

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-61416; File No. SR-NASDAQ-2010-010)

January 25, 2010

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Clarify Nasdaq Rule 7023

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹, and Rule 19b-4² thereunder, notice is hereby given that on January 21, 2010, The NASDAQ Stock Market LLC (“Nasdaq”) 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 Nasdaq. 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 clarify Nasdaq Rule 7023 to make clear that Historical ModelView information will be available via NasdaqTrader.com and that references to the Historical TotalView data product will be deleted since it is offered through a technology subsidiary of the Exchange rather than the Exchange itself. The text of the proposed rule change is available from Nasdaq’s website at <http://nasdaq.cchwallstreet.com>, at Nasdaq’s principal office, and at the Commission’s Public Reference Room.

The text of the proposed rule change is below. Proposed new language is italicized; proposed deletions are in brackets.³

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Changes are marked to the rules of The NASDAQ Stock Market LLC found at <http://nasdaqomx.cchwallstreet.com>.

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7023. NASDAQ TotalView

(a) – (c) No change.

(d) Historical ModelView [TotalView] Information [— ModelView]

Nasdaq will make historical [TotalView information, under the] ModelView [entitlement package] information[,] available via NasdaqTrader.com. ModelView shall contain historical [TotalView] information regarding aggregate displayed and reserve liquidity at each price level directly from [in] the Nasdaq Market Center. ModelView shall be available for a subscription fee of \$2,000 per month.

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II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Nasdaq included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Nasdaq has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to clarify Nasdaq Rule 7023(d) to make clear that Historical ModelView information will be available via NasdaqTrader.com and will contain historical information regarding aggregate displayed and reserve liquidity at each price level directly from the Nasdaq Market Center. Additionally, references to the Historical TotalView data product will be deleted from Nasdaq Rule 7023(d) since it is

offered through a technology subsidiary of the Exchange rather than the Exchange itself. Historical TotalView can be created by any vendor that receives the real time data feed and, as such, is not exclusively created through the Exchange.

ModelView is designed to facilitate more efficient trading activity in the Nasdaq Market Center in an environment where trading and order-routing become increasingly automated, and broker-dealers, institutional traders and technology providers are constantly seeking to improve the quality of information upon which trading and order-routing decisions are made. The incremental data in ModelView helps customers give better visibility into data not previously available.

Specifically, ModelView provides the aggregate amount of both displayed and reserve size liquidity in the Nasdaq Market Center at each price level. With this information, developers of automated trading and order-routing models improve their Nasdaq trading efficiency, and the providers of liquidity to the Nasdaq Market Center find greater fill rates and execution quality. ModelView protects the anonymity of the trading strategies of Nasdaq Market Center participants while improving the execution quality of their orders. Also, ModelView does not contain explicit or implicit information regarding the identity of market participants trading in Nasdaq at the relevant time.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act⁵ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

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. The proposed change is designed to clarify the applicability of Nasdaq's rules.

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

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments were neither solicited nor received.

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

The Exchange believes that the foregoing proposed rule change may take effect upon filing with the Commission pursuant to Section 19(b)(3)(A)⁶ of the Act and Rule 19b-4(f)(6)(iii) thereunder⁷ 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 if consistent with the protection of investors and the public interest. In addition, at least five days prior to the instant filing, the Exchange provided the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change.

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)(6)(iii).

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate 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.

The Exchange believes that this proposal qualifies for immediate effectiveness as a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4.⁸

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission’s Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NASDAQ-2010-010 on the subject line.

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NASDAQ-2010-010. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s Internet Web site

⁸ 17 CFR 240.19b-4(f)(6).

<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-NASDAQ-2010-010 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Florence E. Harmon
Deputy Secretary

⁹ 17 C.F.R. 200.30-3(a)(12).