

MEMO# 21350

July 12, 2007

SEC Approves Nasdaq Proposal Relating to Ticker Symbols

[21350]

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TO: SEC RULES MEMBERS No. 81-07
EQUITY MARKETS ADVISORY COMMITTEE No. 37-07
CLOSED-END INVESTMENT COMPANY MEMBERS No. 41-07
ETF ADVISORY COMMITTEE No. 23-07 RE: SEC APPROVES NASDAQ PROPOSAL RELATING TO TICKER SYMBOLS

The Securities and Exchange Commission has approved a proposed rule change filed by The Nasdaq Stock Market LLC ("Nasdaq") to allow any company with a three-character ticker symbol to retain the existing symbol that identifies the company's securities if it transfers its securities to Nasdaq from another domestic listing market. [\[1\]](#)

In approving the proposal, the Commission stated that the existing practice restricting the transfer of three-character ticker symbols to Nasdaq, but not between other national securities exchanges, was a "burden on competition not necessary or appropriate." The Commission also said that permitting an issuer to retain the three-character ticker symbol upon transferring its listing to Nasdaq may reduce the potential for confusion in the marketplace by an issuer changing its ticker symbol. The Commission highlighted the fact that the proposal only allows Nasdaq to list securities with three-character ticker symbols when such issuer transfers its listing from another securities exchange; it does not permit Nasdaq to list new securities with three-character ticker symbols.

The Commission further stated that approval of the proposal is independent of consideration of the two proposed national market system plans for the selection and reservation of ticker symbols submitted to the Commission by two separate groups of securities exchanges. [\[2\]](#)

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endnotes

[1] SEC Release No. 34-55563 (July 9, 2007). The proposal can be found on the SEC's website at <http://www.sec.gov/rules/sro/nasdaq/2007/34-55563.pdf>.

[2] See [Memorandum](#) to Closed-End Investment Company Members No. 25-07, Equity Markets Advisory Committee No. 20-07, SEC Rules Members No. 45-07 and Unit Investment Trust Members No. 9-07, dated April 16, 2007 [21051].

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