

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75421; File Nos. SR-BSECC-2015-001; SR-BX-2015-030; SR-NASDAQ-2015-058; SR-Phlx-2015-46; SR-SCCP-2015-01]

### Self-Regulatory Organizations; Boston Stock Exchange Clearing Corporation; NASDAQ OMX BX, Inc.; The NASDAQ Stock Market LLC; NASDAQ OMX PHLX LLC; Stock Clearing Corporation of Philadelphia; Order Approving Proposed Rule Changes To Amend the Amended and Restated Certificate of Incorporation and By-Laws of The NASDAQ OMX Group, Inc.

July 10, 2015.

#### I. Introduction

On May 19, 2015, each of the Boston Stock Exchange Clearing Corporation (“BSECC”), NASDAQ OMX BX, Inc. (“BX”), The NASDAQ Stock Market LLC (“NASDAQ”), NASDAQ OMX PHLX LLC (“Phlx”), and the Stock Clearing Corporation of Philadelphia (“SCCP” and, together with BSECC, BX, NASDAQ, and Phlx, the “SROs”), filed with the Securities and Exchange Commission (“Commission”), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> proposed rule changes with respect to amendments to the Amended and Restated Certificate of Incorporation (the “Charter”) and By-Laws (the “By-Laws”) of The NASDAQ OMX Group, Inc. (“NASDAQ OMX”), the parent company of the SROs, to change its name to Nasdaq, Inc. The BX, NASDAQ, and Phlx proposed rule changes were published for comment in the **Federal Register** on June 2, 2015.<sup>3</sup> The BSECC and SCCP proposed rule changes were published for comment in the **Federal Register** on June 3, 2015.<sup>4</sup> The Commission did not receive any comment letters on the proposals. This order approves the proposed rule changes.

#### II. Description of the Proposal

NASDAQ OMX, as part of an ongoing global rebranding initiative, has begun to refer to itself, both internally and externally, as Nasdaq, rather than NASDAQ OMX. As a result of this

initiative, the SROs note that for purposes of consistency with its marketing, communications, and other materials, NASDAQ OMX intends to change the legal names of NASDAQ OMX and certain of its subsidiaries to eliminate references to OMX. As represented in the current proposed rule changes by each of its subsidiaries, NASDAQ OMX has therefore proposed to amend its Charter and By-Laws to change its legal name from The NASDAQ OMX Group, Inc. to Nasdaq, Inc.

Specifically, NASDAQ OMX proposes to file a Certificate of Amendment to its Charter with the Secretary of State of the State of Delaware to amend Article First of the Charter to reflect the new name. In addition, NASDAQ OMX proposes to amend the title and Article I(f) of its By-Laws to reflect the new name.

#### III. Discussion and Commission’s Findings

After careful review, the Commission finds that the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, in the case of the proposals by BX, NASDAQ, and Phlx, and to a clearing agency, in the case of the proposals by BSECC and SCCP.<sup>5</sup>

In particular, the Commission finds that the proposed rule changes by BX, NASDAQ, and Phlx are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange. Section 6(b)(5) of the Act requires, among other things, that an exchange’s rules be designed to prevent fraudulent and manipulative acts and practices, 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.<sup>6</sup> The Commission believes that the proposed rule changes by BX, NASDAQ, and Phlx are consistent with the requirements of section 6(b)(5) of the Act<sup>7</sup> because they would reflect the change made by NASDAQ OMX, the exchanges’ parent company,<sup>8</sup> to its Charter and By-Laws to

change its legal name to Nasdaq, Inc., which should eliminate potential confusion among investors and market participants because of differences between NASDAQ OMX’s corporate name and the manner in which it refers to itself as part of its current global branding initiative.

