

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² the National Association of Securities Dealers, Inc. (“NASD”), through its subsidiary, The Nasdaq Stock Market Inc. (“Nasdaq”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to fully integrate Nasdaq’s Brut and INET execution systems. This will result in the termination of operations of the Brut system and the elimination of applicable system rules from NASD’s rule manual.

Nasdaq has designated this proposal as one effecting a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing.

Nasdaq has provided the Commission with written notice of its intent to file this proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change pursuant to Section 19(b)(3)³ and Rule 19b-4(f)(6) thereunder.⁴ Nasdaq is requesting a waiver of the 30-day pre-operative requirement under that rule. If such waiver is granted, Nasdaq will implement the migration in two phases: (1) a group of up to 10 test stocks beginning on or after November 10, 2006, and (2) the remaining stocks on November 20, 2006.

The proposed rule language is attached as Exhibit 5.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3).

⁴ 17 CFR 240.19b-4(f)(4).

2. Procedures of the Self-Regulatory Organization

The Board of Directors of Nasdaq approved the proposed rule change at its meeting on December 15, 2004, and by the Board of Governors of the NASD at its meeting on December 16, 2004. The staff of Nasdaq has provided an opportunity for the staff of NASD Regulation, Inc. to consult with respect to the proposed rule change, pursuant to the Plan of Allocation and Delegation of Functions by NASD to Subsidiaries. No other action by the NASD is necessary for the filing of the rule change. Nasdaq will make the proposed rule change effective upon formal closing of Nasdaq's transaction purchasing INET. Questions regarding this rule filing may be directed to Jeffrey S. Davis, Associate General Counsel, The Nasdaq Stock Market, Inc. at (301) 978-8484 (telephone) or (301) 978-8472 (fax).

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

a. Purpose

On January 13, 2006, the Commission issued an order conditionally approving Nasdaq's registration as a national securities exchange. *See* Securities Exchange Act Release No. 53128 (Jan. 13, 2006) (as amended, the "Exchange Approval Order"). In July of 2006, Nasdaq satisfied the conditions set forth in the Exchange Approval Order with respect to the trading of stocks listed on Nasdaq. On August 1, 2006, The NASDAQ Stock Market, LLC ("Nasdaq LLC") began operating as an exchange for the trading of Nasdaq-listed stocks. Nasdaq has not yet satisfied the conditions set forth in the Exchange Approval Order with respect to the trading of stocks listed on the NYSE and Amex. Therefore, Nasdaq continues to operate as a facility of the NASD with

respect to the trading of NYSE and Amex stocks. This rule filing is submitted by Nasdaq with respect to the trading of NYSE and Amex stocks.

Nasdaq is proposing to fully integrate Nasdaq Brut and INET execution systems resulting in the termination of operations of the Brut system and the elimination of applicable system rules from NASD's rule manual.

The Commission has already approved the integration of Nasdaq LLC's three execution systems - the Nasdaq Market Center, the Brut ECN, and the INET ECN - into a single execution system commonly known as the Nasdaq Single Book. *See Securities Exchange Act Release 54155 (July 14, 2006)*. On October 16, 2006, Nasdaq LLC successfully launched the first phase of the Single Book by offering trading of twenty Nasdaq-listed securities. Nasdaq LLC completed the roll-out of trading in Nasdaq stocks in two phases, 200 additional Nasdaq stocks on October 23 and the remaining Nasdaq stocks on October 30. With respect to Nasdaq securities, the operation of the Brut system has been completely terminated as a result of the completed roll-out of the Single Book.

The Commission approval of Nasdaq LLC's systems integration applies equally to the trading of NYSE- and Amex-listed stocks, but Nasdaq LLC has not begun to implement the Single Book with respect to those stocks. Nasdaq LLC has experienced an unanticipated delay in its implementation of Single Book for NYSE/Amex trading. This delay provides Nasdaq with an opportunity to add an additional step in the orderly implementation process, namely to merge the Brut and INET systems together in advance of the Single Book launch.

Integrating Brut and INET will benefit Nasdaq participants by simplifying Nasdaq's market structure and operations, while imposing no technical or financial

impact on participating firms. Nasdaq is proposing a “virtual” integration of Brut and INET. Specifically, current Brut users will continue to use the same front-end technology they use today, but all orders will be re-directed to the INET processors. As firms have the ability to enter orders into INET via various connectivity options today, existing Brut connectivity, via the FIX protocol, will become yet another connectivity option to the INET processors where such orders will be posted, executed or routed, per the entry firm’s instructions.

More specifically, the three basic Brut orders – To Brut, Cross, and Thru Brut – and their sub-types will be “mapped” to a currently approved and operational order type, as set forth below:

| Brut Order Types defined in NASD Rule 4903 | Mapping to INET order Types defined in NASD Rules 4953 and 4956 |
|--|--|
| To Brut | INET order |
| To Brut (with post only attribute) | order will be rejected |
| To Brut (with discretion attribute) | STGY |
| Cross | SCAN |
| Aggressive Cross | STGY |
| Super Aggressive Cross | STGY |
| Directed Cross (destination is the New York Stock Exchange or the American Stock Exchange) | DOTN or DOTA (based on instructions from entering party) |
| Directed Cross (destination is <u>not</u> the New York Stock Exchange or the American Stock Exchange) | STGY |
| Thru (destination is the New York Stock Exchange or the American Stock Exchange) | TDOT |
| Thru (destination is <u>not</u> the New York Stock Exchange or the American Stock Exchange) | STGY |

The migration of Brut order flow will be seamless to Brut users. First, the Commission’s approval of Nasdaq LLC’s system integration included the elimination of

the Brut operating system; integrating Brut operations into INET is no different than integrating Brut into Single Book. Second, the integration Nasdaq proposes is virtual and, as described above, will not affect how Brut subscribers participate in the Nasdaq market. Third, in addition to the absence of system impact, the vast majority of Brut subscribers are also INET subscribers that are already familiar with the INET system. Nasdaq will work with the remaining Brut subscribers to address any questions or concerns they have regarding the proposed integration.

With respect to the applicable rules, in the order approving Single Book the Commission approved the removal of the Brut rules from Nasdaq LLC's exchange rule manual, which currently applies to the trading of Nasdaq stocks. Nasdaq is now proposing to remove the Brut rules from the NASD manual, which currently governs the NASD/Nasdaq trading of NYSE/Amex stocks and will continue to govern that trading until Nasdaq LLC operates as an exchange for these stocks. Nasdaq expects that it will begin operating as an exchange with respect to NYSE/Amex stocks on the day (1) Nasdaq LLC launches Single Book and (2) the NASD launches its new quotation system for NYSE/Amex stocks.

b. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 15A of the Act,⁵ in general and with Section 15A(b)(5) of the Act,⁶ in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to

⁵ 15 U.S.C. 78o-3.

⁶ 15 U.S.C. 78o-3(b)(5).

remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

4. Self-Regulatory Organization's Statement on Burden on Competition

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(6) thereunder,⁸ Nasdaq has designated this proposal as one that effects a change that (A) does not significantly affect the protection of investors or the public interest; (B) does not impose any significant burden on competition; and (C) by its terms, does not become operative for 30 days after the date of the filing. Nasdaq has provided the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

Nasdaq has requested a waiver of the 30-day pre-operative period and it believes there is good cause for granting this waiver. The proposed integration will benefit

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(6).

investors by accelerating the integration of two separate pools of liquidity into one larger pool. This, in turn, should increase efficiency in the speed and likelihood of execution. The change will impose no costs on investors. Therefore, delaying implementation will harm investors while accelerating it will benefit investors. Moreover, there is a small window of opportunity when Nasdaq can make this change in an efficient manner without affecting its overall Single Book integration plan. Nasdaq would like to maximize its ability to capture this efficiency while imposing no burden on its members. If the Commission finds good cause to grant this waiver, Nasdaq will make this change in two phases: (1) a group of up to 10 test stocks on or after November 10, 2006, and (2) the remaining stocks on November 20, 2006.

8. Proposed Rule Change Based on rules of Another Self-Regulatory Organization of the Commission

Not applicable.

9. Exhibits

1. Completed notice of proposed rule change for publication in the Federal Register.
4. Exhibit 4 demonstrating changes to the rule language contained in the original proposal.
5. Exhibit 5 containing proposed rule language.

