

which it was filed, 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 Act and Rule 19b-4(f)(6)(iii) thereunder.¹⁰

The Exchange requests that the Commission waive the 30-day operative delay specified in Rule 19b-4(f)(6)(iii).¹¹ The Exchange believes that the proposed amendment does not affect investors as it simply waives a fee that is applicable to companies listing on the Exchange. Moreover, Nasdaq has already instituted such a waiver and the Exchange is at a competitive disadvantage as long as Nasdaq can list transferring companies without the payment of original listing fees and the Exchange cannot. Therefore, the Exchange believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest.

The Commission has determined to waive the 30-day delay and allow the proposed rule change to become operative immediately.¹² The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. The proposed rule is substantially similar to provisions in Nasdaq's Rules 4510(a) and 4520(a), which were previously approved by the Commission.¹³

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:

¹⁰ The Exchange provided written notice to the Commission of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to filing, as required by Rule 19b-4(f)(6)(iii).

¹¹ 17 CFR 240.19b-4(f)(6)(iii).

¹² For purposes only of waiving the operative delay of this proposal, 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).

¹³ See *supra* note 5.

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-2007-17 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 Number SR-NYSE-2007-17. 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 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 Number SR-NYSE-2007-17 and should be submitted on or before March 20, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Florence E. Harmon,
Deputy Secretary.

[FR Doc. E7-3287 Filed 2-26-07; 8:45 am]

BILLING CODE 8010-01-P

¹⁴ 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55316; File No. SR-NYSE-2007-14]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change and Amendment No. 1 Thereto Relating to Rule 70 (Bids and Offers)

February 20, 2007.

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 February 7, 2007, 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 substantially prepared by the self-regulatory organization. On February 16, 2007, the Exchange filed Amendment No. 1 to the proposed rule change. NYSE filed the proposed rule change pursuant to Section 19(b)(3) of the Act³ and Rule 19b-4(f)(6) thereunder,⁴ which renders the proposed rule change 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

The Exchange is proposing to amend Exchange Rule 70.30 which sets forth the definition of Crowd. 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 self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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).

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

1. Purpose

The Exchange's Hybrid MarketSM ("Hybrid Market") integrates the auction market with automated trading. Essential to the auction market is the interaction among members on the Floor and between Floor brokers and orders in the Display Book[®] System that creates opportunities for price improvement, provides information about changing market conditions and serves as a catalyst to trading. Exchange Rule 70.30⁵ defines a Crowd as " * * * the specific identifiable areas on the Floor where Floor brokers generally are able to see and hear the business conducted at each post/panel within the Crowd." Each designated area served to delineate the boundaries of the Crowd. In order to identify the specific boundaries of the Crowd, the Exchange divided each trading room of the Floor into specific areas which were identified on the Floor by colored tiles.

Exchange Rule 70.30 further requires that Floor brokers be in the Crowd in order to represent orders that the Floor broker has in his or her agency interest files (*i.e.*, in order to "e-Quote"). Pursuant to Rule 70.30 a Floor broker may only have agency interest files or e-Quote in one Crowd at a time.

As the Exchange continues its implementation of the Hybrid Market, it has gained experience operating in the Hybrid Market environment. Based on this experience, the Exchange seeks to amend the definition of Crowd in order to better facilitate the critical interaction among members on the Floor.

In practice, the current definition of the Crowd proved difficult and confusing. Individuals that were unable to easily discern Crowd boundaries and those with color blindness must rely on charts that list the post/panels that are designated areas that make up the specified Crowd, adding a level of inefficiency to their ability to trade.

In addition, as announced on October 31, 2006,⁶ the Exchange is in the process of consolidating its trading operations from five rooms to four over an 18-month period. The trading floor consolidation plan calls for the closing of the trading room that currently occupies 30 Broad Street and the

relocation of the specialist firm and the 33 floor brokerage firms from that facility to the Exchange's other trading rooms.

Given the practical difficulties with the current definition of a Crowd and the current consolidation of the Floor, the Exchange proposes to amend the definition of the Crowd in order to reflect more accurately the areas which most efficiently facilitate the beneficial interaction among the members on the Floor. The Exchange believes that this is best reflected in defining the Crowd as encompassing the trading Floor in each remaining trading room.

The Exchange will divide the Floor into three trading zones. Each trading zone will represent a specific identifiable Crowd. As a result, the current Main Room and Garage will each constitute two separate Crowds. The third Crowd will include the current Blue Room and Extended Blue Room.

