Service Contract 123 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* August 27, 2026; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Kenneth Moeller; *Comments Due:* September 4, 2026.

III. Summary Proceeding(s)

None. *See* Section II for public proceedings.

This Notice will be published in the **Federal Register**.

Danielle LeFlore,

Legal Assistant.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106213; File No. SR–NASDAQ–2026–068]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Exchange's Listing Fees for Exchange-Traded Products and Add a New Quality Liquidity Provider Program

August 27, 2026.

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 August 18, 2026, 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 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 (i) amend the Exchange's listing fees for exchange-traded products (''ETPs'') at Rule 5940, and (ii) add a new Quality Liquidity Provider (as defined below) program in Equity 7, Section 114(h).

While these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on September 1, 2026.

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) amend the Exchange's listing fees for exchange-traded products (''ETPs'') in Rule 5940, and (ii) add a new Quality Liquidity Provider[3] (''QLP'') program in Equity 7, Section 114(h). Together, these proposed changes are intended to create a more scalable, targeted, and effective market quality support structure for Nasdaq-listed ETPs that provides issuers with more flexibility to align their annual listing fees with service levels, expands participation opportunities for high performing market makers, and enhances incentives in lower volume Nasdaq-listed ETPs.

Premier Annual Listing Fee

Today, pursuant to Rule 5940(b)(1), the Exchange assesses most ETPs that are listed under Nasdaq's Rule 5700 Series a flat annual fee (''Standard Annual Listing Fee'') of $4,000 for each product.[4]

The Exchange proposes to introduce a new ''Premier Annual Listing Fee'' of $50,000 per product for issuers of ETPs listed on Nasdaq under the Rule 5700 Series. This new Premier Annual Listing Fee will be an alternative to the current $4,000 Standard Annual Listing Fee. The new listing fee will provide issuers with access to expanded liquidity support services for their Nasdaq-listed ETPs, and in particular, eligibility for their ETPs to participate in the QLP program. As discussed in more detail later in this filing, the QLP program will provide incentives to the registered market maker of the issuer's ETP (*i.e.,* the QLP) that meet performance metrics specified therein. In connection with this change, the Exchange proposes to rename the current ''All-Inclusive Annual Listing Fee'' to the ''Standard Annual Listing Fee.'' The fee amounts will remain unchanged for the Standard Annual Listing Fee. The Exchange also proposes to amend Rule 5940(b)(1) by specifying that the issuer of a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Class ETF Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, or Linked Securities or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable listed on The Nasdaq Global Market shall pay to Nasdaq either:

(i) a Standard Annual Listing Fee of $4,000 for each product that is a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Class ETF Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, or Linked Securities or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable; or

(ii) for each product that is a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Class ETF Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, Linked Securities, Trust Issued Receipts, Proxy Portfolio Shares, or Managed Portfolio Shares only, a Premier Annual Listing Fee of $50,000 in order for the

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

[2] 17 CFR 240.19b–4.

[3] As set out in proposed paragraph (h)(2) of Equity 7, Section 114, a ''Quality Liquidity Provider'' or ''QLP'' is a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A QLP 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. There may only be one QLP per Qualified Security.

[4] Specifically, Rule 5940(b)(1) currently applies to each product that is a series of Portfolio Depository Receipts (Rule 5705(a)), Index Fund Shares (Rule 5705(b)), Managed Fund Shares (Rule 5735), Class ETF Shares (Rule 5703), Exchange Traded Fund Shares (Rule 5704), Commodity-Based Trust Shares (Rule 5711(d)), Currency Trust Shares (Rule 5711(e)), Commodity Index Trust Shares (Rule 5711(f)), Commodity Futures Trust Shares (Rule 5711(g))), Partnership Units (Rule 5711(h)), Trust Units (Rule 5711(i)), Managed Trust Shares (Rule 5711(j)), or Linked Securities (Rule 5710) or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable.

Quality Liquidity Provider (as defined in Equity 7, Section 114(h)) in an issuer's Qualified Security (as defined in Equity 7, Section 114(h)) to be eligible for the Quality Liquidity Provider Program in Equity 7, Section 114(h).

The Exchange notes that the specific list of ETP types eligible for the Premier Annual Listing Fee under proposed sub-paragraph (b)(1)(ii) of Rule 5940 is intentionally narrower than the list of ETP types under proposed sub-paragraph (b)(1)(i) of Rule 5740, which continues to include (as it does today) any security listed under the Rule 5700 Series where no other fee schedule is specifically applicable. As discussed under section titled ''Consistency with Regulation M'' below, this narrower list is designed to limit the QLP program to ETP types for which the Exchange believes participation does not implicate the concerns underlying Rule 102 of Regulation M.

Nasdaq also proposes to permit issuers to switch between the Standard and Premier Annual Listing Fees mid-year as follows:

- *From Premier to Standard:* Issuer will owe no additional listing fees but will receive no credit or offset for the difference.
- *From Standard to Premier:* Issuer's listing fees will be prorated and credited for unused months of the Standard Annual Listing Fee.

Specifically, proposed paragraph (b)(1)(ii) of Rule 5940 will provide that if the issuer of an ETP elects to switch from the Premier Annual Listing Fee to the Standard Annual Listing Fee, it will not owe any additional listing fee, nor shall it receive any credit or offset of the portion of the Premier Annual Listing Fee paid or assessed. For example, an issuer of an ETP paid the Premier Annual Listing Fee and elects to switch to the Standard Annual Listing Fee on October 21, 2025. Its new Standard Annual Listing Fee is $4,000. Since the issuer of the ETP already paid a Premier Annual Listing Fee of $50,000, it will not owe any Standard Annual Listing Fee for that calendar year. However, the issuer of the ETP would not receive any further credit of the amount previously paid for listing (*i.e.,* the Premier Annual Listing Fee) and would owe the full $4,000 Standard Annual Listing Fee in the following year.

If the issuer of an ETP elects to switch from the Standard Annual Listing Fee to the Premier Annual Listing Fee, its Annual Listing Fees will be prorated based on the month of the switch. Such an issuer of an ETP will owe the Premier Annual Listing Fee starting in the month of switch and the Standard Annual Listing Fee for all earlier months in the calendar year. For example, an issuer of an ETP paid the Standard Annual Listing Fee and elects to switch to the Premier Annual Listing Fee on October 21, 2025. Its new Premier Annual Listing Fee is $50,000, which is prorated from October to December, resulting in a Premier Annual Listing Fee due of $12,500 for its first calendar year. Since this issuer of the exchange traded product already paid a Standard Annual Listing Fee of $4,000, it will be credited $1,000, which represents the portion of the Standard Annual Listing Fee already paid for the remainder of the year. The issuer of the ETP, therefore, has a balance due to Nasdaq of $11,500.

