

## NASDAQ Plans to Change Stock Symbol System, Beginning January 31, 2007



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

### What you need to know:

- Effective January 31, 2007, NASDAQ will have the capability to accept and distribute 1-, 2- and 3-character symbols, in addition to the 4-character symbols currently used.
- In response to customer feedback, NASDAQ plans to adopt the ComStock subordinate issue symbology.
- NASDAQ plans to implement the new stock symbol system in phases beginning on January 31, 2007, and expects to publish the implementation and testing schedule in October of 2006.
- NASDAQ continues to work with the Securities and Exchange Commission (SEC) and other exchanges to develop the Exchange Symbology Plan.

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

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### What change is being made to the stock symbol system?

Effective January 31, 2007, NASDAQ® will have the capability to accept and distribute 1-, 2- and 3-character symbols for NASDAQ-listed and other exchange-listed securities, in addition to the 4-character symbols NASDAQ currently uses.

### Will NASDAQ choose an existing symbol system or create their own?

NASDAQ has been conducting working group meetings with a broad range of industry participants in order to ensure an easier and more cost-effective transition for customers. In response to feedback from this group, NASDAQ plans to adopt the ComStock subordinate issue symbology, which is widely accepted by the industry.

NASDAQ will continue to be sensitive to those customers that have requested a 6-character symbol limit.

### How will NASDAQ transition to the new stock symbol plan?

To ensure a smooth transition, NASDAQ plans to implement the new stock symbol system in phases, beginning on January 31, 2007. NASDAQ expects to publish the implementation and testing schedule in October of 2006. Further information will be communicated as it becomes available.

In addition, NASDAQ continues to work with the SEC and other exchanges to develop the Exchange Symbology Plan, which will manage the assignment of symbols across exchanges.

### Why is NASDAQ making this change?

NASDAQ has made the decision to change its stock symbol plan in order to:

- **Enhance market resilience** — The technology change to support the new symbology will enable all NASDAQ systems, including the Securities Information Processor (SIP), to support all NYSE- and Amex-listed securities

using their original symbols over its core transaction and data platforms. As the U.S. capital markets continue to enhance their redundancy and resiliency, this development is key to NASDAQ's ability to provide full back-up for other equity markets in the event of a national or local emergency.

- **Promote competition** — NASDAQ believes that issuers should have the freedom of choice and competition. As issuers face the important choice of where to list their equities, the symbol an issuer currently uses should not factor prominently in the listing decision process. Similarly, the symbol that a market assigns to an issuer should be transferable to a competing market if that issuer chooses to switch to the competing market.

### **Will NASDAQ companies be able to switch their current symbol to a 1-, 2- or 3-character symbol?**

Issuers may currently submit symbol change requests to their NASDAQ Relationship Managers. These requests will be held for consideration when the Exchange Symbology Plan is active.

Once the Exchange Symbology Plan is in place, NASDAQ intends to be able to process symbol requests from existing NASDAQ-listed issuers that want to change their symbols. However, NASDAQ must consider all factors, including the guidelines of the Exchange Symbology Plan, when making a decision.

### **Where can I get additional information?**

- Refer to the [NASDAQ Stock Symbol System Plan page](#) on the NASDAQ Trader<sup>®</sup> website for additional information and updates.
- Contact the [NASDAQ Symbology Team](#).
- Contact [NASDAQ Market Sales](#) at 800.846.0477.
- Contact [NASDAQ Market Data Distribution](#) at 301.978.5307.

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