The Commission also finds that the proposed rule changes by BSECC and SCCP are consistent with the requirements of the Act and the rules and regulations thereunder applicable to clearing agencies. Section 17A(b)(3)(F) of the Act requires, among other things, that the rules of a clearing agency be designed to protect investors and the public interest.<sup>9</sup> In addition, Rule 17Ad-22(d)(8) under the Act<sup>10</sup> requires registered clearing agencies to establish, implement, maintain, and enforce written policies and procedures reasonably designed to have governance arrangements that are clear and transparent. Here, BSECC and SCCP filed proposed rule changes to highlight a change being made in the Charter and By-laws of NASDAQ OMX,<sup>11</sup> which indirectly owns BSECC and SCCP. Therefore, the proposed rule changes by BSECC and SCCP help make clear and transparent the governance arrangements of NASDAQ OMX and, thus, BSECC and SCCP, which helps ensure investor protection and the public interest.

#### IV. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule changes are consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange, in the case of BX, NASDAQ, and Phlx, and to a registered clearing agency, in the case of BSECC and SCCP.

*It is therefore ordered*, pursuant to section 19(b)(2) of the Act,<sup>12</sup> that the proposed rule changes (SR-BSECC-2015-001; SR-BX-2015-030; SR-NASDAQ-2015-058; SR-Phlx-2015-46; SR-SCCP-2015-01) be, and hereby are, approved.

<sup>1</sup> 15 U.S.C. 78s(b)(1).  
<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Securities Exchange Act Release Nos. 75051 (May 27, 2015), 80 FR 31427 (SR-BX-2015-030); 75052 (May 27, 2015), 80 FR 31438 (SR-NASDAQ-2015-058); 75053 (May 27, 2015), 80 FR 31439 (SR-Phlx-2015-46).

<sup>4</sup> Securities Exchange Act Release Nos. 75064 (May 28, 2015), 80 FR 31627 (SR-BSECC-2015-001); 75063 (May 28, 2015), 80 FR 31625 (SR-SCCP-2015-01).

<sup>5</sup> Additionally, in approving these proposed rule changes, the Commission has considered the proposed rules’ impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> *Id.*

<sup>8</sup> Certain provisions of NASDAQ OMX’s Charter and By-Laws are considered rules of BX, NASDAQ, and Phlx if they are stated policies, practices, or interpretations, as defined in Rule 19b-4 under the Act, of BX, NASDAQ, and Phlx, and must be filed with the Commission pursuant to Section 19(b) of

<sup>9</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>10</sup> 17 CFR 240.17Ad-22(d)(8).

<sup>11</sup> Certain provisions of NASDAQ OMX’s Charter and By-Laws are considered rules of BSECC and SCCP if they are stated policies, practices, or interpretations, as defined in Rule 19b-4 under the Act, of BSECC and SCCP, and must be filed with the Commission pursuant to section 19(b) of the Act and Rule 19b-4 thereunder. 15 U.S.C. 78q-1(b); 17 CFR 240.19b-4.

<sup>12</sup> 15 U.S.C. 78s(b)(2).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>13</sup>

Jill M. Peterson,

Assistant Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75423; File No. SR-NASDAQ-2015-070]

### Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Relating to Non-Penny Pilot Options Fees

July 10, 2015.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on June 30, 2015, The NASDAQ Stock Market LLC (“Nasdaq” or “Exchange”) 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 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

The Exchange proposes to amend the Exchange’s transaction fees at chapter XV, section 2 entitled “NASDAQ Options Market—Fees and Rebates,” which governs pricing for NASDAQ members using the NASDAQ Options Market (“NOM”), NASDAQ’s facility for executing and routing standardized equity and index options.

While the changes proposed herein are effective upon filing, the Exchange has designated the amendments become operative on July 1, 2015.

The text of the proposed rule change is available on the Exchange’s Web site at <http://nasdaq.cchwallstreet.com>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

### 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 Exchange 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. The Exchange 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 amend the Non-Penny Pilot Options<sup>3</sup> Fees for Removing Liquidity<sup>4</sup> for all market participants, except Customers.<sup>5</sup> The Exchange is also proposing to remove all fees for options overlying the PHLX Semiconductor Sector<sup>SM</sup> (SOX<sup>SM</sup>).

