Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Withdrawal of Proposed Rule Change to Require that Listed Companies Have an Internal Audit Function

On February 20, 2013, The NASDAQ Stock Market LLC (“NASDAQ”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”), and Rule 19b-4 thereunder, a proposed rule change to require that each listed company establish and maintain an internal audit function to provide management and the audit committee with ongoing assessments of that company’s risk management processes and system of internal control. The proposed rule change was published for comment in the Federal Register on March 8, 2013. On April 18, 2013, the Commission extended the time period in which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change, to June 6, 2013. The Commission received 42 comment letters on the proposal.

On May 7, 2013, NASDAQ withdrew the proposed rule change (SR-NASDAQ-2013-032).\textsuperscript{6}

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.\textsuperscript{7}

Kevin M. O’Neill  
Deputy Secretary

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\textsuperscript{6} The Commission notes that NASDAQ stated in its withdrawal that it is withdrawing this proposal so that it may fully consider the comments filed. See supra note 5. NASDAQ also stated that it remains committed to the underlying goal of the proposal, to help ensure that listed companies have appropriate processes in place to assess risks and the system of internal controls, and that it intends to file a revised proposal.

\textsuperscript{7} 17 CFR 200.30-3(a)(12).