

IMPORTANT NOTICE

National Securities Clearing Corporation



A # **6271**
P&S# **5841**
DATE: **July 17, 2006**
TO: **ALL PARTICIPANTS**
ATTENTION: **MANAGING PARTNER/OFFICER**
 OPERATIONS PARTNER/OFFICER
 MANAGER P&S DEPARTMENT
 MANAGER DATA PROCESSING DEPARTMENT
FROM: **PRODUCT MARKETING AND DEVELOPEMENT**
SUBJECT: **NEW NASDAQ STOCK EXCHANGE END-OF-DAY**
 PRINT IMAGE CONTRACT

The Nasdaq Stock Market recently announced it will become operational in two phases, one that pertains to Nasdaq listed securities and one that pertains to other listed securities. The Nasdaq Stock Market has also announced that it will begin exchange operations for phase one securities on August 1, 2006.

Concurrent with phase one of the Nasdaq Stock Exchange activation, NSCC will provide a new Nasdaq Stock Market Locked-In End-of-Day print image contract that will contain only Nasdaq Stock Market trades. At the same time, NSCC will also modify its existing OTC Locked-In End-of-Day print image contract to reflect only OTC trades. The Nasdaq and OTC Locked-In End-of-Day print image contract formats will not be changed. However, the Nasdaq Stock Exchange print image contract will contain the new Nasdaq Stock Exchange indicators.

As previously announced, in NSCC's Important Notice A#6259, P&S #5829, Issued on June 21, 2006, NSCC will also be modifying its current OTC Locked-In Intra-day Machine Readable Output (MRO) and both the current and new OTC and Nasdaq Locked-In, End-of-Day print image contracts to contain the Nasdaq Stock Exchange phase one indicators. Please refer to the above-mentioned NSCC Important Notice for modification details.

Nasdaq Locked-In End-of-Day Print Image Contract, AutoRoute #02020097

On August 1, 2006, NSCC will provide a new Nasdaq Locked-In, End-of-Day, Print Image Contract, AutoRoute #02020097 and the new contract will contain only Nasdaq Stock Exchange trades as reported to NSCC.

OTC Locked-in End-of-Day Print Image Contract, AutoRoute #02020184

Also on August 1, 2006, the current OTC Locked-In End-of-Day Print Image Contract, AutoRoute #02020184 will contain only trades designated as OTC trades. This will also include any Qualified Special Representative (QSR) trades submitted to NSCC.

Participant Setup

Participants may receive the new Nasdaq Locked-In End-of-Day, print image contract several ways. Participants can receive the contract on an individual distribution basis (directly to the firm), through their Service Bureau and through PC Web Direct.

Clearing Firms - who need to receive the new Nasdaq print image contract directly, must contact the Participant Interface Planning (PIP) group. The PIP group can be contacted at 212-855-1144, option 6 for processing the individual distribution firms' request to receive the new report.

Clearing Firms using Service Bureau – who need to receive the new Nasdaq print image contract, must contact their respective service bureau to be included in that Service Bureaus distribution for the new Nasdaq print image contract. The service bureaus, will in turn, contact the PIP group, at the above listed number, and arrange for their NSCC participants to receive the new Nasdaq print image contract.

Clearing firms using PC Web Direct – will be automatically setup to begin receiving the new Nasdaq print image contract via PC Web Direct on August 1, 2006. The new Nasdaq print image contract will appear automatically as an additional report on the firm's PC Web Direct application in the report section. Only firms who currently receive the OTC print image contract via PC Web Direct will automatically be set-up to receive the new Nasdaq print image contract.

If a firm needs to receive the new Nasdaq print image contract via PC Web Direct and is not currently setup to receive the OTC print image contract via PC Web Direct, you must also contact the PIP group at the above listed number.

Participant Testing

NSCC will not provide participant testing for the current OTC or new Nasdaq End-of-Day Print Image contracts. The Print Image formats for these contract outputs is not changing and no testing is required.

Additional Information

This and other NSCC Important Notices are located on the www.nsc.com Web site. A link to this Important Notice is also located on the formats.nsc.com Web site along with all MRO file layouts for the OTC Contracts. If you have questions, please contact your Relationship Manager or email the undersigned at ryodice@dtcc.com. Questions on Nasdaq becoming a stock exchange or actual activation dates should be addressed to Mr. Donald Bollerman at Nasdaq Transaction Services by calling 212-401-8780, or by email at donald.bollerman@nasdaq.com. Participants can also reference nasdaqtrader.com for additional information regarding the Nasdaq Stock Exchange.

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