The Exchange also proposes to make related changes in paragraphs (b)(4), (b)(5), and (b)(8) of Rule 5940 to replace references to the ''All-Inclusive Annual Listing Fee'' to ''Standard or Premier Annual Listing Fee.'' In paragraph (b)(6), the Exchange proposes to replace the reference to the ''All-Inclusive Annual Listing Fee'' with the ''Standard Annual Listing Fee'' only. As proposed, the Exchange will still charge a product the Premier Annual Listing Fee for the year in which a product listing transfers to the Exchange, as well as for the first full calendar year of its listing. Lastly, the Exchange proposes to rename the header in paragraph (b) of Rule 5940 from ''All-Inclusive Annual Listing Fee'' to ''Annual Listing Fees'' to reflect that the Exchange will two tiers of annual listing fees for ETPs.

QLP Program

Today, pursuant to Equity 7, Sections 114(f) and 114(g), the Exchange maintains a Designated Liquidity Provider [5] (''DLP'') program and Market Quality Supporter [6] (''MQS'') program, each of which are designed to enhance liquidity and market quality in Nasdaq-listed ETPs by providing incentives to the DLP or MQS for an ETP that is designated as a Qualified Security.[7] The MQS program is designed to complement the DLP program by allowing up to three MQSs per Nasdaq-listed ETP to support market quality for Low Volume ETPs.[8] As set out in Equity 7, Section 114(f)(4) and Section 114(g)(4), the DLP and MQS programs use market quality performance standards (''Market Quality Metrics'' or ''MQMs'') based on the ETP's underlying investment strategy, which determine eligibility for DLP and MQS program incentives.[9]

The Exchange now proposes to establish a new QLP program in new Section 114(h) of Equity 7 that has many of the features currently in the DLP and MQS programs, and is intended to complement these two programs. As discussed below, QLPs will need to meet a more stringent set of MQMs compared to DLPs and MQSs, with higher thresholds for quoting, depth, and auction performance. To support this enhanced liquidity program, the Exchange proposes to offer issuers the ability to opt into the QLP program by paying a higher annual listing fee (*i.e.,* the Premier Annual Listing Fee discussed above). The proposed incentives under the QLP program are designed to encourage additional market makers to pursue QLP assignments and thereby support the provision of consistent liquidity in lower-volume ETPs on the Exchange. Like the current DLP and MQS programs, the Exchange would administer all aspects of the QLP program, and the proposed QLP

[5] A ''Designated Liquidity Provider'' is a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A DLP is 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. For purposes of the DLP program, a security may be designated as a ''Qualified Security'' if: (A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5703, 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (B) it has one Designated Liquidity Provider. *See* Equity 7, Section 114(f)(1) and (2).

[6] A ''Market Quality Supporter'' has committed to maintain minimum performance standards in Low Volume ETPs as defined in Equity 7, Section 114(g)(4)(A). A MQS is 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* Equity 7, Section 114(g)(2).

[7] For purposes of the DLP and MQS programs, a security may be designated as a ''Qualified Security'' if: (A) it is an ETP listed on Nasdaq pursuant to Nasdaq Rules 5703, 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (B) it has one DLP (for the DLP program) and at least one MQS (for the MQS program). *See* Equity 7, Sections 114(f)(1) and (g)(1).

[8] For purposes of the MQS program, the term ''Low Volume'' ETPs means ETPs with a monthly ADV of 1 million shares or less in the prior month, measured at the time the MQS is assigned in the MQS Program with respect to such ETP. Annually, the Exchange will review ETPs with MQS assignments and those that are above 1 million shares ADV on average over the prior year will be removed from the program. *See* Equity 7, Section 114(g)(4)(A).

[9] *See* DLP and MQS Programs Factsheet, available at: *https://www.nasdaq.com/docs/ETF-DLP-Factsheet. See also* Securities Exchange Act Release Nos. 104444 (December 18, 2025), 90 FR 60168 (December 23, 2025) (SR–NASDAQ–2025–102); 104626 (January 16, 2026), 91 FR 2815 (January 22, 2026) (SR–NASDAQ–2026–003); and 105044 (March 18, 2026), 91 FR 13893 (March 23, 2026) (SR–NASDAQ–2026–018).

incentives would be paid by the Exchange to QLPs out of the Exchange's general revenues.

The Exchange notes that the proposed QLP program is designed to be substantially similar to prior exchange market maker incentive programs for ETPs that the Commission has previously approved, including the Exchange's own market quality program as well as similar programs previously adopted by NYSE Arca and Cboe BZX (collectively, the ''Prior Programs'').[10] Like each of the Prior Programs, participation in the proposed QLP program is voluntary, funded by an optional issuer-paid annual fee credited to the Exchange's general revenues, and pays market maker incentives from those general revenues. Like the Prior Programs, the proposed QLP program is administered by the Exchange based on objective and rules-based Market Quality Metrics, and is supported by robust Exchange website disclosure requirements.

Specifically, proposed Section 114(h) will provide that the following rebates and stipends discussed in this section shall apply to transactions in a Qualified Security (as defined below) by the QLP associated with its QLP Program MPID. There may only be one QLP per Qualified Security.[11]

The Exchange also proposes in Section 114(h) to make clear how the QLP program will interact with the existing DLP and MQS programs. Specifically, a QLP will not be eligible to receive any incentives under the DLP program in Section 114(f). In connection with this change, the Exchange also proposes to add language in the DLP program in Section 114(f) to make clear that a DLP will not be eligible to receive any incentives under the QLP program in proposed Section 114(h). However, the Exchange proposes in Section 114(g) and Section 114(h) that a QLP that is also designated as a MQS of a Qualified Security may also be eligible to receive the MQS stipend in Section 114(g), provided that the QLP meets the Market Quality Metrics in the QLP Program as specified in Section 114(h)(4)(B) as well as the Market Quality Metrics for the Market Quality Supporter Program as specified in Section 114(g).[12]

The proposed language reflects the different goals of each program. The QLP program is designed to serve as an enhanced version of the DLP program: it contemplates a single primary market maker in one ETP that is subject to more stringent Market Quality Metrics and receives correspondingly higher incentives. Because the QLP and DLP roles are both primary market-making assignments in an ETP, permitting a member to receive both DLP and QLP incentives in respect of the same ETP would be duplicative and inconsistent with the intent of each program to have a single primary liquidity provider per ETP. By contrast, the MQS program is designed to permit up to three additional market makers per ETP to serve as secondary liquidity providers alongside the primary DLP or QLP. Accordingly, permitting a QLP that also serves as a MQS in the same Qualified Security to receive the MQS stipend is appropriate because the MQS role is distinct from, and additive to, the QLP's primary market-making role, and continues to serve the MQS program's objective of encouraging additional depth of liquidity in Low Volume ETPs.

