



Regulatory Circular 07-013

Date: September 20, 2007

To: ETP Holders

From: James C. Yong
Chief Regulatory Officer

Re: Annual Certification of Compliance and Supervisory Processes

The National Stock Exchange, Inc. (NSX or the Exchange) adopted a rule change establishing NSX Rule 5.7 and accompanying Interpretations and Policies .01 requiring each ETP Holder's chief executive officer (CEO), or an equivalent officer, to certify annually to having a process in place to establish, maintain, review, modify, and test policies and procedures reasonably designed to achieve compliance with applicable NSX rules and federal securities laws and regulations. NSX Rule 5.7 should not impose substantial new obligations on NSX ETP Holders as the National Association of Securities Dealers, Inc. (NASD) and the New York Stock Exchange LLC (NYSE) have implemented similar rules.

NSX Rule 5.7 requires the CEO of each ETP Holder to certify annually that the firm has in place processes to: (1) establish, maintain and review policies and procedures reasonably designed to achieve compliance with applicable NSX rules and federal securities laws and regulations; (2) modify such policies and procedures as business, regulatory and legislative changes and events dictate; and (3) test the effectiveness of such policies and procedures on a periodic basis, the timing and extent of which is reasonably designed to ensure continuing compliance with applicable NSX rules and federal securities laws and regulations.

The CEO of each ETP Holder must conduct one or more meetings annually with the chief compliance officer to: (1) discuss and review the matters that are the subject of the certification; (2) discuss and review the ETP Holder's compliance efforts as of the date of such meetings; and (3) identify and address significant compliance problems and plans for emerging business areas. Furthermore, before signing the certification, the CEO must review a report that documents the ETP Holder's processes for establishing, maintaining, reviewing, modifying, and testing policies and procedures, including the manner and frequency in which the processes are administered, as well as the identity of officers and supervisors who have responsibility for such administration. The report also must be submitted to the ETP Holder's board of directors and audit committee.

The first annual ETP Holder Certification under Rule 5.7 must be signed by May 22, 2008. Thereafter, the certification shall be effected no later than the anniversary date of the prior year's certification. The Certification and the underlying report must be submitted to NSX upon request.

Exchange Rule 5.7 is contained in a rule change (SR-NSX-2006-16) approved May 22, 2007 by the Securities and Exchange Commission under Section 19(b)(2) of the Securities Exchange Act of 1934. A copy of this rule change filing may be found on the NSX website. Rule 5.7 can also be found on the website, <http://www.nsx.com/>.

Any questions on this new rule can be directed to me at 312.786.8893.