

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-72126; File No. SR-NASDAQ-2014-047)

May 8, 2014

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Modify Fees Set Forth in Rule 7015(e) Governing WebLink ACT and the ACT Workstation

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 May 2, 2014, The NASDAQ Stock Market LLC (“NASDAQ” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a 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

NASDAQ is proposing to modify fees set forth in Rule 7015(e) governing WebLink ACT and the ACT Workstation. The text of the proposed rule change is below; proposed new language is underlined; proposed deletions are in brackets.

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7015. Access Services

The following charges are assessed by Nasdaq for connectivity to systems operated by NASDAQ, including the Nasdaq Market Center, the FINRA/NASDAQ Trade Reporting Facility, and FINRA’s OTCBB Service. The following fees are not applicable to the NASDAQ

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Options Market LLC. For related options fees for Access Services refer to Chapter XV, Section 3 of the Options Rules.

(a) – (d) No change.

(e) Specialized Services Related to FINRA/NASDAQ Trade Reporting Facility

CTCI fee	\$575/month
WebLink ACT or Nasdaq Workstation Post Trade	<p>\$525/month (full functionality) or \$275/month (up to an average of twenty transactions per day each month) (For the purposes of this service only, a transaction is defined as an original trade entry, either on trade date or as-of transactions per month.)</p> <p>A subscription includes: the Trade Reporting File Upload service, which allows members to upload multiple trade reports in batches to ACT; and the ACT Reject Scan service, which provides a list of all of a member’s rejected ACT trade entries and a copy of each rejected trade report form submitted to ACT.</p> <p><u>\$225 per month for the ACT Trade History service which provides searchable access to a member’s trades that are older than six months dating back to 2009.</u></p>
ACT Workstation	<p>\$525/logon/month</p> <p><u>\$225 per month for the ACT Trade History service which provides searchable access to a member’s trades that are older than six months dating back to 2009.</u></p>

(f) - (h) No change.

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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, the self-regulatory organization 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 those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts 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 7015 relating to the ACT Workstation (“Workstation”) and WebLink ACT (“WebLink”) subscription. WebLink, also referred to as NASDAQ Workstation Post Trade, is a web-based application used for submission of trade reports. WebLink provides basic front-end access to the Trade Reporting Facility (“TRF”) operated by NASDAQ and the Financial Industry Regulatory Authority, Inc. (“FINRA”),³ FINRA’s OTC Reporting Facility, as well as access to ACT functionality still offered by NASDAQ under authority delegated by FINRA.

Currently, in Rule 7015(e), the Exchange assesses a fee for subscription to the Workstation of \$525 per logon per month, and to WebLink of \$525 per user per month for full functionality and \$275 per user, per month for a transaction-limited subscription. Each such subscription includes access to a member’s historical trades executed and reported via ACT during the prior six months. These services and fees will remain unchanged.

The Exchange is proposing to amend Rules 7015(e) [sic] to offer members a new service called the ACT Trade History service that members can choose to add to their existing Weblink

³ NASDAQ notes that most FINRA members seeking access to the TRF use a proprietary front-end system developed by the broker-dealer or a product offered by a service bureau. WebLink is designed as a basic front-end system for low volume users.

or ACT Workstation subscriptions for a monthly fee of \$225. The new service will provide access to members' historical trades that are more than six months old dating back to 2009. The optional service will provide an easy-to-use application that allows members to access a searchable database containing their own trade information. Members can search using a date range, stock symbol or CUSIP number, side of trade, trade capacity, price, or Market Participant Identifier. The service will also allow firms to reconcile the treatment of trades over time, including trade reversals, step-outs, and as-of trades. The service will offer multiple standardized report formats as well as an option to configure personalized reports that best serve that firm's business or regulatory needs. Members that determine not to purchase the new optional service for \$225 can continue to operate their existing Weblink or ACT Workstation services with no change in service or fees.

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 the proposal is designed to promote just and equitable principles of trade, to remove impediments to 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 ACT Trade History service will permit members to perform various functions that serve to promote these stated policies. For example, users can search trade history to fulfill compliance functions, to assess execution quality, and to evaluate trading practices. The new service will assist with these and many other functions that will allow members to better protect investors and the public interest.

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

NASDAQ also believes that the proposed rule change is consistent with the provisions of Section 6(b)(4) of the Act,⁶ because it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system that NASDAQ operates or controls, and it does not unfairly discriminate between customers, issuers, brokers or dealers. The proposed fee for the new optional service for the ACT Workstation and WebLink fees is reasonable because it reflects the added value that subscribing members receive from the voluntary purchase of the ACT Trade History package. Each member will evaluate the potential benefits available via the optional package and weight [sic] those benefits against the cost of the monthly subscription. There is no minimum subscription commitment, meaning members can evaluate its performance for a single month and then terminate the package with no continuing obligation. NASDAQ also believes that the proposed fee for such subscribers to the Workstation and WebLink is not discriminatory because each member that chooses the optional service will pay the same fee.

ACT Workstation and WebLink subscribers that determine that the enhancements do not provide sufficient benefit to warrant the cost of the subscriptions may choose to subscribe to alternatively [sic] third party front end systems or develop front end applications of their own to perform the same function.

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, as amended. To the contrary, NASDAQ's proposal is a response to competition from other vendors and front-end services that process members' trade reports. NASDAQ's desire to improve the

⁶ 15 U.S.C. 78f(b)(4).

functionality offered to users of the FINRA/NASDAQ TRF reflects a healthy, competitive market which leads to enhanced products and services. The proposed service and fee are pro-competitive in that subscribers will opt for NASDAQ's service only if [sic] they recognize sufficient value and derive sufficient benefit from the enhancements to warrant paying the proposed monthly fee.

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

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, it has become effective pursuant to Section 19(b)(3)(A) of the Act⁷ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁸

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.

⁷ 15 U.S.C. 78s(b)(3)(a).

⁸ 17 CFR 240.19b-4(f)(6).

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-2014-047 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-2014-047. 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 website (<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 website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-2014-047, 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

Kevin M. O'Neill
Deputy Secretary

⁹ 17 CFR 200.30-3(a)(12).