

[Connection Charge to Nasdaq Computer-to-Computer Interface (CTCI)]	[\$265/month]
[Connection Charge to Nasdaq Service Delivery Platform (SDP) (charged to subscribers who handle customer orders)].	[\$250/month]
[Installation Fee] [1]	
[(one-time charge for Tools Plus and includes up to 15 terminals)]	[\$16,000]
[(each additional set of up to 15 terminals)]	[\$13,000]
[Port Charges (one-time charge per line)]	[\$1,250]
[(one-time aggregate charge for two lines)]	[\$2,500]
[Training Fee on-site at customer]	[\$400/day (plus travel expenses)]
[Training Fee for course at Nasdaq Tools]	[\$150/course]
[Electronic communication network (ECN) maintenance charge (charged to subscribers who route orders to ECN)].	[\$250/per ECN/month]

[1] [Installation Fee includes two hours of on-site training of customer personnel and all programming costs associated with one customized interface for the customer to access its clearing firm.]

[Market data redistribution charges, which are set by the relevant market	data provider, are passed through to Tools Plus subscribers at cost.]	on interfaces for customers of Nasdaq Tools Plus shall be billed according to the following rates:]
	[(D) Labor rates for programming customized interfaces and maintenance	

[Calendar Year 2002]	[Calendar Year 2003 and thereafter]
[Senior Programmer \$175/hour]	[\$200/hour]
[Programmer \$125/hour]	[\$150/hour]
[Junior Programmer \$100/hour]	[\$125/hour]
[Project Management \$150/hour]	[\$175/hour]
[Network Engineer \$125/hour]	[\$150/hour]
[Operations Support \$100/hour]	[\$125/hour]

* * * * *

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Nasdaq included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Nasdaq has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Nasdaq has discontinued support for the Tools and Tools Plus software product lines, effective November 14, 2003 and November 11, 2003, respectively. Users of these products were informed in the second quarter of 2003 of Nasdaq's intention to discontinue support of the products in the fourth quarter of 2003. Accordingly, Nasdaq is removing the prices for these product lines from the fee schedule in the NASD Manual.

2. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with the

provisions of section 15A of the Act.⁵ The proposed rule change merely eliminates fees for product lines that are no longer supported by Nasdaq.

B. Self-Regulatory Organization's Statement on Burden on Competition

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3)(A)(iii) of the Act⁶ and Rule 19b-4(f)(3) thereunder, because Nasdaq has designated the proposal as concerned solely with the administration of the exchange.⁷ At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for

the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Comments may also be submitted electronically at the following e-mail address: rule-comments@sec.gov. All comment letters should refer to File No. SR-NASD-2003-169. This file number should be included on the subject line if e-mail is used. To help us process and review comments more efficiently, comments should be sent in hardcopy or by e-mail but not by both methods. Copies of the submission, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at

⁵ 15 U.S.C. 78o-3.

⁶ 15 U.S.C. 78s(b)(3)(A)(iii).

⁷ 17 CFR 240.19b-4(f)(3).