

GENERAL PROVISIONS

TABLE OF CONTENTS

- 0100. GENERAL PROVISIONS
 - 0110. Adoption and Application of Rules
 - 0111. Adoption of Rules
 - 0112. Effective Date
 - 0113. Interpretation
 - 0114. Reserved
 - 0115. Applicability
 - 0120. Definitions
 - 0121 Definitions in By-Laws
 - 0122 Contractual Authority
 - 0130. Regulation of Nasdaq and Its Members
 - 0140. Fingerprint-Based Background Checks of Nasdaq Employees and Independent Contractors

GENERAL PROVISIONS

0100. GENERAL PROVISIONS

0110. Adoption and Application of Rules

0111. Adoption of Rules

The following provisions are adopted pursuant to the By-Laws of Nasdaq.

0112. Effective Date

The Rules shall become effective as provided in the By-Laws.

0113. Interpretation

The Rules shall be interpreted in such manner as will aid in effectuating the purposes and business of Nasdaq, and so as to require that all practices in connection with the investment banking and securities business shall be just, reasonable and not unfairly discriminatory.

0114. Reserved

0115. Applicability

(a) These Rules shall apply to all members and persons associated with a member. Persons associated with a member shall have the same duties and obligations as a member under these Rules.

(b) A member or person associated with a member, who has been expelled, canceled or revoked from membership or from registration or who has been barred from being associated with all members, shall cease to have any privileges of membership or registration. A member or person associated with a member who has been suspended from membership or registration shall also cease to have any privileges of membership or registration other than those under the Code of Procedure as set forth in the Rule 9000 Series. In neither case shall such a member or person associated with a member be entitled to recover any admission fees, dues, assessments or other charges paid to Nasdaq.

(c) A member or person associated with a member who has been suspended from membership or from registration shall be considered as a non-member during the period of suspension for purposes of applying the provisions of these Rules which govern dealings between members and non-members. However, such member or person associated with a member shall have all of the obligations imposed by the rules of the Corporation.

0120. Definitions

When used in these Rules, unless the context otherwise requires:

(a) “Act”

The term “Act” means the Securities Exchange Act of 1934, as amended.

(b) “Association” or “NASD”

The terms “Association” and “NASD” mean, collectively, the National Association of Securities Dealers, Inc. and its subsidiaries.

(c) “By-Laws”

The term “By-Laws” means the By-Laws of Nasdaq.

(d) “Code of Procedure”

The term “Code of Procedure” means the procedural rules contained in the Rule 9000 Series.

(e) “Commission” or “SEC”

The terms “Commission” or “SEC” mean the Securities and Exchange Commission (SEC), established pursuant to the Act.

(f) “Regulatory Contract”

The term “Regulatory Contract” means the regulatory services agreement between Nasdaq and NASD Regulation, an affiliate of NASD, pursuant to which NASD Regulation has agreed to perform certain regulatory functions on behalf of Nasdaq.

(g) “Customer”

The term “customer” shall not include a broker or dealer.

(h) “Security”

Unless the context requires otherwise, the term “security” shall mean a security listed on Nasdaq or traded on Nasdaq pursuant to unlisted trading privileges.

(i) “Member” or “Nasdaq Member”

The terms “member” or “Nasdaq Member” mean any registered broker or dealer that has been admitted to membership in Nasdaq. A Nasdaq Member is not a member of

Nasdaq within the meaning of the Delaware Limited Liability Company Act by reason of being admitted to membership in Nasdaq.

(j) “Nasdaq Regulation”

The term “Nasdaq Regulation” means the Department of Nasdaq that supervises and administers the regulatory functions of Nasdaq, including the administration of any regulatory services agreements with another self-regulatory organization to which Nasdaq is a party.

(k) “Nasdaq”

The term “Nasdaq” means The NASDAQ Stock Market LLC.

(l) “NASD Regulation”

The term “NASD Regulation” means NASD Regulation, Inc.

