



NASDAQ Endorses SEC Action on QQQ and BLDRS Exchange Traded Funds

New York, N.Y.—The Nasdaq-100 TrustSM and the Baskets of Listed Depository Receipts Trust (BLDRSSM) have received an exemptive order from the Securities and Exchange Commission (SEC) allowing investment companies to invest in these exchange traded funds (ETFs) in excess of the limits of sections 12(d)(1) of the Investment Company Act of 1940.

Mutual funds may now exceed investment limits in The NASDAQ-100 Index Tracking StockSM (QQQSM) and BLDRS. QQQ is an exchange traded fund designed to generally correspond to the price and yield performance of the NASDAQ-100 Index, which consists of NASDAQ's largest 100 non-financial companies. BLDRS consists of four separate ETFs that are designed to generally correspond with the price and yield performance of four Bank of New York American Depository Receipt Indices. The BLDRS fund family includes two market index funds and two regional index funds.

"This action by the SEC is truly beneficial to investors," said John Jacobs, CEO of NASDAQ Financial Products Services, Inc. "By providing this regulatory relief, investment companies now have more flexibility to meet their evolving investment goals. We endorse the SEC's action."

The rule prohibits an investment company from acquiring more than 3% of the total outstanding voting securities of another investment company, investing in more than 5% of its total assets in a single investment company, and investing more than 10% of its total assets in two or more investment companies. Now, these limits may be exceeded, provided that each investing fund enters into an agreement with QQQ and BLDRs to assure that an investing fund complies with the terms and conditions of the QQQ and BLDRs order.

NASDAQ is one of the world's leaders in financial products including QQQ, which is currently the world's most actively traded exchange-traded fund and the most actively traded listed stock in the U.S. as of April 30, 2004. NASDAQ plays a unique role in the ETF arena, as it sponsors ETFs such as QQQ and BLDRs; provides ETF benchmark indices such as the NASDAQ Composite, the NASDAQ Biotech, and the NASDAQ-100; serves as a listing venue for ETFs such as The Fidelity[®] NASDAQ Composite Index[®] Tracking Stock (ONEQ) and BLDRs; and is a trading platform for ETFs on all U.S. markets.

NASDAQ[®] is the world's largest electronic stock market. With approximately 3,300 companies, it lists more companies and, on average, trades more shares per day 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, transportation, media and biotechnology industries. NASDAQ is the primary market for trading NASDAQ listed stocks. Approximately 51% of NASDAQ-listed shares traded are reported to NASDAQ systems.

For more information about NASDAQ, visit the NASDAQ Web site at <http://www.nasdaq.com/> or the NASDAQ NewsroomSM at <http://www.nasdaq.com/newsroom/>

An investor should consider investment objectives, risks, charges and expenses carefully before investing. For this and more complete information about QQQ and BLDRS, unit investment trusts, obtain a prospectus from your broker or call 888-627-3837. Read it carefully before investing.

ALPS Distributors Inc. is distributor for QQQ and BLDRS.

Media Contact:
Wayne Lee, NASDAQ
301.978.4875