

## NASDAQ Receives SEC Approval for The NASDAQ Options Market; Scheduled to Launch March 31, 2008



**Please Route To:** Options Contacts, Head Traders, Technical Contacts, Compliance Officers, Buy-Side Contacts, NASDAQ Vendor Technical Contacts, Vendor Admin Contacts

### What you need to know:

- NASDAQ received SEC approval for The NASDAQ Options Market rules.
- The NASDAQ Options Market will launch on **Monday, March 31, 2008**.
- NASDAQ has established the pricing schedule for Options transactions.
- Registration is through the NASDAQ Trade Desk at 212.231.5100.
- Firms are reminded to update CMTA agreements at OCC.
- Additional testing opportunities are available.

**Who you should contact:** [NASDAQ OMX Market Sales](#) at 800.846.0477

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### When will The NASDAQ Options Market begin operation?

The NASDAQ Options Market<sup>SM</sup> [rules](#) were approved by the Securities and Exchange Commission (SEC). The NASDAQ Options Market will begin operation on **Monday, March 31, 2008**.

### What fees will NASDAQ charge for transactions on The NASDAQ Options Market?

NASDAQ<sup>®</sup> plans to charge removers of liquidity \$0.45 per executed contract and rebate adders of liquidity \$0.30 per executed contract on all options traded on The NASDAQ Options Market, pending SEC approval. These rates will apply to all participants in The NASDAQ Options Market regardless of their capacity.

### Which instruments will trade on The NASDAQ Options Market on March 31, 2008?

NASDAQ plans to trade options on QQQQ and AMAT at the time of the launch. NASDAQ will announce the specific options as the launch date approaches.

### How does a NASDAQ Options Market Maker register for a series?

Market makers can register/de-register for a particular option series by calling the NASDAQ Trade Support Desk at 212.231.5100 or by emailing their request to [tradedesk@nasdaqomx.com](mailto:tradedesk@nasdaqomx.com).

### What are the responsibilities of market makers on The NASDAQ Options Market?

Generally, market makers have a responsibility to maintain a two-sided market, participate in the Opening Auction and execute no more than 25% of the contracts the market maker executes in series in which they are not a market maker. More information regarding market maker obligations can be found in Chapter VII of [The NASDAQ Options Market rules](#).

### What is the Limitation of Liability policy for The NASDAQ Options Market?

With regards to Limitation of Liability, [NASDAQ Rule 4626](#) applies to The NASDAQ Options Market.

## What number should participants call for trading or technical issues?

For technical issues with The NASDAQ Options Market, firms should contact the Technical Support Desk at 212.231.5180 or [trading@nasdaqomx.com](mailto:trading@nasdaqomx.com).

For trading issues with The NASDAQ Options Market, firms should contact the Trade Support Desk at 212.231.5100 or [tradedesk@nasdaqomx.com](mailto:tradedesk@nasdaqomx.com).

## How should participants report potentially erroneous (obvious error) trades?

In order to report a potentially erroneous trade, participants should contact NASDAQ MarketWatch at 800.211.4953 or 301.978.8501. More information regarding potentially erroneous trades can be found in Chapter V of [The NASDAQ Options Market rules](#).

## Will there be additional testing opportunities prior to the launch of The NASDAQ Options Market?

Customer testing for the NASDAQ Options Market is available on a daily basis. In addition, NASDAQ will conduct Saturday User Acceptance Tests (UATs) on the following dates:

- Saturday, March 15, 2008
- Saturday, March 29, 2008

To participate in any of the scheduled UATs, please [register](#) by noon on the Friday before the Saturday testing date.

## How can a firm connect to The NASDAQ Options Market?

To connect to The NASDAQ Options Market, a firm should:

- Complete a [Port Request Form](#) if you have not already done so and submit it to [NASDAQ Subscriber Services](#) via email or by fax at 212.231.5426.
- Once the port is configured and connectivity is established, contact [NASDAQ Trading Services](#) at 212.231.5180 to coordinate the testing. Trading Services can identify the instruments listed on The NASDAQ Options Market test system.

Firms can also connect to The NASDAQ Options Market through a Service Bureau. A list of [Service Bureaus](#) that have certified with NASDAQ for Options can be found on the NASDAQ Trader® website.

## What do firms need to do in order to facilitate trading via CMTA?

Firms planning to facilitate trading via Clearing Member Trade Agreements (CMTA) need to update their CMTA agreements at the Options Clearing Corporation (OCC) to recognize NASDAQ (NSDQ). Please contact the OCC for more information.

## How can I subscribe to Options Trader Alerts?

If you would like to subscribe to receive all Options-related news items, please visit the [NASDAQ Trader website](#) to sign up.

## How can I get additional information?

- View the [Options Market](#) page on the NASDAQ Trader website.
- Contact [NASDAQ OMX Market Sales](#) at 800.846.0477.

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