

underwriters to: (i) Submit certain information about a new issue of municipal securities to Depository Trust and Clearing Corporation's New Issue Information Dissemination System ("NIIDS") within set timeframes; and (ii) set and disseminate a "Time of First Execution" that allows time for market participants to access necessary information in preparation for trade reporting prior to beginning trade executions in the issue. A full description of the proposal is contained in the Commission's Notice.

SIFMA stated in its comment letter that it fully supports increased price transparency in the municipal marketplace and strongly supports the development of the Depository Trust and Clearing Corporation's New Issue Information Dissemination System. However, SIFMA recommended that the proposal not be effective on June 30, 2008 because firms have not had sufficient time to review and test the system and because current unexpected market issues and issuance volume related to auction-rate securities have significantly increased the time demands on the operations staff at the various firms. GKST also supported increased price transparency and the proposal but believed that if the Depository Trust and Clearing Corporation cannot fix the problems that have already been identified, the cost of complying with the proposed directive will be a severe burden to all firms but relatively more so to smaller firms. The RBDA also supported the development and implementation of the New Issue Information Dissemination System as a way to enhance the overall level of transparency in the municipal market, but did not believe the June 30 deadline offered the market enough time to fully test and implement the system. All three commentators suggested postponing the originally-proposed June 30, 2008 implementation date.

In Amendment No. 1, the MSRB postponed the effective date of the proposed rule change from June 30, 2008 to September 30, 2008. The MSRB believes that the new effective date will address commentators concerns and will allow for the additional time necessary for implementation of NIIDS.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the MSRB⁷ and, in particular, the requirements of Section

15B(b)(2)(C) of the Act⁸ and the rules and regulations thereunder. Section 15B(b)(2)(C) of the Act requires, among other things, that the MSRB's rules be 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.⁹ In particular, the Commission finds that the proposed rule change is consistent with the Act because it will allow the municipal securities industry to produce more accurate trade reporting and transparency. The proposal will be effective on September 30, 2008, as requested by the MSRB.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (SR-MSRB-2007-08), as modified by Amendment No. 1, be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57746; File No. SR-NYSE-2008-34]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Exchange Rule 36 (Communication Between Exchange and Exchange Members' Offices)

April 30, 2008.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 29, 2008, the New York Stock Exchange LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in

⁸ 15 U.S.C. 78o-4(b)(2)(C).

⁹ *Id.*

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Items I and II below, which Items have been substantially prepared by the Exchange. The Exchange filed the proposed rule change pursuant to Section 19(b)(3)(A) 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

The Exchange seeks to extend its current portable phone pilot (the "Pilot") operating pursuant to Exchange Rule 36 from its scheduled April 30, 2008 expiration date to no later than the approval of SR-NYSE-2008-20⁵ or June 30, 2008, the earlier thereof.

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 seeks to extend the Pilot operating pursuant to Exchange Rule 36 from the Pilot's scheduled April 30, 2008 expiration date to no later than the approval of SR-NYSE-2008-20 or June 30, 2008, the earlier thereof.

Pursuant to the Pilot, Floor brokers and Registered Competitive Market Makers ("RCMMs") are permitted to use an Exchange authorized and provided portable telephone on the Exchange Floor provided certain conditions are met. Such usage has been permitted on a pilot basis. The current Pilot expires on April 30, 2008. Through the rule filing SR-NYSE-2008-20, the Exchange seeks to have the amendment to Exchange Rule 36 made permanent.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

⁵ See Securities Exchange Act Release No. 57611 (April 3, 2008), 73 FR 19274 (April 9, 2008). The comment period expires on April 30, 2008.

⁷ In approving this proposed rule change, the commission notes that it has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

Exchange filing SR-NYSE-2008-20 was noticed for comment in the **Federal Register** by the Commission on April 9, 2008. The comment period ends on April 30, 2008. In order to avoid a lapse of the operation of the Pilot pending the approval of SR-NYSE-2008-20 by the Commission, the Exchange proposes in the instant filing to extend the operation of the Pilot either for an additional two months until June 30, 2008, or until the approval of SR-NYSE-2008-20, whichever occurs first.

Background

The Commission originally approved the Pilot to be implemented for a six-month period⁶ beginning no later than June 23, 2003.⁷ Since the inception of the Pilot, the Exchange has extended the Pilot nine times, with the current Pilot expiring on April 30, 2008.⁸

Exchange Rule 36 governs the establishment of telephone or electronic communications between the Exchange's Trading Floor and any other location. Prior to the Pilot, Exchange Rule 36 prohibited the use of portable telephone communication between the

Trading Floor and any off-Floor location.

