

to stockholders by means of a voting procedure leading to election results that more accurately reflect the views of stockholders on the qualifications and suitability of individual director nominees, even if there are no alternative director nominees to vote for on the ballot.

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 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, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹³ and Rule 19b-4(f)(6)¹⁴ thereunder.

The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative on the date of its approval by the Euronext College of Regulators, which approval the Exchange believes is imminent. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because such waiver will enable the Exchange to implement the proposed rule change immediately upon receiving the approval of the Euronext College of Regulators. In addition, as noted by the Exchange, the proposal is identical to the recently approved NYSE

Rule Change.¹⁵ For these reasons, the Commission designates the proposed rule change as operative upon filing.¹⁶

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 Number SR-NYSEAmex-2010-58 on the subject line.

Paper Comments

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

All submissions should refer to File Number SR-NYSEAmex-2010-58. 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 Web site viewing and printing in the Commission's Public Reference Room, on official business

days between the hours of 10 a.m. and 3 p.m. 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-NYSEAmex-2010-58 and should be submitted on or before July 23, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62377; File No. SR-NYSEArca-2010-55]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by NYSE Arca, Inc. To Amend the Bylaws of NYSE Euronext To Adopt a Majority Voting Standard in Uncontested Elections of Directors

June 25, 2010.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that on June 14, 2010, NYSE Arca, Inc. ("NYSE Arca" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 is submitting this rule filing in connection with the proposal of its ultimate parent, NYSE Euronext (the "Corporation"),⁴ to amend its bylaws ("Bylaws") to replace the plurality vote standard for election of directors in uncontested elections that is currently

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

¹⁵ See Securities Exchange Act Release No. 61947 (April 20, 2010), 75 FR 22169 (April 27, 2010) (SR-NYSE-2010-18) (order approving identical proposal submitted by NYSE).

¹⁶ For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ NYSE Arca, a Delaware corporation, is an indirect wholly-owned subsidiary of NYSE Euronext.

in the Bylaws with a majority vote standard for such elections. The existing plurality vote standard will be retained in connection with contested elections for directors. The proposed rule change is identical to a rule change filed by the New York Stock Exchange LLC (“NYSE”) that was recently approved by the Commission.⁵ The text of the proposed rule change is available at the Exchange, the Commission’s Web site at <http://www.sec.gov>, the Commission’s Public Reference Room, and <http://www.nyse.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, the self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The Exchange is submitting this rule filing in connection with the Corporation’s proposal to amend its Bylaws to replace the plurality vote standard for election of directors in uncontested elections that is currently in the Bylaws with a majority vote standard for such elections. Specifically, the Bylaws currently provide that “directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.” Under the Corporation’s corporate governance guidelines previously adopted by the Board of Directors of the Corporation (“Board”), however, any director nominee in an uncontested election (being an election in which the number of nominees equals the number of directors to be elected) who receives a greater number of “withheld” votes than “for” votes (including any “against” votes if that option were to be made available on the proxy card) must immediately tender his or her resignation from the Board. The Board

will then decide, through a process managed by the Nominating and Governance Committee and excluding the nominee in question, whether to accept the resignation. In a contested election (being an election in which the number of nominees exceeds the number of directors to be elected), the unqualified plurality vote standard controls.

Uncontested Election:

The Corporation is proposing to add an explicit majority voting provision for uncontested director elections to the Bylaws, thereby replacing the plurality vote standard for election of directors in such elections that is currently in the Bylaws. The existing plurality vote standard will be retained in connection with contested elections for directors. Under the proposed amendment to the Bylaws, the proxy card would change for an uncontested election, and the stockholders would be given the choice to vote “for,” “against” or “abstain” with respect to each director nominee individually.⁶ In such an election, each director would be elected by the vote of the majority of the votes cast with respect to such director’s election, meaning that the number of votes cast “for” such director’s election exceeded the number of votes cast “against” that director’s election (with “abstentions” not counted as a vote cast either “for” or “against” such director’s election). In the event that any incumbent director fails to receive a majority of the votes cast, such director would be required to tender his or her resignation to the Nominating and Governance Committee of the Board (or another committee designated by the Board), and such committee would make a recommendation to the Board as to whether to accept or reject such resignation or whether other action should be taken. The Board would then act on the recommendation of such committee and publicly disclose its decision regarding the tendered resignation and the rationale behind the decision.

