



THE NASDAQ STOCK MARKET
ONE LIBERTY PLAZA, 50TH FLOOR
NEW YORK, NY 10006

January 25, 2006

Ms. Nancy M. Morris
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: File No. SR-NYSE-2005-77; Notice of Filing of Proposed Rule Change and Amendment Nos. 1, 2, 3, 4, and 5 Relating to the New York Stock Exchange's Business Combination with Archipelago Holdings, Inc.

Dear Ms. Morris:

The Nasdaq Stock Market Inc. ("Nasdaq") respectfully requests a three-week extension of the deadline for comments on the governance changes proposed by the New York Stock Exchange (the "NYSE") in the above-captioned filing. Nasdaq believes that such an extension of the comment period is necessary to ensure that the public has adequate time to consider the issues that the filing presents. In our view, the 21-day comment period that the Commission has ordered does not give members of the public time to address the critical investor protection and market structure issues that the NYSE's proposed new structure raises. As a consequence, the Securities and Exchange Commission (the "SEC" or the "Commission") will have a limited input when evaluating the filing. Considering the scope of the proposal, such an outcome cannot be in the best interests of investors.

The Securities Industry Association (the "SIA") has recently submitted a comparable request, noting that the three-week comment period for a normal Form 19b-4 filing is not adequate to allow members of the securities industry to digest the massive NYSE proposal and comment upon critical public policy issues embedded in it.¹ The SIA's request raises concerns that the public record after 21 days may be deficient or may reflect incomplete analysis by interested parties, and therefore may not provide an adequate basis for Commission action. Accordingly, we hope that the Commission will look favorably on the SIA's modest request.

¹ Letter from George Kramer, Deputy General Counsel, SIA, to Nancy Morris, Secretary, SEC, January 18, 2006.

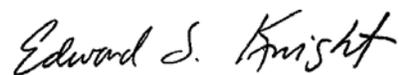
After a review and comment period spanning more than four years, the Commission recently granted our exchange registration application by registering a newly formed subsidiary, The NASDAQ Stock Market LLC (“NASDAQ LLC”), as a national securities exchange. We believe that two key aspects of the final application should be highlighted. First, we view exchange registration as a means of eliminating potential conflicts of interest between our market operations and self-regulatory duties. Specifically, under our new structure, most front-line regulatory responsibilities will be vested in the NASD via contract, and NASD will finally be able to eliminate its ownership interest in Nasdaq. Second, we have worked to ensure that NASDAQ LLC’s member conduct rules mirror NASD’s as much as possible, thereby allowing NASDAQ LLC and the NASD to use an agreement pursuant to Rule 17d-2 under the Securities Exchange Act of 1934 to prevent exchange registration from imposing new regulatory burdens on NASD members that become members of the new exchange.

By contrast, although the new structure proposed by the NYSE divides regulatory and market responsibilities among many different entities, all of the regulatory responsibilities of two self-regulatory organizations, the New York Stock Exchange and the Pacific Exchange, will be vested in entities that are ultimately subject to the control of NYSE Group, Inc. a for-profit entity. Moreover, although a recently submitted amendment to the filing makes some general promises with regard to possible future reductions in regulatory burdens, the filing makes no specific progress toward that goal.

An extension of the comment period would allow interested parties and the Commission more time to evaluate whether more can be done to minimize conflicts of interest and reduce regulatory burdens. By contrast, a rushed approval of the filing in its current form may establish precedents that will make further progress in these areas more difficult to achieve.

We appreciate your consideration of our request. If you have any questions, please call me at 301-978-8480.

Sincerely,



Edward S. Knight
Executive Vice President and
General Counsel