

## NASDAQ Refines Second Phase of Stock Symbol System Changes



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

### What you need to know:

- NASDAQ has refined its approach to Phase 2 of the symbology initiative and will convert all NASDAQ-listed issues with a fifth-character modifier to the suffix symbology for the integrated NASDAQ platform.
- NASDAQ will use the symbology suffix logic outlined in this document for its trading system and direct data feed products. For non-NASDAQ-listed securities, NASDAQ is currently supporting this suffix logic. NASDAQ-listed issues will migrate to this logic in early 2008.
- Implementation for Phase 2 is targeted for the end of the first quarter in 2008. The revised testing and implementation dates will be published as soon as they become available.

**Who you should contact:** The [NASDAQ Symbology Team](#)

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### What comprises Phase 2 of NASDAQ's symbology initiative?

Phase 2 of [NASDAQ's symbology initiative](#) includes the following:

- All NASDAQ-listed issues with a fifth-character modifier will be converted to a new suffix symbology.
- NASDAQ® will begin applying the new suffix symbology to **all NASDAQ-listed issues**, including those with 1-, 2- and 3-characters.

### Why must NASDAQ adopt a new suffix symbology?

Since February 2007, NASDAQ has had the capability to accept and distribute NASDAQ-listed issues with symbols of four characters or less. In July 2007, the Securities and Exchange Commission (SEC) approved NASDAQ's filing to allow companies with three-letter stock symbols to keep their existing ticker symbols after switching to The NASDAQ Stock Market®.

For subordinate issue types, NASDAQ currently appends a fifth character to NASDAQ-listed issues to identify subordinate issue types. NASDAQ must adopt a new suffix symbology to assist our customers in separating the root symbol from the subordinate issue modifier type to properly identify the NASDAQ-listed issue.

### Why has NASDAQ refined its approach to Phase 2?

Since early 2006, NASDAQ has conducted working group meetings with a broad range of industry participants and participated in various industry group conferences to discuss Phase 2 and better understand the impacts to our customers. In response to feedback, NASDAQ has refined its approach to Phase 2 (suffix symbology conversion and migration) in order to ensure an easier and more cost-effective transition for customers.

### Why did NASDAQ select the integrated NASDAQ platform suffix symbology?

The suffix symbology for the integrated NASDAQ platform is currently in use for issues listed on markets other than NASDAQ (i.e., NYSE and AMEX). The adoption of

an existing suffix symbology for NASDAQ-listed issues will provide a consistent suffix symbology for all issues trading on NASDAQ systems regardless of the listing market of the symbol. This is an important aspect of the refined plan that customers have raised in past discussions.

### **Are there any similarities between the integrated NASDAQ platform and ComStock suffix symbologies?**

The integrated NASDAQ platform and ComStock suffix symbologies both use non-alphabetic, non-numeric characters to designate the suffix of a symbol. The particular characters used can be different. Please see the following resources on the NASDAQ Trader® website for more information:

- [NASDAQ Guidance on Application of Integrated NASDAQ Platform Suffixes](#)
- [Mapping of NASDAQ 5th Chars to Integrated NASDAQ Platform Modifiers](#)

### **What is the maximum symbol field size length that customers should expect?**

As stated in previous communications, NASDAQ has committed to staying within a total of 6 characters until further notice. This includes the root symbol, delimiter and suffix.

### **How will the symbol changes be communicated for NASDAQ-listed issues impacted by Phase 2?**

All NASDAQ-listed issues that are impacted by Phase 2 will be migrated to the integrated NASDAQ platform suffix symbology over a weekend (currently targeting the end of 1<sup>st</sup> Quarter 2008). All changes will be processed as symbol changes and communicated to all customers through the normal symbol change process as is done today.

### **How will the integrated NASDAQ platform suffix symbology be applied to subordinate issues that transfer to list on the NASDAQ Stock Market?**

If an issuer has one or more subordinate issue types that they wish to transfer to list on The NASDAQ Stock Market, NASDAQ will apply the integrated NASDAQ platform suffix symbology to accurately represent the subordinate issue type without exceeding the 6-character symbol field size limitation.

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

- Refer to the [NASDAQ Stock Symbol System Changes page](#) on the NASDAQ Trader website.
- Contact the [NASDAQ Symbology Team](#).

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