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NASD-2006-126)

November __, 2006

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by National Association of Securities Dealers, Inc. to Integrate Brut and INET Facilities

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on November 13, 2006, the National Association of Securities Dealers, Inc. (“NASD”), through its subsidiary, The Nasdaq Stock Market, Inc. (“Nasdaq”), filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by Nasdaq. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of the Substance of the Proposed Rule Change

Nasdaq is filing with the Commission a proposed rule change to fully integrate Nasdaq’s Brut and INET execution systems. This will result in the termination of operations of the Brut system and the elimination of applicable system rules from NASD’s rule manual.

Nasdaq has designated this proposal as one effecting a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Nasdaq has provided the Commission with written notice of its intent to file this proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change pursuant to Section 19(b)(3)³ and Rule 19b-4(f)(6) thereunder.⁴ Nasdaq is requesting a waiver of the 30-day pre-operative requirement under that rule. If such waiver is granted, Nasdaq will implement the migration in two phases: (1) a group of up to 20 test stocks beginning on or after November 10, 2006, and (2) the remaining stocks on November 20, 2006.

The proposed rule language is attached as Exhibit 5.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Nasdaq included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Nasdaq has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

On January 13, 2006, the Commission issued an order conditionally approving Nasdaq's registration as a national securities exchange. *See* Securities Exchange Act Release No. 53128 (Jan. 13, 2006) (as amended, the "Exchange Approval Order"). In July of 2006, Nasdaq satisfied the conditions set forth in the Exchange Approval Order with respect to the trading of stocks listed on Nasdaq. On August 1, 2006, The

³ 15 U.S.C. 78s(b)(3).

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NASDAQ Stock Market, LLC (“Nasdaq LLC”) began operating as an exchange for the trading of Nasdaq-listed stocks. Nasdaq has not yet satisfied the conditions set forth in the Exchange Approval Order with respect to the trading of stocks listed on the NYSE and Amex. Therefore, Nasdaq continues to operate as a facility of the NASD with respect to the trading of NYSE and Amex stocks. This rule filing is submitted by Nasdaq with respect to the trading of NYSE and Amex stocks.

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This delay provides Nasdaq with an opportunity to add an additional step in the orderly implementation process, namely to merge the Brut and INET systems together in advance of the Single Book launch.

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| Directed Cross (destination is <u>not</u> the New York Stock Exchange or the American Stock Exchange) | STGY |

| | |
|--|------|
| Thru (destination is the New York Stock Exchange or the American Stock Exchange) | TDOT |
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2. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 15A of the Act,⁵ in general and with Section 15A(b)(5) of the Act,⁶ in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and subparagraph (f)(6)(iii) of Rule 19b-4 thereunder in that it effects a change that does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest; provided that the self-regulatory organization has given the Commission written notice of intent to file the proposed rule change, along with a brief

⁵ 15 U.S.C. 78o-3.

⁶ 15 U.S.C. 78o-3(b)(5).

description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

Nasdaq has requested a waiver of the 30-day pre-operative period and it believes there is good cause for granting this waiver. The proposed integration will benefit investors by accelerating the integration of two separate pools of liquidity into one larger pool. This, in turn, should increase efficiency in the speed and likelihood of execution. The change will impose no costs on investors. Therefore, delaying implementation will harm investors while accelerating it will benefit investors. Moreover, there is a small window of opportunity when Nasdaq can make this change in an efficient manner without affecting its overall Single Book integration plan. Nasdaq would like to maximize its ability to capture this efficiency while imposing no burden on its members. If the Commission finds good cause to grant this waiver, Nasdaq will make this change in two phases: (1) a group of up to 20 test stocks on or after November 10, 2006, and (2) the remaining stocks on November 20, 2006.

At any time within 60 days of the filing of a rule change pursuant to Section 19(b)(3)(A) of the Act, the Commission may summarily abrogate the rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NASD-2006-126 on the subject line.

Paper comments:

- Send paper comments in triplicate to Nancy Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NASD-2006-126. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such

filing also will be available for inspection and copying at the principal office of the NASD. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-NASD-2006-126 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Nancy Morris
Secretary

⁷ 17 CFR 200.30-3(a)(12).

Exhibit 4

Nasdaq is amending the original proposal to remove inadvertent underlining in the proposed rule language. The improperly underlined text is bracketed and replaced with italicized text.

[4901. Definitions

Unless stated otherwise, the terms described below shall have the following meaning:

(a) The term "System securities" shall mean ITS Securities as that term is defined in NASD [Rule 5210]*Rule 5210(c)*.

(b) The term "Effective Time" shall mean, for orders so designated, the time at which the order shall become eligible for display and potential execution with other orders in the System.

(c) The term "Immediate or Cancel" shall mean, for limit orders so designated, that if after entry into the System the order (or a portion thereof) is not marketable, the order (or unexecuted portion thereof) shall be canceled and returned to the entering Participant.

(d) The term "limit order" shall mean an order to buy or sell a stock at a specified price or better.

(e) The term "market order" shall mean an unpriced order to buy or sell a stock at the market's current best price. A market order may have a limit price beyond which the order shall not be executed.

(f) The term "mixed lot" shall mean an order that is for more than a normal unit of trading but not a multiple thereof.

(g) The term "ITS/CAES System" shall mean the automated system owned and operated by The Nasdaq Stock Market, Inc. pursuant to NASD [Rule 4700]*Rule 4700 Series*.

(h) The term "The BRUT ECN System," or "System," shall mean the automated system owned and operated by Brut, which is owned and operated by The Nasdaq Stock Market, Inc., which enables Participants to execute transactions in System securities; to have reports of the transactions automatically forwarded to the appropriate National Market Trade Reporting System, if required, for dissemination to the public and the industry, and to "lock in" these trades by sending both sides to the applicable clearing corporation(s) designated by the System Participant(s) for clearance and settlement; and to provide System Participants with sufficient monitoring and updating capability to participate in an automated execution environment.

(i) The term "Participant" shall mean an NASD member that fulfills the obligations contained in [Rule 4902]*Rule 4902* regarding participation in the System. The term "Participant" shall also include non-NASD broker/dealers that desire to use the System for ITS Securities and otherwise meet all other requirements for System participation. Non-NASD member broker/dealers shall have access to System until the earlier of either September 1, 2006, or the date that Nasdaq becomes operational as a national securities exchange for the particular class of securities traded by the non-NASD member.

(j) The term "System Book Feed" shall mean a data feed for System eligible securities that Brut will make available to Participants and third-party vendors.

(k) The term "odd-lot order" shall mean an order that is for less than a normal unit of trading.

(l) The term "Reserve Size" shall mean the functionality that permits a Participant to display a portion of an order, with the remainder held in reserve on an undisplayed basis.

(m) The term "Good-till-Cancelled" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution only until 4:00 p.m. Eastern Time on the day they are submitted unless cancelled before then by the entering party.

(n) The term "Good-till-Cancelled-Overnight" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution until 4:00 p.m. Eastern Time, after which it shall be held by the System in a pending state, ineligible for display or execution, until the following trading day, when it will become eligible for display and execution from 7:30 a.m. until 4:00 p.m. Eastern Time on that and all subsequent trading days, until a date provided by the entering party (or if no such date is given, indefinitely) until cancelled by the entering party.

(o) The term "Good-till-Time," shall mean, for orders so designated, that if after entry into System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution until the time designated by the entering party, after which the order will be cancelled by the system. This time may be relative time (e.g. 30 minutes after entry) or an actual time (e.g. 2:00 p.m.).

(p) The term "Day" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution only until 4:00 p.m. Eastern Time on the day they are submitted unless cancelled before then by the entering party.

(q) The term "End-of-Day" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential execution and/or display until 8:00 p.m. Eastern Time, after which it shall be returned to the entering party.

