

Finally, the Commission notes that it is in the process of reviewing a range of governance issues relating to SROs, including possible steps to strengthen the framework for the governance of SROs and ways to improve the transparency of the governance procedures of all SROs and has proposed rules in furtherance of this goal.¹⁷⁷ Depending on the results of the proposed rules, NSX may be required to make further changes to strengthen its governance structure. The Commission also believes that the NSX Board should continue to monitor and evaluate its governance structure and process on an ongoing basis and propose further changes as appropriate.

F. Dividends

With the demutualization, the holders of capital stock of NSX, in this case Holdings, would have the dividend and other distribution rights of a shareholder in a Delaware stock corporation. The NSX By-Laws allow the NSX Board to declare dividends.¹⁷⁸ However, the NSX By-Laws further provide that any revenues received by NSX from regulatory fees or regulatory penalties would be applied to fund the legal and regulatory operations, including the surveillance and enforcement activities, of NSX and would not be used to pay dividends.¹⁷⁹ This limitation would preclude NSX from providing dividends derived from regulatory fees or penalties to the sole shareholder of NSX, *i.e.*, Holdings. As a result, Holdings would not be able to provide dividends derived from regulatory fees or penalties belonging to NSX to the shareholders of Holdings. The Commission finds that the prohibition on the use of regulatory fees or penalties to fund dividends is consistent with Section 6(b)(1) of the Act because it would ensure that the regulatory authority of NSX is not used improperly to benefit Holdings and its shareholders.

G. Other Changes

Following the demutualization, NSX would continue to serve as a voting member of various NMS plans addressing last sale reporting, quotation reporting, and intermarket equities trading. In addition, following the demutualization, NSX will put into effect certain rule changes necessary to implement its proposed ETP structure, including referring to persons and firms who are currently qualified for

Exchange membership under its current Rules and By-Laws as ETP Holders, entitling them to maintain their trading access to the Exchange; corresponding changes to references in the Exchange's Rules to "members," "member organizations," and similar terms would also be made. ETP Holders would have revocable licenses allowing them to access the Exchange's trading facilities in the same manner currently authorized for qualified trading members. In addition, ETP Holders would be "members" of the Exchange for purposes of the Act and would be subject to NSX's regulatory jurisdiction and oversight. However, ETP Holders would not have any ownership interest in the Exchange or in Holdings by virtue of their ETPs. The Exchange would subject potential ETP Holders to an application process, and ETP Holders would be subject to the financial responsibility requirements of Rule 15c3-1 under the Act. ETPs would be effective until voluntarily terminated by the ETP Holder or until revoked by the Exchange. ETPs could not be sold, leased, or otherwise transferred.

As part of the demutualization, the Exchange would move certain non-corporate governance-related provisions currently in the NSX By-Laws to the NSX Rules. Finally, new NSX Rule 2.10 would prohibit, without prior Commission approval, either (i) NSX or any NSX affiliate from directly or indirectly acquiring or maintaining an ownership interest in an ETP Holder, or (ii) an ETP Holder being or becoming an affiliate of NSX or any affiliate of NSX. The term "affiliate" would have the meaning specified in Rule 12b-2 of the Act. Proposed Rule 2.10 would not prohibit any ETP Holder or its affiliate from acquiring or holding an equity interest in Holdings that is permitted by the ownership and voting limitations in the Holdings Certificate of Incorporation, and would not prohibit an ETP Holder or an officer, director, manager, managing member, partner, or affiliate of an ETP Holder being or becoming an ETP Holder Director or an At-Large Director on the NSX Board, or a member of the Holdings Board.

The Commission finds that these proposed rule changes are consistent with the requirements of the Acts and the rules and regulations thereunder. In particular, the Commission finds that the proposed rule changes relating to ETP Holders and their affiliates are consistent with Section 6(b)(1) of the Act,¹⁸⁰ which requires a national securities exchange to be so organized

and have the capacity to carry out the purposes of the Act.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁸¹ that the proposed rule change (SR-NSX-2006-03), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁸²

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-9354 Filed 6-14-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-53958; File No. SR-NYSE-2006-34]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change To Delete an Obsolete Provision in Its Minor Rule Violation Plan

June 8, 2006.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 2, 2006, the New York Stock Exchange LLC ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and approving the proposal on an accelerated basis.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange is proposing to amend NYSE Rule 476A (Imposition of Fines for Minor Violation(s) of Rules) to reflect the deletion of NYSE Rule 124(A). The text of the proposed rule change is available on the Exchange's Web site (<http://www.nyse.com>), at the Exchange's principal office, and at the Commission's Public Reference Room.