Proposed Section 114(h) will further provide that the QLP rebates in paragraph (5)(B) below only apply for executions $1 per share and above. As used in the QLP Program, the term average daily volume (''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.[13]

Proposed Section 114(h) will also provide that the Exchange shall provide notification on a dedicated page on its website regarding (i) the ETPs participating in the QLP Program, (ii) the date a particular ETP began participating in the QLP Program, and (iii) the QLP assigned to each ETP participating in the QLP Program.[14] This page shall also include more information on the QLP Program, including: (1) the potential benefits that may be realized by an ETP's participation in the QLP Program, (2) the potential risks that may be attendant with an ETP's participation in the QLP Program, (3) the potential impact resulting from an ETP's entry into and exit from the QLP Program, and (4) how interested parties can request additional information regarding the QLP Program and/or the ETPs participating therein. The foregoing provisions are substantially similar to the exchange notification and website provisions adopted in the Prior Programs.[15]

The Exchange notes that the proposed QLP program will be designed as a premium tier that is layered on top of the Exchange's existing DLP program. As discussed later in this filing, the Exchange will propose language in Section 114(h)(3) that makes clear that an ETP that exits the QLP program would default to the DLP program, which maintains its own Market Quality Metrics. The transition from QLP to DLP therefore represents a step-down in performance thresholds rather than a loss of dedicated liquidity support. The Exchange believes this layered structure mitigates the potential impact on market quality when an ETP exits the QLP program.

Proposed Section 114(h)(1) will set forth the definition of Qualified Security for purposes of the QLP program. Specifically, a security may be designated as a ''Qualified Security'' if it is an ETP listed on Nasdaq pursuant to Nasdaq Rules 5703, 5704, 5705, 5710, 5711(b), (d)–(j), 5720, 5735, 5750 or 5760; it has at one QLP; and the issuer pays the Premier Annual Listing Fee of $50,000 pursuant to Rule 5940(b)(1)(ii).[16] Proposed Section 114(h)(2) will set forth the definition of QLP as registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A QLP 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. These provisions are materially identical to the current DLP program provisions in Section 114(f)(2), except the proposed

[10] *See* Securities Exchange Act Release Nos. 69195 (March 20, 2013), 78 FR 18393 (March 26, 2013) (SR–NASDAQ–2012–137); 69706 (June 6, 2013), 78 FR 35340 (June 12, 2013) (SR–NYSEArca–2013–34); and 72692 (July 28, 2014), 79 FR 44908 (SR–BATS–2014–022).

[11] *See* Section 114(f) for materially identical provisions in the DLP program, which provides that there may only be one DLP per Qualified Security.

[12] *See* Section 114(f) for materially identical provisions in the DLP program, which currently provides that a DLP that is designated as a MQS of a Qualified Security may also be eligible to receive the Market Quality Supporter stipend in 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 Market Quality Supporter Program as specified in Section 114(g).

[13] *See* Sections 114(f) and 114(g) for substantially the same definition of ADV in the DLP and MQS programs.

[14] The Exchange will update the following website with the QLP information: *https://www.nasdaqtrader.com/trader.aspx?id=etf_definitions.*

[15] *See supra* note 10.

[16] The proposed list of Qualified Securities in the QLP program as more limited than the DLP and MQS programs. As discussed later in this filing, the Exchange is limiting the QLP to ETP types that it believes does not implicate Reg M concerns.

scope of Qualified Securities under the QLP program will be more limited, as discussed later in this filing.

Proposed Section 114(h)(3) will provide that if a QLP does not meet the performance measurements under paragraph (4) of this section for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. If a QLP does not meet the stated performance measurements for 3 out of the past 4 months, the QLP is subject to forfeit of QLP status for that Qualified Security, at Nasdaq's discretion. A QLP 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.[17] The Exchange also proposes to make clear in proposed Section 114(h)(3) that an ETP that exits the QLP program will thereafter default to the DLP program (subject to the DLP program requirements in Section 114(f)), and that the market maker previously acting as the QLP will continue as the DLP for that ETP. As discussed above, this layered structure mitigates the potential impact on market quality when an ETP exits the QLP program.

In proposed Section 114(h)(4)(A), the Exchange proposes to add a Low Volume ETP framework, which will be based on the framework currently in the DLP and MQS programs in Sections 114(f)(4)(A) and 114(g)(4)(A). As used in the QLP program, the term ''Low Volume'' ETPs will mean ETPs with a monthly ADV of 1 million shares or less in the prior month, measured at the time the QLP is assigned in the QLP Program with respect to such ETP. Annually, the Exchange will review ETPs with QLP assignments and those that are above 1 million shares ADV on average over the prior year will be removed from the program.[18] The proposed eligibility provisions are identical to the MQS program eligibility provisions in Section 114(g)(4)(A). Like the MQS program, the QLP program would only apply to Low Volume ETPs, and these provisions are intended to establish a clear and transparent framework for determining program eligibility while recognizing ETP volume may fluctuate over time. Measuring volume at the time of QLP assignment provides market participants with certainty regarding program eligibility, while the proposed annual review ensures that ETPs that experience sustained increases in trading volume no longer receive incentives intended for lower-volume products. The Exchange believes that an annual review strikes an appropriate balance between accuracy and predictability by avoiding frequent month-to-month changes that could create confusion for ETP issuers and QLPs, while still ensuring that the QLP incentives are aligned with the program's objectives to provide market quality in lower volume ETPs.

In proposed Section 114(h)(4)(A), the Exchange will further segment the Low Volume ETPs into Investment Strategy Groups A–C, which will be different ETP investment strategies segmented by their average national best bid (best offer) (''NBBO'') spread in basis points, over the prior two calendar years.[19] 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.[20]

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

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

** Investment Strategy Group B will 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.

*** Investment Strategy Group C will 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'')

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.[21] Today, the Exchange uses the same Investment Strategy Group framework in its DLP and MQS programs in Equity 7, Section 114(f)(4)(A) and (g)(4)(A), respectively.

As discussed in detail below, the Investment Strategy Groups will be used to tailor the MQMs that QLPs will need to meet in their assigned ETPs to qualify for QLP incentives. The proposed Investment Strategy Group framework is intended to more precisely calibrate the QLP incentives to the liquidity profile of the investment strategy that the QLP's assigned ETP falls under. The proposed framework is also intended to incentivize market makers to become QLPs in ETPs, particularly ETPs that have lower trading volume and are less liquid. As noted above, both the current DLP and MQS programs have these identical investment strategies.[22]

Proposed Section 114(h)(4)(B) will set forth the MQM thresholds that QLPs will need to meet based on which Investment Strategy group ETP they are assigned. The proposed MQMs will be the same as the MQMs currently utilized for the DLP program, but the QLP MQM thresholds will be set at

[17] *See* Equity 7, Section 114(f)(3) for materially identical provisions in the DLP program.

[18] Today, the MQS program has identical provisions in Equity 7, Section 114(g)(4)(A). The DLP program does not have similar provisions for its Low Volume ETPs because if an ETP exceeded 1 million shares in monthly ADV in the prior month, it would simply fall into the DLP program's ''High Volume'' ETP category. Unlike the DLP program, the MQS program and the proposed QLP program do not apply to High Volume ETPs.