(r) The term "Pegged" shall mean, for priced limit orders so designated, that after entry into the System, the price of the order is automatically adjusted by the System in response to changes in the national best bid or offer, as appropriate. The Participant entering a Pegged Order can specify that order's price will either equal the inside quote or improve the inside quote by an amount set by the entering party on the same side of the market (a "Regular Pegged Order") or offset the inside quote on the contra side of the market by an amount (the "Offset Amount") set by the Participant (e.g., \$0.01 less than the inside offer or \$0.02 more than the inside bid) (a "Reverse Pegged Order"). The Participant entering a Pegged Order may (but is not required to) specify a limit price, to define a price at which pegging of the order will stop and the order will be permanently converted into an un-pegged limit order at limit price. Offset amounts for Pegged Orders are priced in \$0.01 increments. However, if at any time an offset amount specified by a Participant does not result in an offer or a bid that is fully compliant with the minimum price variation provisions of Rule 4904, then, for an offer, the applicable offset amount

will be the smallest amount that results in a compliant order and is greater than the specified offset amount, and, for a bid, the applicable offset amount will be the largest amount that results in a compliant order and is smaller, than the specified offset amount.

(s) The term “Discretionary” shall mean an order that when entered into System has both a displayed bid or offer price, as well as a non-displayed discretionary price range and size (which shall be equal to or less than the Order’s Reserve Size) at which the Participant is also willing to buy or sell, if necessary.

(t) The term "Post Only" shall mean, for To Brut limit orders so designated, that if an order is marketable against an order then-displayed in the System upon receipt, it shall be rejected and returned to the entering Participant. If the order is marketable against a quote displayed outside of Brut, the price of the order is adjusted to a price \$0.01 inferior to the best bid (or offer, as appropriate) then displayed in the ITS/CAES System, and then displayed in the System.

(u) Reserved

(v) The term “Principal Inside Only” shall mean a principal order designated by the entering Participant as only eligible for execution at a price equal or better than the then-current national best bid/offer.

(w) The term “normal unit of trading” shall mean one hundred (100) shares.]

[4902. System Participant Registration

(a) Participation in Brut requires current registration with the System and is conditioned upon the Participant’s initial and continuing compliance with the following requirements:

- (1) execution of a System Subscriber Agreement;
- (2) satisfaction of the Brut New Accounts Policies & Procedures requirements;
- (3) membership in, or access arrangement with a participant of, a clearing agency registered with the Commission that maintains facilities through which System compared trades may be settled;
- (4) acceptance and settlement of each System trade that System identifies as having been effected by such Participant, or if settlement is to be made through another clearing member, guarantee of the acceptance and settlement of such identified System trade by the clearing member on the regularly scheduled settlement date;
- (5) compliance with all applicable rules and operating procedures of the Association and the Securities and Exchange Commission.

(b) Access to the System by non-System participants is available through the ITS/CAES System as described in the NASD Rule 4700 Series.]

[4903. Order Entry Parameters

(a) To Brut Orders—

(1) General. A To Brut Order is an order that is displayed in the System and is executable only against marketable contra-side orders in the System. The following requirements shall apply to Brut Orders entered by Participants:

(A) A To Brut Order shall be a limit order, and shall indicate whether it is a buy, short sale, short-sale exempt, or long sale. A To Brut Order can be designated as End-of-Day, Immediate or Cancel, Good-till-Cancelled, Day, Good-till-Canceled Overnight, Good-till-Time, Effective Time, Post Only, Pegged or Discretionary.

(B) To Brut Orders shall be executed pursuant to the Brut Book Process as described in [Rule 4905]Rule 4905(a).

(C) A To Brut Order to sell short shall not be executed if the execution of such order would violate SEC Rule 10a-1. In said circumstances, the price of the To Brut Order shall be adjusted to \$.01 above the national best bid or offer, and thereafter be processed as if a Reverse Pegged Order.

(D) The System shall not accept To Brut Orders that are All-or-None, or have a minimum size of execution.

(b) Brut Cross Orders—

(1) General. A Brut Cross Order is an order that is displayed in the System, and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. If marketable upon receipt against both orders in the System as well as other market centers, the order shall execute first against System orders. With the exception of Directed Cross Orders, once a Brut Cross Order is routed (in whole or in part) to another market center, any remaining unexecuted or returned portion of the order shall be posted in System and shall no longer be eligible for routing to other market centers. Directed Cross Orders directed to the New York Stock Exchange shall remain at the exchange until executed or cancelled by the entering party.

(A) A Brut Cross Order shall be a limit order, and shall indicate whether it is a buy, short sale, short-sale exempt, or long sale. A Brut Cross Order can be designated as Immediate or Cancel, End-of-Day, Good-till-Cancelled, Day, Good-till-Cancelled Overnight, Good-till-Time, Effective Time.

(B) A Brut Cross Order may also be designated as an Aggressive Cross Order. An Aggressive Cross Order is an order that is displayed in the System during market hours and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. If marketable upon receipt against both orders in the System as well as other market centers, the order shall execute first against System orders. If, after being posted in the Brut System, and after it has exhausted available liquidity in the Brut System, the Aggressive Cross Order has its price crossed by the displayed quote of another market center the System will be routed by Brut to that market center for potential execution. Aggressive Cross Orders may comply with paragraph (A) of this rule

(C) A Brut Cross Order may also be designated as a Super Aggressive Cross Order. A Super Aggressive Cross Order is an order that is displayed in the System during market hours and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. If marketable upon receipt against both orders in the System as well as other market centers, the order shall execute first against System orders. If, after being posted in the Brut System, and after it has exhausted available liquidity in the Brut System, the Aggressive Cross Order has its price locked or crossed by the displayed quote of another market center the System will be routed by Brut to that market center for potential execution.

(D) A Brut Cross Order may also be designated as a Directed Cross Order. A Directed Cross Order is an order that is entered into the System during market hours and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. After being processed in the Brut System and

exhausting available liquidity in the Brut System, the order is automatically routed by Brut to the specific market center selected by the entering party for potential execution. Any portion of the Directed Cross Order that remains unfilled after being routed to the selected market center will be returned to the entering party. For Directed Cross Orders directed to the New York Stock Exchange if, after being processed in the Brut System and exhausting available liquidity in the Brut System, such orders will be automatically routed to the ITS/CAES System and INET for potential execution and thereafter, if instructed by the entering party, to other market centers that provide automated electronic executions before being sent to the New York Stock Exchange. Directed Cross Orders directed to the New York Stock Exchange shall remain at the New York Stock Exchange until executed or cancelled by the entering party.

(E) Brut Cross Orders, including those designated as Aggressive Cross Orders, Super Aggressive Cross Orders and Directed Cross Orders, shall be executed pursuant to:

(i) The Brut Book Order Process described in [\[Rule 4905\]](#)Rule 4905(a) to the extent marketable against an order resident in the System; and

(ii) With the exception of Directed Cross Orders, the Brut Order Routing Process described in [\[Rule 4905\]](#)Rule 4905(b) to the extent not marketable against an order resident in the System.

(F) A Brut Cross Order, including those designated as an Aggressive Cross Order, Super Aggressive Cross Order and Directed Cross Order, to sell short shall not be executed in the System if the execution of such order would violate SEC Rule 10a-1. In said circumstances, the price of the Brut Cross Order shall be adjusted to, \$.01 above the national best bid or offer, and thereafter be processed as if a Reverse Pegged Order.

(c) Thru Brut Orders—

(1) General. A Thru Brut Order is an order submitted to the System that is designated for routing to another market center. The following requirements shall apply to Thru Brut Orders:

(A) A Thru Brut Order shall be a market order or a limit order, and must indicate whether it is a buy, short sale, short-sale exempt, or long sale. A Thru Brut Order can be designated as Immediate or Cancel, End-of-Day, Good-till-Cancelled, Day, or Good-till-Time, or Effective Time.

(B) Thru Brut Orders do not participate in Brut Routing Process as described in [\[Rule 4905\]](#)Rule 4905(b). Instead such orders are sent directly to the market center selected by the entering party. If unexecuted, the order (or unexecuted portion thereof) shall be returned to the entering party.

(C) Market/Limit on Open Orders—if requested by the entering party, unexecuted share amounts of market on open orders directed to the New York or American stock exchanges will be returned to the System for display and potential execution.

(d) Reserved

(e) Entry of Agency and Principal Orders— Participants are permitted to submit agency, riskless principal, and principal orders for processing in the System. Participants shall correctly note their capacity at the time of entry of an order(s) into the System.

(1) No agency order shall be executed at a price inferior to the then current National Best Bid (for sell orders) or Best Offer (for buy orders), taking into account prior efforts to execute against the bids/offers of other market centers.

(2) Unless designated as “Principal Inside Only”, principal and riskless principal orders may be executed at a price inferior to the then current National Best Bid (for sell orders) or Best Offer (for buy orders).

