EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

This SORN was last published in full in the **Federal Register** at 40 FR 39253 (August 27, 1975). Subsequent notices of revision can be found at the following citations:

—41 FR 5318 (February 5, 1976)
—41 FR 11631 (March 19, 1976)
—41 FR 41550 (September 22, 1976)
—42 FR 36333 (July 14, 1977)
—46 FR 63439 (December 31, 1981)
—59 FR 27626 (May 27, 1994)
—62 FR 47884 and 47885 (September 11, 1997)
—63 FR 11938 (March 11, 1998)
—77 FR 16569 (March 21, 2012)
—85 FR 85440 (January 27, 2021)

By the Commission.

Dated: December 19, 2025.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–23771 Filed 12–22–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104444; File No. SR–NASDAQ–2025–102]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Enhance the Designated Liquidity Provider Program and Add a New Market Quality Supporter Program

December 18, 2025.

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 December 11, 2025, 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 (i) enhance the Designated Liquidity Provider (as defined below) program in Equity 7, Section 114(f), and (ii) add a new Market Quality Supporter (as defined below) program in Equity 7, Section 114(g).

The text of the proposed rule change is available on the Exchange's website at *https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings,* and at the principal office of the Exchange.

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 purpose of the proposed rule change is to (i) enhance the Designated Liquidity Provider[3] (''DLP'') program in Equity 7, Section 114(f), and (ii) add a new Market Quality Supporter[4] (''MQS'') program in Equity 7, Section 114(g).

Together, these proposed changes are intended to create a more scalable, targeted, and effective market quality support structure for Nasdaq-listed exchange-traded products (''ETPs'').

The Exchange initially filed the proposed pricing changes on December 1, 2025 (SR–NASDAQ–2025–097). On December 11, 2025, the Exchange withdrew that filing and submitted this filing.

Background

Pursuant to Equity 7, Section 114(f), the Exchange currently maintains a DLP program that is designed to enhance liquidity and market quality in Nasdaq-listed ETPs by providing incentives to the DLP for a Qualified Security.[5] The DLP program provides tiered rebates to qualifying DLPs based on a combination of performance criteria (*i.e.,* market quality metrics or ''MQM'') and trading activity based on average daily volume (''ADV'') in the DLP's assigned ETP. The MQMs are set out in paragraph (f)(4) of Equity 7, Section 114, and measure:[6] (1) percentage of time at the national best bid (best offer) (''NBBO''), (2) percentage of time within 5 basis points of NBBO, (3) average notional depth within specified basis points of the NBBO, (4) average spread,[7] and (5) auction quality.[8] Primary DLPs may qualify for either a standard DLP rebate by meeting at least 4 of 5 standard MQMs in the assigned ETP or an enhanced DLP rebate by meeting all 5 enhanced MQMs, as specified in Equity 7, Section 114(f)(4). As set out in Section 114(f)(5), a Primary DLP that satisfies the MQMs in Section 114(f)(4) will be eligible to receive the rebates provided in paragraph (A) of Section 114(f)(5) in each of its assigned ETPs for which it qualified. For ETPs with higher ADV (*i.e.,* Tiers 1 and 2), eligible Primary DLPs receive the standard or enhanced rebate for which they qualified for each displayed share that adds liquidity in the ETP. For lower ADV ETPs (*i.e.,* Tiers 3–5), the Primary DLP receives fixed monthly payments for their standard or enhanced rebates, as applicable, which are in addition to any other rebate the Primary DLP is eligible for under Equity 7, Sections 114 and 118. Specifically, Nasdaq currently pays qualifying Primary DLPs in accordance with the following rebate schedule in Section 114(f)(5)(A):

---

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] A ''Designated Liquidity Provider'' or ''DLP'' is a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A DLP shall be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. Nasdaq may limit the number of DLPs in a security, or modify a previously established limit, upon prior written notice to members. *See* Equity 7, Section 114(f)(2).

[4] As set out in proposed paragraph (g)(2) of Equity 7, Section 114, a ''Market Quality Supporter'' or ''MQS'' has committed to maintain minimum performance standards in Low Volume ETPs. An MQS shall be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws.

[5] Under this program, a security may be designated as a ''Qualified Security'' if it (1) is an ETP listed on Nasdaq pursuant to Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760, and (2) has at least one DLP. *See* Equity 7, Section 114(f)(1).

[6] These MQMs are measured on average in the DLP's assigned ETP during regular market hours, except for auction quality requirements that are measured each auction against the metrics. *See* Equity 7, Section 114(f)(4).

[7] Average spread is the time weighted average spread in basis points when the DLP has a two-sided quote.

[8] Auction quality is measured by auction price deviation from first reference price after 30 seconds before the market open (Opening) and 120 before the market close (Closing).

Tiers	ADV	Standard rebate	Enhanced rebate
Tier 1	ETP with monthly ADV greater than 1 million in the prior month.	$0.0034 per executed share	$0.0036 per executed share.
Tier 2	ETP with monthly ADV between 250,001 and 1 million in the prior month.	$0.0040 per executed share	$0.0042 per executed share.
Tier 3	ETP with monthly ADV between 150,001 and 250,000 in the prior month.	$200 per month	$350 per month.
Tier 4	ETP with monthly ADV between 50,001 and 150,000 in the prior month.	$225 per month	$450 per month.
Tier 5	ETP with monthly ADV less than 50,001 in the prior month.	$300 per month	$500 per month.

Further, if two DLPs are assigned to a Nasdaq-listed ETP, one may be designated as the Secondary DLP, which may receive rebates if it meets 2 of the enhanced MQMs in Section 114(f)(4) (excluding the auction quality MQM).[9] Section 114(f)(5)(A) sets forth the rebate schedule for Secondary DLPs. For ETPs with higher ADV (*i.e.,* Tiers 1 and 2), eligible Secondary DLPs receive an additional $0.0003 per executed share that is in addition to any other rebate the Secondary DLP is eligible for under Equity 7, Sections 114 and 118. For ETPs with lower ADV (*i.e.,* Tiers 3–5), eligible Secondary DLPs receive an additional $150 per month that is in addition to any other rebate the Secondary DLP is eligible for under Equity 7, Sections 114 and 118.

