

New text is underlined; deleted text is in brackets.

Chapter XV Options Pricing

NASDAQ Options Market Participants may be subject to the Charges for Membership, Services and Equipment in the Rule 7000 Series as well as the fees in this Chapter XV. For purposes of assessing fees and paying rebates, the following references should serve as guidance.

The term “**Customer**” or (“C”) applies to any transaction that is identified by a Participant for clearing in the Customer range at The Options Clearing Corporation (“OCC”) which is not for the account of broker or dealer or for the account of a “Professional” (as that term is defined in Chapter I, Section 1(a)(48)).

The term “**NOM Market Maker**” or (“M”) is a Participant that has registered as a Market Maker on NOM pursuant to Chapter VII, Section 2, and must also remain in good standing pursuant to Chapter VII, Section 4. In order to receive NOM Market Maker pricing in all securities, the Participant must be registered as a NOM Market Maker in at least one security.

The term “**Non-NOM Market Maker**” or (“O”) is a registered market maker on another options exchange that is not a NOM Market Maker. A Non-NOM Market Maker must append the proper Non-NOM Market Maker designation to orders routed to NOM.

The term “**Firm**” or (“F”) applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

The term “**Professional**” or (“P”) means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) pursuant to Chapter I, Section 1(a)(48). All Professional orders shall be appropriately marked by Participants.

The term “**Broker-Dealer**” or (“B”) applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

The term “**Common Ownership**” shall mean Participants under 75% common ownership or control.

With respect to Chapter XV, Sections 2(1) and (2) the order that is received by the trading system first in time shall be considered an order adding liquidity and an order that trades against that order shall be considered an order removing liquidity.

* * * * *

Sec. 2 NASDAQ Options Market—Fees and Rebates

The following charges shall apply to the use of the order execution and routing services of the NASDAQ Options Market for all securities.

(1) Fees for Execution of Contracts on the NASDAQ Options Market

Fees and Rebates (per executed contract)					
	Customer	Professional	Firm	Non-NOM Market Maker	NOM Market Maker
Penny Pilot Options:					
Rebate to Add Liquidity	***	***	\$0.10	\$0.25	\$0.30
Fee for Removing Liquidity ¹	\$0.45	\$0.47	\$0.47	\$0.47	\$0.47
Non-Penny Pilot Options (including NDX²):					
Fee for Adding Liquidity	N/A	\$0.45	\$0.45	\$0.45	\$0.25
Fee for Removing Liquidity	\$0.82	\$0.89	\$0.89	\$0.89	\$0.82
Rebate to Add Liquidity	³	N/A	N/A	N/A	N/A
SOX, HGX and OSX:					
Fee for Adding Liquidity	\$0.35	\$0.60	\$0.60	\$0.60	\$0.40
Fee for Removing Liquidity	\$0.35	\$0.60	\$0.60	\$0.60	\$0.40

¹The Professional, Firm, Non-NOM Market Maker and NOM Market Maker Penny Pilot Options Fee for Removing Liquidity will be reduced by \$0.01 per contract for transactions in which the same NOM Participant or a NOM Participant under common ownership is the buyer and the seller. [Common ownership is defined as 75 percent common ownership or control.]

²For transactions in NDX, a surcharge of \$0.10 per contract will be added to the Fee for Adding Liquidity and the Fee for Removing Liquidity in Non-Penny Pilot Options, except for a Customer who will not be assessed a surcharge.

³The Customer Rebate to Add Liquidity in Non-Penny Pilot Options, including NDX, will be \$0.80 per contract, unless a market participant adds Customer Liquidity in either or both Penny Pilot or Non-Penny Pilot Options (including NDX) of 115,000 contracts per day in a month, then the Customer Rebate to Add Liquidity in Non-Penny Pilot Options will be \$0.81 per contract. NOM Participants under common ownership may aggregate their Customer volume to qualify for the increased Customer rebate. [Common ownership is defined as 75

percent common ownership or control.]

*** The Customer and Professional Rebate to Add Liquidity in Penny Pilot Options will be paid as noted below.

Monthly Volume	Rebate to Add Liquidity
Tier 1 Participant adds Customer and Professional liquidity of up to 34,999 contracts per day in a month	\$0.26
Tier 2 Participant adds Customer and Professional liquidity of 35,000 to 74,999 contracts per day in a month	\$0.43
Tier 3 Participant adds Customer and Professional liquidity of 75,000 or more contracts per day in a month	\$0.44
Tier 4^a Participant adds (1) Customer and Professional liquidity of 25,000 or more contracts per day in a month, (2) the Participant has certified for the Investor Support Program set forth in Rule 7014; and (3) the Participant executed at least one order on NASDAQ's equity market	\$0.42
Tier 5^{b,c} Participant has Total Volume of 130,000 or more contracts per day in a month	\$0.46

^aFor purposes of Tier 4, the Exchange will allow a NOM Participant to qualify for the rebate if a NASDAQ member under common ownership with the NOM Participant has certified for the Investor Support Program and executed at least one order on NASDAQ's equity market. [Common ownership is defined as 75 percent common ownership or control.]

^bFor purposes of Tier 5, "Total Volume" shall be defined as Customer, Professional, Firm, Non-NOM Market Maker and NOM Market Maker volume in Penny Pilot Options and Non-Penny Pilot Options which either adds or removes liquidity.

^cFor purposes of Tier 5, the Exchange will allow NOM Participants under common ownership to aggregate their volume to qualify for the rebate. [Common ownership is defined as 75 percent common ownership or control.]

(2) No Change

([4]3) Fees for routing contracts to markets other than the NASDAQ Options Market shall be assessed as follows:

- Routing Fees to PHLX and BX Options: \$0.05 per contract fee in addition to the actual transaction fee assessed or rebate paid by these exchanges.
- Routing Fees to all other options exchanges: \$0.11 per contract fee in addition to the actual transaction fee assessed or rebate paid by the away market.

* * * * *