

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-54005; File No. SR-NASD-2006-030)

June 16, 2006

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Order Approving Proposed Rule Change and Amendment No. 1 Thereto to Establish an Annual Administrative Fee for Market Data Distributors that are Recipients of Nasdaq Proprietary Data Products

On February 27, 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”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to establish an annual administrative fee for market data distributors that are recipients of Nasdaq proprietary data products. Nasdaq filed Amendment No. 1 to the proposed rule change on April 17, 2006. The proposed rule change, as modified by Amendment No. 1, was published for notice and comment in the Federal Register on May 12, 2006.<sup>3</sup> The Commission received no comments on the proposal. This order approves the proposed rule change, as amended.

The Commission finds that the proposed rule change is consistent with Section 15A of the Act<sup>4</sup> and the rules and regulations thereunder. Specifically, the Commission finds the proposal to be consistent with Section 15A(b)(5) of the Act,<sup>5</sup> in that it provides for the equitable allocation of reasonable fees among persons distributing and purchasing

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 53770 (May 8, 2006), 71 FR 27762.

<sup>4</sup> 15 U.S.C. 78q-3.

<sup>5</sup> 15 U.S.C. 78q-3(b)(5).

Nasdaq proprietary data products. The Commission believes the fees are reasonably tailored to allow Nasdaq to recover the fixed market data administrative costs, as well as the costs of maintaining and improving the administrative tools distributors use to subscribe to and monitor their data products usage.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,<sup>6</sup> that the proposed rule change (SR-NASD-2006-030), be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>7</sup>

Nancy M. Morris  
Secretary

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<sup>6</sup> 15 U.S.C. 78s(b)(2).

<sup>7</sup> 17 CFR 200.30-3(a)(12).