

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54955; File No. SR-NYSE-2006-89]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Require Member Organizations To Use Their Own Mnemonics When Entering Orders

December 18, 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 December 1, 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, II and III below, which Items have been prepared principally by the NYSE. The Exchange filed this proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A) of the Act,³ and Rule 19b-4(f)(6) thereunder,⁴ which renders the proposal effective upon filing with the Commission.⁵ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to add Rule 131A (A Member Organization Shall Use Its Own Mnemonic When Entering Orders) to require that member organizations obtain and use mnemonics in their own name to accurately identify the member organization submitting orders. The text of the proposed rule change is available on the Exchange’s Web site (<http://www.nyse.com>), at the Exchange’s Office of the Secretary and at the Commission’s Public Reference Room.

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 IV 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

The Exchange provides its member organizations with unique identifiers referred to as mnemonics. The Exchange, at its discretion, may assign multiple mnemonics to a member organization. Member organizations often use different mnemonics as an internal order management tool or for other administrative purposes. Member organizations are required to input one of their mnemonics in the “entering firm” field when submitting an order to the NYSE.

The Exchange proposes to add Rule 131A to require that member organizations use mnemonics that accurately identify the member organization entering an order at the Exchange. The purpose for this change is three-fold. First, the Exchange’s ability to accurately identify the member organization entering an order is necessary to properly attribute trade volume to the correct member organization for direct billing purposes. Second, the proposed rule change will strengthen the Exchange’s ability to meet its obligations as a self-regulatory organization by providing additional and readily accessible information regarding the entering member organization. Third, the proposed rule change will clarify the use of mnemonics by member organizations.

With respect to the need to clarify the use of mnemonics; currently, clearing member organizations at times request mnemonics from the NYSE on behalf of member organizations for which they clear. Some of these requests are made in the name of the clearing member organization instead of the entering member organization. As a result, member organizations may use mnemonics that the NYSE recognizes as that of the clearing member organization instead of the member organization submitting the order.

Additionally, some member organizations that handle the execution of orders for another member organization on the Floor of the Exchange do not use the mnemonic of the member organization on whose

behalf they are handling the order. The result is that the member organization where the order originated is not identified as the entering firm. Additionally, some member organizations fail to use their own mnemonic to identify themselves as the entering firm when handling an order for a non-member.

The proposed rule will create a uniform standard of use pertaining to mnemonics. It will also accomplish the stated business and regulatory goals of the Exchange and provide a basis for disciplinary action in instances where deviation from that standard is found.

The Exchange does not anticipate that there will be any significant system or program changes required of its member organizations in order to comply with the Rule. Pursuant to the Rule, member organizations will be required to use mnemonics issued in their own name. Any member organization that currently uses mnemonics in the name of its clearing member organization must obtain new mnemonics in its own name or change the name of the entering member organization on its existing mnemonics so that the existing mnemonic will thereafter accurately identify the name of the member organization. The Exchange retains the responsibility of issuing new mnemonics or changing the name of the entering member organization on its existing mnemonics. Clearing member organizations may continue to request mnemonics on behalf of a member organization that enters orders on the Exchange, but such mnemonics must be in the entering member organization’s name.

Proposed Rule 131A requires member organizations submitting orders to the Exchange to enter a mnemonic issued in their own name in the order’s “entering firm” field. For example, in the case of a Floor-based execution where a Floor broker for member organization (A) requests that an independent Floor broker handle the order for execution, the independent Floor broker must use the mnemonic of member organization (A) as the entering firm. Similarly, if member organization (B) uses its order entry systems to submit the order of member organization (C) to the Exchange, member organization (B) must use its own mnemonic to identify itself as the entering firm. The proposed rule does not change the way in which member organizations currently conduct their business. Moreover, the Exchange does not believe that the Rule hinders its member organization’s ability to compete. The proposed rule merely changes the way in which the Exchange

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

⁵ The Exchange requested that the Commission waive the five-day pre-filing notice requirement specified in Rule 19b(f)(6)(iii), 17 CFR 240.19b-4(f)(6)(iii).

attributes trade volume for direct billing purposes.

2. Statutory Basis^{The}

Exchange states that the basis under the Act for this proposed rule change is the requirement under Section 6(b)(5)⁶ that an exchange have rules that are designed to promote just and equitable principles of trade, to serve to remove impediments to and 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 Exchange states that the proposed rule will provide more accurate order identification.

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

The Exchange states that the proposed rule change does not impose 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

The Exchange states that no written comments were solicited or received with respect to the proposed rule change.

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

Because the foregoing proposed rule change: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) by its terms does not become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸

The Exchange requests that the Commission waive the provision in Rule 19b-4(e)(6)(iii)⁹ requiring written notice of the NYSE's intent to file the proposed rule change at least five days prior to the filing date. The Commission grants the Exchange's request to waive the pre-filing requirement because a similar version this proposal was filed previously with the Commission.

At any time within 60 days of the filing of the 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. 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 No. SR-NYSE-2006-89 on the subject line.

Paper Comments

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

All submissions should refer to File No. SR-NYSE-2006-89. 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 will also be available for inspection and copying at the principal office of the Exchange. 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 No. SR-NYSE-2006-89 and should be submitted on or before January 17, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Nancy M. Morris,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54966; File No. SR-NYSEArca-2006-89]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change and Amendment No. 1 Thereto Relating to Exchange Fees and Charges

December 19, 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 December 1, 2006, NYSE Arca, Inc. ("NYSE Arca" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been substantially prepared by NYSE Arca. On December 15, 2006, the Exchange submitted Amendment No. 1 to the proposed rule change. NYSE Arca has filed the proposal pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

NYSE Arca proposes to amend its Schedule of Fees and Charges For Exchange Services ("Schedule") to make a minor change to the Firm Transaction Fee, eliminate certain obsolete fees, and make a non-substantive formatting change to the Schedule. The text of the proposed rule change is available on NYSE Arca's Web site at <http://www.nysearca.com>, at the principal office of NYSE Arca, and at the Commission's Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(2).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(6).

⁹ 17 CFR 240.19b-4(e)(6)(iii).

¹⁰ 17 CFR 200.30-3(a)(12).