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March 18, 2024

Vanessa Countryman  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: SR-NASDAQ-2023-022 Amendment #3

Dear Ms. Countryman:

The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed the above-referenced filing on March 18, 2024.

Sincerely,

*Katie Hopkins*

Katie Hopkins  
Associate General Counsel

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 19

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

File No. \* SR 2023 - \* 022

Amendment No. (req. for Amendments \*) 3

Filing by The Nasdaq Stock Market LLC

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

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010  
Section 806(e)(1) \*

Section 806(e)(2) \*

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934  
Section 3C(b)(2) \*

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

### Description

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

A proposal to create a new, non-trading limited membership class and impose related requirements for principal underwriting activity.

### 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 \* Katie Last Name \* Hopkins

Title \* Associate General Counsel

E-mail \* Katie.Hopkins@Nasdaq.com

Telephone \* (301) 232-4067 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 03/18/2024


(Title \*)

By John Zecca

EVP and Chief Legal Officer

(Name \*)

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: 2024.03.18 16:48:10 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

**Form 19b-4 Information \***

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change \***

Add Remove View

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

**Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies \***

Add Remove View

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

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

Add Remove View

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

Exhibit Sent As Paper Document

**Exhibit 3 - Form, Report, or Questionnaire**

Add Remove View

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

Exhibit Sent As Paper Document

**Exhibit 4 - Marked Copies**

Add Remove View

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

**Exhibit 5 - Proposed Rule Text**

Add Remove View

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

**Partial Amendment**

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

SR-NASDAQ-2023-022 A-3 Exhibit 4.c  
SR-NASDAQ-2023-022 A-3 Exhibit 5.c  
SR-NASDAQ-2023-022 A-3.doc

**SR-NASDAQ-2023-022 Amendment 3**

The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) submits this Partial Amendment No. 3 to SR-NASDAQ-2023-022, as modified by Amendment 2,<sup>1</sup> to (i) add back proposed rule language to General 3, Section 1031(a)(2) about eligibility to become an Associated Person and modify the title of paragraph (a) of General 3, Section 1031; (ii) add back General 4 (Registration Requirements), which includes registration, qualification, and continuing education requirements, to the list of Rules applicable to Limited Underwriting Members in General 3, Section 1031(c)(1); (iii) exclude General 5, Rule 9400 from the list of Rules applicable to Limited Underwriting Members in General 3, Section 1031(c)(1) for the reasons described below; and (iv) provide related updates to the narrative and add a statutory basis explanation for consistency with Section 6(b)(2) of the Act. To implement these modifications, the Exchange proposes to make the following changes:

1. Add “and Associated Persons” to the end of the title of General 3, Section 1031(a), insert the number “(1)” before the existing proposed rule text in General 3, Section 1031(a), and add that “Any person shall be eligible to become an Associated Person of a Limited Underwriting Member, except such persons as are excluded under General 3, Rule 1002(b)” as subsection (2) in General 3, Section 1031(a) on page 55 of 56 of the Exhibit 5. The full proposed text of General 3, Section 1031(a), as amended, is below. Rule language proposed in the original filing, as modified by Amendment 2, is underlined. The proposed additions to the proposed rule language contained

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<sup>1</sup> Securities Exchange Act Release No. 34-99557 (February 16, 2024), 89 FR 13779 (February 23, 2024).

in the original filing, as modified by Amendment 2, are double underlined and **bolded**. The full text of the proposed rule change, as amended by this Amendment 3, is also included in Exhibit 5.

**(a) Persons Eligible to Become Limited Underwriting Members and Associated Persons**

**(1) Any registered broker or dealer shall be eligible for limited underwriting membership in the Exchange, except such registered brokers or dealers as are excluded under General 3, Rule 1002(b).**

**(2) Any person shall be eligible to become an Associated Person of a Limited Underwriting Member, except such persons as are excluded under General 3, Rule 1002(b).**

2. Insert a bullet with “General 4” after “General 3, with the exception of Section 1032” and revise “General 5, with the exception of Rules 8211 and 9557” to read “General 5, with the exception of Rules 8211, 9400, and 9557” in paragraph (c)(1) of General 3, Section 1031 on pages 55-56 of 56 of the Exhibit 5. The full proposed text of General 3, Section 1031(c)(1), as amended, is below. Rule language proposed in the original filing, as modified by Amendment 2, is underlined. The proposed additions to the proposed rule language contained in the original filing, as modified by Amendment 2, are double underlined and **bolded**. The full text of the proposed rule change, as amended by this Amendment 3, is also included in Exhibit 5.

