



Information Circular: BOXES

To: Head Traders, Technical Contacts, Compliance Officers, Head of ETF Trading, Structured Products Traders

From: William Slattery, Director, NASDAQ Listing Qualifications Department

DATE: February 28, 2007 (**Updated March 29, 2007**)

The NASDAQ Stock Market LLC ("NASDAQ") began operating as a national securities exchange for trading non-NASDAQ listed securities on February 12, 2007. As a result, Basket Opportunity Exchangeable Securities ("BOXES") that have previously traded through our systems on an over-the-counter basis are being traded by NASDAQ as an exchange on an unlisted trading privileges (UTP) basis for the first time. See Appendix A for a listing of select BOXES that commenced trading on NASDAQ on a UTP basis on February 12, 2007.

Appendix A contains links to information circulars regarding the BOXES prepared by their listing market, The American Stock Exchange. NASDAQ members should consult these information circulars, which contain important information about the characteristics of the BOXES and the principal risks of an investment in the BOXES.

Trading in the BOXES on NASDAQ is subject to [NASDAQ equity trading rules](#). The BOXES will trade from 7:00 a.m. until 8:00 p.m. BOXES are exempt from SEC Rule 10a-1 and the NASDAQ short sale rule (Rule 3350).

Trading of BOXES on NASDAQ is subject to the provisions of [NASDAQ Rule 2310](#). Members recommending transactions in BOXES to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the NASDAQ Conduct Rules.

Members also should review [NASD Notice to Members 03-71](#) for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. NASDAQ members should consult the registration statement or prospectus for the BOXES for additional information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, Director, NASDAQ Listing Qualifications, at 301.978.8088

- NASDAQ Office of General Counsel at 301.978.8400
- NASDAQ Market Sales at 800.846.0477

Appendix A – BOXES

Index-Linked Notes Symbol CUSIP Number

Biotechnology Basket BXB 61744Y413
<http://www.amex.com/amextrader/dailylist/data/relFiles/bxb.pdf>
Opportunity Exchangeable
Securities, due
January 30, 2032

Pharmaceutical Basket RXB 61744Y520
<http://www.amex.com/amextrader/dailylist/data/relFiles/rxb.pdf>
Opportunity Exchangeable
Securities, due
October 30, 2031