¹⁸¹ 15 U.S.C. 78s(b)(2).

¹⁸² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹⁷⁷ See Proposed Rulemaking, *supra* note 134.

¹⁷⁸ See proposed NSX By-Laws, Section 11.2.

¹⁷⁹ For purposes of this provision, regulatory penalties include restitution and disgorgement of funds intended for customers. See proposed NSX By-Laws, Section 10.4.

¹⁸⁰ 15 U.S.C. 78f(b)(1).

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

In its filing with the Commission, the Exchange 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 III below. The Exchange 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

NYSE Rule 124(A) prohibited unbundling of round-lot orders, failure to aggregate odd-lot orders into round-lot orders, the entry of both buy and sell odd-lot limit orders for the purpose of capturing the spread in the stock, and order entry practices intended to circumvent the round-lot market. NYSE Rule 124(A) is on the list of minor rule violations in NYSE Rule 476A.

The Exchange previously removed NYSE Rule 124(A) from its rules.³ The Exchange neglected to amend NYSE Rule 476A to reflect that change. This filing would correct that oversight by removing NYSE Rule 124(A) from the list of minor rule violations in NYSE Rule 476A.

2. Statutory Basis

The Exchange believes that the basis under the Act for this proposed rule change is the requirement under Section 6(b)(5) of the Act⁴ that an Exchange have rules that are designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanisms of a free and open market and a national market system, and, in general, to protect investors and the public interest.

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

The Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

³ See Securities Exchange Act Release No. 49745 (May 20, 2004), 69 FR 29998 (May 26, 2004) (SR-NYSE-2003-37).

⁴ 15 U.S.C. 78f(b)(5).

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. 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. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSE-2006-34 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSE-2006-34. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, 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 also will be available for inspection and copying at the principal office of the NYSE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSE-2006-34 and should be submitted on or before July 6, 2006.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.⁵ In particular, the Commission believes that the proposal is consistent with Section 6(b)(5) of the Act,⁶ which requires that the rules of an exchange be designed to promote just and equitable principles of trade, to remove impediments and to perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. The Commission also believes that the proposal is consistent with Sections 6(b)(1) and 6(b)(6) of the Act⁷ which require that the rules of an exchange enforce compliance with, and provide appropriate discipline for, violations of Commission and Exchange rules.

Finally, the Commission finds that the proposal is consistent with the public interest, the protection of investors, or otherwise in furtherance of the purposes of the Act, as required by Rule 19d-1(c)(2) under the Act⁸ which governs minor rule violation plans. The Commission believes that deleting an obsolete provision from the Exchange's minor rule violation plan is reasonable and consistent with the Act.

The Commission finds good cause, pursuant to Section 19(b)(2) of the Act,⁹ for approving the proposed rule change prior to the thirtieth day after the date of publication of the notice of the filing thereof in the **Federal Register**. Because the proposal merely deletes an obsolete provision from the Exchange's rules, the Commission believes that a full notice-and-comment period is not necessary before approving it.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act¹⁰ and Rule 19d-1(c)(2) thereunder,¹¹ that the proposed rule change (SR-NYSE-2006-34) be, and hereby is, approved and declared effective.

⁵ In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78f(b)(1) and 78f(b)(6).

⁸ 17 CFR 240.19d-1(c)(2).

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 240.19d-1(c)(2).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹²

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-9348 Filed 6-14-06; 8:45 am]

BILLING CODE 8010-01-P

SMALL BUSINESS ADMINISTRATION

SBA Lender Risk Rating System

AGENCY: U.S. Small Business Administration.

ACTION: Notice of extension of comment period.

SUMMARY: On May 1, 2006 SBA published a notice seeking comments on its proposed Lender Risk Rating System and notifying SBA Lenders (including 7(a) Lenders and Certified Development Companies) of the availability of risk rating information through SBA's Lender Portal. SBA is extending the comment period an additional 30 days to July 15, 2006. Given the significant level of interest the Notice has generated, SBA believes the affected parties would find it beneficial to have more time to review the proposal and prepare their comments.