**(c) Rules Applicable to Limited Underwriting Members**

**(1) Limited Underwriting Members and their associated persons shall only be subject to the following rules:**

- General 1
- General 2, with the exception of Sections 6(a) and 22
- General 3, with the exception of Section 1032
- **General 4**
- General 5, with the exception of Rules 8211, ~~9400~~, and 9557
- General 9, Sections 1, 20, and 21
- Equity 7, Section 10

For purposes of interpreting and applying the above rules to Limited Underwriting Members, references to “Member,” “Members,” or “membership” shall be functionally equivalent to “Limited Underwriting Member,” “Limited Underwriting Members,” or “limited underwriting membership” respectively.

3. Replace footnote 6 in the Purpose section on pages 4-5 of 56 of the 19b-4 and on page 24 of 56 in the Exhibit 1, in its entirety, with the following, which adds a description of Amendment 3 and other clarifying language:

This Amendment 3 modifies the proposal by: (i) adding back proposed rule language to General 3, Section 1031(a)(2) about eligibility to become an Associated Person and modifying the title of paragraph (a) of General 3, Section 1031; (ii) adding back General 4 (Registration Requirements), which includes registration, qualification, and continuing education requirements, to the list of Rules applicable to Limited Underwriting Members in General 3, Section 1031(c)(1); and (iii) excluding General 5, Rule 9400 from the list of Rules applicable to Limited Underwriting

Members in General 3, Section 1031(c)(1) for the reasons described below. This Amendment 3 also provides related updates to the narrative and adds a statutory basis explanation for consistency with Section 6(b)(2) of the Act. Amendment 2 modified the Exhibit 5 by: (i) updating the numbering in Rule 5210 to account for recently added rule language; (ii) updating a related reference to Rule 5210 in General 3, Section 1031(b); (iii) excluding Section 1032 of General 3, a new provision, from the Rules the Exchange proposes to apply under General 3, Section 1031(c) for reasons described below; (iv) adds General 9, Section 21 to the Rules the Exchange proposes to apply under General 3, Section 1031(c) for reasons described below; and (v) updates existing Rule language in Equity 7, Section 10 due to recent changes in the Rule text. In addition, Amendment 2 provided related updates and other clarifying updates to the narrative explanation and added a statutory basis explanation for the imposition of fees. Amendment 2 superseded the original filing and Amendment 1 in their entireties. Amendment 2 incorporated all the changes from Amendment 1. Amendment 1 modified the original filing to make several changes as it relates to Associated Persons, including: (i) removing a proposed exemption from registration for certain investment banking representatives associated solely with Limited Underwriting Members as the Exchange determined that such exemption was unnecessary because such representatives are not required to register as Associated Persons under current Rules; (ii) removing proposed rule

language from proposed Section 1031(a) about eligibility to become Associated Persons; (iii) removing General 4 (Registration Requirements) from the list of Rules applicable to Limited Underwriting Members; and (iv) revising rule language to clarify that associated persons of Limited Underwriting Members shall at all times be properly qualified and registered under FINRA rules. In addition, Amendment 1 provided additional information about Nasdaq's rationale in not applying certain existing rules to Limited Underwriting Members.

4. In the Purpose section, replace "information about persons eligible to become Limited Underwriting Members" with "information about persons eligible to become Limited Underwriting Members and Associated Persons" in the third full paragraph on page 8 of 56 in the 19b-4 and in the third full paragraph on page 28 of 56 in the Exhibit 1. The full revised paragraph reads as follows:

The Exchange proposes to add the new category of membership to General 3, Section 1031, within which the Exchange proposes to include information about persons eligible to become Limited Underwriting Members and Associated Persons, Limited Underwriting Member access to the Exchange, and rules applicable to Limited Underwriting Members.

