

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 NASDAQ. 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 publicly available. All submissions should refer to File Number SR-NASDAQ-2006-060 and should be submitted on or before March 7, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁸

Nancy M. Morris,
Secretary.

[FR Doc. E7-2532 Filed 2-13-07; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55259; File No. SR-NSCC-2006-18]

Self-Regulatory Organizations; National Securities Clearing Corporation; Order Granting Accelerated Approval of a Proposed Rule Change To Create Service To Facilitate the Exchange of Account Related Information on an Automated Basis Between Members

February 8, 2007.

I. Introduction

On December 21, 2006, the National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") and on January 5, 2007, amended¹ proposed rule change SR-NSCC-2006-18 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").² Notice of the proposal was published in the **Federal Register** on January 18, 2007.³ The Commission received no comment letters. For the reasons discussed below, the Commission is approving the proposed rule change on an accelerated basis.

II. Description

Currently, when a correspondent firm chooses to move its book of business from one NSCC member to another,

there is no standard method for transmitting the detailed customer data between the members. This information is currently exchanged through tapes, CDs, and other means and is dependent on the proprietary data format and values defined by the clearing firm from which the correspondent is moving. The process is time-consuming and prone to incorrect interpretation of data values. It is made more inefficient because clearing firms maintain separate code for each other clearing firm for which they convert data.

NSCC is modifying its rules to create the Account Information Transmission Service ("AIT") to facilitate the exchange of account related information during the movement of correspondent broker accounts between members or during other material events that result in the bulk movement of accounts between members. AIT will provide members with a standard mechanism to transmit customer data that will reduce the potential for lost and incorrectly interpreted data and will provide members with a secure facility for the exchange of data. The standard data model also will allow for the adoption of a single code base that is applicable for all conversion events. NSCC believes the single standard format could reduce costs, increase accuracy, and accelerate delivery time.

NSCC will develop and introduce AIT in two phases. The first phase is to create the mechanism by which members may transmit data between themselves. NSCC will implement the first phase on Monday, February 12, 2007. The second phase will involve the development of standardized data formats. NSCC will notify the Commission of phase two enhancements prior to their implementation.

Since AIT is only an information transmission service, NSCC is also amending its rules to clarify that NSCC is not responsible for the accuracy or completeness of any information transmitted through AIT or for any omissions or delays that may occur in the transmission of AIT data. Finally, NSCC is implementing a \$200 monthly subscription fee for participation in AIT during phase one. NSCC will reevaluate AIT service fees as subsequent enhancements are completed.

III. Discussion

Section 19(b) of the Act directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to

such organization.⁴ Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions.⁵ The Commission finds that NSCC's rule change is consistent with these requirements because by reducing costs, increasing accuracy, and accelerating delivery time of bulk movement of accounts between members, the proposed rule change should better enable NSCC to promote the prompt and accurate clearance and settlement of securities transactions.⁶

The Commission believes there is good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of filing because doing such will allow NSCC to implement AIT according to its system implementation schedule.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (File No. SR-NSCC-2006-18) be and hereby is approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁸

Nancy M. Morris,
Secretary.

[FR Doc. E7-2540 Filed 2-13-07; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55254; File No. SR-Phlx-2006-88]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Rule 712, Independent Audit

February 8, 2007.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

⁴ 15 U.S.C. 78s(b).

⁵ 15 U.S.C. 78q-1(b)(3)(F).

⁶ In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(12).

⁸ 17 CFR 200.30-3(a)(12).

¹ The amendment added the number of the new rule inadvertently omitted in the original filing.

² 15 U.S.C. 78s(b)(1).

³ Securities Exchange Act Release No. 55082 (January 10, 2007), 72 FR 2319.