DATES: The comment period for the SBA Lender Risk Rating System Notice and Request for Comments published May 1, 2006 (71 FR 25624) is extended through July 15, 2006.

ADDRESSES: Address all comments by mail, hand delivery, or courier to John M. White, Deputy Associate Administrator, Office of Lender Oversight, U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20416; or via facsimile to (202) 205-6831; or by e-mail to proposedriskrating@sba.gov.

FOR FURTHER INFORMATION CONTACT: John M. White, Deputy Associate Administrator, at (202) 205-3049.

(Authority: 15 U.S.C. 634)

Dated: June 8, 2006.

Michael W. Hager,

Associate Deputy Administrator for the Office of Capital Access.

[FR Doc. E6-9344 Filed 6-14-06; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF STATE

[Public Notice 5442]

Shipping Coordinating Committee; Facilitation Committee; Notice of Meeting

The Shipping Coordinating Committee (SHC) will conduct an open meeting at 12:30 p.m. on Monday, June 26, 2006, in Room 1303 of the United States Coast Guard Headquarters building, 2100 Second Street SW., Washington, DC 20593-0001. The primary purpose of the meeting is to prepare for the thirty-third session of the Facilitation Committee (FAL 33) of the International Maritime Organization (IMO) to be held from July 3 to 7, 2006, at IMO Headquarters in London, England.

The primary matters for discussion for FAL 33 will include the following:

- General review and implementation of the Convention on Facilitation of International Maritime Traffic.
- Consideration and adoption of proposed amendments to the Annex to the Convention.
- Electronic means for the clearance of ships.
- Application of the Committee's Guidelines.
- Prevention and suppression of unlawful acts at sea or in port—Facilitation aspects.
- Measure to enhance maritime security—Facilitation aspects.
- Formalities connected with the arrival, stay and departure of persons.
- Formalities connected with the arrival, stay and departure of ships.
- Facilitation aspects of other IMO forms and certificates.
- Ship/port interface.
- Technical co-operation sub-programme for facilitation.

Please note that hard copies of documents associated with FAL 33 will not be available at this meeting. Documents will be available in Adobe Acrobat format on CD-ROM. To request documents, please contact Mr. David Du Pont via e-mail at DDuPont@comdt.uscg.mil or write to the address provided below.

Members of the public may attend this meeting up to the seating capacity of the room. Interested persons may seek information by writing to Mr. David Du Pont, Commandant (G-PSR), U.S. Coast Guard Headquarters, 2100 Second Street SW., Room 1400, Washington, DC 20593-0001 or by calling (202) 372-1497.

Dated: June 9, 2006.

Margaret Hayes,

Director, Shipping Coordinating Committee, Department of State.

[FR Doc. E6-9358 Filed 6-14-06; 8:45 am]

BILLING CODE 4710-09-P

DEPARTMENT OF STATE

[Public Notice 5441]

Determination Under Subsection 402(d)(1) of the Trade Act of 1974, As Amended—Continuation of Waiver Authority

Pursuant to the authority vested in the President under the Trade Act of 1974, as amended, Public Law 93-618, 88 Stat. 1978 (hereinafter "the Act"), and assigned to the Secretary of State by virtue of section 1(a) of Executive Order 13346 of July 8, 2004, as well as the authority delegated to the Deputy Secretary of State by Delegation of Authority 245 of April 23, 2001, I determine, pursuant to section 402(d)(1) of the Act, 19 U.S.C. 2432(d)(1), that the further extension of the waiver authority granted by section 402 of the Act will substantially promote the objectives of section 402 of the Act. I further determine that continuation of the waiver applicable to Vietnam will substantially promote the objectives of section 402 of the Act.

This determination shall be published in the **Federal Register**.

Dated: June 2, 2006.

Robert B. Zoellick,

Deputy Secretary of State, Department of State.

[FR Doc. E6-9310 Filed 6-14-06; 8:45 am]

BILLING CODE 4710-30-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Volunteer Income Tax Assistance (VITA) Issue Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel VITA Issue Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comment, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Tuesday, July 11, 2006, at 3:30 p.m. Eastern Time.

¹² 17 CFR 200.30-3(a)(12).