5. In the Purpose section, modify the paragraph beginning on page 8 and carrying over on page 9 of 56 in the 19b-4 and the fourth paragraph on page 28 of 56 in the Exhibit 1 to add a description of the new proposed rule text in General 3, Section 1031(a)(2) and add "Associated Persons" to the last sentence of such paragraph. The full revised paragraph reads as follows:



The Exchange would specify in General 3, Section 1031(a), that (i) any registered broker or dealer shall be eligible for limited underwriting membership in the Exchange, except such registered brokers or dealers as are excluded under paragraph (b) of Rule 1002;<sup>2</sup> and (ii) any person shall be eligible to become an Associated Person of a Limited Underwriting Member, except such persons as are excluded under paragraph (b) of Rule 1002.<sup>3</sup> Proposed Rule 1031(a) is consistent with the existing rules for persons eligible to become Members and Associated Persons in General 3, Rule 1002(a).

6. In the Purpose section, modify the last paragraph beginning on page 9 and carrying over on page 10 of 56 in the 19b-4 and the first full paragraph on page 29 of 56 in the Exhibit 1 to reflect the addition of General 4 and exclusion of General 5, Rule 9400 to the rules the Exchange proposes to apply to Limited Underwriting Members in General 3, Section 1031(c)(1). The full revised paragraph reads as follows:

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<sup>2</sup> In relevant part, General 3, Section 1002(b) provides that, subject to certain exceptions, no registered broker or dealer shall be admitted to membership, and no Member shall be continued in membership, if such broker, dealer, or Member fails or ceases to satisfy the qualification requirements established by the Rules, or if such broker, dealer, or Member is or becomes subject to a statutory disqualification, or if such broker, dealer, or Member fails to file such forms as may be required in accordance with such process as the Exchange may prescribe.

<sup>3</sup> In relevant part, General 3, Section 1002(b) provides that, subject to such exceptions as may be explicitly provided elsewhere in the Rules, no person shall become associated with a Member, continue to be associated with a Member, or transfer association to another Member, if such person fails or ceases to satisfy the qualification requirements established by the Rules, or if such person is or becomes subject to a statutory disqualification; and no broker or dealer shall be admitted to membership, and no Member shall be continued in membership, if any person associated with it is ineligible to be an Associated Person under this subsection.

Nasdaq proposes applying a limited ruleset to this newly proposed limited membership class.<sup>4</sup> Specifically, the Exchange proposes to apply only the following rules to Limited Underwriting Members: General 1 (General Provisions); General 2 (Organization and Administration), with the exception of Sections 6(a) and 22; General 3 (Membership and Access); General 4 (Registration Requirements); General 5 (Discipline), with the exception of Rules 8211, 9400, and 9557; General 9 (Regulation), Sections 1, 20, and 21; and Equity 7, Section 10 (Pricing Schedule, Membership Fees). The Exchange would specify the aforementioned rules applicable to this new membership class in General 3, Section 1031(c)(1). With the proposal, the Exchange aims to apply only those rules it deems appropriate to a firm serving as a principal underwriter, including those rules it deems critical to such firms. Of course, a firm registering as a Limited Underwriting Member on Nasdaq would remain subject to all applicable rules of the Commission and any other Self-Regulatory Organization of which it is a member, including FINRA.

7. In the Purpose section, add the following new paragraph after the first full paragraph on page 11 of 56 in the 19b-4 and after the first paragraph on page 31 of 56 in the Exhibit 1 to explain the Exchange's proposal to apply General 4 (Registration Requirements) to Limited Underwriting Members:

The Exchange proposes to apply General 4 (Registration Requirements) to Limited Underwriting Members, which includes registration, qualification,

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<sup>4</sup> Members of the Exchange, unlike Limited Underwriting Members, are subject to all of the Exchange's Rules (which includes the limited ruleset applicable to the newly proposed limited membership class).

and continuing education requirements that are applicable to Limited Underwriting Members. The Exchange proposes to apply its registration, qualification, and continuing education requirements, including requirements for persons engaged in the securities business, to Limited Underwriting Members in the same manner as it applies such registration, qualification, and continuing education requirements to current Members.

