

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-53531; File No. SR-NASD-2006-008)

March 21, 2006

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Order Approving a Proposed Rule Change to Re-establish a Fee Pilot for National Quotation Data Service

On January 24, 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”)¹ and Rule 19b-4 thereunder,² a proposed rule change to reinstate its pilot program, which reduced the monthly fee that non-professional users pay to receive National Quotation Data Service (“NQDS”), retroactively to September 1, 2005.³ The proposed rule change was published for comment in the Federal Register on February 15, 2006.⁴ The Commission received no comments on the proposal. This order approves the proposed rule change.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Since August 22, 2000, Nasdaq has operated a pilot to reduce from \$50 to \$10 the monthly fee that non-professional users pay to receive NQDS data. Nasdaq inadvertently let the pilot lapse on September 1, 2005, until January 24, 2006. This filing reinstates the pilot retroactively to September 1, 2005, thereby reflecting the fact that the pilot was in place at that time. See Securities Exchange Act Release Nos. 43190 (August 22, 2000), 65 FR 52460 (August 29, 2000) (notice of filing and order granting accelerated approval of NASD-00-47); 44788 (September 13, 2001), 66 FR 48303 (September 19, 2001); 46446 (August 30, 2002), 67 FR 57260 (September 9, 2002); 48386 (August 21, 2003), 68 FR 51618 (August 27, 2003); and 50318 (September 3, 2004), 69 FR 54821 (September 10, 2004).

⁴ See Securities Exchange Act Release No. 53254 (February 8, 2006), 70 FR 8027 (SR-NASD-2006-008).

The Commission finds that the proposed rule change is consistent with Section 15A of the Act⁵ and the rules and regulations thereunder.⁶ Specifically, the Commission finds the proposal to be consistent with Section 15A(b)(5) of the Act,⁷ in that it provides for the equitable allocation of reasonable dues, fees and other charges among members. The pilot lowers the monthly fee for non-professionals to receive NQDS from \$50 to \$10 a month. The Commission notes that the NQDS feature provides a mechanism to allow access to market data that is relevant to investors when they make financial decisions and that it does not unfairly discriminate between customers, issuers, brokers or dealers.

⁵ 15 U.S.C. 78o-3.

⁶ In approving this proposed rule change the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78o-3(b)(5).

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (SR-NASD-2006-008), be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Nancy M. Morris
Secretary

⁸ 15 U.S.C. 78s(b)(2).

⁹ 17 CFR 200.30-3(a)(12).