(f) Order Size— Any order in whole shares up to 1,000,099 shares may be entered into the System, subject to a dollar volume limitation of \$75,000,000.]

[4904. Entry and Display of Orders

(a) Entry of Orders — Participants can enter orders into the System, subject to the following requirements and conditions:

(1) Participants shall be permitted to transmit to the System multiple orders at a single as well as multiple price levels. Each order shall indicate the amount of reserve size (if applicable).

(2) The System shall time-stamp an order upon receipt, which time-stamp shall determine the ranking of the order for purposes of processing To Brut Orders and Brut Cross Orders.

(3) Good-till-Cancelled, Day, orders can be entered into the System (or previously entered orders cancelled) between the hours 7:30 a.m. to 4:00 p.m. Eastern Time. Pegged, Discretionary, Immediate-or-Cancel and End-of-Day To Brut Orders, Good-till-Time, Good-till-Canceled Overnight and GTX orders can be entered into System (or previously entered orders cancelled) between the hours 7:30 a.m. to 8:00 p.m. Eastern Time. Orders entered prior to market open and Good-till-Time orders carried over from previous trading days, shall not become available for execution until 7:30 a.m. Eastern Time. Good-till-Time orders carried over from previous trading days with an Effective Time will not become available for execution until the Effective Time on all subsequent trading days the order is held by the System.

(b) Display of Orders — The System will display orders submitted to the System as follows:

(1) System Book Feed — orders resident in the System will be displayed to Participants via the System Book Feed.

(2) ITS/CAES System— For each System Security, the best priced order to buy and sell resident in the System shall be displayed and eligible for execution within the ITS/CAES System. The System may also provide to the ITS/CAES System additional orders, up to and including all orders in System, in System Securities.

(3) Minimum Price Variation — The minimum quotation increment for System Securities shall be \$0.01 for quotations priced at or above \$1.00 per share and \$0.0001 for quotations priced below \$1.00 per share; provided, however, that if the Securities and Exchange Commission ("SEC") permits, with respect to any security, the display, rank or acceptance of quotations priced at or above \$ 1.00 per share in an increment smaller than \$0.01, then the minimum quotation increment for such a security shall be the minimum permitted by the SEC or \$0.0001, whichever is greater. Quotations failing to meet this standard shall be rejected. A quotation for a security listed on the New York Stock Exchange or the American Stock Exchange and properly (not in violation of this paragraph) priced in an increment of less than \$0.01 will be adjusted by the System down (for bids) or up (for offers) to the nearest \$0.01 increment prior to display, execution or routing. A quotation so adjusted will have no price priority over equivalent quotations that did not require adjustment under this paragraph.

(4) Exceptions — The following exceptions shall apply to the display parameters set forth in paragraphs (1) and (2) above:

(A) Odd-lots, Mixed Lots, and Rounding — The System Book Feed shall be capable of displaying trading interest in round lot and mixed-lot amounts, and sub-penny increments for quotations priced under \$1.00.

For ITS/CAES System display purposes, the System shall aggregate all shares, including odd-lot share amounts, entered by Participants at a single price level and round the total share amount down to the nearest round-lot amount. Any odd-lot portion of an order that is not displayed as a result of the rounding process shall remain available for execution, in accordance with the time-priority of their original entry time. Round-lots that are subsequently reduced by executions to a mixed lot amount shall also be rounded for to the nearest round-lot amount for purposes of display in the ITS/CAES System. Any odd-lot number of shares that do not get displayed as a result of rounding will remain available for execution, in accordance with the time-priority of their original entry time.

(B) Reserve Size — Reserve Size shall not be displayed in the System, but shall be accessible as described in [\[Rule 4905\]](#) *Rule 4905*.

(C) Discretionary Orders—The discretionary portion of Discretionary Orders shall be available for execution only upon the appearance of contra-side marketable trading interest, and shall be executed pursuant to [\[Rule 4905\]](#) *Rule 4905*.]

[4905. Order Processing

(a) Brut Book Order Process

Orders subject to the Brut Book Order Process shall be executed as follows:

(1) Default Execution Algorithm — Price/Time — The System shall execute interest within the System in price/time priority in the following order:

(A) Displayed Orders;

(B) Reserve Size; and

(C) Discretionary Orders within the Discretionary Order's discretionary price range

(2) Decrementation — Upon execution, an order shall be reduced by an amount equal to the size of that execution. In the case of orders that have both a displayed and reserve share component, share amounts shall be reduced starting first with their reserve portions.

(3) Processing of Locking/Crossing Orders: If during market hours, a Participant enters a To Brut order that will lock/cross the market (as defined in NASD [\[Rule 5263\]](#) *Rule 5263* (a) or (b)), the System shall adjust the price of the order to \$.01 less than the current best bid quotation (for buy orders) or \$.01 more than the current best offer quotation (for sell orders) and thereafter be processed as a Reverse Pegged Order.

(4) Processing of Directed, Aggressive and Super Aggressive Cross Orders — The System shall process crossed Directed and Aggressive Cross Orders, and locked or crossed Super Aggressive Cross Orders as follows:

(A) Displayed orders which are designated as "Directed Cross Orders" by a Participant shall be routed as described in [\[Rule 4903\]](#) *Rule 4903* (b)(1)(D).

(B) Displayed orders which are designated as "Aggressive Cross Orders" by a Participant that are subsequently crossed by the displayed quotation of another market

center shall be executed pursuant to the Brut Order Routing Process upon being so crossed.

(C) Displayed orders which are designated as "Super Aggressive Cross Orders" by a Participant that are subsequently locked or crossed by the displayed quotation of another market center shall be executed pursuant to the Brut Order Routing Process upon being so locked or crossed.

(b) Brut Order Routing Process

(1) The Brut Order Routing Process shall be available to Participants from 7:30 a.m. to 6:30 p.m. Eastern Time, and shall route orders in accordance with parameters described in [\[Rule 4903\]](#) *Rule 4903* for a particular order type.

(2) With the exception of Thru Brut and Directed Cross Orders that specifically direct to which market center an order is to be routed, if an order for a security is not executed in its entirety in the Brut system and such order is designated for routing, the order (or the unfilled portion thereof—referred to hereinafter as an "order") shall be processed as follows:

(A) The order shall be routed to other markets accessible through the Brut System router at a price better than the Orders available in the Brut System as a limit order. Routed orders shall be executed pursuant to the rules and regulations of the designation market.

(B) In the event an order routed from the Brut System to another market is not executed in its entirety, the remaining portion of the order shall be returned to the Brut System and shall be eligible for execution, or re-routing, if marketable. A market order that is converted to a limit order for routing will become a market order again upon return to the Brut System.

(C) In the event an order becomes non-marketable while it is in the execution queue, or the order is not marketable upon return to the Brut System, the order shall be included in the Brut System book (if consistent with the order's time in force condition) in accordance with the time priority established by the time-stamp assigned to the order when it is returned to the Brut system. Once an order is placed in the Brut System book it shall not be routed outside the Brut System unless otherwise instructed.

(D) An order that has been routed to another market shall have no time standing in the Brut System execution queue relative to other orders in the Brut System. A request from a Brut Participant to cancel an order while it is outside the Brut System shall be processed subject to the applicable rules of the market to which the order has been routed.]

[4906. Clearance and Settlement

All transactions executed in, or reported through, System shall be cleared and settled by and between the System Participant and Brut, through a registered clearing agency using a continuous net settlement system.]

[4907. Obligation to Honor System Trades

(a) If a Participant, or clearing member acting on a Participant's behalf, is reported by the System, or shown by the activity reports generated by the System, as constituting a side of a System trade, such Participant, or clearing member acting on its behalf, shall honor such trade on the scheduled settlement date.

(b) Brut and its affiliates shall have no liability if a Participant, or a clearing member acting on the Participant's behalf, fails to satisfy the obligations in paragraph (a).]

[4908. Compliance with Rules and Registration Requirements

(a) Failure by a Participant to comply with any of the rules or registration requirements applicable to the System identified herein shall subject such Participant to censure, fine, suspension or revocation of its registration a Participant or any other fitting penalty under the Rules of the Association.

(b) If a Participant fails to maintain a clearing relationship to honor its obligations under [\[Rule 4906\]](#) *Rule 4906*, it shall have its access to the System restricted until such time as a clearing arrangement is reestablished.