Lastly, the DLP program also has an additional Tape C ETP incentive for Primary DLPs based on their quoting performance across their ETP assignments. As set forth in Section 114(f)(4), the Exchange currently requires that the average time the Primary DLP is at the NBBO for each assigned ETP averages at least 20%, and the average liquidity provided by the Primary DLP for each assigned ETP averages at least 5% of the liquidity provided on Nasdaq in the respective ETP. Qualifying Primary DLPs are then provided incremental rebates for each displayed share that adds liquidity in a Tape C ETP in accordance with the following schedule in Section 114(f)(5)(B):

	Tier 1	Tier 2	Tier 3	Tier 4
Minimum Monthly Average Number of Assigned ETPs as a Primary DLP.	10	25	50	100.
Incremental Tape C ETP Rebate	$0.0002 per executed share.	$0.0003 per executed share.	$0.0004 per executed share.	$0.0005 per executed share.

Proposal 1: DLP Program

As discussed in detail below, the Exchange proposes to enhance the current DLP program in Equity 7, Section 114(f) by: (1) eliminating the distinction between Primary and Secondary DLPs, eliminating Secondary DLP rebates, and limiting the number of DLPs to one DLP per Qualified Security; (2) replacing the distinction between standard and enhanced MQMs (and associated rebates) with a single set of MQMs (and associated rebates); (3) adding a new ''Low Volume'' [10] group framework; (4) replacing some of the current MQMs with more detailed MQMs; (5) increasing the fixed monthly DLP rebates for Tiers 3–5; (6) updating the qualifications, eligibility thresholds, and associated rebates for the additional Tape C ETP incentive; and (7) making non-substantive changes throughout proposed Section 114(f) to remove all references to ''fees'' as the Exchange would only provide incentives under the DLP Program and to add references to ''stipends'' to refer to the monthly fixed payments the Exchange would provide to eligible DLPs.[11] With the proposed amendments, the Exchange is seeking to enhance market quality and encourage broader DLP participation, including in investment strategies that exhibit wider spreads and lower trading volume.

As described above, the DLP program currently provides separate rebates for eligible Primary and Secondary DLPs. Primary DLPs are also eligible for standard or enhanced rebates based on whether they meet the relevant standard or enhanced MQMs. The Exchange now proposes to remove the distinction between Primary and Secondary DLPs, and eliminate the Secondary DLP rebates (and associated qualifications) under Equity 7, Section 114(f)(4) and (5). The Exchange also proposes to eliminate the standard and enhanced rebates (and associated qualifications) under Equity 7, Section 114(f)(4) and (5). Under this proposal, and as further described below, any DLP may qualify for one set of tiered rebates if it meets specified MQMs applicable to their assigned ETP.

The Exchange also proposes in Section 114(f) to limit the number of DLPs in a Qualified Security so that as proposed, there may only be one DLP per Qualified Security. This is to better align the rule text to current practice where issuers only have one DLP per Qualified Security. Accordingly, the Exchange will make corresponding changes in paragraphs (f)(1)(B) and (f)(2) to make clear that only one DLP will be assigned per Qualified Security. Specifically in the definition of Qualified Security in paragraph (f)(1)(B), the Exchange proposes to remove the reference to ''at least'' one DLP so that it will be clear the Qualified Security has only one DLP. Also in paragraph (f)(2), the Exchange proposes to remove the last sentence, which currently provides that Nasdaq may limit the number of DLPs in a security, or modify a previously established limit, upon prior written notice to members. This language will no longer be relevant once

[9] The Secondary DLP is determined by using the same factors for DLPs in Section 114(f)(2), including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws.

[10] As discussed below, ''Low Volume'' will mean ETPs with a monthly ADV of 1 million shares or less in the prior month. This ADV volume threshold equates to the ADV volume threshold for Tiers 2–5 under the current DLP rebate program in Equity 7, Section 114(f)(5)(A). The Exchange is not proposing to amend the DLP program's ADV volume thresholds under this proposal.

[11] The term ''rebates'' would therefore refer to the incentives that are provided per executed share.

the Exchange limits the number of DLPs in a Qualified Security to just one.

The Exchange also proposes to make clear how the DLP program will interact with the MQS program by providing in paragraph (f) that a DLP that is designated as a MQS of a Qualified Security may also be eligible to receive the MQS stipend in proposed Section 114(g), provided that the DLP meets the Market Quality Metrics in the DLP program as specified in Section 114(f)(4)(B) as well as the Market Quality Metrics for the MQS program as specified in proposed Section 114(g).

In proposed Section 114(f)(4)(A), the Exchange proposes to add a new Low Volume group framework. As used in the DLP program, the term ''High Volume'' ETPs will mean ETPs with a monthly ADV of more than 1 million shares in the prior month (*i.e.,* Tier 1). The term ''Low Volume'' ETPs will mean ETPs with a monthly ADV of 1 million shares or less in the prior month, which equates to the ADV volume threshold for Tiers 2–5 under the current DLP rebate program in Section 114(f)(5)(A). The Exchange will further segment Low Volume ETPs into Investment Strategy Groups A–C, which will be different ETP investment strategies segmented by their average NBBO spread in basis points, over the prior two calendar years. The Exchange would look at the NBBO continuously throughout the regular trading hours of the day and take the average of the NBBO across all of those times. That average would be the NBBO for the day, which is then taken and averaged across two calendar years to determine the Investment Strategy group.

These Investment Strategy Groups will be checked by the Exchange each calendar year to ensure the investment strategy's average NBBO spread remains within its respective Investment Strategy Group.

Investment strategy group	Average NBBO spread in basis points
A[12]	15 or less.
B[13]	16–28.
C[14]	29 or more.

Group A includes ETP investment strategies that have relatively low trading volumes but exhibit relatively tighter NBBO spreads compared to Groups B and C, which include relatively low trading volume investment strategies with increasingly wider NBBO spreads. Each Nasdaq-listed ETP will be assigned an Investment Strategy Group, which will be publicly available and updated to reflect any changes to the assigned group.[15]

As discussed in detail below, the Investment Strategy Groups will be used to tailor the MQMs that DLPs will need to meet in their assigned ETPs to qualify for DLP rebates. The proposed Investment Strategy Group framework is intended to more precisely calibrate the DLP incentives to the liquidity profile of the investment strategy that the DLP's assigned ETP falls under. The proposed framework is also intended to incentivize market makers to become DLPs in ETPs, particularly ETPs that have lower trading volume and are less liquid.