8. In the Purpose section, modify the last paragraph beginning on page 11 and carrying over on page 12 of 56 in the 19b-4 and the second paragraph on page 31 of 56 in the Exhibit 1 by (i) adding Rule 9400 to the first, third, and last sentences of the paragraph to signify that General 5, Rule 9400 is excluded and inapplicable to Limited Underwriting Members, (ii) adding a description of General 5, Rule 9400 after the fourth sentence in the paragraph, and (iii) adding clarifying language to the last sentence of the paragraph. The full revised paragraph reads as follows:

The Exchange believes it is critical to subject Limited Underwriting Members to General 5 (with the exception of Rules 8211, 9400, and 9557), which contains the Exchange's disciplinary rules.<sup>5</sup> Notably, General 5, Rule 8210 provides the Exchange with authority to require information from Exchange Members. The Exchange proposes to specifically exclude General 5, Rule 8211, Rule 9400, and Rule 9557.

Rule 8211 relates to members submission of trade data. Rule 9400 relates

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<sup>5</sup> General 5, Rule 8001 provides that the Exchange and FINRA are parties to the FINRA Regulatory Contract (often referred to as a Regulatory Services Agreement ("RSA")) pursuant to which FINRA has agreed to perform certain functions described in the Exchange's Rules on behalf of the Exchange. The Exchange does not anticipate that the proposed rule change would have any material impact on the current RSA.

to expedited client suspension proceedings for violations of General 9, Section 53, which relates to disruptive quoting and trading.<sup>6</sup> Rule 9557 relates to procedures for regulating activities under General 9, Sections 40 and 41, which incorporate FINRA Rules 4110 and 4120, which relate to FINRA carrying or clearing members. Rules 8211, 9400, and 9557 are not relevant to underwriting activity and because Limited Underwriting Members are not permitted to transact on the Exchange, such Rules are inapplicable to Limited Underwriting Members.

9. In the Purpose section, modify the last paragraph beginning on page 14 and carrying over on page 15 of 56 in the 19b-4 and the second paragraph beginning on page 34 and carrying over on page 35 of 56 in the Exhibit 1 by:
  - (i) making a clarifying change in the third sentence to state “In addition to the excluded Rules discussed above” rather than “In addition to the Rules discussed above”;
  - (ii) removing General 4 from the third sentence because it is no longer excluded from the Rules applicable to Limited Underwriting Members;
  - (iii) removing the fourth, fifth, sixth, and seventh sentences from the paragraph that addressed General 4 and related requirements because General 4 is no longer excluded from the Rules applicable to Limited Underwriting Members. The full revised paragraph reads as follows:

As noted above, Nasdaq acknowledges that additional Rules could theoretically be applied to Limited Underwriting Members. However,

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<sup>6</sup> General 9, Section 53 is inapplicable to Limited Underwriting Members as Limited Underwriting Members are not permitted to quote or trade on the Exchange. Therefore, Expedited Client Proceedings for violations of General 9, Section 53 would also not be relevant to Limited Underwriting Members.

Nasdaq proposes to apply the limited ruleset for the reasons described above. In addition to the excluded Rules discussed above, the Exchange has not proposed to apply the following Rules to Limited Underwriting Members at this time: General 6; General 7; General 8; Equity Rules (with the exception of Equity 7, Section 10); and Options Rules. General 6 relates generally to FINRA arbitration rules to which the Limited Underwriting Members would be subject to directly by virtue of their FINRA membership. The Exchange does not propose to apply General 7 to Limited Underwriting Members because it governs consolidated audit trail compliance and would not apply to underwriting activity. General 8 governs connectivity to the Exchange and would not be relevant to Limited Underwriting Members given their lack of access to trade on the Exchange. Similarly, the Equities Rules and the Options Rules are generally not relevant to the activities of Limited Underwriting Members due to their lack of access to trade on the Exchange. Although Limited Underwriting Members could access the Exchange via other means, such as trading through another Member, Limited Underwriting Members would have no direct access to trade on the Exchange.

10. In the Statutory Basis section, add the following new paragraph after the first full paragraph on page 18 of 56 in the 19b-4 and before the first full paragraph on page 38 of 56 in the Exhibit 1:

The Exchange also believes that the proposal is consistent with Section 6(b)(2) of the Act,<sup>7</sup> which states that “any registered broker or dealer or natural person associated with a registered broker or dealer may become a member of such exchange and any person may become associated with a member thereof.” In proposed General 3, Section 1031, the Exchange provides that any registered broker or dealer shall be eligible for limited underwriting membership in the Exchange and any person shall be eligible to become an Associated Person of a Limited Underwriting Member, consistent with Section 6(b)(2) of the Act.

