

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-69402; File No. SR-NASDAQ-2013-032)

April 18, 2013

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change To Require That Listed Companies Have an Internal Audit Function

On February 20, 2013, The NASDAQ Stock Market LLC (“Nasdaq”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to require that listed companies have an internal audit function. The proposed rule change was published for comment in the Federal Register on March 8, 2013.³ The Commission received 38 comments on the proposal.⁴

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 69030 (March 4, 2013), 78 FR 15075.

⁴ See letters to Elizabeth M. Murphy, Secretary, Commission from William F. Derbyshire, dated March 5, 2013; Rainer Lenz, Ph.D., dated March 9, 2013; Raymond A. Link, Chief Financial Officer, FEI Company, dated March 11, 2013; Ann Marie Kim, dated March 12, 2013; Jeff A. Killian, Chief Financial Officer, Cascade Microtech, Inc., dated March 14, 2013; Matthew Hogan, dated March 18, 2013; Ann Rhoads, Chief Financial Officer, Zogenix, dated March 18, 2013; Daniel P. Penberthy, Chief Financial Officer, Rand Capital Corporation, dated March 19, 2013; Jeff Andreson, dated March 19, 2013; Gary R. Fairhead, dated March 19, 2013; Roger Hawley, Chief Executive Officer, Zogenix, dated March 20, 2013; Vernon A. LoForti, Vice President and Chief Financial Officer, InfoSonics Corporation, dated March 20, 2013; Howard K. Kaminsky, Chief Financial Officer, Sport Chalet, Inc., dated March 21, 2013; Stanley P. Wirtheim, Chief Financial Officer, Smartpros.Ltd., dated March 25, 2013; Simon J. Parker, Head of Business Assurance, Innospec Inc., dated March 26, 2013; John H. Lowry III, Chief Financial Officer; Perceptron, Inc., dated March 27, 2013; David L. Nunes, President and Chief Executive Officer, Pope Resources, dated March 27, 2013; Don Tracy, Chief Financial Officer, MGP Ingredients, Inc., dated March 27, 2013; Vickie Reed, Sr. Director and Controller, Zogenix, Inc., dated March 27, 2013; Jay Biskupski, Chief Financial Officer, Peregrine Semiconductor Corporation, dated March 27, 2013; Alan F. Eisenberg, Executive Vice President, Emerging Companies and Business Development, Biotechnology Industry Organization (BIO), dated March 28, 2013; Mary Kay Fenton,

Section 19(b)(2) of the Act⁵ provides that, within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is April 22, 2013.

The Commission is extending the 45-day time period for Commission action on the proposed rule change. The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the Exchange's proposal, as described above, and the comments received.

Senior Vice President and Chief Financial Officer, Achillion Pharmaceuticals, Inc., dated March 28, 2013; Robert D. Shallish, Jr., Executive Vice President - Finance and Chief Financial Officer, CONMED Corporation, dated March 28, 2013; Dorothy M. Donohue, Deputy General Counsel - Securities Regulation, Investment Company Institute, dated March 28, 2013; Richard F. Chambers, President and Chief Executive Officer, The Institute of Internal Auditors, dated March 28, 2013; Daniel C. Regis, Chairman, Cray Inc. Audit Committee, Cray, Inc., dated March 29, 2013; Kenneth Bertsch, President and Chief Executive Officer, Society of Corporate Secretaries & Governance Professionals, dated March 29, 2013; Paul R. Oldham, Chief Financial Officer and Vice President Finance Administration, Electro Scientific Industries, dated March 29, 2013; Joseph D. Hill, Chief Financial Officer, Metabolix, Inc., dated March 29, 2013; Grant Thornton LLP, dated March 29, 2013; Michael McConnell, Executive Vice President and Chief Financial Officer, Digimarc Corporation, dated March 29, 2013; Elizabeth L. Hougen, Chief Financial Officer, Isis Pharmaceuticals, Inc., dated March 29, 2013; Julia Reigel, Wilson Sonsini Goodrich & Rosati, dated March 29, 2013; Sharon Barbari, Executive Vice President Finance and Chief Financial Officer, Cytokinetics, Inc., dated March 29, 2013; Michael G. Zybala, General Counsel, The InterGroup Corporation, dated April 3, 2013; Ramy R. Taraboulsi, Chairman and Chief Executive Officer, SyncBASE Inc., dated April 6, 2013; Matthew C. Wolsfeld, Chief Financial Officer, NTIC, dated April 10, 2013; and Barbara Russell, Chief Financial Officer, TOR Minerals International Inc., dated April 17, 2013.

⁵ 15 U.S.C. 78s(b)(2).

Accordingly, pursuant to Section 19(b)(2) of the Act,⁶ the Commission designates June 6, 2013, as the date by which the Commission should either approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change (File No. SR-NASDAQ-2013-032).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Kevin M. O'Neill
Deputy Secretary

⁶ 15 U.S.C. 78s(b)(2).

⁷ 17 CFR 200.30-3(a)(31).