

specialist firm for any issue of Currency-Linked Securities or its affiliates to make markets in and trade the Currency Reference Asset components, the currencies underlying the Currency Reference Asset components, or options, futures, or options on futures on the Currency Reference Asset, or any other derivatives based on the Currency Reference Asset, any Currency Reference Asset component, or any currency underlying a Currency Reference Asset component.

#### Trading Halts

In the case of Commodity-or Currency-Linked Securities, if the indicative value or the Commodity Reference Asset value or Currency Reference Asset value, as the case may be, applicable to a series of such securities is not being disseminated as required, or, in the case of Equity Index-Linked Securities, if the value of the Underlying Index is not being disseminated as required, the Exchange may halt trading during the day on which such interruption first occurs. If such interruption persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption.

#### 2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,<sup>16</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>17</sup> in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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.

#### 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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

The Exchange has requested accelerated approval of this proposed rule change prior to the 30th day after the date of publication of the notice of the filing thereof. The Commission has determined that a 15-day comment period is appropriate in this case.

#### 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2007-27 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-2007-27. 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 the 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-2007-27 and should be submitted on or before April 30, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>18</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-7056 Filed 4-12-07; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55596; File No. SR-NYSEArca-2007-30]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Fees for Transactions in Listed and Nasdaq Securities Priced Less Than One Dollar

April 6, 2007.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 22, 2007, NYSE Arca, Inc. ("NYSE Arca" or "Exchange"), through its wholly owned subsidiary NYSE Arca Equities, Inc. ("NYSE Arca Equities"), 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 the Exchange. NYSE Arca has filed the proposal pursuant to Section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup>

<sup>18</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b-4(f)(2).

<sup>16</sup> 15 U.S.C. 78f(b).

<sup>17</sup> 15 U.S.C. 78f(b)(5).

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**

The Exchange proposes to amend the section of its Schedule of Fees and Charges for Exchange Services ("Fee Schedule") that applies to transactions by ETP Holders<sup>5</sup> to add a pricing structure for listed and Nasdaq securities priced less than one dollar. The text of the proposed rule change is available at NYSE Arca, the Commission's Public Reference Room, and [www.nysearca.com](http://www.nysearca.com).

### **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 Exchange proposes to amend the section of its Fee Schedule that applies to transactions by ETP Holders to add a separate pricing structure for listed and Nasdaq securities priced less than one dollar (\$1.00) consistent with Rule 610(c) of Regulation NMS.<sup>6</sup> The Exchange intends to implement these changes to the Fee Schedule pursuant to this proposal immediately upon filing.

The Fee Schedule currently provides that ETP Holders are charged between \$0.001 per share and \$0.003 per share for round-lot transactions in NYSE-listed and Nasdaq securities that execute against orders residing on the NYSE Arca Book. ETP Holders are charged \$0.03 per share for listed securities and \$0.004 per share for Nasdaq securities for odd-lot orders that execute against orders residing on the NYSE Arca Book. Similarly, ETP Holder orders that route to any away market

center or participant and are executed are charged between \$0.001 per share and \$0.03 per share, dependent upon the away market center or participant, the type of security, and whether the transaction was for a round or odd-lot.

The Exchange proposes to amend the Fee Schedule to (i) clarify that these fees will remain unchanged for listed and Nasdaq securities priced greater than or equal to \$1.00, and (ii) add a separate, distinct pricing structure for listed and Nasdaq securities priced less than \$1.00, pursuant to Rule 610(c) of Regulation NMS, and consistent with the recent fee announcement<sup>7</sup> by The NASDAQ Stock Market LLC. Specifically, the Exchange proposes to implement a fee of 0.1% of the total dollar value for all round and odd-lot transactions of ETP Holders that execute against orders residing on the NYSE Arca Book for listed or Nasdaq securities priced less than \$1.00, and shall impose a fee of 0.3% of the total dollar value for orders of listed and Nasdaq securities priced less than \$1.00 that route and are executed with any away market center or participant. The Exchange will not provide a rebate (credit) to ETP Holders for any transactions in securities priced less than \$1.00.

##### **2. Statutory Basis**

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>8</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act,<sup>9</sup> in particular, in that it is intended to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities.

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

The Exchange does not believe that the proposed rule change will result in 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*

No written comments were either solicited or received.

<sup>7</sup> See Securities Exchange Act Release No. 55576 (April 3, 2007) (SR-NASDAQ-2007-026); see also NASDAQ Head Trader Alert #2007-065: NASDAQ Announces Pricing Change for Non-NASDAQ Listed Executions Under \$1 (March 21, 2007) (announcing an execution fee of 0.1%, or 10 basis points, for non-NASDAQ securities with a share price below \$1.00).

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(4).