(m) “Nasdaq Review Council”

The term “Nasdaq Review Council” means the committee authorized and directed to act for the Board of Directors of Nasdaq in a manner consistent with the Rules and By-Laws of Nasdaq with respect to (1) an appeal or review of a disciplinary proceeding; (2) a statutory disqualification decision; (3) a review of a membership proceeding; (4) a review of an offer of settlement, a letter of acceptance, waiver, and consent, and a minor rule violation plan letter; (5) the exercise of exemptive authority; and (6) such other proceedings or actions authorized by the Rules of Nasdaq.

(n) “Person”

The term “person” shall include any natural person, partnership, corporation, association, or other legal entity.

(o) “Rules” or “Rules of Nasdaq”

The term “Rules” or “Rules of Nasdaq” means the numbered rules set forth in the Nasdaq Manual beginning with the Rule 0100 Series, as adopted by the Nasdaq Board of Directors pursuant to the By-Laws of the Nasdaq, as hereafter amended or supplemented, and also includes the By-Laws and the Limited Liability Company Agreement of The NASDAQ Stock Market LLC.

0121. Definitions in Nasdaq By-Laws

Unless the context otherwise requires, or unless otherwise defined in these Rules, terms used in the Rules and interpretive material, if defined in the Nasdaq By-Laws, shall have the meaning as defined in the Nasdaq By-Laws.

0130. Regulation of Nasdaq and Its Members

Nasdaq and NASD Regulation, an affiliate of NASD, are parties to the Regulatory Contract pursuant to which NASD Regulation has agreed to perform certain functions described in these Rules on behalf of Nasdaq. Nasdaq Rules that refer to Nasdaq Regulation, Nasdaq Regulation staff, Nasdaq staff, and Nasdaq departments should be understood as also referring to NASD staff, NASD Regulation staff, and NASD departments acting on behalf of Nasdaq pursuant to the Regulatory Contract.

Notwithstanding the fact that Nasdaq has entered into the Regulatory Contract with NASD Regulation to perform some of Nasdaq's functions, Nasdaq shall retain ultimate legal responsibility for, and control of, such functions.

In addition, Nasdaq has incorporated by reference certain NASD rules. Nasdaq members shall comply with these rules and interpretations as if such rules and interpretations were part of Nasdaq's rules.

0140. Fingerprint-Based Background Checks of Employees and Independent Contractors

(a) In order to enhance the physical security of the facilities, systems, data, and information of Nasdaq and its affiliates (collectively, the "Nasdaq Entities"), it shall be the policy of the Nasdaq Entities to conduct a fingerprint-based criminal records check of (i) all prospective and current employees of the Nasdaq Entities, (ii) all prospective and current independent contractors who have or are anticipated to have access to facilities of the Nasdaq Entities for ten business days or longer, and (iii) all prospective and current temporary employees who have or are anticipated to have access to facilities of the Nasdaq Entities for ten business days or longer. The Nasdaq Entities shall apply this policy in all circumstances where permitted by applicable law.

(b) The Nasdaq Entities shall submit fingerprint cards obtained pursuant to the foregoing policy to the Attorney General of the United States or his or her designee for identification and processing. The Nasdaq Entities shall at all times maintain the security of fingerprint cards and information received from the Attorney General or his or her designee.

(c) The Nasdaq Entities shall evaluate information received from the Attorney General or his or her designee in accordance with the terms of a written fingerprint policy and provisions of applicable law. A felony or serious misdemeanor conviction will be a factor in considering whether to hire a prospective employee, take adverse employment action with respect to a current employee, or deny prospective or current independent contractors or temporary employees access to facilities of the Nasdaq Entities.

(d) A prospective employee who refuses to submit to fingerprinting shall be denied employment by the Nasdaq Entities, and a prospective independent contractor or temporary employee who refuses to submit to fingerprinting shall be denied access to

facilities of the Nasdaq Entities. A current employee, independent contractor, or temporary employee who refuses to submit to fingerprinting will be terminated following notice and being given three opportunities to submit.