Proposed Section 114(f)(4)(B) will set forth the MQM thresholds that the DLP must meet based on which Investment Strategy Group or High Volume (*i.e.,* Tier 1) ETP[16] they are assigned, as follows:

Market quality metrics	High volume ETPs	Investment strategy Group A ETPs	Investment strategy Group B ETPs	Investment strategy Group C ETPs
Time at the NBBO with a minimum notional size of $5,000	40%	45%	45%	45%
Average Notional Depth within 25 basis points of the NBBO	$75,000	$40,000	$30,000	$20,000
Average Spread in basis points	25	35	60	100
Auction Reference Price Difference (Opening) of first reference price within 30 seconds prior to the market open must be within basis points	150	150	150	150
Auction Reference Price Difference (Closing) of first reference price within 120 seconds prior to the market close must be within basis points	50	50	50	50
Auction Spread in basis points with $37,500 notional depth (Opening)	75	105	180	300
Auction Spread in basis points with $75,000 notional depth (Closing)	25	35	60	100

The proposed MQMs are similar to the current MQMs except the Exchange is proposing to refine some of the existing MQMs (*e.g.,* adding that time at the NBBO must be with a minimum notional size of $5,000). The Exchange also proposes to delete the existing MQM that requires the DLP to be a certain percentage of time within 5 basis points of the NBBO, and add the new auction spread MQMs described above.

To be eligible for the proposed DLP rebates and stipends in paragraph (5)(A) of Section 114(f), DLPs will need to

[12] Investment Strategy Group A will currently consist of the following investment strategies: government fixed income, North American or USD denominated developed market fixed income, developed market equities, and currencies.

[13] Investment Strategy Group B will currently consist of the following investment strategies: micro- to small-cap developed market equities, multi asset strategies other than absolute returns, commodities tracking, international fixed income, and derivatives.

[14] Investment Strategy Group C will currently consist of the following investment strategies: emerging market equities, emerging market fixed income, multi asset absolute return strategies, commodities strategies and exchange-traded notes (''ETNs'').

[15] The list of investment strategies in Investment Strategy Groups A–C will be publicly available on Nasdaq's website and updated to ensure the investment strategy's average NBBO spread remains within its respective Investment Strategy Group.

[16] As currently set forth in Equity 7, Section 114(f)(5)(A), Tier 1 ETPs have a monthly ADV greater than 1 million in the prior month.

meet 5 of the 7 MQMs described above, including auction spread (both opening and closing),[17] in the assigned ETP as measured by Nasdaq. The Exchange is requiring DLPs meet the two auction spread metrics because the opening and the closing auctions are important parts of the day as these auctions set the benchmark prices. The Exchange also wants to ensure that there is ample liquidity during this vital part of the trading day.

Proposed Section 114(f)(4)(B) will also provide that for leveraged and inverse ETPs, the average spread, auction spread, and auction reference price difference metrics will be multiplied by the absolute value of the leverage factor of the ETP. Because leveraged and inverse ETPs often exhibit higher price volatility relative to standard, non-leveraged and non-inverse ETPs, the DLP is often taking on higher risk and costs to take on these products. Adjusting these MQMs by the absolute value of the ETP's leverage factor aligns the rebate structure with the DLP's cost of taking these products on. These MQMs will be measured on average in the assigned ETP during regular market hours, except for the auction price difference and auction spread metrics that are measured at and directly before each auction, respectively, against the metrics and averaged for the monthly period.

Proposed Section 114(f)(4)(C) will provide the new qualifications for the additional Tape C ETP incentives for DLPs. Specifically, to be eligible for the rebates in proposed paragraph (5)(B) of Section 114(f), a DLP must meet the same average notional depth and average spread metrics as described above for proposed paragraph (4)(B) of Section 114(f). Specifically those metrics are as follows:

Market quality metrics	High volume ETPs	Investment strategy Group A ETPs	Investment strategy Group B ETPs	Investment strategy Group C ETPs
Average Notional Depth within 25 basis points of the NBBO	$75,000	$40,000	$30,000	$20,000
Average Spread in basis points	25	35	60	100

DLPs will need to meet the above additional Tape C incentive MQMs in order to be eligible for the additional Tape C incentives in paragraph (5)(B) of Section 114(f).

Proposed section 114(f)(5) will provide that a DLP that satisfies the MQMs above will be eligible to receive the rebates and stipends provided in paragraph (A) below in each of its assigned ETPs for which it qualified, and the rebates provided in paragraph (B) in any Tape C ETP that meets the criteria of paragraph (1)(A) above.[18] As is the case today, rebates and stipends in paragraph (A) below will be in lieu of or in addition to, as specified, other rebates or fees provided under Equity 7, Sections 118 and 114. The rebates in paragraph (B) below will be in addition to other rebates or fees provided under Equity 7, Sections 118 and 114, including those in Section 114(f)(5)(A) (*i.e.,* the proposed DLP incentives) and Section 114(g) (*i.e.,* the proposed MQS stipend, as discussed below). The Exchange also proposes that the DLP will automatically be eligible to receive the relevant rebate or stipend in one of the following scenarios: (1) for the month of December 2025; or (2) for the current month of a new DLP allocation of a symbol (*i.e.,* in the context of a listing transfer from another exchange or switching DLPs on a symbol). New launches will automatically get the Tier 5 incentive for the current month. The Exchange will not have trading volume data for a newly-launched ETP for its first month, so it is proposing to automatically provide the DLP of the newly-launched ETP with the base Tier 5 rebate in the first month. For listing transfers or DLP allocations, where there is trading volume data for these ETPs, that trading volume data would be applied to determine which Tier rebate or stipend the DLP would receive for the current month of the transfer or allocation. After the first month, the DLP will need to satisfy the MQMs relevant to their assigned ETP, as set forth in proposed Section 114(f)(4). DLPs would likewise receive the applicable Tier rebate or stipend for the first month of the proposed incentive program (*i.e.,* December 2025) based on the relevant ETP trading volume data only because the Exchange seeks to encourage greater participation in the new program and allow DLPs to have adequate time to transition to the MQMs. After December 2025, DLPs will need to satisfy the MQMs relevant to their assigned ETP, as set forth in proposed Section 114(f)(4).