(c) The authority and procedures contained in paragraph (b) do not otherwise limit the Association's authority, contained in other provisions of the Associations Rules, to enforce its rules or impose any fitting sanction.]

[4909. Adjustment of Open Orders

Except when a cash dividend or distribution is less than one cent (\$0.01), on the ex-date of a corporate action, the System shall automatically adjust the price and/or size of Good-till-Cancelled Overnight orders resident in the System in response to issuer corporate actions related to a cash dividend as follows:

(a) Sell Orders — Sell orders shall not be adjusted by the System and must be modified, if desired, by the entering party,

(b) Buy Orders — Buy orders shall be reduced by the dividend amount. To the extent that the dividend includes a sub-penny increment, the order will displayed and processed as set forth in [\[Rule 4904\]](#) *Rule 4904(b)(3)(B)*. Open buy and sell orders that are adjusted by the System pursuant to the above rules, and that thereafter continuously remain in the System, shall retain the time priority of their original entry.]

[4910. Anonymity

(a) Transactions executed in the System shall be cleared and settled with Brut. The transaction reports produced by the System will indicate the details of the transactions, and shall not reveal contra party identities other than Brut.

(b) Brut shall reveal a member's identity in the following circumstances:

(1) when the National Securities Clearing Corporation ("NSCC") ceases to act for a member, or the member's clearing firm, and NSCC determines not to guarantee the settlement of the member's trades;

(2) for regulatory purposes or to comply with an order of an arbitrator or court.]

[4911. Clearly Erroneous Transactions

All matters related to clearly erroneous transactions executed in the System shall be initiated and adjudicated pursuant to NASD [\[Rule 11890\]](#) *Rule 11890*.]

[4912. Normal Business Hours

The Brut System operates from 7:30 a.m. to 8:00 p.m. Eastern Time on each business day.]

[4913. Limitation of Liability

The Association and its subsidiaries, as well as Nasdaq and Brut and their subsidiaries, shall not be liable for any losses, damages, or other claims arising out of the System or its use. Any losses, damages, or other claims, related to a failure of the System to deliver, display, transmit, execute, compare, submit for clearance and settlement, adjust, retain priority for, or otherwise correctly process an order, Quote/Order, message, or other data entered into, or created by, the System shall be absorbed by the member, or the member sponsoring the customer, that entered the order, Quote/Order, message, or other data into the System.]

[4914. Confidentiality Between Introducing Broker Function and Brut System

(a) Nasdaq shall establish internal controls and procedures that, on an ongoing basis, adequately restrict proprietary and confidential information flows between Nasdaq and its facilities (including the Brut System) and Brut's functions as an introducing broker.

(b) Nothing in paragraph (a) above shall restrict the provision of information to Brut in manner similar to that provided by Nasdaq and/or Brut System to other market participants in the ordinary course of business.]

* * *

7010. System Services

(a) – (b) No Change.

(c) (1) No Change.

(2) Exchange-Listed Securities Transaction Credit

NASD members that trade securities listed on the NYSE ("Tape A") and Amex ("Tape B") in over-the-counter transactions may receive from the NASD transaction credits based on the number of transactions attributed to them. A transaction is attributed to a member if (i) for Tape B securities, the transaction is executed through CAES, ITS, or Nasdaq's [Brut or] Inet Facility[ies], and the member acts as liquidity provider (i.e., the member sells in response to a buy order or buys in response to a sell order) or (ii) for Tape A and Tape B securities, the transaction is not executed through CAES, ITS, or Nasdaq's [Brut or] Inet Facility[ies], and the member is identified as the executing party in a trade report submitted to the NASD that the NASD submits to the Consolidated Tape Association. An NASD member may earn credits from one or both pools maintained by the NASD, each pool representing 50% of the revenue paid by the Consolidated Tape Association to the NASD for each of Tape A and Tape B transactions after deducting the

amount that the NASD pays to the Consolidated Tape Association for capacity usage. An NASD member may earn credits from the pools according to the member's pro rata share of all over-the-counter transactions attributed to NASD members in each of Tape A and Tape B for each calendar quarter. Liquidity providers executing transactions in Tape B securities through CAES, ITS, or Nasdaq's [Brut or] Inet Facility[ies] will receive credits with respect to such transactions on an estimated monthly basis; all other credits under this rule will be paid on a quarterly basis.

(d) – (h) No Change.

(i) ITS/CAES System[, Brut,] and Inet Order Execution and Routing

(1) The following charges shall apply to the use of the order execution and routing services of the ITS/CAES System, [Brut,] and Inet (the "Nasdaq Facilities") by members for all Exchange-Traded Funds that are not listed on The NASDAQ Stock Market LLC. The term "Exchange-Traded Funds" shall mean Portfolio Depository Receipts, Index Fund Shares, and Trust Issued Receipts as such terms are defined in [Rule 4420] Rule 4420 (i), (j), and (l), respectively, of The NASDAQ Stock Market LLC. For purposes of determining a member's volume in all securities under Rule 7010(i), the term "Nasdaq Facilities" shall also be deemed to include the member's volume in Nasdaq-listed securities through the facilities of The NASDAQ Stock Market LLC.

(2) – (7) No Change.

(8) When a market participant enters an order into Nasdaq's [Brut or] Inet systems that is sent to an ITS/CAES System market participant that charges an access fee to [Brut or] Inet, the market participant entering the order shall be charged (i) the applicable execution fee of the Nasdaq Facilities, or (ii) in the case of executions against Quotes/Orders at less than \$1.00 per share, a pass-through of the access fee charged to [Brut or] Inet.

(9) The fees applicable to non-members using Nasdaq's [Brut and] Inet Facility[ies] shall be the fees established for members under Rule 7010(i), as amended by SR-NASD-2005-019, SR-NASD-2005-035, SR-NASD-2005-048, SR-NASD-2005-071, SR-NASD-2005-125, SR-NASD-2005-137, SR-NASD-2005-154, SR-NASD-2006-013, SR-NASD-2006-023, SR-NASD-2006-031, SR-NASD-2006-057, SR-NASD-2006-78, and SR-NASD-2006-092 and as applied to non-members by SR-NASD-2005-020, SR-NASD-2005-038, SR-NASD-2005-049, SR-NASD-2005-072, SR-NASD-2005-126, SR-NASD-2005-138, SR-NASD-2005-155, SR-NASD-2006-014, SR-NASD-2006-024, SR-NASD-2006-032, SR-NASD-2006-058, SR-NASD-2006-79, and SR-NASD-2006-093.

* * *

Exhibit 5**[4901. Definitions**

Unless stated otherwise, the terms described below shall have the following meaning:

(a) The term "System securities" shall mean ITS Securities as that term is defined in NASD Rule 5210(c).

(b) The term "Effective Time" shall mean, for orders so designated, the time at which the order shall become eligible for display and potential execution with other orders in the System.

(c) The term "Immediate or Cancel" shall mean, for limit orders so designated, that if after entry into the System the order (or a portion thereof) is not marketable, the order (or unexecuted portion thereof) shall be canceled and returned to the entering Participant.

(d) The term "limit order" shall mean an order to buy or sell a stock at a specified price or better.

(e) The term "market order" shall mean an unpriced order to buy or sell a stock at the market's current best price. A market order may have a limit price beyond which the order shall not be executed.

(f) The term "mixed lot" shall mean an order that is for more than a normal unit of trading but not a multiple thereof.

(g) The term "ITS/CAES System" shall mean the automated system owned and operated by The Nasdaq Stock Market, Inc. pursuant to NASD Rule 4700 Series.

(h) The term "The BRUT ECN System," or "System," shall mean the automated system owned and operated by Brut, which is owned and operated by The Nasdaq Stock Market, Inc., which enables Participants to execute transactions in System securities; to have reports of the transactions automatically forwarded to the appropriate National Market Trade Reporting System, if required, for dissemination to the public and the industry, and to "lock in" these trades by sending both sides to the applicable clearing corporation(s) designated by the System Participant(s) for clearance and settlement; and to provide System Participants with sufficient monitoring and updating capability to participate in an automated execution environment.

(i) The term "Participant" shall mean an NASD member that fulfills the obligations contained in Rule 4902 regarding participation in the System. The term "Participant" shall also include non-NASD broker/dealers that desire to use the System for ITS Securities and otherwise meet all other requirements for System participation. Non-NASD member broker/dealers shall have access to System until the earlier of either September 1, 2006, or the date that Nasdaq becomes operational as a national securities exchange for the particular class of securities traded by the non-NASD member.

