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# 15 U.S. Code § 78k-1

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## National market system for securities; securities information processors

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### **(a) Congressional findings; facilitating establishment of national market system for securities; designation of qualified securities**

(1) The Congress finds that—

- (A) The securities markets are an important national asset which must be preserved and strengthened.
- (B) New data processing and communications techniques create the opportunity for more efficient and effective market operations.
- (C) It is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure—
  - (i) economically efficient execution of securities transactions;
  - (ii) fair competition among brokers and dealers, among exchange markets, and between exchange markets and markets other than exchange markets;
  - (iii) the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities;
  - (iv) the practicability of brokers executing investors' orders in the best market; and
  - (v) an opportunity, consistent with the provisions of clauses (i) and (iv) of this subparagraph, for investors' orders to be executed without the participation of a dealer.
- (D) The linking of all markets for qualified securities through communication and data processing facilities will foster efficiency, enhance competition, increase the information available to brokers, dealers, and investors, facilitate the offsetting of investors' orders, and contribute to best execution of such orders.

(2) The Commission is directed, therefore, having due regard for the public interest, the protection of investors, and the maintenance of fair and orderly markets, to use its authority under this chapter to facilitate the establishment of a national market system for securities (which may include subsystems for particular types of securities with unique trading characteristics) in accordance with the findings and to carry out the objectives set forth in paragraph (1) of this subsection. The Commission, by rule, shall designate the securities or classes of securities qualified for trading in the national market system from among securities other than exempted securities. (Securities or classes of securities so designated hereinafter <sup>[1]</sup> in this section referred to as "qualified securities".)

(3) The Commission is authorized in furtherance of the directive in paragraph (2) of this subsection—

- (A) to create one or more advisory committees pursuant to chapter 10 of title 5 (which shall be in addition to the National Market Advisory Board established pursuant to subsection (d) of this section),<sup>[2]</sup> and to employ one or more outside experts;
  - (B) by rule or order, to authorize or require self-regulatory organizations to act jointly with respect to
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matters as to which they share authority under this chapter in planning, developing, operating, or regulating a national market system (or a subsystem thereof) or one or more facilities thereof; and

(C) to conduct studies and make recommendations to the Congress from time to time as to the possible need for modifications of the scheme of self-regulation provided for in this chapter so as to adapt it to a national market system.

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