Proposed paragraph (A) of Section 114(f)(5) will set forth the amended DLP rebates and stipends. As discussed above, the Exchange is eliminating the distinction between standard and enhanced rebates, and removing the Secondary DLP rebates in paragraph (A). Instead, the Exchange will pay DLP rebates and stipends according to the following schedule:

Tiers	ADV	Rebate/stipend
Tier 1	ETP with monthly ADV greater than 1 million in the prior month	$0.0034 per executed share.
Tier 2	ETP with monthly ADV between 250,001 and 1 million in the prior month	$0.0040 per executed share.
Tier 3	ETP with monthly ADV between 150,001 and 250,000 in the prior month	$350 per month.
Tier 4	ETP with monthly ADV between 50,001 and 150,000 in the prior month	$450 per month.
Tier 5	ETP with monthly ADV less than 50,001 in the prior month	$500 per month.

In particular, the Exchange proposes to increase the fixed monthly payments (*i.e.,* stipends) in Tiers 3–5 from $200 to $350 (Tier 3), $225 to $450 (Tier 4), and $300 to $500 (Tier 5). Tier 1–2 rebates will remain at the same levels currently provided for the standard DLP rebates. The proposed changes are intended to better incentivize DLPs to quote in lower volume and less liquid ETPs, recognizing that there may be higher costs to do so. The Exchange also

[17] Specifically, the MQMs are Auction Spread in basis points with $37,500 notional depth (Opening) and Auction Spread in basis points with $75,000 notional depth (Closing).

[18] Paragraph (1)(A) of Section 114(f) provides the list of Nasdaq-listed ETPs that are included in the DLP program as Qualified Securities, provided it has at least one DLP. Specifically, these are ETPs listed pursuant to Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750, or 5760.

proposes to clarify in paragraph (5)(A) of Section 114(f) that the Tiers 1–2 rebates will be in lieu of any other rebate the DLP is eligible for under Equity 7, Sections 114 and 118. This is current practice today, but the Exchange is adding this language for transparency and to avoid potential confusion.[19] Unlike the Tiers 3–5 DLP stipends, which are additive, the Tiers 1 and 2 DLP rebates are not because the Exchange is trying to greater incentivize DLPs to quote in lower volume and less liquid ETPs.

Proposed paragraph (B) of Section 114(f)(5) will set forth the amended additional Tape C incentives. As proposed, this will be provided to all eligible DLPs (and removing the references around Primary DLPs which is currently the case) that add liquidity in a Tape C ETP and will clarify that the DLP needs to meet the two DLP MQMs specified in proposed paragraph (4)(C) above. Specifically, the Exchange proposes to provide DLPs rebates in accordance with the following schedule:

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Minimum Monthly Average Number of Assigned ETPs as a DLP and meeting the Average Notional Depth and Average Spread metrics in paragraph (4)(B).	20	35	75	135	200.
Incremental Tape C ETP Rebate	$0.00025 per executed share.	$0.00035 per executed share.	$0.0004 per executed share.	$0.00045 per executed share.	$0.00055 per executed share.

As proposed, the Exchange will increase the minimum monthly average number of assigned Tape C ETPs needed to qualify for each rebate tier, increase the rebates in Tiers 1–2 and decrease the rebate in Tier 4. The Exchange will also add a new Tier 5 rebate. The proposed changes reflect the growing number of ETPs listed on the Exchange, and are designed to expand liquidity support in Tape C ETPs and ensure that DLPs contributing to market quality in these ETPs are appropriately incentivized.

Proposal 2: MQS Program

The Exchange proposes to establish a new MQS program in new Section 114(g) of Equity 7. The new MQS program is designed to complement the DLP program in Section 114(f) by allowing up to three members (*i.e.,* MQSs) per ETP to participate in market quality improvement by providing liquidity for lower volume ETPs. The Exchange believes that allowing up to three MQSs will work to further support market quality in lower volume ETPs and increase resiliency in market quality performance. By incentivizing more than one MQS to meet the MQS Market Quality Metrics described below, lower volume ETPs would have more members that are incentivized to provide quote quality and layering of notional depth, which can enhance the market quality in an ETP overall.

Specifically, new Section 114(g) will provide that the following stipend discussed in this section shall apply to transactions in a Qualified Security (as defined below) by up to three MQSs associated with its MQS program MPID.[20] The Exchange notes that a DLP (*i.e.,* registered market maker) can also be designated as the MQS of a Qualified Security and be eligible to receive the MQS stipend proposed herein,[21] but an MQS is not required to be a registered market maker. These members are simply supporters who are trading in the ETP and have subsequently been designated as an MQS, but they are not subject to the same obligations as the DLP that is, in essence, the registered market maker (*i.e.,* lead market maker), nor are they required to meet the registered market maker obligations in the ETP, as set forth in Equity 2, Section 5. The Exchange believes that allowing any member to participate in the MQS Program (instead of limiting it just to registered market makers) would fortify participation in the proposed MQS Program, and enhance market quality in lower volume ETPs.

In light of the above, the Exchange proposes in Section 114(g) that a DLP that is designated as the MQS of a Qualified Security may also be eligible to receive the MQS stipend herein, provided that the DLP meets the Market Quality Metrics in the DLP Program as specified in proposed Section 114(f)(4)(B) described above as well as the MQS Market Quality Metrics as specified in this proposed Section 114(g). The term ADV shall mean the total consolidated volume reported to all consolidated transaction reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed.[22]

Proposed Section 114(g)(1) will set forth the definition of Qualified Security, which will be defined for purposes of the MQS program in proposed Section 114(g)(1) as an ETP listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750, or 5760, and has at least one MQS. The proposed definition will be identical to the current definition in the DLP program in Section 114(f)(1).

Proposed Section 114(g)(2) will set forth the definition of MQS, which will be a market participant that has committed to maintain minimum performance standards in Low Volume ETPs.[23] An MQS shall be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer

[19] The Exchange notes that paragraph (5)(A) already specifies that for Tiers 3–5, the DLP will be eligible to receive a fixed payment per month in addition to any other rebate the DLP is eligible for under Equity 7, Sections 114 and 118.

[20] The term ''market participant identifier'' or ''MPID'' means a unique four-letter mnemonic assigned to each Participant in the Nasdaq Market Center. A Participant may have one or more than one MPID. See Equity 1, Section 1(a)(11).

[21] As discussed below, the Exchange is proposing identical qualifications as a DLP for selecting an MQS. Specifically, an MQS shall be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. *See* proposed Equity 7, Section 114(g)(2).

