancements discussed above, among other things, is to provide faster, higher-capacity, and more modern connectivity products and services. Accordingly, the Exchange continues to expend resources to innovate and modernize technology so that it may benefit its members in offering its connectivity products and services.

Moreover, as discussed above, the Exchange in 2024 filed a proposed rule change to amend, among other rules, Rule Equity 7 (“Pricing Schedule”), to increase certain fees for its Testing Facilities by 10%.²⁰ In this proposal, the Exchange is merely proposing a corresponding increase to the analogous Testing Facility fees under Options 7, consistent with the basis for and rationale supporting the analogous Rule Equity 7 adjustments in the 2024 Proposal. The Exchange is proposing no other changes to its rules.

The Proposed Fees Are Equitably Allocated and Not Unfairly Discriminatory

The Exchange believes that the proposed fee increases are equitably allocated and not unfairly discriminatory because they would apply to all market participants that choose to purchase connectivity products and services from the Exchange. Any participant that chooses to purchase the Exchange’s connectivity products and services would be subject to the same fee schedule, regardless of what type of business they operate or the use they plan to make use of the

¹⁹ See 2024 Proposal, *supra* note 4 (describing such continued maintenance enhancements).

²⁰ See 2024 Proposal, *supra* note 4.

products and services. Additionally, the fee increase would be applied uniformly to market participants without regard to Exchange membership status or the extent of any other business with the Exchange or affiliated entities. Finally, the Exchange believes that the proposed fee changes are not unfairly discriminatory because the fees would be assessed uniformly across all market participants, in the same manner they are today, that voluntarily purchase the Exchange's connectivity products and services, which would remain available for purchase by all market participants.

Moreover, as discussed above, the Exchange is merely proposing a 10 percent increase to the Testing Facility fees under Options 7, consistent with basis for and rationale supporting the fee increase adopted in the 2024 Proposal for the analogous Testing Facility under Rule Equity 7. The Exchange is proposing no other changes to its rules.

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

The Exchange does not believe that the proposed fees will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Intramarket Competition

The Exchange believes that the proposed fees do not put any market participants at a relative disadvantage compared to other market participants. As noted above, the fee schedule would continue to apply to all purchasers of the Exchange's connectivity products and services in the same manner as it does today, albeit at inflation-adjusted rates for certain fees, and customers may choose whether to purchase these products and services at all. The Exchange also believes that the level of the proposed fees neither favor nor penalize one or more categories of market participants in a manner that would impose an undue burden on competition.

Intermarket Competition

The Exchange believes that the proposed fees do not impose a burden on competition or on other SROs that is not necessary or appropriate. In determining the proposed fees, the Exchange relied on an objective and stable metric with limited volatility. Utilizing Data PPI

over a specified period of time is a reasonable means of recouping the Exchange's investment in maintaining and enhancing its connectivity products, services, and facilities. Thus, the Exchange believes utilizing Data PPI, a tailored measure of inflation, to increase certain fees for connectivity products and services to recoup the Exchange's investment in maintaining and enhancing such products, services, and its facilities would not impose a burden on competition.

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

No written comments were either solicited or received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.²¹

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.

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

²¹ 15 U.S.C. 78s(b)(3)(A)(ii).

SR-NASDAQ-2026-031 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-2026-031. 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 filing 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-2026-031 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.²²

Sherry R. Haywood,

Assistant Secretary.

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