

NASDAQ Provides an Update on New Sponsored Access Rule



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

What you need to know:

- As announced in [Regulatory Alert #2007-012](#), NASDAQ [filed](#) a Sponsored Access rule with the Securities and Exchange Commission (SEC) that became effective on February 16, 2007.
- NASDAQ recently revised the agreements that must be completed by April 18, 2007, as required by this new Sponsored Access rule.

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

What is changing?

As announced in [Regulatory Alert #2007-012](#), NASDAQ® [filed](#) a Sponsored Access rule with the SEC that became effective on February 16, 2007. This rule is identical to another exchange's sponsored access rule. NASDAQ recently updated the agreements required by this new Sponsored Access rule to maintain consistency with recent changes made to the agreements by the originating exchange. These agreements must be completed by **April 18, 2007**.

What does my firm have to do to provide direct connectivity to NASDAQ?

- NASDAQ members that provide others with direct connectivity to NASDAQ should carefully review and comply with the requirements in NASDAQ Rule 4611 (d).
- Each time a Sponsoring Member enters into an arrangement to provide direct connectivity to NASDAQ, the Sponsoring Member and the Sponsored Participant must complete and fax all applicable materials as described in the Application Checklist to NASDAQ Subscriber Services at 212.231.5426. NASDAQ Subscriber Services will notify both parties of approval of the arrangement.
- The Sponsoring Member and the Sponsored Participant should consult with NASDAQ Subscriber Services at 212.231.5180 to determine the most beneficial connectivity.
- Sponsoring Members may [request](#) a market participant identifier (MPID) for the Sponsored Participant.

What documents are described in the Application Checklist?

1. [Sponsored Access User Agreement](#), signed by Sponsoring Member — The Sponsoring Member must sign this agreement ONLY ONCE - the first time it enters into a direct access arrangement with a Sponsored Participant.
2. [Sponsoring Member Consent](#), signed by Sponsoring Member — The Sponsoring Member must complete a consent for each Sponsored Participant it elects to sponsor
3. [Sponsored Participant Consent](#), signed by Sponsored Participant — Each Sponsored Participant must sign this consent.
4. [Sponsored Access User Agreement](#), signed by Sponsored Participant — Each Sponsored Participant must sign this agreement.

Where can I get additional information?

- Refer to the [SEC filing](#).
- Refer to the [Sponsored Access page](#) on the NASDAQ Trader® website.
- Contact [NASDAQ Market Sales](#) at 800.846.0477.

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