The proposed amendment to the Bylaws also provides that a director who tenders his or her resignation as described above will not participate in the recommendation by the Nominating and Governance Committee or the Board of Directors action regarding whether to accept the tendered resignation. In the event that each member of the Nominating and Governance Committee fails to receive a majority of the votes

cast in the same uncontested election, then the independent directors who received a majority of the votes cast in such election must appoint a committee among themselves to consider the tendered resignation and recommend to the Board whether to accept it. However, if the only directors who received a majority of the votes cast in such election constitute three or fewer directors, all directors may participate in the action regarding whether to accept the tendered resignation.

Pursuant to the proposed amendment to the Bylaws, if the Board accepts a director’s resignation as part of the process described above for uncontested elections, or if a nominee for director is not elected and the nominee is not an incumbent director, the Board may (i) fill the remaining vacancy as provided in Section 3.6 of the Bylaws and Article VI, Section 6 of the Certificate of Incorporation (involving a majority vote of the remaining directors then in office, though less than a quorum, or by the sole remaining director) or (ii) decrease the size of the Board as provided in Section 3.1 of the Bylaws and Article VI, Section 3 of the Certificate of Incorporation (involving adoption of a resolution by two-thirds of the directors then in office).

General Election Requirements:

The following applies to elections of directors and is not being amended. Section 2.7 of the Bylaws provides that, unless otherwise provided in the Certificate of Incorporation of the Corporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder that has voting power upon the matter in question. This entitlement, however, is subject to the voting limitation in the Certificate of Incorporation that generally prohibits a beneficial owner, either alone or together with related parties, from voting or causing the voting of shares of stock of the corporation, in person or by proxy or through any voting agreement or other arrangement, to the extent that such shares represent in the aggregate more than 10% of the then outstanding votes entitled to be cast on such matter. Any votes purported to be cast in excess of this limitation will be disregarded.⁷

Relative to the foregoing, if any beneficial owner of the Corporation’s stock, either alone or together with related parties, is party to any agreement, plan or other arrangement with any other person or entity relating

⁵ Securities Exchange Act Release No. 61947 (April 20, 2010), 75 FR 22169 (April 27, 2010) (SR-NYSE-2010-18).

⁶ Stockholders are currently given three choices when voting for a slate of director nominees: They can vote (1) “for” all nominees, (2) “withheld” for all nominees or (3) “withheld” for certain nominees and “for” the remaining nominees.

⁷ See NYSE Euronext Amended and Restated Certificate of Incorporation at Article V, Section 1(A).

to shares of stock of the Corporation entitled to vote on any matter under circumstances in which (i) the result would be that shares of stock of the Corporation that would be subject to such agreement, plan or other arrangement would not be voted on any matter, or any proxy relating thereto would be withheld and (ii) the effect of the agreement, plan or arrangement would be to enable a beneficial owner (but for these provisions), either alone or together with related parties, to vote, possess the right to vote or cause the voting of shares of the Corporation's stock to exceed 10% of the then outstanding votes entitled to be cast (assuming that all shares of stock of the Corporation that are subject to the agreement, plan or other arrangement are not outstanding votes entitled to be cast on such matter), then this recalculated 10% voting limitation will be applicable. Any votes purported to be cast in excess of this recalculated voting limitation will be disregarded.⁸

At each meeting of stockholders of the Corporation, except as otherwise provided by law or the Certificate of Incorporation of the Corporation, the holders of a majority of the voting power of the outstanding shares of stock of the Corporation entitled to vote on a matter at the meeting, present in person or represented by proxy, will constitute a quorum (it being understood that any shares in excess of the applicable voting limitation discussed above will not be counted as present at the meeting and will not be counted as outstanding shares of stock of the Corporation for purposes of determining whether there is a quorum, unless and only to the extent that such voting limitation shall have been duly waived as provided in the Certificate of Incorporation).⁹

As noted above, the proposed rule change is identical to a rule change filed by the NYSE (the "NYSE Rule Change") that was recently approved by the Commission.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b)¹⁰ of the Act, in general, and furthers the objectives of Section 6(b)(1)¹¹ of the Act, which requires a national securities exchange to be so organized and have the capacity to carry out the purposes of the Act and to comply, and to enforce compliance by its members and persons associated with its members, with the

provisions of the Act. The proposed rule change is also consistent with, and furthers the objectives of, Section 6(b)(5)¹² of the Act, 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, 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. Specifically, the Exchange believes that the proposed rule change will protect investors and the public interest by codifying in the Bylaws the existing policy of the Corporation aimed at ensuring better corporate governance and accountability to stockholders by means of a voting procedure leading to election results that more accurately reflect the views of stockholders on the qualifications and suitability of individual director nominees, even if there are no alternative director nominees to vote for on the ballot.