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<sup>7</sup> 15 U.S.C. 78f(b)(2).

**EXHIBIT 4**

## Changes to the Proposed Rule Text

Deleted text is [bracketed]. New text is underlined. Text is marked to show changes to proposed rule language in the immediately preceding filing, SR-NASDAQ-2023-022 Amendment 2. New text to the immediately preceding filing (SR-NASDAQ-2023-022 Amendment 2) is ***bold italic double underlined***. The proposed changes are operative 60 days after publication of the Commission's approval order of SR-NASDAQ-2023-022 in the Federal Register.

**THE NASDAQ STOCK MARKET LLC RULES**

\* \* \* \* \*

**The Qualification, Listing and Delisting of Companies****5000. NASDAQ LISTING RULES**

\* \* \* \* \*

**5200. GENERAL PROCEDURES AND PREREQUISITES FOR INITIAL AND CONTINUED LISTING ON THE NASDAQ STOCK MARKET**

\* \* \* \* \*

**5210. Prerequisites for Applying to List on The Nasdaq Stock Market**

All Companies applying to list on The Nasdaq Stock Market must meet the following prerequisites:

(a) – (l) No change.

**(m) Principal Underwriter**

(i) “Principal underwriter” shall have the same definition used in Rule 405 promulgated under the Securities Act of 1933.

(ii) Each Company applying for initial listing in connection with a transaction involving an underwriter must have a principal underwriter that is a Member or Limited Underwriting Member, as defined in General 1, Section 1 of the Nasdaq Rules.

\* \* \* \* \*

## General Equity and Options Rules

\* \* \* \* \*

### General 1: General Provisions

#### Section 1 Definitions

(a) No change.

(b) Unless the context otherwise requires:

(1) – (19) No change.

(20) The term “Limited Underwriting Member” means a broker or dealer admitted to limited underwriting membership in Nasdaq.

\* \* \* \* \*

### General 3: Membership and Access

\* \* \* \* \*

#### 1031. [Registration Requirements]Limited Underwriting Membership

[(f) Reserved]

##### (a) Persons Eligible to Become Limited Underwriting Members *and Associated Persons*

(1) Any registered broker or dealer shall be eligible for limited underwriting membership in the Exchange, except such registered brokers or dealers as are excluded under General 3, Rule 1002(b).

(2) Any person shall be eligible to become an Associated Person of a Limited Underwriting Member, except such persons as are excluded under General 3, Rule 1002(b).

##### (b) Limited Underwriting Member Access to the Exchange

A limited underwriting membership provides no rights to transact on the Exchange. A limited underwriting membership is solely to allow a firm that is not otherwise a Member to serve as a principal underwriter, pursuant to the requirement in Rule 5210(m), for a Company applying to list on the Exchange.

##### (c) Rules Applicable to Limited Underwriting Members



(1) Limited Underwriting Members and their associated persons shall only be subject to the following rules:

- General 1
- General 2, with the exception of Sections 6(a) and 22
- General 3, with the exception of Section 1032
- **General 4**
- General 5, with the exception of Rules 8211, **9400**, and 9557
- General 9, Sections 1, 20, and 21
- Equity 7, Section 10

For purposes of interpreting and applying the above rules to Limited Underwriting Members, references to “Member,” “Members,” or “membership” shall be functionally equivalent to “Limited Underwriting Member,” “Limited Underwriting Members,” or “limited underwriting membership” respectively.

(2) Limited Underwriting Members shall at all times be members of FINRA and associated persons of Limited Underwriting Members shall at all times be properly qualified and registered under FINRA rules.

\* \* \* \* \*

## **Equity Rules**

\* \* \* \* \*

### **Equity 7: Pricing Schedule**

#### **Section 1. Charges for Membership, Services, and Equipment**

#### **Section 10. Membership Fees**

(a) Each Nasdaq member will be assessed a membership fee of \$4,000 per year and a trading rights fee of \$1,250 per month, except for Limited Underwriting Members, who will not be charged a trading rights fee. The membership fee will be imposed on all persons that are Nasdaq members as of a date determined by Nasdaq in December of each year, and the trading rights fee will be assessed on all persons that are Nasdaq members as of a date determined by Nasdaq in each month. The fees are not refundable in the event that a person ceases to be a Nasdaq member following the date on which the fees are assessed.

