



**Regulatory Circular 06-02**

Date: January 19, 2006

To: Members

From: James C. Yong  
Chief Regulatory Officer

Re: Changes to NSX Fee Schedule, SR-NSX-2006-01

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The National Stock Exchange ("NSX" or the "Exchange") has recently filed a rule change with the Securities and Exchange Commission (SR-NSX-2006-01) that would reduce one of the fees in its fee schedule with an immediate effective date. Under the revised fee schedule, the Exchange is reducing the dollar cap parameter of the monthly transaction fee cap in Exchange Rule 11.10(A)(i) from \$200,000 to \$50,000.

The Exchange's current fee schedule provides for a monthly transaction fee cap of the lesser of the fees contained in Exchange Rule 11.10(A)(a) to 11.10(A)(h) or \$200,000. With this filing, the Exchange is reducing the dollar cap parameter from \$200,000 to \$50,000. This proposal will allow the Exchange to cap the transaction fee (which consists of trading fees in respect of agency, odd lot, professional agency, proprietary and preferencing transactions, as well as the fees associated with crosses and meets and the agency order mix fee) at \$50,000 per month. Please note that this transaction fee is calculated shortly after the month end activity (*i.e.*, the transaction fee for January would be calculated in February) and would be collected thereafter (in February), after the effective date of this filing. Accordingly, the Exchange will use this new rule in the calculation of the January fee.

The text of the proposed fee schedule change is attached for reference. For additional information, please refer to SR-NSX-2006-01. If you have any questions, please call me at 312.786.8893.

EXHIBIT A

Text of Proposed Rule Change

Proposed new language is underlined; proposed deletions are in brackets.

RULES  
OF  
NATIONAL STOCK EXCHANGE

\* \* \* \* \*

CHAPTER XI

Trading Rules

\* \* \* \* \*

Rule 11.10 National Securities Trading System Fees

A. Trading Fees

(a)-(h) *No change.*

(i) Transaction Fee Cap. The monthly transaction fee charged to each member shall be equal to the lesser of (1) the amount assessed pursuant to Paragraph (A)(a) through (A)(h) of this Rule 11.10 or (2) ~~[\$200,000]~~ \$50,000.

(j)-(r) *No change.*

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