



NASDAQ and Instinet Release Joint Letter to Congress on Strengthening U.S. Equity Markets

NEW YORK, N.Y.— The Nasdaq Stock Market, Inc., the world's largest stock market, and Instinet (NASDAQ: INET), through affiliates, the largest global electronic agency securities broker, today released a joint letter to the Leadership of the U.S. Congress with recommended principles for strengthening the U.S. equity markets and delivering greater value to investors. The letter states, "...we strongly believe that there is an historic opportunity to overhaul and reform today's regulatory regime to better harness the benefits of competition and innovation on behalf of investors."

The letter outlines regulatory barriers faced by modern markets, with principles for "Advancing Investor Interests in the 21st Century." The National Market System and its market interaction rules are addressed, including the Intermarket Trading System (ITS) Plan.

In a speech last week before the Securities Industry Association Market Structure Conference, entitled "Market Structure and the Future of Competition," NASDAQ President and Chief Executive Officer Robert Greifeld said, "The responsibility to rebuild investor confidence and trust falls squarely on all of us. A key way for us to effectively fulfill this role is to modernize and improve our market structure in a way that benefits investors and the overall economy."

In addressing the trade through rule on the ITS -- a rule that dictates that orders be executed at the best price on an exchange linked to the national market, even if best price can be obtained on a competing market -- Greifeld said in remarks, "I suggest we should be doing more to take advantage of the ways an electronic system can improve execution. In today's environment, with competitive markets, we should not let the slower market centers hold up the entire market or limit choice. Investors deserve choice. Exchanges that meet the needs and choices of an investor more quickly should be permitted to trade through quickly."

"Investors do not want to wait 30 seconds for an ITS trade. If you see a price, but can't get that price, that erodes investor trust."

Principles attached to the joint letter also stated, "Investor interests are best protected by promoting an environment in which competition, fair and equal regulatory oversight, and disclosure requirements combine to

assure that brokers fulfill their duty of best execution for their retail customers."

NASDAQ is the world's largest electronic stock market. With approximately 3,500 companies, NASDAQ lists more companies and trades more shares per day, on average, than any other U.S. market. It is home to category-defining companies that are leaders across all areas of business including technology, retail, communications, financial services, media and biotechnology industries. For more information about NASDAQ, visit the NASDAQ Web site at www.NASDAQ.com or the NASDAQ NewsroomSM at www.nasdaq.com/newsroom.

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