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>10</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder<sup>11</sup> because it establishes or changes a due, fee, or other charge applicable only to a member imposed by the self-regulatory organization. Accordingly, the proposal is effective upon Commission receipt of the filing. 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEArca-2007-30 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-NYSEArca-2007-30. 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

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>11</sup> 17 CFR 240.19b-4(f)(2).

<sup>5</sup> See NYSE Arca Equities Rule 1.1(n).

<sup>6</sup> 17 CFR 242.610(c).

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 the filing also will be available for inspection and copying at the principal office of NYSE Arca. 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-NYSEArca-2007-30 and should be submitted on or before May 4, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>12</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-6959 Filed 4-12-07; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55599; File No. SR-Phlx-2007-32]

### Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Equity Option and Index Option Floor Brokerage Assessment

April 6, 2007.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 30, 2007, the Philadelphia Stock Exchange, Inc. ("Phlx" 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 Phlx. Phlx filed the proposal pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup> 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

Phlx proposes to amend the equity option and index option Floor Brokerage Assessment to change the levels of the monthly net floor brokerage income and corresponding assessment and to effectively reduce the fee cap from \$100,000 per month to \$10,000 per month. The proposed equity option and index option Floor Brokerage Assessment is set forth below:

Monthly net floor brokerage income	Assessment
\$0-\$200,000 .....	5% for all amounts up to and including \$200,000.
Any amount over \$200,000.	No additional charge.

Monthly Cap: \$10,000.

The proposed amendments to the Floor Brokerage Assessment, as set forth above, are scheduled to become effective for trades settling on or after April 2, 2007.

The Exchange also proposes to make a minor technical change to clarify that the title "Summary of Equity Option and RUT and RMN Charges" should appear on each page of that section of the fee schedule rather than merely on the first page. The text of the proposed rule change is available at Phlx, the Commission's Public Reference Room, and <http://www.phlx.com>.

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

In its filing with the Commission, Phlx 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. Phlx 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 amending the Floor Brokerage Assessment, including effectively lowering the monthly fee cap to \$10,000,<sup>5</sup> is to create a financial

incentive for floor brokers to send additional order flow to the Exchange, which should, in turn, allow the Exchange to remain competitive.

The purpose of setting forth the title "Summary of Equity Option and RUT and RMN Charges" on each applicable page of the fee schedule is to codify a change that was recently made to the Exchange's fee schedule. The Exchange recently filed a proposed rule change to assess equity option charges (including payment for order flow charges), as opposed to index option charges, on (1) options on the Russell 2000<sup>®</sup> Index<sup>6</sup> traded under the symbol RUT (the "Full Value Russell Index"), and (2) options on the one-tenth value Russell 2000<sup>®</sup> Index traded under the symbol RMN (the "Reduced Value Russell Index").<sup>7</sup> The Exchange changed the title of the first page of the equity option fee schedule from "Summary of Equity Option Charges" to "Summary of Equity Option and RUT and RMN Charges," but inadvertently did not make corresponding changes to the title on each subsequent page of the equity option fee schedule. Thus, placing the title "Summary of Equity Option and RUT and RMN Charges" on each page will more accurately reflect the changes that were recently made to the Exchange's fee schedule, as described above.

##### 2. Statutory Basis

The Exchange believes that its proposal to amend its schedule of fees is consistent with Section 6(b) of the Act,<sup>8</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act,<sup>9</sup> in particular, in that it is an equitable

monthly net floor brokerage income for all amounts up to and including \$200,000. For example, if the net floor brokerage income is \$300,000 for a particular month, then the first \$200,000 would be assessed a rate of 5%, (which is \$10,000) and the remainder (\$100,000) would not be charged any additional Floor Brokerage Assessment.

<sup>6</sup> Russell 2000<sup>®</sup> is a trademark and service mark of the Frank Russell Company, used under license. Neither Frank Russell Company's publication of the Russell Indexes nor its licensing of its trademarks for use in connection with securities or other financial products derived from a Russell Index in any way suggests or implies a representation or opinion by Frank Russell Company as to the attractiveness of investment in any securities or other financial products based upon or derived from any Russell Index. Frank Russell Company is not the issuer of any such securities or other financial products and makes no express or implied warranties of merchantability or fitness for any particular purpose with respect to any Russell Index or any data included or reflected therein, nor as to results to be obtained by any person or any entity from the use of the Russell Index or any data included or reflected therein.

<sup>7</sup> See Securities Exchange Act Release No. 55473 (March 14, 2007), 72 FR 13338 (March 21, 2007) (SR-Phlx-2007-12).

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(4).

<sup>12</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>4</sup> 17 CFR 240.19b-4(f)(2).

<sup>5</sup> Although the fee schedule will reflect a cap of \$10,000, in actuality listing the cap is just for clarity; mathematically, the cap would exist anyway because the 5% assessment would be applied to the