[19] *See* Equity 7, Section 114(f)(4)(A) and (g)(4)(A) for materially identical provisions in the DLP and MQS programs, respectively.

[20] *See id.*

[21] The list of investment strategies in Investment Strategy Groups A–C is publicly available on Nasdaq's website and updated annually to ensure the investment strategy's average NBBO spread remains within its respective Investment Strategy Group. *See https://www.nasdaq.com/docs/ETF-DLP-Factsheet.*

[22] *See* Equity 7, Sections 114(f)(4)(A) and (g)(4)(A). *See also* Securities Exchange Act Release Nos. 104444 (December 18, 2025), 90 FR 60168 (December 23, 2025) (SR–NASDAQ–2025–102).

higher levels for each ETP grouping compared to the current DLP MQM thresholds in Section 114(f)(4)(B):

Market quality metrics	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	50%	50%	50%
Average Notional Depth within 25 basis points of the NBBO	$65,000	$50,000	$40,000
Average Spread in basis points	25	45	85
Auction Reference Price Difference (Opening) of first reference price within 30 seconds prior to the market open must be within basis points	100	100	100
Auction Reference Price Difference (Closing) of first reference price within 120 seconds prior to the market close must be within basis points	30	30	30
Auction Spread in basis points with $37,500 notional depth (Opening)	75	135	255
Auction Spread in basis points with $75,000 notional depth (Closing)	25	45	85

To be eligible for the rebates in proposed Section 114(h)(5)(A), QLPs will need to meet 5 of the 7 MQMs in the assigned ETP as measured by Nasdaq. For leveraged and inverse ETPs, the average spread, auction spread, and auction reference price difference metrics are multiplied by the absolute value of the leverage factor of the ETP. Because leveraged ETPs often exhibit higher price volatility relative to standard, non-leveraged ETPs, the QLP 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 QLP'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.[23]

If a QLP fails to meet the notional thresholds for the metrics of time at the NBBO and auction spread (both opening and closing) on a given day, that day will be excluded from those average calculations, except the QLP must meet such notional thresholds at least 50% of the days in a given month. The Exchange notes that both the DLP and MQS programs currently contain identical provisions as proposed for the QLP program.[24] The time at the NBBO and auction spread (opening and closing) metrics each include a minimum notional size requirement as a component of the applicable quoting obligation. Similar to DLPs and MQSs, when a QLP does not meet the required notional threshold on a given trading day, the resulting quote does not reflect the same level of liquidity provision (even if it met the requisite quoting obligation) compared to a quote that satisfies the notional threshold and the requisite quoting obligation. The Exchange therefore believes that including such days in the monthly average calculation would not provide an accurate measure of QLP performance. At the same time, requiring QLPs to meet the notional thresholds on at least 50% of the trading days ensures that QLPs provide consistent and appropriate liquidity throughout the month.

Further, proposed Section 114(h)(4)(B) will provide that the auction spread (both opening and closing) metrics will be based on the Nasdaq Market Center best bid and best offer (''QBBO'') in the assigned ETP directly before each auction. A QLP will satisfy the Auction Spread metrics for a given auction if, directly before such auction, the QLP maintains the applicable minimum notional depth within the applicable basis point range of the QBBO and a bid-ask spread not wider than the applicable basis point range, as set forth in the table above for the relevant ETP category and auction.[25] For example, for Investment Strategy Group A ETPs in the opening auction, the Exchange would determine (directly before the opening auction) whether the QLP meets the $37,500 notional depth requirement within 75 basis points of the QBBO. In addition, the Exchange separately assesses whether the QLP's bid-ask spread is within 75 basis points.

The Exchange also proposes to offer an additional Tape C ETP incentive for QLPs along similar lines as currently offered to DLPs, except that this incentive would not apply to High Volume ETPs since the QLP Program only applies to Low Volume ETPs as discussed above. Accordingly, proposed Section 114(h)(4)(C) will set forth the new qualifications for the additional Tape C ETP incentives for QLPs. Specifically, to be eligible for the rebates in paragraph (5)(B) of Section 114(h), a QLP must meet the average notional depth and average spread metrics in paragraph (4)(B) of Section 114(h).[26] Specifically, those metrics are as follows:

Market quality metrics	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	$65,000	$50,000	$40,000
Average Spread in basis points	25	45	85

QLPs 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(h).

Proposed Section 114(h)(5) will provide that a QLP that satisfies the MQMs above will be eligible to receive the stipends in proposed paragraph (A) of Section 114(h)(5) in each of its assigned ETPs for which it qualified,

[23] *See* Section 114(f)(4)(B) for materially identical language in the current DLP program.

[24] *See* Section 114(f)(4)(B) and (g)(4)(B).

[25] *See* Section 114(f)(4)(B) and (g)(4)(B) for materially identical provisions in the DLP and MQS programs.

[26] *See* Section 114(f)(4)(C) for substantially similar provisions in the DLP program.

and the rebates in proposed paragraph (B) of Section 114(h)(5) in any Tape C ETP that meets the Qualified Securities criteria of paragraph (1)(A) of Section 114(h) (*i.e.,* it is ETP that is listed pursuant to the Exchange rules specified therein).[27] As discussed in detail below, DLP and QLP assignments will both count towards the minimum monthly average number of assigned ETPs required for the additional Tape C incentive tiers.

Proposed Section 114(h)(5) will also provide that the QLP will automatically be eligible to receive the relevant rebate or stipend for the current month and immediately following month of a new QLP allocation of a symbol. New launches will automatically get the QLP stipend and Tier 5 rebate for the current month and immediately following month. In effect, the Exchange would waive the QLP from meeting the MQM requirements in proposed Section 114(h)(4)(B) and (C), as applicable, and automatically provide the relevant QLP stipend and Tier 5 rebate during the current month and the immediately following month of a new QLP allocation or QLP launch. This is identical to how the Exchange treats new allocations and new launches in the DLP and MQS programs today.[28] Similar to DLPs and MQSs, the proposed waiver for QLPs is intended to provide QLPs clear visibility into their incentive earnings at the time of the ETP's launch or allocation. This approach is critical because the Exchange is also proposing to look at the QLP's quoting activity in the prior month to determine whether the QLP met the relevant Market Quality Metrics in order to comply with Reg NMS Rule 610(d), as discussed in detail below.[29] Further, ETPs may launch or be allocated to QLPs at various points throughout the month, potentially complicating the QLP's ability to meet the monthly performance criteria and making it unclear on what rebates or stipends the program participants may expect. In addition, this approach ensures QLPs have sufficient runway to quote and maintain liquidity in newly allocated or newly launched ETPs, which are often initially more thinly-traded and may initially present challenges in meeting liquidity standards. Ultimately, the Exchange intends for this temporary relief to encourage greater participation in the QLP program and allow QLPs to have adequate time to transition to the MQMs.[30]

Proposed paragraph (A) of Section 114(h)(5) will set forth the QLP rebates. Specifically, a QLP that satisfies the MQMs in paragraph (4)(B) of Section 114(h) will be eligible to receive the QLP stipend of $3,000 per month in each of its assigned ETPs for which it qualified. The QLP stipend is a fixed payment per month in addition to other rebates or fees for which the QLP is eligible and provided under Equity 7, Sections 114 and 118. This stipend will only apply to the MPID where a member is a QLP.