#### Non-Penny Pilot Options Fees for Removing Liquidity

The Exchange proposes to amend the Non-Penny Pilot Options Fees for Removing Liquidity (including NDX) for Professionals,<sup>6</sup> Firms,<sup>7</sup> Non-NOM Market Makers,<sup>8</sup> NOM Market Makers<sup>9</sup> and Broker-Dealers<sup>10</sup> from \$0.89 to \$0.94 per contract. Customers will continue to be assessed a Non-Penny Pilot Options Fee for Removing Liquidity of \$0.85 per contract. The Exchange believes that despite this fee increase, Fees for Removing Liquidity in Non-Penny Pilot Options remain competitive.

#### SOX

The Exchange is proposing to remove all fees related to SOX from chapter XV, section 2 of the NOM Rules. Currently, chapter XV, section 2 specifies the following fees related to SOX:

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)).

<sup>6</sup> The term “Professional” 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.

<sup>7</sup> The term “Firm” or (“F”) applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

<sup>8</sup> 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.

<sup>9</sup> The term “NOM Market Maker” means 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.

<sup>10</sup> 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.

<sup>13</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> The Penny Pilot was established in March 2008 is currently expanded and extended through June 30, 2015. See Securities Exchange Act Release Nos. 57579 (March 28, 2008), 73 FR 18587 (April 4, 2008) (SR-NASDAQ-2008-026) (notice of filing and immediate effectiveness establishing Penny Pilot); 60874 (October 23, 2009), 74 FR 56682 (November 2, 2009) (SR-NASDAQ-2009-091) (notice of filing and immediate effectiveness expanding and extending Penny Pilot); 60965 (November 9, 2009), 74 FR 59292 (November 17, 2009) (SR-NASDAQ-2009-097) (notice of filing and immediate effectiveness adding seventy-five classes to Penny Pilot); 61455 (February 1, 2010), 75 FR 6239 (February 8, 2010) (SR-NASDAQ-2010-013) (notice of filing and immediate effectiveness adding seventy-five classes to Penny Pilot); 62029 (May 4, 2010), 75 FR 25895 (May 10, 2010) (SR-NASDAQ-2010-053) (notice of filing and immediate effectiveness adding seventy-five classes to Penny Pilot); 65969 (December 15, 2011), 76 FR 79268 (December 21, 2011) (SR-NASDAQ-2011-169) (notice of filing and immediate effectiveness extension and replacement of Penny Pilot); 67325 (June 29, 2012), 77 FR 40127 (July 6, 2012) (SR-NASDAQ-2012-075) (notice of filing and immediate effectiveness and extension and replacement of Penny Pilot through December 31, 2012); 68519 (December 21, 2012), 78 FR 136 (January 2, 2013) (SR-NASDAQ-2012-143) (notice of filing and immediate effectiveness and extension

and replacement of Penny Pilot through June 30, 2013); 69787 (June 18, 2013), 78 FR 37858 (June 24, 2013) (SR-NASDAQ-2013-082) (notice of filing and immediate effectiveness and extension and replacement of Penny Pilot through December 31, 2013); 71105 (December 17, 2013), 78 FR 77530 (December 23, 2013) (SR-NASDAQ-2013-154) (notice of filing and immediate effectiveness and extension and replacement of Penny Pilot through June 30, 2014); 79 FR 31151 (May 23, 2014), 79 FR 31151 (May 30, 2014) (SR-NASDAQ-2014-056) (notice of filing and immediate effectiveness and extension and replacement of Penny Pilot through December 31, 2014); 73686 (December 2, 2014), 79 FR 71477 (November 25, 2014) (SR-NASDAQ-2014-115) (notice of filing and immediate effectiveness and extension and replacement of Penny Pilot through June 30, 2015); and 75283 (June 24, 2015), 80 FR 37347 (June 30, 2015) (notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Extension of the Exchange’s Penny Pilot Program and Replacement of Penny Pilot Issues That Have Been Delisted). See also NOM Rules, chapter VI, section 5.

<sup>4</sup> The Non-Penny Pilot Options pricing includes options overlying the Nasdaq 100 Index traded under the symbol NDX. For transactions in NDX, a surcharge of \$0.15 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.

<sup>5</sup> The term “Customer” applies to any transaction that is identified by a Participant for clearing in the