[22] *See* Equity 7, Section 114(f) for substantially similar provisions in the DLP program. The Exchange is not adopting the DLP program's language around the incentive only being applied for executions $1 per share and above because this is only applicable to rebates provided per executed share and not a fixed monthly stipend.

[23] ''Low Volume'' ETPs will have the same meaning in the MQS program as proposed in the DLP program, and shall mean ETPs with a monthly ADV of 1 million shares or less in the prior month. *See* proposed Equity 7, Section 114(g)(4)(A).

preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. The proposed definition will be similar to the definition of DLP in Section 114(f)(2) and the MQS will be selected using the same evaluation criteria as a DLP, except an MQS will not be required to be a registered market maker in the Qualified Security for the reasons discussed above.[24]

Proposed Section 114(g)(3) will provide that if an MQS does not meet the performance measurements under paragraph (4) in this section for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. An MQS must provide 5 days written notice if it wishes to withdraw its registration in a Qualified Security, unless it is also withdrawing as a market maker in the Qualified Security, as applicable.[25]

In proposed Section 114(g)(4)(A), the Exchange proposes to add a new Investment Strategy group framework, which will be identical to the framework proposed for the DLP program in Section 114(f)(4)(A) above. The Exchange will segment the Low Volume ETPs into Investment Strategy groups A–C in the same way as proposed for the DLP program and will bucket the same investment strategies into groups A–C based on the average NBBO spread in the same way as proposed in the DLP program: [26]

Investment strategy group	Average NBBO spread in basis points
A	15 or less.
B	16–28.
C	29 or more.

Same as proposed in the DLP program, these Investment Strategy groups will be checked by the Exchange each calendar year to ensure the investment strategy's average NBBO spread remains within its respective Investment Strategy group.

Proposed Section 114(g)(4)(B) will set forth the MQM thresholds that MQSs will need to meet based on which Investment Strategy group ETP they are assigned.

Market quality metrics	Investment strategy group A ETPs	Investment strategy group B ETPs	Investment strategy group C ETPs
Average Notional Depth within 75 basis points of the NBBO	$125,000	$75,000	$50,000
Average Spread in basis points	35	60	100
Auction Spread in basis points with $37,500 notional depth (Opening)	105	180	300
Auction Spread in basis points with $75,000 notional depth (Closing)	35	60	100

The Exchange proposes that to be eligible for the stipend in paragraph (5) below, MQSs will need to meet the above MQMs in the assigned ETP as measured by Nasdaq. For leveraged and inverse ETPs, the average spread and auction spread metrics are multiplied by the absolute value of the leverage factor of the ETP. Because leveraged and inverse ETPs often exhibit higher price volatility relative to standard, non-leveraged ETPs, the MQS is often taking on higher risk and costs to take on these products. Adjusting these MQMs by the absolute value of the ETP's leverage factor aligns the rebate structure with the MQS's cost of taking these products on. These MQMs are measured on average in the assigned ETP during regular market hours, except for the auction spread metric that is measured directly before each auction against the metrics and averaged for the period. The Exchange also proposes that an MQS that is also designated as the DLP in a Qualified Security will need to meet the MQMs as set out in Section 114(f)(4) above to receive the MQS stipend.

Proposed Section 114(g)(5) will provide that an MQS that satisfies the MQMs in paragraph (4) above will be eligible to receive the MQS stipend of $175 per month in each of its assigned ETPs for which it qualified. The MQS stipend will be a fixed payment per month in addition to other rebates or fees for which the MQS is eligible and provided under Equity 7, Sections 118 and 114. This stipend will only apply to the MPID where a member is an MQS. Similar to the proposed DLP program, the Exchange proposes that the MQS will be automatically eligible to receive the MQS stipend in one of the following scenarios: (1) for the month of December 2025; (2) for the current month following the new MQS allocation of a symbol (*i.e.,* in the context of a listing transfer from another exchange or switching MQSs on a symbol); or (3) for the current month of new launches. After the first month, the MQS will need to satisfy the MQMs relevant to their assigned ETP, as set forth in Section 114(g)(4)(B).

Proposal 3: Technical Amendments

The Exchange proposes technical amendments to reflect the addition of new Section 114(g). Specifically, the Exchange proposes to renumber current Sections 114(g)–(k) as Sections 114(h)–(l). The Exchange also proposes to update the cross-cite to current Section 114(g) within the definition of ''Designated Retail Order'' in Equity 7, Section 118(a).

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[27] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[28] in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange notes that its ETP listing business operates in a highly-competitive market in which market participants, which include both ETP issuers and ETP market makers, can readily transfer their listings or opt not to participate, respectively, if they deem fee levels, liquidity incentive programs, or any other factor at a particular venue to be insufficient or excessive. The proposed rule change reflects a competitive pricing structure designed to incentivize issuers to list new products and transfer existing products to the Exchange, and market

[24] A registered market maker has certain quoting obligations on Nasdaq to provide two-sided quotes in the security at all times within certain percentages from the NBBO. *See* Equity 2, Section 5.

[25] *See* Equity 7, Section 114(f)(3) for substantially similar provisions in the DLP program except the Exchange is adding ''as applicable'' herein to clarify that a MQS does not have to be a registered market maker.

[26] *See supra* notes 15–17 for the specific investment strategies within each Investment Strategy group.

[27] 15 U.S.C. 78f(b).

[28] 15 U.S.C. 78f(b)(4) and (5).

participants to enroll and participate as ETP market makers on the Exchange, which will enhance market quality in listed ETPs on the Exchange.