Proposed paragraph (B) of Section 114(h)(5) will set forth the additional Tape C incentives. As proposed, this will be provided to all eligible QLPs that add liquidity in a Tape C ETP, and that meet both (1) a specified minimum average number of assigned ETPs as a DLP and QLP and (2) the two QLP MQMs specified in proposed paragraph (4)(C) of Section 114(h). Specifically, the Exchange proposes to provide QLPs rebates in accordance with the following schedule:

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
(1) Minimum Monthly Average Number of Assigned ETPs as a DLP and QLP; and (2) 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.

The proposed QLP rebates would be provided to an eligible member for each displayed share that adds liquidity in a Tape C ETP that meets the Qualified Security criteria in paragraph (1)(A) of Section 114(h).[31] The QLP will be eligible to receive the above rebates in addition to any other rebate the QLP is eligible for under Equity 7, Sections 114 and 118. This rebate will only apply to the MPID where a member is QLP. As proposed, the additional Tape C ETP incentive for QLPs will be offered along similar lines as the additional Tape C incentives for DLPs currently in Section 114(f)(5)(B), except that this incentive would not apply to High Volume ETPs herein since the QLP Program only applies to Low Volume ETPs as discussed above. With this incentive program, the Exchange is seeking to encourage members to participate as QLPs in a significant number of Tape C ETPs. As described above and in proposed Section 114(h)(5)(B), the Exchange also proposes herein to reflect that a DLP and QLP assignment will both count towards the number of minimum monthly average ETP assignments for purposes of determining which tier incentive the QLP will receive. For example, a market maker with 19 DLP assignments and 1 QLP assignment across 20 different symbols will qualify that market maker for the Tier 1 Tape C incentive. The Exchange also proposes to make corresponding changes to the DLP Tape C incentive schedule in Section 114(f)(5)(B).

The Exchange notes that the additional Tape C incentives for DLPs (including as amended herein to include

[27] Paragraph (1)(A) of Section 114(h) provides the list of Nasdaq-listed ETPs that are included in the QLP program as Qualified Securities, provided it has at least one QLP and the issuer pays the Premier Annual Listing Fee of $50,000 pursuant to Rule 5940(b)(1)(ii). Specifically, these are ETPs listed pursuant to Rules 5703, 5704, 5705, 5710, 5711(b), (d)–(j), 5720, 5735, 5750, or 5760.

[28] Today, the Exchange also waives the MQM requirements and automatically provides the relevant DLP or MQS incentive during the current month and the immediately following month of a new allocation or launch. *See* Equity 7, Section 114(f)(5) and (g)(5).

[29] Today, Equity 7, Section 114 sets forth the following rule of interpretation: In compliance with Reg NMS Rule 610(d), effective February 2, 2026, for purposes of determining quoting or transaction volumes for fees and incentives qualifications under Section 114(d), (e), (f), (g), and (h), all volume figures will be derived from quoting or trading activity in the prior month. Consequently, new members will receive the base rates in their first month of trading. As discussed later in this filing, the Exchange is amending this rule of interpretation to add the QLP program.

[30] *See* Securities Exchange Act Release No. 105044 (March 18, 2026), 91 FR 13893 (March 23, 2026) (SR–NASDAQ–2026–018) for additional discussions relating to the adoption of this waiver for the DLP and MQS programs.

[31] Paragraph (1)(A) of Section 114(h) provides the list of Nasdaq-listed ETPs that are included in the QLP program as Qualified Securities, provided it has at least one QLP and the issuer pays the Premier Annual Listing Fee of $50,000 pursuant to Rule 5940(b)(1)(ii). Specifically, these are ETPs listed pursuant to Rules 5703, 5704, 5705, 5710, 5711(b), (d)–(j), 5720, 5735, 5750, or 5760.

QLP assignments in the minimum-assignment tiering) and the new additional Tape C incentives for QLPs are transaction-based. The Exchange previously amended the rule of interpretation in the introductory paragraph of Equity 7, Section 114 to bring the DLP additional Tape C incentives (and the other Section 114 transaction-based fees and incentives) into compliance with Reg NMS Rule 610(d), such that all volume figures used to determine eligibility for those incentives are derived from quoting or trading activity in the prior month and the applicable rebate is therefore knowable to members at the time an order is executed.[32] As discussed under the section titled ''Related Amendments'' below, the Exchange is proposing to add the QLP program to that existing rule of interpretation so that the same treatment applies uniformly across the DLP, MQS, and QLP programs.

Consistency With FINRA Rule 5250

FINRA Rule 5250 (Payments for Market Making) generally prohibits a FINRA member or associated person from accepting payment or other consideration, directly or indirectly, from an issuer or its affiliates and promoters, for publishing a quotation, acting as a market maker or submitting an application in connection therewith. FINRA Rule 5250 is designed to preserve the integrity of the marketplace by ensuring that quotations accurately reflect a broker-dealer's interest in buying or selling a security and that the decision by a firm to make a market in a given security should not be influenced by payments to FINRA members from issuers or promoters.[33]

FINRA Rule 5250(b)(3) provides an exception for any payment expressly provided for under the rules of a national securities exchange to accommodate exchange market maker incentive programs for ETPs (including the Exchange's prior market quality program).[34] Under these incentive programs, the exchanges could make payments to market makers that were funded through additional fees paid by participating issuers.[35] In SR–FINRA–2013–020, FINRA stated that where a market maker payment is provided for under the rules of an exchange that are effective after being filed with, or filed with and approved by, the SEC, comity should be afforded to such exchange rulemaking and the payment should not be prohibited under Rule FINRA 5250.[36] FINRA further stated that programs like the Prior Programs contained features that mitigate the concerns underlying FINRA Rule 5250, including that the program terms were objective, clear, and transparent and included disclosure requirements to help alert and educate potential and existing investors about the program.[37]

The Exchange believes that the proposed QLP program falls squarely within the FINRA Rule 5250(b)(3). The QLP incentives are expressly provided for under the Exchange's rules at proposed Equity 7, Section 114(h), which will be effective after being filed with the SEC pursuant to the requirements of the Exchange Act. In addition, the QLP program has the same features that FINRA identified as mitigating the concerns underlying FINRA Rule 5250. The QLP program is rules-based, objective, clear, and transparent, and the program includes disclosure requirements, as described above, to provide transparency to the market and to investors regarding the program's operation. Accordingly, the Exchange does not believe that the proposed QLP program raises concerns under FINRA Rule 5250.