(j) The term "System Book Feed" shall mean a data feed for System eligible securities that Brut will make available to Participants and third-party vendors.

(k) The term "odd-lot order" shall mean an order that is for less than a normal unit of trading.

(l) The term "Reserve Size" shall mean the functionality that permits a Participant to display a portion of an order, with the remainder held in reserve on an undisplayed basis.

(m) The term "Good-till-Cancelled" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution only until 4:00 p.m. Eastern Time on the day they are submitted unless cancelled before then by the entering party.

(n) The term "Good-till-Cancelled-Overnight" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution until 4:00 p.m. Eastern Time, after which it shall be held by the System in a pending state, ineligible for display or execution, until the following trading day, when it will become eligible for display and execution from 7:30 a.m. until 4:00 p.m. Eastern Time on that and all subsequent trading days, until a date provided by the entering party (or if no such date is given, indefinitely) until cancelled by the entering party.

(o) The term "Good-till-Time," shall mean, for orders so designated, that if after entry into System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution until the time designated by the entering party, after which the order will be cancelled by the system. This time may be relative time (e.g. 30 minutes after entry) or an actual time (e.g. 2:00 p.m.).

(p) The term "Day" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential display and/or execution only until 4:00 p.m. Eastern Time on the day they are submitted unless cancelled before then by the entering party.

(q) The term "End-of-Day" shall mean, for orders so designated, that if after entry into the System, the order is not fully executed, the order (or unexecuted portion thereof) shall remain available for potential execution and/or display until 8:00 p.m. Eastern Time, after which it shall be returned to the entering party.

(r) The term "Pegged" shall mean, for priced limit orders so designated, that after entry into the System, the price of the order is automatically adjusted by the System in response to changes in the national best bid or offer, as appropriate. The Participant entering a Pegged Order can specify that order's price will either equal the inside quote or improve the inside quote by an amount set by the entering party on the same side of the market (a "Regular Pegged Order") or offset the inside quote on the contra side of the market by an amount (the "Offset Amount") set by the Participant (e.g., \$0.01 less than the inside offer or \$0.02 more than the inside bid) (a "Reverse Pegged Order"). The Participant entering a Pegged Order may (but is not required to) specify a limit price, to define a price at which pegging of the order will stop and the order will be permanently converted into an un-pegged limit order at limit price. Offset amounts for Pegged Orders are priced in \$0.01 increments. However, if at any time an offset amount specified by a Participant does not result in an offer or a bid that is fully compliant with the minimum price variation provisions of Rule 4904, then, for an offer, the applicable offset amount will be the smallest amount that results in a compliant order and is greater than the specified offset amount, and, for a bid, the applicable offset amount will be the largest amount that results in a compliant order and is smaller, than the specified offset amount.

(s) The term "Discretionary" shall mean an order that when entered into System has both a displayed bid or offer price, as well as a non-displayed discretionary price

range and size (which shall be equal to or less than the Order's Reserve Size) at which the Participant is also willing to buy or sell, if necessary.

(t) The term "Post Only" shall mean, for To Brut limit orders so designated, that if an order is marketable against an order then-displayed in the System upon receipt, it shall be rejected and returned to the entering Participant. If the order is marketable against a quote displayed outside of Brut, the price of the order is adjusted to a price \$0.01 inferior to the best bid (or offer, as appropriate) then displayed in the ITS/CAES System, and then displayed in the System.

(u) Reserved

(v) The term "Principal Inside Only" shall mean a principal order designated by the entering Participant as only eligible for execution at a price equal or better than the then-current national best bid/offer.

(w) The term "normal unit of trading" shall mean one hundred (100) shares.]

[4902. System Participant Registration

(a) Participation in Brut requires current registration with the System and is conditioned upon the Participant's initial and continuing compliance with the following requirements:

- (1) execution of a System Subscriber Agreement;
- (2) satisfaction of the Brut New Accounts Policies & Procedures requirements;
- (3) membership in, or access arrangement with a participant of, a clearing agency registered with the Commission that maintains facilities through which System compared trades may be settled;
- (4) acceptance and settlement of each System trade that System identifies as having been effected by such Participant, or if settlement is to be made through another clearing member, guarantee of the acceptance and settlement of such identified System trade by the clearing member on the regularly scheduled settlement date;
- (5) compliance with all applicable rules and operating procedures of the Association and the Securities and Exchange Commission.

(b) Access to the System by non-System participants is available through the ITS/CAES System as described in the NASD Rule 4700 Series.]

[4903. Order Entry Parameters

(a) To Brut Orders—

(1) General. A To Brut Order is an order that is displayed in the System and is executable only against marketable contra-side orders in the System. The following requirements shall apply to Brut Orders entered by Participants:

(A) A To Brut Order shall be a limit order, and shall indicate whether it is a buy, short sale, short-sale exempt, or long sale. A To Brut Order can be designated as End-of-Day, Immediate or Cancel, Good-till-Cancelled, Day, Good-till-Canceled Overnight, Good-till-Time, Effective Time, Post Only, Pegged or Discretionary.

(B) To Brut Orders shall be executed pursuant to the Brut Book Process as described in Rule 4905(a).

(C) A To Brut Order to sell short shall not be executed if the execution of such order would violate SEC Rule 10a-1. In said circumstances, the price of the To Brut

Order shall be adjusted to \$.01 above the national best bid or offer, and thereafter be processed as if a Reverse Pegged Order.

(D) The System shall not accept To Brut Orders that are All-or-None, or have a minimum size of execution.

(b) Brut Cross Orders—

(1) General. A Brut Cross Order is an order that is displayed in the System, and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. If marketable upon receipt against both orders in the System as well as other market centers, the order shall execute first against System orders. With the exception of Directed Cross Orders, once a Brut Cross Order is routed (in whole or in part) to another market center, any remaining unexecuted or returned portion of the order shall be posted in System and shall no longer be eligible for routing to other market centers. Directed Cross Orders directed to the New York Stock Exchange shall remain at the exchange until executed or cancelled by the entering party.

(A) A Brut Cross Order shall be a limit order, and shall indicate whether it is a buy, short sale, short-sale exempt, or long sale. A Brut Cross Order can be designated as Immediate or Cancel, End-of-Day, Good-till-Cancelled, Day, Good-till-Cancelled Overnight, Good-till-Time, Effective Time.

(B) A Brut Cross Order may also be designated as an Aggressive Cross Order. An Aggressive Cross Order is an order that is displayed in the System during market hours and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. If marketable upon receipt against both orders in the System as well as other market centers, the order shall execute first against System orders. If, after being posted in the Brut System, and after it has exhausted available liquidity in the Brut System, the Aggressive Cross Order has its price crossed by the displayed quote of another market center the System will be routed by Brut to that market center for potential execution. Aggressive Cross Orders may comply with paragraph (A) of this rule

(C) A Brut Cross Order may also be designated as a Super Aggressive Cross Order. A Super Aggressive Cross Order is an order that is displayed in the System during market hours and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. If marketable upon receipt against both orders in the System as well as other market centers, the order shall execute first against System orders. If, after being posted in the Brut System, and after it has exhausted available liquidity in the Brut System, the Aggressive Cross Order has its price locked or crossed by the displayed quote of another market center the System will be routed by Brut to that market center for potential execution.

(D) A Brut Cross Order may also be designated as a Directed Cross Order. A Directed Cross Order is an order that is entered into the System during market hours and is executable against marketable contra-side orders in the System. The order also is eligible for routing to other market centers. After being processed in the Brut System and exhausting available liquidity in the Brut System, the order is automatically routed by Brut to the specific market center selected by the entering party for potential execution. Any portion of the Directed Cross Order that remains unfilled after being routed to the selected market center will be returned to the entering party. For Directed Cross Orders

directed to the New York Stock Exchange if, after being processed in the Brut System and exhausting available liquidity in the Brut System, such orders will be automatically routed to the ITS/CAES System and INET for potential execution and thereafter, if instructed by the entering party, to other market centers that provide automated electronic executions before being sent to the New York Stock Exchange. Directed Cross Orders directed to the New York Stock Exchange shall remain at the New York Stock Exchange until executed or cancelled by the entering party.