Proposal 1: DLP Program

The Exchange believes that the proposed changes to the DLP program are reasonable, equitable, and not unfairly discriminatory for the reasons that follow. As a general matter, the Exchange must from time to time assess the effectiveness of the incentives it provides to market participants in return for the beneficial behavior required to receive the incentive. In this case, the Exchange is proposing to enhance the current DLP program in Equity 7, Section 114(f) by: (1) eliminating the distinction between Primary and Secondary DLPs, eliminating Secondary DLP rebates, and limiting the number of DLPs to one DLP per Qualified Security; (2) replacing the distinction between standard and enhanced MQMs (and associated rebates) with a single set of MQMs (and associated rebates); (3) adding a new Low Volume group framework; (4) replacing some of the current MQMs with more detailed MQMs; (5) increasing the fixed monthly DLP rebates for Tiers 3–5; (6) updating the qualifications, eligibility thresholds, and associated rebates for the additional Tape C ETP incentive; and (7) making non-substantive changes throughout proposed Section 114(f) to remove all references to ''fees'' as the Exchange would only provide incentives under the DLP Program and to add references to ''stipends'' to refer to the monthly fixed payments the Exchange would provide to eligible DLPs. Taken together, the proposed enhancements to the DLP program are intended to help the Exchange compete as a listing venue for ETPs, including with respect to Low Volume ETPs. Further, the Exchange notes that the proposed incentives are based on achieving certain objective MQMs. The revised MQMs are designed to encourage DLPs to uphold better quality markets in Nasdaq-listed ETPs and also ensure a scalable business model to support new and incubating ETPs that often trade less on a daily basis and exhibit less liquidity. The Exchange believes that providing incentives that are based on the quality of the market in individual ETPs, including those that generally have lower volumes and wider spreads, will incentivize DLPs to provide tight and deep markets in those securities. The proposed changes to the DLP program reflects a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange and enhance market quality in Nasdaq-listed ETPs.

The Exchange further believes that the proposed changes to add a Low Volume group framework in the manner discussed above is reasonable because the proposed framework is intended to more precisely calibrate the DLP rebate/stipend qualifications in proposed Section 114(f)(4)(B) and additional Tape C incentive qualifications in proposed Section 114(f)(4)(C) to the liquidity profile of the investment strategy that the DLP's assigned ETP falls under. In other words, segmenting Low Volume ETPs into three groups based on 2-year average NBBO spread is intended to better align the DLP's performance expectations to the nature of the ETP's investment strategy and structure. The Exchange believes that the proposed framework will encourage tighter spreads and more liquidity in investment strategies that may typically be less actively traded or exhibit wider spreads. The Exchange notes that other equity exchanges distinguish between different ETP investment strategies in their fee schedules to incentivize enhanced market quality in those ETPs, or have incentives in place to encourage greater market quality in lower volume ETPs.[29]

The Exchange similarly believes that the proposed changes to increase the fixed monthly payments in Tiers 3–5 in the manner described above will incentivize DLPs to provide tight and deep markets in ETPs that generally have lower volume and wider spreads. The Exchange also believes that automatically providing the DLP the relevant tiered rebate or stipend for the current month of a new DLP allocation of a symbol, or of a new launch, automatically providing them the Tier 5 stipend for the current month, is reasonable because the Exchange is providing the DLP with clear visibility into their rebate/stipend earnings at the time of the ETP's launch or allocation. This approach is critical as ETPs may launch or be allocated a new DLP at various points throughout the month, potentially complicating the DLP's ability to meet the monthly performance criteria proposed above and making it unclear on what rebates/stipends the DLP may expect. Furthermore, enabling the DLP to receive the rebate/stipend during the current month ensures they have sufficient runway to quote the product and maintain liquidity in the subsequent month as the first month of a new DLP allocation or new launch is often one where the ETP is more thinly traded and liquidity standards may be more difficult to meet. The Exchange also believes that automatically providing DLPs the applicable tiered rebate or stipend and waiving the MQM requirements for the first month of the new incentive program (*i.e.,* December 2025) is reasonable because the Exchange seeks to encourage greater participation in the new program and allow DLPs to have adequate time to transition to the MQMs.

The Exchange also believes that its proposal to amend the additional Tape C incentives by increasing the monthly average number of assigned Tape C ETPs needed to qualify for each rebate tier and to add a new Tier 5 rebate are reasonable because these modifications reflect the growing number of ETPs listed on Nasdaq. The Exchange also believes that the proposed rebates are set at appropriate levels, and will continue to incentivize DLPs to add liquidity in Tape C ETPs in order to qualify for these rebates.

The Exchange also believes that the proposed enhancements to the DLP program, as described above, are equitable and not unfairly discriminatory because the Exchange will apply the amended program uniformly to all registered market makers that are DLPs. The Exchange does not believe it is unfairly discriminatory to only offer the program to market makers because of their unique role in the markets, including their obligation to provide liquidity in the securities in which they are registered. Thus, the DLP program is a further extension of the market maker's role in providing liquidity in specific securities, to the benefit of all market participants. Further, as discussed above, the Exchange is proposing to waive the MQM requirements in specified scenarios for a limited period of time such that DLPs would automatically receive the relevant DLP rebate or stipend.[30] The Exchange believes this proposal is equitable and

[29] *See e.g.,* Cboe BZX Equities Fee Schedule for market quality incentive program for ''LEP Securities,'' which are single-stock ETFs determined by Cboe BZX for inclusion in the program; and NYSE Arca Equities Schedule of Fees and Charges for market quality incentive programs for leveraged ETPs and ''Less Active'' ETPs (defined as ETPs that have a CADV in the prior calendar quarter that is the greater of either less than 100,000 shares or less than 0.013% of Consolidated Tape B ADV), including Less Active leveraged ETPs.

[30] As discussed in detail above, the Exchange is proposing to waive the MQM requirements and automatically provide the applicable DLP rebate/stipend based on the trading volume of the relevant ETP in one of the following scenarios: (1) for the month of December 2025; or (2) for the current month of a new DLP allocation of a symbol. Further, the Exchange is proposing to waive the MQM requirements and automatically provide the Tier 5 stipend for the current month of a new launch.

not unfairly discriminatory because the waiver would apply to all DLPs. As discussed above, enabling the DLP to receive the rebate during the current month ensures they have sufficient runway to quote the product and maintain liquidity in the subsequent month as the first month of a new DLP allocation or new launch is often one where the ETP is more thinly traded and liquidity standards may be more difficult to meet. As it relates to the proposed waiver for December 2025, the Exchange is seeking to encourage greater participation in the new DLP program and allow DLPs to have adequate time to transition to the MQMs. Further, this will be strictly limited to the first month of trading under the new program, after which the DLP must meet the MQMs set out in proposed Section 114(f)(4)(B) in order to qualify for the DLP rebates.

Ultimately, the Exchange believes that all of the changes proposed for the enhanced DLP program, taken together, will promote price discovery and market quality in Nasdaq-listed securities and further, that the tightened spreads and increased liquidity from the proposal will benefit all market participants and investors by deepening the Exchange's liquidity pool (including in lower volume and less liquid ETPs), offering additional flexibility for all investors to enjoy cost savings, supporting the quality of price discovery, enhancing quoting competition across exchanges, promoting market transparency, and improving investor protection. Accordingly, the Exchange believes that the proposal is reasonable, equitably allocated, and non-discriminatory because it would enhance market quality to the benefit of all market participants and investors.