Consistency With Regulation M

Rule 102 of Regulation M prohibits an issuer from directly or indirectly attempting ''to induce any person to bid for or purchase, a covered security during the applicable restricted period'' unless an exemption is available.[38] The Exchange has considered whether the QLP program, under which the Premier Annual Listing Fee paid by an issuer is credited to the Exchange's general revenues and used to offset the costs of the QLP incentives paid to the QLP, could be viewed as an indirect attempt by an issuer to induce bidding or purchasing under Rule 102.

With respect to the Qualified Securities that are registered under the Investment Company Act of 1940 (''1940 Act'') and listed under Nasdaq Rules 5703 (Class ETF Shares), 5704 (Exchange Traded Fund Shares), 5705 (Portfolio Depository Receipts and Index Fund Shares), 5735 (Managed Fund Shares), 5750 (Proxy Portfolio Shares), and 5760 (Managed Portfolio Shares), the Exchange notes that these products are exempt from Rule 102 pursuant to Rule 102(d)(4), which provides that Rule 102 shall not apply to redeemable securities issued by an open-end management investment company or a unit investment trust.[39] Accordingly, the QLP program does not implicate Rule 102 with respect to the foregoing ETPs, which constitute the substantial majority of Qualified Securities eligible to participate in the QLP program.

With respect to Qualified Securities that are not registered under the 1940 Act and listed under Nasdaq Rules 5710 (Index and Commodity Linked Securities), 5711(b) (Equity Gold Shares), 5711(d) (Commodity-Based Trust Shares), 5711(e) (Currency Trust Shares), 5711(f) (Commodity Index Trust Shares), 5711(g) (Commodity Futures Trust Shares), 5711(h) (Partnership Units), 5711(i) (Trust Units), 5711(j) Managed Trust Securities, and 5720 (Trust Issued Receipts), the Exchange does not believe that the QLP program implicates the concerns underlying Rule 102 for the following reasons.

First, the derivative and open-ended nature of many of the non-1940 Act ETPs eligible to participate in the QLP program would allow for transparent intrinsic intraday pricing. As such, the Exchange does not believe that such products would lend themselves to the type of market manipulation that Rule 102 was designed to prevent. The Exchange notes that the Commission and its staff have previously granted relief from Rule 102 to a number of ETPs (''Prior Relief'') in order to permit the operation of such ETPs.[40] In granting the Prior Relief, the Commission has relied in part on the exclusion from the provisions of Rule 102 provided by paragraph (d)(4) of Rule 102 for securities issued by an open-end management investment company or unit investment trust. In granting the Prior Relief from Rule 102 to other types of ETPs for which the (d)(4) exception is not available (*i.e.,* non-1940 Act ETPs), the staff has relied

[32] *See* Securities Exchange Act Release No. 104785 (February 9, 2026), 91 FR 6693 (February 12, 2026) (SR–NASDAQ–2026–007).

[33] *See* Securities Exchange Act Release No. 60066 (June 8, 2009), 74 FR 28308 (June 15, 2009) (SR–FINRA–2009–36). *See also* Securities Exchange Act Release No. 38812 (July 3, 1997), 62 FR 37105 (July 10, 1997) (SR–NASD–97–29) (order approving NASD Rule 2460, predecessor to FINRA Rule 5250).

[34] FINRA amended FINRA Rule 5250 in 2013 to adopt this exception. *See* Securities Exchange Act Release No. 69398 (April 18, 2013), 78 FR 24261 (April 24, 2013) (SR–FINRA–2013–020). See also FINRA Regulatory Notice 20–03, available at: *https://www.finra.org/rules-guidance/notices/20-03.*

[35] *See, e.g.,* Securities Exchange Act Release Nos. 69195 (March 20, 2013), 78 FR 18393 (March 26, 2013) (SR–NASDAQ–2012–137); 69706 (June 6, 2013), 78 FR 35340 (June 12, 2013) (SR–NYSEArca–2013–34); and 72692 (July 28, 2014), 79 FR 44908 (SR–BATS–2014–022).

[36] *See* SR–FINRA–2013–020 at 24262.

[37] *See id.*

[38] 17 CFR 242.102.

[39] 17 CFR 242.102(d)(4).

[40] *See, e.g.,* Class Relief for Exchange Traded Index Funds, SEC No-Action Letter (October 24, 2006); Commodity-based Investment Vehicles Class Letter, SEC No-Action Letter (June 21, 2006); and iPath Securities—Exchange-Traded Notes, SEC No-Action Letter (July 27, 2006).

on (i) representations that the fund in question would continuously redeem ETP shares in basket-size aggregations at their net asset value (''NAV'') and that there should be little disparity between the market price of an ETP share and the NAV per share and (ii) a finding that ''[t]he creation, redemption, and secondary market transactions in [shares] do not appear to result in the abuses that . . . Rules 101 and 102 of Regulation M . . . were designed to prevent.'' [41] The crux of the Commission's findings in granting the Prior Relief rests on the premise that the prices of ETP shares closely track their per-share NAVs. Given that the proposed QLP program neither alters the derivative pricing nature of ETPs nor impacts the arbitrage opportunities inherent therein, the conclusion on which the Prior Relief is based remains unaffected by the QLP program. In this regard, most ETPs that would be eligible to participate in the QLP program would have previously been granted relief from Rule 102.

Second, the QLP program requires, among other things, that the QLP make two-sided quotes and not just bids. It is not intended to raise ETP prices but rather to improve market quality. In light of the derivative nature of ETPs described above, the Exchange does not expect QLPs would quote outside of the normal ranges. Specifically, the transparent nature of many ETPs' portfolio composition as well as their accessibility and the elasticity of shares outstanding contribute to an arbitrage process that will lead to executions of orders of many ETPs priced at or near their NAVs. If and when a quote is priced beyond the intrinsic value of an ETP, an arbitrage opportunity can arise, and market participants will arbitrage such spread until price equilibrium is restored. Accordingly, the QLP program would not create any incentive for a QLP to quote outside of the normal quoting ranges for these products as a result of the QLP incentive, but rather would quote within their normal ranges as determined by market factors.

In light of the pricing mechanisms of ETPs and the structural safeguards of the QLP program, the Exchange does not believe that the proposed QLP program implicates the concerns underlying Rule 102 of Regulation M with respect to any Qualified Securities eligible to participate in the program.

Related Amendments

In connection with the proposed changes to adopt the new QLP program in proposed Equity 7, Section 114(h), the Exchange proposes to update the rule of interpretation in the introductory paragraph of Section 114 by adding a reference to the new QLP program in proposed Section 114(h). This would allow the Exchange to bring the QLP program into compliance with Reg NMS Rule 610(d), which became effective on February 2, 2026 and provides that ''[a] national securities exchange shall not impose, nor permit to be imposed, any fee or fees, or provide, or permit to be provided, any rebate or other remuneration, for the execution of an order in an NMS stock that cannot be determined at the time of execution.'' [42] This way all QLP incentives associated with the execution of an order in an NMS stock at the Exchange can be determined at the time of execution of said order.[43] Effectively, this would mean the Exchange will look at the QLP's quoting activity in the prior month to determine whether the QLP met the relevant MQMs to be eligible for the QLP incentives.