During the operation of the Pilot, Floor brokers and RCMMs may use Exchange authorized and issued portable telephones on the Floor. Floor brokers are permitted to engage in direct voice communication from the point of sale to an off-Floor location, such as a member firm's trading desk or the office of one of the broker's customers. Such communications permit the broker to accept orders consistent with Exchange rules governing the entry of orders on the NYSE Floor, provide status and oral execution reports as to orders previously received, as well as "market look" observations as have historically been routinely transmitted from a broker's booth location.

Both incoming and outgoing calls are allowed, provided the requirements of all other Exchange rules have been met. A Floor broker is not permitted to represent and execute any order received as a result of such voice communication unless the order is first properly recorded by the member and entered into the Exchange's Front End Systemic Capture ("FESC") electronic database (Exchange Rule 123(e)).⁹ In addition, Exchange rules require that any Floor broker receiving orders from the public over portable phones must be properly qualified to engage in such direct access business under Exchange Rules 342 and 345, among others.¹⁰

The Pilot also allows RCMMs to use an Exchange authorized portable phone solely to call and receive calls from their booths on the Floor, to communicate with their or their member organizations' off-Floor office, and to communicate with the off-Floor office of their clearing member organization to enter off-Floor orders and to discuss matters related to the clearance and settlement of transactions, provided the off-Floor office uses a wired telephone line for these discussions. RCMMs, who trade for their own accounts on the Floor subject to the requirements of NYSE Rule 107A, are currently not allowed to use a portable phone to

conduct any agency business.¹¹ For both RCMMs and Floor brokers, use of a portable telephone on the Exchange Floor other than one authorized and issued by the Exchange is prohibited.

Specialists are subject to separate restrictions in Exchange Rule 36 on their ability to engage in voice communications from the specialist post to an off-Floor location.¹² The Pilot does not apply to specialists, who would continue to be prohibited from speaking from the post to upstairs trading desks or customers.¹³

The Exchange believes that the Pilot is operating successfully in that there is a reasonable degree of usage of portable phones. During the period of January 31, 2008 through April 29, 2008, there have been no significant regulatory concerns identified with their usage.¹⁴ Moreover, there have been no administrative or technical problems, other than routine telephone maintenance issues, that have resulted from the operation of the Pilot over the past few months.

Conclusion

The Exchange proposes to extend the operation of the current Pilot for an additional two months to June 30, 2008 or until the approval of SR-NYSE-2008-20. The Exchange believes that the approval of the Pilot's continuation for the earlier of an additional two months or until the approval of SR-NYSE-2008-20 will enable the Exchange to continue to provide more direct, efficient access to its trading crowds and customers, increase the speed of order transmittal and trade execution, and provide an enhanced level of service to customers in an increasingly competitive environment. Therefore the Exchange believes it is appropriate to extend the Pilot to expire no later than the approval of the pending filing to

¹¹ Allowing RCMMs acting as Floor brokers to use portable phones would involve further discussions with the Commission and would be the subject of a separate filing with the Commission.

¹² See Securities Exchange Act Release No. 46560 (September 26, 2002), 67 FR 62088 (October 3, 2002) (SR-NYSE-00-31) (discussing restrictions on specialists' communications from the post).

¹³ Exchange Rule 36.30 provides that, with the approval of the Exchange, a specialist unit may maintain a telephone line at its stock trading post location to the off-Floor offices of the specialist unit or the unit's clearing firm. Such telephone connection shall not be used for the purpose of transmitting to the Floor orders for the purchase or sale of securities, but may be used to enter orders or futures hedging orders through the unit's off-Floor office or the unit's clearing firm, or through a member (on the Floor) of an options or futures exchange.

¹⁴ The Exchange has received records of incoming and outgoing telephone calls from January 31, 2008, through March 31, 2008, for Floor brokers and RCMMs and will continue to receive records of such telephone calls on a monthly basis.

⁶ See Securities Exchange Act Release No. 47671 (April 11, 2003), 68 FR 19048 (April 17, 2003) (SR-NYSE-2002-11).

⁷ See Securities Exchange Act Release No. 47992 (June 5, 2003), 68 FR 35047 (June 11, 2003) (SR-NYSE-2003-19) (delaying the implementation date for portable phones from on or about May 1, 2003, to no later than June 23, 2003).