As is the case today, once in a Crowd, a Floor broker is able to e-Quote in all securities located in that Crowd. If the Floor broker leaves one Crowd in order to work in another, the Floor broker is required to withdraw his or her agency interest from the Crowd he or she is leaving. However, a Floor Broker may obtain "market looks" in a securities located in other Crowds without canceling his or her e-Quotes. The Exchange intends that the proposed rule change will be operative on February 20, 2007.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,⁷ in general, and furthers the objectives of Section 6(b)(5) of the Act⁸ in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

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

The Exchange does not believe that the proposed rule change will 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 has neither solicited nor received written comments on the proposed rule change.

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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) by its terms, become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, it has become effective pursuant to Section 19(b)(3)(A) of the Act⁹ and Rule 19b-4(f)(6) thereunder.¹⁰

A proposed rule change filed under Rule 19b-4(f)(6) normally may not become operative prior to 30 days after the date of filing. However, Rule 19b-4(f)(6)(iii)¹¹ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the five-day pre-filing notice requirement and the 30-day operative delay. The Commission believes that waiver of the five-day pre-filing notice requirement and the 30-day operative delay is consistent with the protection of investors and the public interest. Specifically, the Commission believes that the proposal could more accurately reflect the areas which most efficiently facilitate the beneficial interaction among the Floor brokers and allow the exchange to implement the proposal immediately.¹²

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such proposed 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.¹³

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(6).

¹¹ 17 CFR 240.19b-4(f)(6)(iii).

¹² For purposes only of waiving the operative delay for this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹³ For purposes of calculating the 60-day period within which the Commission may summarily abrogate the proposed rule change under Section 19(b)(3)(C) of the Act, 15 U.S.C. 78s(b)(3)(C), the Commission considers the period to commence on

⁵ See Securities Exchange Act Release No. 54427 (September 12, 2006), 71 FR 54862 (September 19, 2006) (SR-NYSE-2006-58).

⁶ NYSE Announces Floor Consolidation Plan, NYSE Group Newsletter, October 31, 2006, available at <http://www.nyse.com/about/publication/1164799108193.html>.

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

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 Number SR-NYSE-2007-14 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 Number SR-NYSE-2007-14. 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 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 Number SR-NYSE-2007-14 and should be submitted on or before March 20, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Florence E. Harmon,

Deputy Secretary.

[FR Doc. E7-3289 Filed 2-26-07; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55312; File No. SR-NYSEArca-2007-16]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Size-Quote Pilot Program

February 16, 2007.

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 February 14, 2007, NYSE Arca, Inc. ("NYSE Arca" or "Exchange"), filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items substantially have been prepared substantially by NYSE Arca. NYSE Arca has designated the proposed rule change as one constituting a non-controversial rule change under Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) 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 from interested persons.

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

NYSE Arca, Inc. is proposing to amend its rules in order to restore certain rule text to Rule 6.47 regarding the Size Quote Pilot Program ("Pilot Program") and to extend the Pilot Program, for a one-year period ending February 15, 2008. The text of the proposed rule change is available at (<http://www.nyse.com>), NYSE Arca, and the Commission's Public Reference Room.

¹⁴ 17 CFR 200.30-3(a)(12).

¹⁵ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

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

In its filing with the Commission, NYSE Arca 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. NYSE Arca 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 purpose of this proposal is to restore rule text that was inadvertently deleted from NYSEArca Rule 6.47(f) and to extend, for a one year period, the Exchange's Size Quote Pilot Program. The Pilot Program was initially established when the Exchange filed SR-PCX-2005-35.⁵ The Pilot Program was extended when the Exchange filed PCX-06-09,⁶ and was set to expire on February 15, 2007.

The rule text relating to the Size-Quote Pilot Program was mistakenly deleted from the Rules of NYSE Arca when the Exchange proposed, and subsequently received approval for SR-NYSEArca 2006-13.⁷ Due to an oversight on behalf of Exchange staff, certain sections of established rule text, that the Exchange intended to keep in the Rules, were inadvertently deleted by the filing. The Exchange now proposes to restore the rule text covering the Pilot Program.

The Exchange has represented that at the completion of the Pilot Program, NYSE Arca would provide to the Commission a report summarizing the effectiveness of the Size Quote program. While the Exchange believes that the Size Quote Mechanism can be an effective tool for Floor Brokers to use while executing large size orders in

⁵ See Securities Exchange Act Release No. 51576 (April 19, 2005), 70 FR 21488 (April 26, 2005).

⁶ See Securities Exchange Act Release No. 53315 (February 15, 2006), 71 FR 9406 (February 23, 2006).

⁷ See Securities Exchange Act Release No. 54238 (July 28, 2006), 71 FR 44758 (August 7, 2006) (SR-NYSEArca-2006-13) (approval of OX trading rules).

See also telephone conversation between Glenn Gsell, Director, NYSE Arca, Ira Brandriss, Special Counsel, Division of Market Regulation ("Division"), Commission, and Jennifer Dodd, Special Counsel, Division, Commission, on February 15, 2007.