

EXHIBIT 4

Changes to the Proposed Rule Text

Text is marked to show changes to proposed rule language in the immediately preceding filing. Additions to the immediately preceding filing are double underlined.

The Nasdaq Stock Market LLC Rules

* * * * *

Equity Rules

* * * * *

Equity 4: Equity Trading Rules

...

4702. Order Types

(a) No change.

(b) Except where stated otherwise, the following Order Types are available to all Participants:

(1) – (13) No change.

(14) (A) A "Midpoint Extended Life Order" is an Order Type with a Non-Display Order Attribute that is priced at the midpoint between the NBBO and that will not be eligible to execute until a minimum time_period ("Holding Period") has passed after acceptance of the Order by the System. Eligible Midpoint Extended Life Orders may only execute against other eligible Midpoint Extended Life Orders and M-ELO+CB Orders. Buy (sell) Midpoint Extended Life Orders will be ranked in time order at the midpoint among other Buy (Sell) Midpoint Extended Life Orders and buy (sell) MELO+ CB Orders. A Midpoint Extended Life Order may be cancelled at any time. If a Midpoint Extended Life Order is modified by a member (other than to decrease the size of the Order or to modify the marking of a sell Order as long, short, or short exempt) during the Holding Period, the System will restart the Holding Period. If a Midpoint Extended Life Order is modified by a member (other than to decrease the size of the Order or to modify the marking of a sell Order as long, short, or short exempt) after it is eligible to execute, the Order will have to satisfy a new Holding Period to become eligible to execute.

At the commencement of Market Hours, the initial Holding Period for a Midpoint Extended Life Order in a particular symbol will be 1.25 milliseconds. However, the System may, based upon its proprietary assessment of market conditions for that symbol, decide to vary the default Holding Period of all Midpoint Extended Life Orders in a symbol in increments of 0.25 or 0.50 milliseconds, and within an overall range of between 0.25 and 2.50 milliseconds during normal market conditions

(described below), beginning 30 seconds after Market Hours commences and then at 30 second intervals thereafter until Market Hours conclude (“Change Events”). Whenever a Midpoint Extended Life Order in a symbol enters the Exchange Book during Market Hours, it will adopt the then-prevailing Holding Period that the System chose for all Midpoint Extended Life Orders in that symbol as of the immediately preceding Change Event. The Holding Period for the Midpoint Extended Life Order will not be eligible for modification until the next scheduled Change Event occurs for all Midpoint Extended Life Orders in that symbol, at which point all pending Midpoint Extended Life Orders in a symbol with unexpired Holding Periods will adopt the modifications that the System then makes to the Holding Period (retroactive to the time of acceptance of the Midpoint Extended Life Orders).

For purposes of this rule, the phrase “proprietary assessment of market conditions” refers to the Exchange’s evaluation of prevailing market conditions for a given symbol using an algorithm programmed to set a Holding Period duration which, at each Change Event, achieves an optimal blend of two objectives: maximization of M-ELO fill rates; and minimization of M-ELO mark-out rates. For this purpose, the algorithm ingests and analyzes 142 data points, which the Exchange identifies and describes in Exhibit 3b of SR-NASDAQ-2022-079 Amendment 2, which is available on the Exchange’s website. The Exchange derives these data from a combination of public data and M-ELO data feeds. Furthermore, the Exchange conducts weekly re-trainings of the algorithm, outside of Market Hours, to improve its performance relative to the immediately preceding period (in terms of the two aforementioned objectives). The Exchange deploys a retrained version of the algorithm only if it determines that doing so will, in fact, improve its performance relative to the immediately preceding period. The Exchange provides further information about the algorithm and the retraining process in a White Paper attached as Exhibit 3a to SR-NASDAQ-2022-079 Amendment 2, which is available on the Exchange’s website.

Notwithstanding the above, whenever the System determines that market conditions for a symbol have become extraordinarily unstable (including in between Change Events), the System will activate a stability protection mechanism. The stability protection mechanism will override the prevailing Holding Period for a Midpoint Extended Life Order in a symbol experiencing extraordinary instability and immediately increase the duration of the Holding Period to 12 milliseconds for a period of at least 750 milliseconds (the “Stability Protected Period”). The System may activate the stability protection mechanism even between Change Events. The System will evaluate, at each NBBO update, whether market conditions remain extraordinarily unstable and, if so, it will restart the 750ms Stability Protected Period and maintain the 12ms Holding Period until conditions stabilize. Once the System determines that market conditions have stabilized (i.e., all measurements for the symbol are at or below the threshold value throughout the duration of the prevailing Stability Protected Period), the System will revert the duration of the Holding Periods to that which prevailed as of the Change Event that occurred immediately

prior to the activation of the stability protection mechanism or, if the stability protection mechanism was active when a Change Event occurred, to the duration selected at the immediately preceding Change Event. The System will then proceed to reevaluate the duration of the Holding Periods as per the regular schedule of Change Events. For purposes of this Rule, the System determines that “extraordinary instability” for a symbol exists through observations it makes following every change in the NBBO for that symbol that occurs during the trading day. When the NBBO changes, the System looks back at the prior three seconds of trading and measures the difference between the highest and the lowest NBBO midpoint values that occurred during that period, and then it compares that measurement to a threshold value for the symbol. The System concludes that extraordinary instability exists for a symbol if the measurement exceeds the threshold value. The threshold value for a symbol, in turn, is the difference between the highest and the lowest NBBO midpoint values for the symbol that, if applied to its trading activity during the prior trading day, would have caused the System to deem trading in the symbol to be extraordinarily unstable for as close to one percent of that day as possible.

* * * * *