

May 15, 2006

Impact of NASDAQ Exchange Registration on Listed Companies

What You Need to Know In Summary:

- NASDAQ expects to begin operating as a national securities exchange in the second quarter of 2006.
- NASDAQ-listed securities now registered under Section 12(g) of the Securities Exchange Act of 1934 and those investment company securities currently exempt from registration under Section 12(g)(2)(B) will need to be registered under Section 12(b) of the Exchange Act.
- NASDAQ will take the necessary steps on behalf of companies, so no action is required unless a company chooses to opt out on or before May 30, 2006, by following the procedures described below.
- After NASDAQ begins operating as an exchange, companies should identify themselves as a Section 12(b) registrant in any Exchange Act filings.

The Nasdaq Stock Market, Inc. recently received approval from the Securities and Exchange Commission (SEC) to begin operations as a national securities exchange, subject to several regulatory conditions. We expect that the transition to exchange status, as The NASDAQ Stock Market LLC, will occur June 1, 2006 for NASDAQ-listed securities.

Securities of companies that are listed today on NASDAQ are generally registered under Section 12(g) of the Securities Exchange Act of 1934 or exempt from registration. However, when we begin operating as an exchange, all securities currently listed on NASDAQ and those investment company securities currently exempt from registration under Section 12(g)(2)(B) must instead become registered under Section 12(b) of the Exchange Act. Ordinarily, this process would require each company to file a registration statement with NASDAQ and the SEC. To facilitate this process for our companies **NASDAQ has adopted Rule 4130, which permits NASDAQ to file an application on your behalf to register your NASDAQ-listed securities under Section 12(b)** on the day before NASDAQ begins operating as an exchange. Accordingly, unless your company chooses to "opt-out" in the manner described below, no action is required at this time.

NASDAQ will notify listed companies once we begin operating as a national securities exchange. Any filings your company makes pursuant to the Exchange Act after that time should indicate that your company's NASDAQ-listed securities are registered under Section 12(b) of the Exchange Act. Notwithstanding the change in registration, the SEC has advised us that you should continue to file your Exchange Act reports using the same file number (OOX-XXXXX) that you previously were assigned by the SEC.¹ Your CIK number also will remain the same. Finally, NASDAQ does not believe that this change in registration status will affect any of the disclosure requirements imposed on your company by the Act.²

If you wish to opt-out from NASDAQ making the request described above on your behalf, please provide written notice no later than May 30, 2006. Such notice must be provided on your company letterhead with corporate contact information to:

Douglas McKenney
The Nasdaq Stock Market, Inc.
Listing Qualifications Department
9600 Blackwell Road
Rockville, MD 20850
Facsimile: 301.978.4028

Please be advised that the result of your choosing to opt-out would be that your securities would be ineligible to trade on NASDAQ, unless you separately file a registration statement with the SEC to switch your registration to Section 12(b) of the Act. Any company that has opted out and does not have an effective registration statement under Section 12(b) will not be eligible to trade on NASDAQ once it commences operations as an exchange. These companies would then trade instead on the pink sheets or OTC Bulletin Board. In order to re-list on NASDAQ (or any other national securities exchange) following such removal, a company will be required to register under Section 12(b), submit a listing application, meet all initial listing criteria, and pay all applicable initial listing fees.

If you have any questions, please do not hesitate to contact your NASDAQ Relationship Manager or Listing Qualifications Analyst, merge analyst name at merge analyst phone.

¹ Although companies that have securities registered under Section 12(b) of the Exchange Act typically are assigned a file number with a different prefix (001-XXXXX), the file number has no legal significance and is assigned by the SEC solely for administrative convenience. Due to the large number of companies whose securities are being converted from registration under Section 12(g) of the Act to Section 12(b) of the Act, the SEC has determined that it is unnecessary to issue new file numbers to all of the companies affected by NASDAQ's conversion from an association to an exchange structure.

² Note that the process and rules surrounding a decision to delist or deregister differ for a company registered under Section 12(b).

NASDAQ is the largest U.S. electronic stock market. With approximately 3,200 companies, it lists more companies and, on average, trades more shares per day than any other U.S. market. It is home to companies that are leaders across all areas of business including technology, retail, communications, financial services, transportation, media and biotechnology industries. NASDAQ is the primary market for trading NASDAQ-listed stocks. For more information about NASDAQ, visit the NASDAQ website at www.NASDAQ.com or the NASDAQ Newsroom at www.NASDAQnews.com.

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