(b) – (c) No change.

\* \* \* \* \*

**EXHIBIT 5**

Deleted text is [bracketed]. New text is underlined. The proposed changes are operative 60 days after publication of the Commission’s approval order of SR-NASDAQ-2023-022 in the Federal Register.

**THE NASDAQ STOCK MARKET LLC RULES**

\* \* \* \* \*

**The Qualification, Listing and Delisting of Companies**

**5000. NASDAQ LISTING RULES**

\* \* \* \* \*

**5200. GENERAL PROCEDURES AND PREREQUISITES FOR INITIAL AND CONTINUED LISTING ON THE NASDAQ STOCK MARKET**

\* \* \* \* \*

**5210. Prerequisites for Applying to List on The Nasdaq Stock Market**

All Companies applying to list on The Nasdaq Stock Market must meet the following prerequisites:

(a) – (l) No change.

**(m) Principal Underwriter**

(i) “Principal underwriter” shall have the same definition used in Rule 405 promulgated under the Securities Act of 1933.

(ii) Each Company applying for initial listing in connection with a transaction involving an underwriter must have a principal underwriter that is a Member or Limited Underwriting Member, as defined in General 1, Section 1 of the Nasdaq Rules.

\* \* \* \* \*

**General Equity and Options Rules**

\* \* \* \* \*

**General 1: General Provisions**

**Section 1 Definitions**

(a) No change.

(b) Unless the context otherwise requires:

(1) – (19) No change.

(20) The term “Limited Underwriting Member” means a broker or dealer admitted to limited underwriting membership in Nasdaq.

\* \* \* \* \*

**General 3: Membership and Access**

\* \* \* \* \*

**1031. [Registration Requirements]Limited Underwriting Membership**

[(f) Reserved]

**(a) Persons Eligible to Become Limited Underwriting Members and Associated Persons**

(1) Any registered broker or dealer shall be eligible for limited underwriting membership in the Exchange, except such registered brokers or dealers as are excluded under General 3, Rule 1002(b).

(2) Any person shall be eligible to become an Associated Person of a Limited Underwriting Member, except such persons as are excluded under General 3, Rule 1002(b).

**(b) Limited Underwriting Member Access to the Exchange**

A limited underwriting membership provides no rights to transact on the Exchange. A limited underwriting membership is solely to allow a firm that is not otherwise a Member to serve as a principal underwriter, pursuant to the requirement in Rule 5210(m), for a Company applying to list on the Exchange.

**(c) Rules Applicable to Limited Underwriting Members**

(1) Limited Underwriting Members and their associated persons shall only be subject to the following rules:

- General 1

- General 2, with the exception of Sections 6(a) and 22
- General 3, with the exception of Section 1032
- General 4
- General 5, with the exception of Rules 8211, 9400, and 9557
- General 9, Sections 1, 20, and 21
- Equity 7, Section 10

For purposes of interpreting and applying the above rules to Limited Underwriting Members, references to “Member,” “Members,” or “membership” shall be functionally equivalent to “Limited Underwriting Member,” “Limited Underwriting Members,” or “limited underwriting membership” respectively.

(2) Limited Underwriting Members shall at all times be members of FINRA and associated persons of Limited Underwriting Members shall at all times be properly qualified and registered under FINRA rules.

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## **Equity Rules**

\* \* \* \* \*

### **Equity 7: Pricing Schedule**

#### **Section 1. Charges for Membership, Services, and Equipment**

#### **Section 10. Membership Fees**

(a) Each Nasdaq member will be assessed a membership fee of \$4,000 per year and a trading rights fee of \$1,250 per month, except for Limited Underwriting Members, who will not be charged a trading rights fee. The membership fee will be imposed on all persons that are Nasdaq members as of a date determined by Nasdaq in December of each year, and the trading rights fee will be assessed on all persons that are Nasdaq members as of a date determined by Nasdaq in each month. The fees are not refundable in the event that a person ceases to be a Nasdaq member following the date on which the fees are assessed.

(b) – (c) No change.

\* \* \* \* \*