

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-84283; File No. SR-GEMX-2018-29)

September 25, 2018

Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Relocate the Exchange's Schedule of Fees

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 September 12, 2018, Nasdaq GEMX, LLC ("GEMX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II 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 (a) relocate the GEMX Schedule of Fees and current Rule 209 to the Exchange's rulebook's ("Rulebook") shell structure,³ and (b) make conforming cross-reference changes throughout the Rulebook.

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In 2017, the Exchange added a shell structure to its Rulebook with the purpose of improving efficiency and readability and to align its rules closer to those of its five sister exchanges, The Nasdaq Stock Market LLC; Nasdaq BX, Inc.; Nasdaq PHLX LLC; Nasdaq ISE, LLC; and Nasdaq MRX, LLC ("Affiliated Exchanges"). See Securities Exchange Act Release No. 82171 (November 29, 2017), 82 FR 57516 (December 5, 2017) (SR-GEMX-2017-54).

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 relocate the entire GEMX Schedule of Fees and Rule 209 to the Exchange's shell structure; specifically, the Exchange will relocate the aforementioned rules to the Options 7 ("Pricing Schedule") section of the shell. In addition, the Exchange will make conforming cross-reference changes throughout the Rulebook.

(a) Relocation of Rules

As indicated, the Exchange, as part of its continued effort to promote efficiency and the conformity of its processes with those of the Affiliated Exchanges, and the goal of harmonizing and uniformizing its rules, proposes to relocate the Schedule of Fees and GEMX Rule 209 to Options 7, Pricing Schedule, of the shell structure.

To improve the readability of the relocated Pricing Schedule rules, the Exchange will update their current "Preface" section and rename it "Section 1. General Provisions." Next, the Exchange will move current GEMX Rule 209, described in the paragraph below, and rename it "Section 2" but keeping its current title, "Collection of Exchange Fees and Other Claims."

GEMX Rule 209 was added to the Rulebook to permit the Exchange the collection of undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and

owing to the Exchange or other charges related to Rules 205 and 206.⁴ The Exchange believes that, unlike other rules in Chapter 2 (“Administration”) of the Rulebook, which generally refer to the powers of the Board of Directors and the authority it delegates to Senior Management of the Exchange, the direct debit process established in Rule 209 will be better situated among the relocated rules of the Pricing Schedule.

The Exchange is also proposing to move all the remaining sections, I through V, in the current Schedule of Fees, renumber them as provided in the table below, and add the word “Section” to each of their titles. Relatedly, the Exchange will update all references to the “Schedule of Fees” or “Fee Schedule” in the proposed rule text and replace them with the term “Pricing Schedule” where appropriate.

Finally, the Exchange will update all references to “NASDAQ” in proposed Section 6, H., of the Pricing Schedule with the word “Nasdaq,” to keep the proposed rule text consistent with changes to the names of the Affiliated Exchanges.⁵

Options 7 – Pricing Schedule (Proposed)	Schedule of Fees (Current)
Section 1. General Provisions	PREFACE
Section 2. Collection of Exchange Fees and Other Claims	Rule 209. Collection of Exchange Fees and Other Claims
Section 3. Regular Order Fees and Rebates	I. Regular Order Fees and Rebates
Section 4. Other Options Fees and Rebates	II. Other Options Fees and Rebates

⁴ See Securities Exchange Act Release No. 79013 (September 30, 2016), 81 FR 69556 (October 6, 2016) (SR-ISEGemini-2016-12); see also, Securities Exchange Act Release No. 79562 (December 15, 2016), 81 FR 93722 (December 21, 2016) (SR-ISEGemini-2016-20).

⁵ See Securities Exchange Act Releases No. 81917 (October 23, 2017), 82 FR 49879 (October 27, 2017) (SR-NASDAQ-2017-111) and No. 81948 (October 25, 2017), 82 FR 50468 (October 31, 2017) (SR-BX-2017-046).

Options 7 – Pricing Schedule (Proposed)	Schedule of Fees (Current)
Section 5. Legal & Regulatory	III. Legal & Regulatory
Section 6. Connectivity Fees	IV. Connectivity Fees
Section 7. Market Data	V. Market Data

The relocation of the Pricing Schedule rules will facilitate the use of the Rulebook by Members⁶ of the Exchange, including those who are members of other Affiliated Exchanges, and other market participants. Moreover, the proposed changes are of a non-substantive nature and will not amend the relocated rules, other than make the updates previously explained.

(b) Cross-Reference Updates

In connection with the changes described above, the Exchange proposes to update all cross-references in the Rulebook that direct the reader to the current location of the Pricing Schedule rules and/or any of their subsections.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁷ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁸ in particular, in that it 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, by promoting efficiency and structural conformity of the Exchange’s processes with those of the Affiliated Exchanges and to make the Exchange’s Rulebook easier to read and more accessible to its Members and market participants. The

⁶ Exchange Rule 100(a)(31).

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

Exchange believes that the relocation of the Pricing Schedule rules, updating the name “NASDAQ” to “Nasdaq,” and related cross-reference updates are of a non-substantive nature.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed changes do not impose a burden on competition because, as previously stated, they (i) are of a non-substantive nature, (ii) are intended to harmonize the structure of the Exchange’s rules with those of its Affiliated Exchanges, and (iii) are intended to organize the Rulebook in a way that it will ease the Members’ and market participants’ navigation and reading of the rules.

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

No written comments were either solicited or 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 Act⁹ and Rule 19b-4(f)(6) thereunder.¹⁰

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(6). As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act¹¹ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)¹² permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposed rule change may become operative upon filing. Waiver of the operative delay would allow the Exchange to promptly relocate the Pricing Schedule rules and continue to reorganize its Rulebook to promote efficiency and structural consistency between the Exchange's rules and those of the Affiliated Exchanges. The Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.¹³

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 necessary or appropriate in the public interest, for the protection of investors, or 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 change should be approved or disapproved.

¹¹ 17 CFR 240.19b-4(f)(6).

¹² 17 CFR 240.19b-4(f)(6)(iii).

¹³ For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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-GEMX-2018-29 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-GEMX-2018-29. 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 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.

Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-GEMX-2018-29 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.¹⁴

Eduardo A. Aleman
Assistant Secretary

¹⁴ 17 CFR 200.30-3(a)(12).