Proposal 2: MQS Program

The Exchange believes that the new MQS program is reasonable because the program is designed to attract additional market makers to provide depth and tighter spreads in Nasdaq-listed ETPs that have lower volume and are less liquid. As discussed above, the Exchange is introducing a supplemental liquidity incentive framework focused on enhancing market quality in Low Volume ETPs.

The Exchange believes that allowing up to three MQSs per Qualified Security is reasonable because it will further support market quality and increase resiliency by increasing coverage in Nasdaq-listed ETPs that have lower trading volume and wider spreads. Similar to the proposed DLP program discussed above, the Exchange believes that the proposed changes to add a Low Volume group framework in the manner discussed above is reasonable because the proposed framework is intended to more precisely calibrate the MQS rebate qualifications in proposed Section 114(g)(4) to the liquidity profile of the investment strategy that the MQS's assigned ETP falls under. In other words, segmenting Low Volume ETPs into three groups based on 2-year average NBBO spread is intended to better align the MQS's performance expectations to the nature of the ETP's investment strategy and structure. The Exchange believes that the proposed framework will encourage tighter spreads and more liquidity in investment strategies that may typically be less actively traded or exhibit wider spreads across all exchanges. The Exchange notes that other equity exchanges distinguish between different ETP investment strategies in their fee schedules to incentivize enhanced market quality in those ETPs, or have incentives in place to encourage greater market quality in lower volume ETPs.[31]

The Exchange believes that the proposed MQMs for the MQS program are reasonable as they are intended to enhance market quality by encouraging MQSs to provide depth, tighter quoted spreads, and better auction spreads in the open and close. The Exchange also believes that it is reasonable to require an MQS that is also designated as the DLP of the Qualified Security to meet the MQMs from the DLP program as specified to qualify for the MQS rebate. This change is intended to ensure that market makers earning incentives under both programs are delivering comprehensive market quality. Since DLPs would already be eligible to receive rebates under the DLP program, the Exchange believes that the additional MQS rebate should be reserved for DLPs meeting the requisite MQMs in proposed Section 114(f)(4)(B) and providing sufficient value under the DLP program.

The Exchange believes that the flat monthly payment of $175 is set at an appropriate level to incentivize MQSs to enhance market quality in Low Volume ETPs. In addition, providing a flat stipend (as opposed to a per-executed share rebate) would provide for a more reliable business model for MQSs that choose to participate in this program, particularly in lower volume and less liquid ETPs. The Exchange also believes that automatically providing the MQS the stipend for the current month following the new MQS allocation of a symbol or following new launches is reasonable because the Exchange is providing the MQS with clear visibility into their stipend earnings at the time of the ETP's launch or new MQS allocation. This approach is critical as ETPs may launch or get allocated to a new MQS at various points throughout the month, potentially complicating the MQS's ability to meet the monthly performance criteria proposed above. Furthermore, enabling the MQS to receive the rebate during the current month ensures they have sufficient runway to quote the product and maintain liquidity in the subsequent month as the first month of a new MQS allocation or new launch is often one where the ETP is more thinly traded and liquidity standards may be more difficult to meet. In addition, the Exchange believes that automatically providing the MQS stipend and waiving the MQM requirements for the first month of the new incentive program (*i.e.,* December 2025) is reasonable because the Exchange seeks to encourage greater participation in the new program and allow MQSs to have adequate time to transition to the MQMs.

The Exchange also believes that the proposed MQS program is equitable and not unfairly discriminatory because the Exchange will apply the MQS program uniformly to all members that choose to participate as MQSs. Further, as discussed above, the Exchange is proposing to waive the MQM requirements in specified scenarios for a limited period of time such that MQSs would automatically receive the MQS stipend.[32] The Exchange believes this proposal is equitable and not unfairly discriminatory because the waiver would apply to all MQSs. As discussed above, enabling the MQS to receive the stipend during current month ensures they have sufficient runway to provide market quality in the product and maintain market quality for the subsequent month as the first month of a new MQS allocation or new launch is often one where the ETP is more thinly traded and market quality standards may be more difficult to meet. As it relates to the proposed waiver for December 2025, the Exchange is seeking to encourage greater participation in the new MQS program and allow MQSs to have adequate time to transition to the new MQMs. Further, this will be strictly limited to the first month of trading under the new program, after which the

[31] *See supra* note 30.

[32] As discussed in detail above, the Exchange is proposing to waive the MQM requirements and automatically provide the MQS stipend in one of the following scenarios: (1) for the month of December 2025; (2) for the current month of a new MQS allocation of a symbol; or (3) for the current month of a new launch.

MQS must meet the MQMs as specified in proposed Section 114(g)(4)(B) in order to qualify for the MQS stipend.

Further, the Exchange believes that the proposed MQS program will promote price discovery and market quality in Nasdaq-listed securities and further, that the tightened spreads and increased liquidity from the proposal will benefit all market participants and investors by deepening the Exchange's liquidity pool (particularly in lower volume and less liquid ETPs), offering additional flexibility for all investors to enjoy cost savings, supporting the quality of price discovery, enhancing quoting competition across exchanges, promoting market transparency, and improving investor protection. Accordingly, the Exchange believes that the proposal is reasonable, equitably allocated, and non-discriminatory because it would enhance market quality to the benefit of all market participants and investors.

Proposal 3: Technical Amendments

The Exchange believes that the technical amendments to reflect the addition of new Section 114(g) are reasonable, equitable, and not unfairly discriminatory. Specifically, the Exchange proposes to renumber current Sections 114(g)–(k) as Sections 114(h)–(l). The Exchange also proposes to update the cross-cite to current Section 114(g) within the definition of ''Designated Retail Order'' in Equity 7, Section 118(a). The proposed changes will bring clarity and avoid potential confusion in Exchange's Pricing Schedule to the benefit of all market participants and investors.

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

The Exchange does not believe that the proposed changes consisting of the introduction of the DLP program enhancements and adoption of the MQS program will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Rather, the Exchange believes that the proposed changes, taken together, will enhance competition by improving the market quality in Nasdaq-listed ETPs, which will benefit all market participants through additional trading opportunities, tighter spreads, and enhanced price discovery.