The Exchange also proposes technical amendments to reflect the addition of the QLP program in Section 114(h). Specifically, the Exchange proposes to renumber current Sections 114(h)–(l) as Sections 114(i)–(m). The Exchange also proposes to update the cross-cites to current Section 114(h) within: (1) the rule of interpretation in the introductory paragraph of Equity 7, Section 114, (2) the definition of ''Consolidated Volume'' in current Equity 7, Section 114(i)(5)(B), and (3) the definition of ''Designated Retail Order'' in Equity 7, Section 118(a).

Implementation

The Exchange plans to implement the proposed changes on September 1, 2026.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[44] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[45] 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 participants to enroll and participate as ETP market makers on the Exchange, which will enhance market quality in listed ETPs on the Exchange.

ETP Listing Fee

The Exchange believes that proposed addition of the new Premier Annual Listing Fee is reasonable because it is designed to support the proposed QLP program and offset the costs associated with the Exchange providing the rebates thereunder. Paying the higher Premier Annual Listing Fee is completely optional and issuers may opt to keep paying the Standard Annual Listing Fee instead. While the Premier Annual Listing Fee will result in higher listing fees for issuers that choose to participate, the issuers would receive significant benefits for participating, including tighter spreads and overall better market quality in their ETPs, which ultimately benefits all market participants and investors. As specified in proposed Section 114(h)(3), in the event QLP does not meet the QLP Market Quality Metrics in proposed Section 114(h)(4) for a given month, the QLP would not receive a QLP rebate and fees and credits would revert to the normal pricing schedule in Sections 118(a) and 114. If a QLP does not meet the QLP Market Quality Metrics for 3 out of the 4 months, the QLP would be subject to forfeit of QLP status for the issuer's Qualified Security, at Nasdaq's discretion. Additionally, issuers will have the ability to switch back to the Standard Annual Listing Fee tier at any time if they determine that paying the higher listing fee is not beneficial. The Exchange notes that the proposed Premier Annual Listing Fee of $50,000 is the same fee level that the Exchange previously assessed under its Market Quality Program, which was approved by the Commission in 2013 and assessed an annual basic MQP fee of $50,000 per participating security, with combined basic and supplemental MQP

[41] *See* Commodity-based Investment Vehicles Class Letter, SEC No-Action Letter (June 21, 2006).

[42] 17 CFR 242.610(d).

[43] *See* Securities Exchange Act Release No. 104785 (February 9, 2026), 91 FR 6693 (February 12, 2026) (SR–NASDAQ–2026–007).

[44] 15 U.S.C. 78f(b).

[45] 15 U.S.C. 78f(b)(4) and (5).

fees capped at $100,000 per year.[46] The Exchange is therefore proposing to assess the same base level of fees as it assessed under its prior MQP, which the Commission previously found to be consistent with the Act.

The Exchange also believes that the proposed Premier Annual Listing Fee is equitable and not unfairly discriminatory because it will apply uniformly to all issuers of ETPs listed on the Exchange. As noted above, the Premier Annual Listing Fee is completely voluntary, and the issuer may instead opt to continue paying the Standard Annual Listing Fee.

QLP Program

The Exchange believes that the proposed QLP program is reasonable because the program would provide tailored incentives to QLPs that demonstrate high performance, including in Nasdaq-listed ETPs that exhibit lower trading volume and wider NBBO spreads. As discussed above, the Exchange is proposing the QLP program to incentivize high market quality in Nasdaq-listed ETPs. The program would provide enhanced rebates for QLPs that meet rigorous thresholds for quoting, depth, and auction performance. Further, to qualify a market maker for eligibility in the QLP program, the issuer must pay the Premier Annual Listing Fee of $50,000. As it relates to the Premier Annual Listing Fee, the Exchange believes that the proposed condition is reasonable, equitable and not unfairly discriminatory for the reasons set forth under the Premier Annual Listing Fee sub-section above in the statutory basis section.

The Exchange believes that the proposed changes to add a Low Volume group framework for the QLP program is reasonable because the proposed framework is intended to more precisely calibrate the QLP rebate qualifications in proposed Section 114(h)(4) to the liquidity profile of the investment strategy that the QLP'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 QLP'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. As noted above, the Exchange currently uses the same Investment Strategy Group framework for its current DLP and MQS programs in Equity 7, Section 114(f)(4)(A) and (g)(4)(A).

The Exchange believes that the proposed MQMs for the QLP program are reasonable as they are intended to address multiple aspects of market quality such as depth and tighter quoted spread, using benchmarks tailored to each ETP's characteristics. As discussed above, the MQMs proposed for the QLP program are the same MQMs for the current DLP program, but the minimum thresholds will be set at higher levels for the QLP program. The Exchange believes the more stringent QLP thresholds are commensurate with the higher rebates that it is providing under this program.

The Exchange believes that the flat monthly payment of $3,000 is set at an appropriate level to incentivize QLPs 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 QLPs that choose to participate in this program, particularly in lower volume and less liquid ETPs, which can help offset the relatively higher cost of quoting in such ETPs.

The Exchange further believes that waiving the MQM requirements and automatically providing the relevant QLP incentive during the current month and the immediately following month of a new allocation or launch is reasonable for the reasons that follow. Automatically providing the relevant incentive for the current month and the immediately following month would help ensure that QLPs have clear visibility into their incentive earnings at the time of the ETP's launch or allocation, as ETPs may launch or be allocated to QLPs at various points throughout the month. Furthermore, the Exchange believes that the proposed change will provide QLPs adequate time to quote and maintain liquidity in newly allocated or newly launched ETPs, which are often initially more thinly-traded and may initially present challenges in meeting liquidity standards. The proposal is therefore intended to support the development of liquidity in new and transitioning products, which benefits all market participants, including issuers and investors.

The Exchange also believes that its proposal to adopt the additional Tape C incentives for QLPs along similar lines as the DLP additional Tape C incentives (other than with respect to High Volume ETPs as discussed above) is reasonable because the proposal seeks to further encourage registered market makers to pursue QLP assignments and thereby support the provision of consistent liquidity in Low Volume ETPs, ultimately leading to improved market quality for investors in those ETPs. The Exchange also believes that the proposed rebates are set at appropriate levels, and will incentivize QLPs to add liquidity in Tape C Low Volume ETPs in order to qualify for these rebates.

The Exchange also believes that the proposed QLP program is equitable and not unfairly discriminatory because the QLP program includes objective, measurable standards that the Exchange will apply equally to all market makers that are QLPs. 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 QLP 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, the Exchange believes that the proposed QLP 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 (specifically 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.