(E) Brut Cross Orders, including those designated as Aggressive Cross Orders, Super Aggressive Cross Orders and Directed Cross Orders, shall be executed pursuant to:

(i) The Brut Book Order Process described in Rule 4905(a) to the extent marketable against an order resident in the System; and

(ii) With the exception of Directed Cross Orders, the Brut Order Routing Process described in Rule 4905(b) to the extent not marketable against an order resident in the System.

(F) A Brut Cross Order, including those designated as an Aggressive Cross Order, Super Aggressive Cross Order and Directed Cross Order, to sell short shall not be executed in the System if the execution of such order would violate SEC Rule 10a-1. In said circumstances, the price of the Brut Cross Order shall be adjusted to, \$.01 above the national best bid or offer, and thereafter be processed as if a Reverse Pegged Order.

(c) Thru Brut Orders—

(1) General. A Thru Brut Order is an order submitted to the System that is designated for routing to another market center. The following requirements shall apply to Thru Brut Orders:

(A) A Thru Brut Order shall be a market order or a limit order, and must indicate whether it is a buy, short sale, short-sale exempt, or long sale. A Thru Brut Order can be designated as Immediate or Cancel, End-of-Day, Good-till-Cancelled, Day, or Good-till-Time, or Effective Time.

(B) Thru Brut Orders do not participate in Brut Routing Process as described in Rule 4905(b). Instead such orders are sent directly to the market center selected by the entering party. If unexecuted, the order (or unexecuted portion thereof) shall be returned to the entering party.

(C) Market/Limit on Open Orders—if requested by the entering party, unexecuted share amounts of market on open orders directed to the New York or American stock exchanges will be returned to the System for display and potential execution.

(d) Reserved

(e) Entry of Agency and Principal Orders— Participants are permitted to submit agency, riskless principal, and principal orders for processing in the System. Participants shall correctly note their capacity at the time of entry of an order(s) into the System.

(1) No agency order shall be executed at a price inferior to the then current National Best Bid (for sell orders) or Best Offer (for buy orders), taking into account prior efforts to execute against the bids/offers of other market centers.

(2) Unless designated as “Principal Inside Only”, principal and riskless principal orders may be executed at a price inferior to the then current National Best Bid (for sell orders) or Best Offer (for buy orders).

(f) Order Size— Any order in whole shares up to 1,000,099 shares may be entered into the System, subject to a dollar volume limitation of \$75,000,000.]

[4904. Entry and Display of Orders

(a) Entry of Orders — Participants can enter orders into the System, subject to the following requirements and conditions:

(1) Participants shall be permitted to transmit to the System multiple orders at a single as well as multiple price levels. Each order shall indicate the amount of reserve size (if applicable).

(2) The System shall time-stamp an order upon receipt, which time-stamp shall determine the ranking of the order for purposes of processing To Brut Orders and Brut Cross Orders.

(3) Good-till-Cancelled, Day, orders can be entered into the System (or previously entered orders cancelled) between the hours 7:30 a.m. to 4:00 p.m. Eastern Time. Pegged, Discretionary, Immediate-or-Cancel and End-of-Day To Brut Orders, Good-till-Time, Good-till-Canceled Overnight and GTX orders can be entered into System (or previously entered orders cancelled) between the hours 7:30 a.m. to 8:00 p.m. Eastern Time. Orders entered prior to market open and Good-till-Time orders carried over from previous trading days, shall not become available for execution until 7:30 a.m. Eastern Time. Good-till-Time orders carried over from previous trading days with an Effective Time will not become available for execution until the Effective Time on all subsequent trading days the order is held by the System.

(b) Display of Orders — The System will display orders submitted to the System as follows:

(1) System Book Feed — orders resident in the System will be displayed to Participants via the System Book Feed.

(2) ITS/CAES System— For each System Security, the best priced order to buy and sell resident in the System shall be displayed and eligible for execution within the ITS/CAES System. The System may also provide to the ITS/CAES System additional orders, up to and including all orders in System, in System Securities.

(3) Minimum Price Variation — The minimum quotation increment for System Securities shall be \$0.01 for quotations priced at or above \$1.00 per share and \$0.0001 for quotations priced below \$1.00 per share; provided, however, that if the Securities and Exchange Commission ("SEC") permits, with respect to any security, the display, rank or acceptance of quotations priced at or above \$ 1.00 per share in an increment smaller than \$0.01, then the minimum quotation increment for such a security shall be the minimum permitted by the SEC or \$0.0001, whichever is greater. Quotations failing to meet this standard shall be rejected. A quotation for a security listed on the New York Stock Exchange or the American Stock Exchange and properly (not in violation of this paragraph) priced in an increment of less than \$0.01 will be adjusted by the System down (for bids) or up (for offers) to the nearest \$0.01 increment prior to display, execution or routing. A quotation so adjusted will have no price priority over equivalent quotations that did not require adjustment under this paragraph.

(4) Exceptions — The following exceptions shall apply to the display parameters set forth in paragraphs (1) and (2) above:

(A) Odd-lots, Mixed Lots, and Rounding — The System Book Feed shall be capable of displaying trading interest in round lot and mixed-lot amounts, and sub-penny increments for quotations priced under \$1.00.

For ITS/CAES System display purposes, the System shall aggregate all shares, including odd-lot share amounts, entered by Participants at a single price level and round the total share amount down to the nearest round-lot amount. Any odd-lot portion of an order that is not displayed as a result of the rounding process shall remain available for execution, in accordance with the time-priority of their original entry time. Round-lots that are subsequently reduced by executions to a mixed lot amount shall also be rounded for to the nearest round-lot amount for purposes of display in the ITS/CAES System. Any odd-lot number of shares that do not get displayed as a result of rounding will remain available for execution, in accordance with the time-priority of their original entry time.

(B) Reserve Size — Reserve Size shall not be displayed in the System, but shall be accessible as described in Rule 4905.

(C) Discretionary Orders—The discretionary portion of Discretionary Orders shall be available for execution only upon the appearance of contra-side marketable trading interest, and shall be executed pursuant to Rule 4905.]

[4905. Order Processing

(a) Brut Book Order Process

Orders subject to the Brut Book Order Process shall be executed as follows:

(1) Default Execution Algorithm — Price/Time — The System shall execute interest within the System in price/time priority in the following order:

(A) Displayed Orders;

(B) Reserve Size; and

(C) Discretionary Orders within the Discretionary Order's discretionary price range

(2) Decrementation — Upon execution, an order shall be reduced by an amount equal to the size of that execution. In the case of orders that have both a displayed and reserve share component, share amounts shall be reduced starting first with their reserve portions.

(3) Processing of Locking/Crossing Orders: If during market hours, a Participant enters a To Brut order that will lock/cross the market (as defined in NASD Rule 5263(a) or (b)), the System shall adjust the price of the order to \$.01 less than the current best bid quotation (for buy orders) or \$.01 more than the current best offer quotation (for sell orders) and thereafter be processed as a Reverse Pegged Order.

(4) Processing of Directed, Aggressive and Super Aggressive Cross Orders — The System shall process crossed Directed and Aggressive Cross Orders, and locked or crossed Super Aggressive Cross Orders as follows:

(A) Displayed orders which are designated as "Directed Cross Orders" by a Participant shall be routed as described in Rule 4903(b)(1)(D).

(B) Displayed orders which are designated as "Aggressive Cross Orders" by a Participant that are subsequently crossed by the displayed quotation of another market center shall be executed pursuant to the Brut Order Routing Process upon being so crossed.

(C) Displayed orders which are designated as "Super Aggressive Cross Orders" by a Participant that are subsequently locked or crossed by the displayed quotation of another market center shall be executed pursuant to the Brut Order Routing Process upon being so locked or crossed.

(b) Brut Order Routing Process

(1) The Brut Order Routing Process shall be available to Participants from 7:30 a.m. to 6:30 p.m. Eastern Time, and shall route orders in accordance with parameters described in Rule 4903 for a particular order type.

(2) With the exception of Thru Brut and Directed Cross Orders that specifically direct to which market center an order is to be routed, if an order for a security is not executed in its entirety in the Brut system and such order is designated for routing, the order (or the unfilled portion thereof—referred to hereinafter as an "order") shall be processed as follows:

(A) The order shall be routed to other markets accessible through the Brut System router at a price better than the Orders available in the Brut System as a limit order. Routed orders shall be executed pursuant to the rules and regulations of the designation market.