⁸ See Securities Exchange Act Release Nos. 48919 (December 12, 2003), 68 FR 70853 (December 19, 2003) (SR-NYSE-2003-38) (extending the Pilot for an additional six months ending on June 16, 2004); 49954 (July 1, 2004), 69 FR 41323 (July 8, 2004) (SR-NYSE-2004-30) (extending the Pilot for an additional five months ending on November 30, 2004); 50777 (December 1, 2004), 69 FR 71090 (December 8, 2004) (SR-NYSE-2004-67) (extending the Pilot for an additional four months ending March 31, 2005); 51464 (March 31, 2005), 70 FR 17746 (April 7, 2005) (SR-NYSE-2005-20) (extending the Pilot for additional four months ending July 31, 2005); 52188 (August 1, 2005), 70 FR 46252 (August 9, 2005) (SR-NYSE-2005-53) (extending the Pilot for an additional six months ending January 31, 2006); 53277 (February 13, 2006), 71 FR 8877 (February 21, 2006) (SR-NYSE-2006-03) (extending the Pilot for an additional six months ending July 31, 2006); 54276 (August 4, 2006), 71 FR 45885 (August 10, 2006) (SR-NYSE-2006-55) (extending the Pilot for an additional six months ending January 31, 2007); 55218 (January 31, 2007), 72 FR 6025 (February 8, 2007) (SR-NYSE-2007-05) (extending the Pilot for an additional twelve months ending January 31, 2008); and 57249 (January 31, 2008), 73 FR 7024 (February 6, 2008) (SR-NYSE-2008-10) (extending the Pilot for an additional three months ending April 30, 2008). Also, the Exchange has incorporated RCMMs into the Pilot and subsequently amended the Pilot to allow RCMMs to use an Exchange authorized and provided portable telephone on the Exchange Floor to call to and receive calls from their upstairs offices, the upstairs offices of their clearing firm, and their booth locations on the NYSE Floor. See Securities Exchange Act Release Nos. 53213 (February 2, 2006), 71 FR 7103 (February 10, 2006) (SR-NYSE-2005-80) and 54215 (July 26, 2006), 71 FR 43551 (August 1, 2006) (SR-NYSE-2006-51).

⁹ See Securities Exchange Act Release No. 43689 (December 7, 2000), 65 FR 79145 (December 18, 2000) (SR-NYSE-98-25). See also Securities Exchange Act Release No. 44943 (October 16, 2001), 66 FR 53820 (October 24, 2001) (SR-NYSE-2001-39) (discussing certain exceptions to FESC, such as orders to offset an error, or a bona fide arbitrage, which may be entered within 60 seconds after a trade is executed).

¹⁰ For more information regarding Exchange requirements for conducting a public business on the Exchange Floor, see Information Memos 01-41 (November 21, 2001), 01-18 (July 11, 2001) (available at <http://www.nyse.com/regulation/>) and 91-25 (July 8, 1991).

make the amendment to Exchange Rule 36 permanent or to June 30, 2008.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with, and furthers the objectives of, Section 6(b)(5) of the Act,¹⁵ in that it is designed to prevent fraudulent and manipulative practices, 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 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

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 does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) 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 Act¹⁶ and Rule 19b-4(f)(6) thereunder.¹⁷ 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.

The Exchange requests that the Commission waive the five-day pre-filing period and 30-day operative period under Rule 19b-4(f)(6)(iii).¹⁸ The Commission has waived the five-day pre-filing requirement for this proposed rule change. Additionally, the Exchange

believes that the continuation of the Pilot is in the public interest as it will avoid inconvenience and interruption to the public. The Commission believes that it is consistent with the protection of investors and the public interest to waive the 30-day operative delay and make this proposed rule change immediately effective upon filing.¹⁹ The Commission believes that the waiver of the 30-day operative delay will allow the Exchange to continue, without interruption, the existing operation of its Pilot until the earlier of the approval of SR-NYSE-2008-20 or June 30, 2008.

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-2008-34 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-2008-34. 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, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m.

¹⁹ For purposes only of waiving the 30-day operative delay of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

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-2008-34 and should be submitted on or before May 28, 2008.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁰

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57751; File No. SR-NYSEArca-2008-29]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Approval of a Proposed Rule Change, as Modified by Amendment No. 1 Thereto, To Amend the Eligibility Criteria for Components of an Index Underlying Investment Company Units

May 1, 2008.

I. Introduction

On March 13, 2008, 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"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposal to amend Commentary .01 to NYSE Arca Equities Rule 5.2(j)(3) to modify the eligibility criteria for components of an index underlying Investment Company Units ("Units").³ On March 24, 2008, the Exchange filed Amendment No. 1 to the proposed rule change. The proposed rule change was published for comment in the **Federal Register** on April 1, 2008.⁴ The

²⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Units are securities that represent an interest in a registered investment company that could be organized as a unit investment trust, an open-end management investment company, or a similar entity, that holds securities comprising, or otherwise based on or representing an interest in, an index or portfolio of securities or securities in another registered investment company that holds securities. See NYSE Arca Equities 5.2(j)(3).

⁴ See Securities Exchange Act Release No. 57561 (March 26, 2008), 73 FR 17390.

¹⁵ 15 U.S.C. 78f(b)(5).

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f)(6).

¹⁸ 17 CFR 240.19b-4(f)(6)(iii).