



Regulatory Circular 06-026

Date: December 5, 2006

To: ETP Holders

From: James C. Yong Chief Regulatory Officer

Re: TRANSITION OF ADDITIONAL STOCKS TO THE NASD/NSX TRF

On Monday, November 27, 2006, the National Stock Exchange, Inc. ("NSXSM" or the "Exchange") and the National Association of Securities Dealers ("NASD") began operation of its trade reporting facility (the "NASD/NSX TRF"). NASD will regulate all transactions in this facility, and the NASD/NSX TRF will collect, verify and report these internalized Tape C trade transactions to the exclusive UTP Plan data consolidator for Nasdaq-listed securities, the Nasdaq Exclusive Securities Information Processor ("Nasdaq ESIP"). In order to report trades to the NASD/NSX TRF, firms must be approved as a NASD/NSX TRF participant. The NASD/NSX TRF will begin to report transactions by phasing-in issues as per its roll-out plan.

As of Wednesday, December 6, 2006, all Nasdaq-listed stocks that have a symbol beginning with the letter "B" will be transitioned into the NASD/NSX TRF. Additional Nasdaq-listed stocks will be phased into the NASD/NSX TRF over the next several weeks, followed by all non-Nasdaq listed securities (*i.e.*, securities listed on the New York Stock Exchange, the American Stock Exchange and other regional exchanges).

The rules governing the transactions on the NASD/NSX TRF are contained in the NASD's rule proposal, SR-NASD-2006-108 (a copy of the proposal can be found on http://www.nasd.com/RulesRegulation/RuleFilings/2006RuleFilings/NASDW_017394). The Securities and Exchange Commission approved the proposal on November 17, 2006. See <http://www.sec.gov/rules/sro/nasd/2006/34-54715.pdf>.

We will keep you informed as to the phase-in of other securities to be added to NSX BLADESM and the NASD/NSX TRF.

If you have any questions, please call me at 312.786.8893.