(B) In the event an order routed from the Brut System to another market is not executed in its entirety, the remaining portion of the order shall be returned to the Brut System and shall be eligible for execution, or re-routing, if marketable. A market order that is converted to a limit order for routing will become a market order again upon return to the Brut System.

(C) In the event an order becomes non-marketable while it is in the execution queue, or the order is not marketable upon return to the Brut System, the order shall be included in the Brut System book (if consistent with the order's time in force condition) in accordance with the time priority established by the time-stamp assigned to the order when it is returned to the Brut system. Once an order is placed in the Brut System book it shall not be routed outside the Brut System unless otherwise instructed.

(D) An order that has been routed to another market shall have no time standing in the Brut System execution queue relative to other orders in the Brut System. A request from a Brut Participant to cancel an order while it is outside the Brut System shall be processed subject to the applicable rules of the market to which the order has been routed.]

[4906. Clearance and Settlement

All transactions executed in, or reported through, System shall be cleared and settled by and between the System Participant and Brut, through a registered clearing agency using a continuous net settlement system.]

[4907. Obligation to Honor System Trades

(a) If a Participant, or clearing member acting on a Participant's behalf, is reported by the System, or shown by the activity reports generated by the System, as constituting a side of a System trade, such Participant, or clearing member acting on its behalf, shall honor such trade on the scheduled settlement date.

(b) Brut and its affiliates shall have no liability if a Participant, or a clearing member acting on the Participant's behalf, fails to satisfy the obligations in paragraph (a).]

[4908. Compliance with Rules and Registration Requirements

(a) Failure by a Participant to comply with any of the rules or registration requirements applicable to the System identified herein shall subject such Participant to censure, fine, suspension or revocation of its registration a Participant or any other fitting penalty under the Rules of the Association.

(b) If a Participant fails to maintain a clearing relationship to honor its obligations under Rule 4906, it shall have its access to the System restricted until such time as a clearing arrangement is reestablished.

(c) The authority and procedures contained in paragraph (b) do not otherwise limit the Association's authority, contained in other provisions of the Associations Rules, to enforce its rules or impose any fitting sanction.]

[4909. Adjustment of Open Orders

Except when a cash dividend or distribution is less than one cent (\$0.01), on the ex-date of a corporate action, the System shall automatically adjust the price and/or size of Good-till-Cancelled Overnight orders resident in the System in response to issuer corporate actions related to a cash dividend as follows:

(a) Sell Orders — Sell orders shall not be adjusted by the System and must be modified, if desired, by the entering party,

(b) Buy Orders — Buy orders shall be reduced by the dividend amount. To the extent that the dividend includes a sub-penny increment, the order will displayed and processed as set forth in Rule 4904(b)(3)(B). Open buy and sell orders that are adjusted by the System pursuant to the above rules, and that thereafter continuously remain in the System, shall retain the time priority of their original entry.]

[4910. Anonymity

(a) Transactions executed in the System shall be cleared and settled with Brut. The transaction reports produced by the System will indicate the details of the transactions, and shall not reveal contra party identities other than Brut.

(b) Brut shall reveal a member's identity in the following circumstances:

(1) when the National Securities Clearing Corporation ("NSCC") ceases to act for a member, or the member's clearing firm, and NSCC determines not to guarantee the settlement of the member's trades;

(2) for regulatory purposes or to comply with an order of an arbitrator or court.]

[4911. Clearly Erroneous Transactions

All matters related to clearly erroneous transactions executed in the System shall be initiated and adjudicated pursuant to NASD Rule 11890.]

[4912. Normal Business Hours

The Brut System operates from 7:30 a.m. to 8:00 p.m. Eastern Time on each business day.]

[4913. Limitation of Liability]

The Association and its subsidiaries, as well as Nasdaq and Brut and their subsidiaries, shall not be liable for any losses, damages, or other claims arising out of the System or its use. Any losses, damages, or other claims, related to a failure of the System to deliver, display, transmit, execute, compare, submit for clearance and settlement, adjust, retain priority for, or otherwise correctly process an order, Quote/Order, message, or other data entered into, or created by, the System shall be absorbed by the member, or the member sponsoring the customer, that entered the order, Quote/Order, message, or other data into the System.]

[4914. Confidentiality Between Introducing Broker Function and Brut System]

(a) Nasdaq shall establish internal controls and procedures that, on an ongoing basis, adequately restrict proprietary and confidential information flows between Nasdaq and its facilities (including the Brut System) and Brut's functions as an introducing broker.

(b) Nothing in paragraph (a) above shall restrict the provision of information to Brut in manner similar to that provided by Nasdaq and/or Brut System to other market participants in the ordinary course of business.]

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7010. System Services

(a) – (b) **No Change.**

(c) **(1) No Change.**

(2) Exchange-Listed Securities Transaction Credit

NASD members that trade securities listed on the NYSE ("Tape A") and Amex ("Tape B") in over-the-counter transactions may receive from the NASD transaction credits based on the number of transactions attributed to them. A transaction is attributed to a member if (i) for Tape B securities, the transaction is executed through CAES, ITS, or Nasdaq's [Brut or] Inet Facility[ies], and the member acts as liquidity provider (i.e., the member sells in response to a buy order or buys in response to a sell order) or (ii) for Tape A and Tape B securities, the transaction is not executed through CAES, ITS, or Nasdaq's [Brut or] Inet Facility[ies], and the member is identified as the executing party in a trade report submitted to the NASD that the NASD submits to the Consolidated Tape Association. An NASD member may earn credits from one or both pools maintained by the NASD, each pool representing 50% of the revenue paid by the Consolidated Tape Association to the NASD for each of Tape A and Tape B transactions after deducting the amount that the NASD pays to the Consolidated Tape Association for capacity usage. An NASD member may earn credits from the pools according to the member's pro rata share of all over-the-counter transactions attributed to NASD members in each of Tape A and Tape B for each calendar quarter. Liquidity providers executing transactions in Tape B securities through CAES, ITS, or Nasdaq's [Brut or] Inet Facility[ies] will receive credits

with respect to such transactions on an estimated monthly basis; all other credits under this rule will be paid on a quarterly basis.

(d) – (h) No Change.

(i) ITS/CAES System[, Brut, and] Inet Order Execution and Routing

(1) The following charges shall apply to the use of the order execution and routing services of the ITS/CAES System, [Brut,] and Inet (the "Nasdaq Facilities") by members for all Exchange-Traded Funds that are not listed on The NASDAQ Stock Market LLC. The term "Exchange-Traded Funds" shall mean Portfolio Depository Receipts, Index Fund Shares, and Trust Issued Receipts as such terms are defined in Rule 4420(i), (j), and (l), respectively, of The NASDAQ Stock Market LLC. For purposes of determining a member's volume in all securities under Rule 7010(i), the term "Nasdaq Facilities" shall also be deemed to include the member's volume in Nasdaq-listed securities through the facilities of The NASDAQ Stock Market LLC.

(2) – (7) No Change.

(8) When a market participant enters an order into Nasdaq's [Brut or] Inet systems that is sent to an ITS/CAES System market participant that charges an access fee to [Brut or] Inet, the market participant entering the order shall be charged (i) the applicable execution fee of the Nasdaq Facilities, or (ii) in the case of executions against Quotes/Orders at less than \$1.00 per share, a pass-through of the access fee charged to [Brut or] Inet.

(9) The fees applicable to non-members using Nasdaq's [Brut and] Inet Facility[ies] shall be the fees established for members under Rule 7010(i), as amended by SR-NASD-2005-019, SR-NASD-2005-035, SR-NASD-2005-048, SR-NASD-2005-071, SR-NASD-2005-125, SR-NASD-2005-137, SR-NASD-2005-154, SR-NASD-2006-013, SR-NASD-2006-023, SR-NASD-2006-031, SR-NASD-2006-057, SR-NASD-2006-78, and SR-NASD-2006-092 and as applied to non-members by SR-NASD-2005-020, SR-NASD-2005-038, SR-NASD-2005-049, SR-NASD-2005-072, SR-NASD-2005-126, SR-NASD-2005-138, SR-NASD-2005-155, SR-NASD-2006-014, SR-NASD-2006-024, SR-NASD-2006-032, SR-NASD-2006-058, SR-NASD-2006-79, and SR-NASD-2006-093.

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