



## Regulatory Circular 06-012

Date: October 26, 2006

To: ETP Holders

From: James C. Yong  
Chief Regulatory Officer

Re: New Fee Schedule Implemented for Transactions through NSX BLADE<sup>SM</sup>

As you know, the National Stock Exchange, Inc. ("NSX" or the "Exchange") began a gradual phase-in of its new, state-of-the-art technology platform, NSX BLADE, when it transitioned one stock, BCAR, into NSX BLADE from the Exchange's legacy system, National Securities Trading System ("NSTS"). In connection with this transition, the Exchange is implementing a new Fee Schedule under Chapter XVI of its Rules (and Rule 16.1 thereunder) for any transactions through NSX BLADE. This Fee Schedule was contained in a rule change proposal (SR-NSX-2006-13) recently filed with the Securities and Exchange Commission under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, as amended, which renders it effective upon filing.

The new Fee Schedule provides for, in connection with transactions in Tape C securities, an execution fee for removing liquidity from NSX BLADE (*i.e.*, charging ETP Holders or others for taking liquidity against an order in the NSX BLADE System) and a rebate for adding liquidity in NSX BLADE (*i.e.*, rebating money to any ETP Holder that provides liquidity to the NSX BLADE System, which has been the subject of an Exchange transaction). In addition, it provides for an order routing fee.

These fees contained in the attached Fee Schedule apply to all transactions executed through NSX BLADE. As stated in Regulatory Circular 06-011, the fees applicable to transactions through NSTS continue to be governed by Rule 11.10 of the Exchange Rules. The Exchange will notify you via a Regulatory Circular as additional securities are transitioned to NSX BLADE.

The new Fee Schedule is attached to this Regulatory Circular for your information. A copy of the rule change filing may be found on the NSX website. Any questions can be directed to me at 312.786.8893.



## NATIONAL STOCK EXCHANGE, INC.

### FEE SCHEDULE

#### For Executions via NSX BLADE<sup>SM</sup>

As of October, 2006

The following reflects the Schedule of Fees (pursuant to Rule 16.1(a) and Rule 16.1(c)) for all transactions executed via the National Stock Exchange System known as NSX BLADE<sup>SM</sup> (the "System"):

1. **Order Matching.** Orders in Tape C securities that are matched in the System will be subject to the following rebates and execution fees (computed on a monthly basis):

- A. *Rebate* for adding liquidity (per share executed):

Average Daily Shares of Liquidity Provided	Rebate for Adding Liquidity (Per Share Executed)
Greater than 30 million	\$0.0028
30 million or less	\$0.0027

- B. *Execution fee* for removing liquidity: **\$0.0030** per share executed.

2. **Order Routing.** Orders that are routed through the System and executed in another market center shall be charged **\$0.0040** per share executed.