SEC Approves NASDAQ Systems Integration into a Single Book

NASDAQ®

Please Route To: Head Traders; Technical Contacts; Compliance Officers; Vendor Technical Contacts; Vendor Admin Contacts

What you need to know:

- On July 14, 2006, the Securities and Exchange Commission (SEC) issued an approval order allowing NASDAQ to integrate the NASDAQ Market Center, Brut and INET systems into a single book:
  - On August 28, 2006, NASDAQ plans to begin the first phase of the integration in NASDAQ-listed issues.
  - On October 1, 2006, NASDAQ plans to transition all NYSE-, Amex- and regional-listed securities on a single date following the completion of the NASDAQ-listed integration.
- On July 24, 2006, NASDAQ will make test stocks available for testing the system's functionality.

Whom you should contact: NASDAQ Market Sales at 800.846.0477

What does this SEC approval mean?

On July 14, 2006, the SEC approved NASDAQ's System Integration proposal. This approval allows NASDAQ® to integrate the NASDAQ Market Center®, Brut and INET into a single platform. The integration will begin on August 28, 2006, in NASDAQ-listed issues through a security-by-security phase-in approach.

Integration of all NYSE-, Amex- and regional-listed securities will occur on a single date, following the completion of the NASDAQ-listed integration, currently targeted for October 1, 2006.

Will there be testing opportunities for single book?

As announced in Head Trader Alert #2006-103, on Monday, July 24, 2006, NASDAQ will make test stocks available for single book functionality over NASDAQ, Brut and INET protocols and interfaces.

Please use the following two test symbols for testing the integrated system in NASDAQ-listed securities:

- **ZXZZT**
- **ZWZZT**

Please use **ZZT** as the test symbol for testing of other exchange-listed securities.

NASDAQ is also planning weekend testing opportunities for systems integration. Further information on weekend testing will communicated as it becomes available.

How does NASDAQ plan to perform the security-by-security phase-in?

NASDAQ plans to perform the integration as a security-by-security phase-in on the following migration schedule:

- August 28, 2006: 20 NASDAQ-listed securities
- September 5, 2006: 100 to 200 NASDAQ-listed securities
- September 11, 2006: All remaining NASDAQ-listed securities

- October 1, 2006: All NYSE-, Amex- and regional-listed securities

NASDAQ will monitor the migration and adjust the schedule as needed to maintain an orderly transition. NASDAQ plans to make the lists of securities available in the coming weeks.

Where can I get additional information?
- For information on functionality, user specifications, bandwidth requirements, FAQs and recent single book communications, refer to the Systems Integration page on the NASDAQ Trader® website
- Refer to the SEC approval order.
- Contact NASDAQ Market Sales at 800.846.0477.