In terms of intra-market competition, as it relates to the DLP and MQS programs, the Exchange notes the respective programs will be applied uniformly to all similarly situated market participants that are DLPs and MQSs, as applicable. The Exchange does not believe it is unfairly discriminatory to only offer the DLP program to registered market makers because of their unique role in the markets, including their obligation to provide liquidity in the securities in which they are registered. Thus, the DLP program is a further extension of the registered market maker's role in providing liquidity in specific ETPs, to the benefit of all market participants.

The Exchange further believes that waiving the MQM requirements and automatically providing the applicable DLP or MQS rebate or stipend in the scenarios specified above (*i.e.,* for December 2025, for the current month of a new DLP or MQS allocation of a symbol, or for the current month of a new launch) do not impose an undue burden on intra-market competition because the waiver would apply to all DLPs and MQSs. As discussed above, enabling the DLP or MQS to receive the rebate during the current month ensures they have sufficient runway to provide market quality in the product and maintain market quality in the subsequent month, as the first month of a new launch or new DLP/MQS allocation is often one where the ETP is more thinly traded and liquidity standards may be more difficult to meet. As it relates to the proposed waiver for December 2025, the Exchange is seeking to encourage greater participation in the new DLP and MQS programs, and allow participants to have adequate time to transition to the new MQMs. Further, this will be strictly limited to the first month of trading under the DLP and MQS programs, after which the DLP and MQS must meet all of the relevant MQMs in order to qualify for the applicable rebates or stipends.

In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. In sum, if the changes proposed herein are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.[33]

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.

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 (*https://www.sec.gov/rules/sro.shtml*); or

• Send an email to *rule-comments@sec.gov.* Please include file number SR–NASDAQ–2025–102 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–2025–102. This file number should be included on the subject line if email 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 (*https://www.sec.gov/*

[33] 15 U.S.C. 78s(b)(3)(A)(ii).

rules/sro.shtml). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–NASDAQ–2025–102 and should be submitted on or before January 13, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[34]

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–23669 Filed 12–22–25; 8:45 am]

BILLING CODE 8011–01–P

[34] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0507]

Agency Information Collection Activities; Proposed Collection; Comment Request; Extension: Rule 19b–5 and Form PILOT

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549–2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (''PRA'') (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (''SEC'') is soliciting comments on the proposed collection of information provided for in Rule 19b–5 (17 CFR 240.19b–5) and Form PILOT (17 CFR 249.821) under the Securities Exchange Act of 1934 (''Exchange Act'') (15 U.S.C. 78a *et seq.*). The SEC plans to submit this existing collection of information to the Office of Management and Budget (''OMB'') for extension and approval.

Rule 19b–5 provides a temporary exemption from the rule-filing requirements of Section 19(b) of the Exchange Act (15 U.S.C. 78s(b)) to self-regulatory organizations (''SROs'') wishing to establish and operate pilot trading systems. Rule 19b–5 permits an SRO to develop a pilot trading system and to begin operation of such system shortly after submitting an initial report on Form PILOT to the SEC. During operation of any such pilot trading system, the SRO must submit quarterly reports of the system's operation to the SEC, as well as timely amendments describing any material changes to the system. Within two years of operating such pilot trading system under the exemption afforded by Rule 19b–5, the SRO must submit a rule filing pursuant to Section 19(b)(2) of the Exchange Act (15 U.S.C. 78s(b)(2)) to obtain permanent approval of the pilot trading system from the SEC.

The collection of information is designed to allow the SEC to maintain an accurate record of all new pilot trading systems operated by SROs and to determine whether an SRO has properly availed itself of the exemption afforded by Rule 19b–5, is operating a pilot trading system in compliance with the Exchange Act, and is carrying out its statutory oversight obligations under the Exchange Act.

The respondents to the collection of information are national securities exchanges and national securities associations.

There are 29 SROs which could avail themselves of the exemption under Rule 19b–5 and the use of Form PILOT. The SEC estimates that approximately one of these SROs each year will file on Form PILOT one initial report (*i.e.,* 1 report total, for an estimated annual burden of 24 hours total), four quarterly reports (*i.e.,* 4 reports total, for an estimated annual burden of 12 hours total (3 hours per report)), and two amendments (*i.e.,* 2 reports total, for an estimated annual burden of 6 hours total (3 hours per report)). Thus, the estimated annual time burden resulting from Form PILOT is 42 hours for the estimated sole SRO respondent. The SEC estimates that the aggregate annual internal cost of compliance for the sole SRO respondent is approximately $15,890 (42 hours at an average of $378.33 per hour). In addition, the SEC estimates that the sole SRO respondent will incur, in the aggregate, printing, supplies, copying, and postage expenses of $2,516 per year for filing initial reports, $1,256 per year for filing quarterly reports, and $628 per year for filing notices of material systems changes, for a total annual cost burden of $4,400.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to *PaperworkReductionAct@sec.gov* by February 23, 2026. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: December 19, 2025.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–23736 Filed 12–22–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104443; File Nos. SR–NASDAQ–2025–080; SR–BX–2025–024; SR–GEMX–2025–27; SR–MRX–2025–23; SR–Phlx–2025–56; SR–ISE–2025–31]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Nasdaq BX, Inc.; Nasdaq GEMX, LLC; Nasdaq MRX, LLC; Nasdaq PHLX LLC; Nasdaq ISE, LLC; Order Approving Proposed Rule Change To Amend the Amended and Restated Certificate of Incorporation and By-Laws of Parent Corporation, Nasdaq, Inc.

December 18, 2025.

I. Introduction

On September 26, 2025, each of The Nasdaq Stock Market LLC (''NASDAQ Exchange''); Nasdaq BX, Inc. (''BX''); Nasdaq GEMX, LLC (''GEMX''); Nasdaq MRX, LLC (''MRX''); Nasdaq PHLX LLC (''PHLX''); and Nasdaq ISE, LLC (''ISE'' and, collectively, the ''Exchanges''), filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] proposed rule changes (the ''Proposals'') with respect to the Amended and restated Certificate of Incorporation (''Certificate'') and By-Laws (''By-Laws'') of their parent corporation, Nasdaq, Inc. (''Nasdaq''). The Proposals amend the Certificate to align with certain amendments to the Delaware General Corporation Law

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.