The Exchange further believes that the proposed changes to waive the MQM requirements and automatically provide QLPs with the relevant incentive in the current and immediately following months of a new allocation or new launch are equitable and not unfairly discriminatory because the proposed changes will apply to all QLPs. Any member that becomes a QLP for a newly allocated or launched ETP will receive uniform treatment under this proposal. Furthermore, the proposed relief is temporary and limited in duration. After the specified two-month period, the QLPs must meet their MQMs in order to qualify for the relevant incentives. By facilitating liquidity provision in newly allocated or newly launched ETPs, the

[46] *See* Securities Exchange Act Release Nos. 69195 (March 20, 2013), 78 FR 18393 (March 26, 2013) (SR–NASDAQ–2012–137).

proposal is intended to promote tighter spreads and deeper markets during the initial stages of trading in these products. The Exchange further believes the proposal will fortify participation in the QLP program while continuing to encourage meaningful liquidity that benefits all market participants.

The Exchange has also designed the QLP program to include structural safeguards that are intended to mitigate the potential concerns that may arise from an ETP's participation in the program, including concerns relating to the potential impact on market quality if a product enters or exits the program. The Exchange is mindful that market participants and investors should be informed about which ETPs are participating in the QLP program, that participation in the program is not guaranteed in perpetuity, and that there are potential risks to product market quality if an ETP enters or exits the program. To address these concerns, the Exchange has incorporated mitigating provisions in proposed Section 114(h) that are designed to provide disclosure to the market and to potential investors in these products. Specifically, the Exchange will provide notification on a dedicated page on its website regarding the specific ETPs participating in the QLP program, the dates of each ETP's entry into the program, the QLP assigned to each participating ETP, along with a fair and balanced description of the QLP program that discloses the potential benefits that may be realized by an ETP's participation in the program, the potential risks that may be attendant with participation, the potential impact resulting from an ETP's entry into and exit from the program, and how interested parties can request additional information regarding the QLP program and/or the ETPs participating therein. The Exchange believes that these mitigating provisions are designed to provide adequate disclosure to address the potential concerns arising from the program and to ensure that the market and investors are fully informed about the program's operation and its potential impact on market quality in the participating ETPs. Further, as noted above the proposed QLP program will be designed as a premium tier that is layered on top of the Exchange's existing DLP program. An ETP that exits the QLP program would default to the DLP program, which maintains its own Market Quality Metrics. The transition from QLP to DLP therefore represents a step-down in performance thresholds rather than a loss of dedicated liquidity support. The Exchange believes this layered structure mitigates the potential impact on market quality when an ETP exits the QLP program. Accordingly, the Exchange believes that the QLP program is designed to be consistent with the protection of investors and the promotion of fair and orderly markets pursuant to Section 6(b)(5) of the Act.

The Exchange further believes that the proposed QLP program is consistent with Section 6(b)(5) of the Act in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. The Exchange believes that the QLP program would enhance quote competition among market makers, improve liquidity in lower volume Nasdaq-listed ETPs, support the quality of price discovery, promote market transparency, and reduce spreads and transaction costs for all market participants. The Exchange further believes that enhancing liquidity in ETPs participating in the QLP program, together with the structural safeguards described below, would help raise investors' confidence in the fairness of the market generally and their transactions in particular. As such, the QLP program would foster cooperation and coordination with persons engaged in facilitating securities transactions, enhance the mechanism of a free and open market, and promote fair and orderly markets in ETPs on the Exchange.

The Exchange notes that the proposed QLP program is substantially similar to the Prior Programs, each of which the Commission has previously found to be consistent with the Act.[47] Like the Prior Programs, participation in the proposed QLP program is voluntary, funded by an optional issuer-paid annual fee credited to the Exchange's general revenues, and pays market maker incentives from those general revenues. Like the Prior Programs, the proposed QLP program is administered by the Exchange based on objective and rules-based Market Quality Metrics, and is supported by robust Exchange website disclosure requirements.

Finally, for the reasons stated above, the Exchange believes that the QLP program is designed to mitigate the risks and concerns that FINRA Rule 5250 addresses and that the QLP program does not implicate the concerns underlying Rule 102 of Regulation M.

[47] *See supra* note 10.

Related Amendments

The Exchange believes that adding proposed Section 114(h) to the rule of interpretation in the introductory paragraph of Section 114 is reasonable because it will bring the new QLP program into compliance with Reg NMS Rule 610(d). As proposed, the Exchange will look at the quoting activity in the prior month to assess whether the QLP qualified for the QLP incentives. The Exchange further believes that the addition of the QLP program to the rule of interpretation is equitable and not unfairly discriminatory because the rule will apply uniformly to all QLPs.

The Exchange also believes that the technical amendments to reflect the addition of proposed Section 114(h) are reasonable, equitable, and not unfairly discriminatory. 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 Premier Annual Listing Fee and adoption of the QLP 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, the Premier Annual Listing Fee will be available to all issuers, who can also opt to not pay this higher listing fee and instead continue to pay the lower Standard Annual Listing Fee. As it relates to the QLP program, the Exchange notes the respective programs will be applied uniformly to all similarly situated market participants that are QLPs. The Exchange does not believe it is unfairly discriminatory to only offer the QLP 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 QLP 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. Furthermore, the Exchange does not believe that the proposed changes to waive the MQM requirements and automatically provide the relevant QLP incentive during the current month and the immediately following month of a new allocation or new launch impose an undue burden on intra-market competition because the waiver will apply to all QLPs. As discussed above, this approach ensures they have sufficient runway to quote and maintain liquidity in newly allocated or newly launched ETPs, which are often initially more thinly-traded and may initially present challenges in meeting liquidity standards. The proposal is therefore intended to support the development of liquidity in new and transitioning products, which benefits all market participants, including issuers and investors.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act [48] and Rule 19b–4(f)(6) thereunder.[49] Because the 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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act [50] and Rule 19b–4(f)(6) thereunder.[51]

A proposed rule change filed under Rule 19b–4(f)(6) [52] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),[53] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the Exchange can implement the proposed changes on September 1, 2026. According to the Exchange, this would allow market participants to realize the benefits of the QLP program sooner rather than later, including tighter spreads, deeper markets, and enhanced market-making support for Low Volume ETPs that qualify for the QLP program. For these reasons, and because the proposed rule change does not raise any new or novel regulatory issues, the Commission finds that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change as operative upon filing.[54]

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 will institute proceedings under Section 19(b)(2)(B) [55] of the Act to determine whether the proposed rule change 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–2026–068 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–2026–068. 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/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–2026–068 and should be submitted on or before September 22, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[56]

Sherry R. Haywood,

Assistant Secretary.

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[48] 15 U.S.C. 78s(b)(3)(A)(iii).

[49] 17 CFR 240.19b–4(f)(6).

[50] 15 U.S.C. 78s(b)(3)(A).

[51] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and 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. The Exchange has satisfied this requirement.

[52] 17 CFR 240.19b–4(f)(6).

[53] 17 CFR 240.19b–4(f)(6)(iii).

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

[55] 15 U.S.C. 78s(b)(2)(B).

[56] 17 CFR 200.30–3(a)(12), (59).