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 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, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹³ and Rule 19b-4(f)(6)¹⁴ thereunder.

The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative on the date of its approval by the Euronext College of Regulators, which approval the Exchange believes is imminent. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because such waiver will enable the Exchange to implement the proposed rule change immediately upon receiving the approval of the Euronext College of Regulators. In addition, as noted by the Exchange, the proposal is identical to the recently approved NYSE Rule Change.¹⁵ For these reasons, the Commission designates the proposed rule change as operative upon filing.¹⁶

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 Number SR-NYSEArca-2010-55 on the subject line.

Paper Comments

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

All submissions should refer to File Number SR-NYSEArca-2010-55. This file number should be included on the subject line if e-mail is used. To help the

prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

¹⁵ See Securities Exchange Act Release No. 61947 (April 20, 2010), 75 FR 22169 (April 27, 2010) (SR-NYSE-2010-18) (order approving identical proposal submitted by NYSE).

¹⁶ For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁸ See *id.*

⁹ See NYSE Euronext Amended and Restated Certificate of Incorporation at Article VIII, Section 2.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(1).

¹² 15 U.S.C. 78f(b)(5).

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days

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 Web site viewing and printing in the Commission's Public Reference Room, on official business days between the hours of 10 a.m. and 3 p.m. 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-NYSEArca-2010-55 and should be submitted on or before June 23, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62385; File No. SR-NSCC-2010-05]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing of Proposed Rule Change To Enhance the Process for Transfers Through the Automated Customer Account Transfer Service

June 25, 2010.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and rule 19b-4 thereunder² notice is hereby given that on June 4, 2010, National Securities Clearing Corporation ("NSCC") 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 NSCC. 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 the Substance of the Proposed Rule Change

The purpose of this proposed rule change is to enhance NSCC's process for transfers through the Automated Customer Account Transfer Service ("ACATS").

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

In its filing with the Commission, NSCC 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. NSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

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

NSCC's ACATS system enables Members to effect automated transfers of customer accounts among themselves.³ For ACATS transfers processed through NSCC's Continuous Net Settlement ("CNS") system,⁴ long and short positions are passed against Members' positions at The Depository Trust Company ("DTC") and available securities are delivered from short Members' accounts at DTC and

allocated to long Members' accounts by book-entry.

NSCC is proposing changes to its ACATS system in connection with a concurrent rule change proposed by DTC.⁵ NSCC is proposing these changes for two general reasons. First, NSCC would like to enhance protection for customer securities in ACATS transfers so that customer account transfers to new firms would be maximized in the event of a Member failure. Accordingly, NSCC would modify its ACATS processing and its Rules so that deliveries or receives processed through CNS would satisfy a Member's ACATS receive or deliver obligation prior to satisfying another CNS-related obligation of that Member in the same security. NSCC would also track CNS ACATS items to prevent reversal of completed items in the event of a Member's failure. Second, NSCC would like to facilitate compliance by its Members with their securities possession and control requirements.⁶ To that end, NSCC proposes modifying its Rules to clarify that in no event does NSCC have a lien on securities carried by a Member for the account of its customers that are delivered through the CNS ACATS service.⁷

1. ACATS Transfers Through the CNS System

Through ACATS, an NSCC Member to which a customer's securities account is to be transferred ("Receiving Member") may submit a Transfer Initiation Request to initiate the account transfer process. When a Receiving Member accepts a customer account transfer, NSCC causes all CNS-eligible items in that customer account to enter NSCC's CNS accounting operation on the day before settlement date unless the Receiving Member notifies NSCC that

³ ACATS complements a Financial Industry Regulatory Authority ("FINRA") rule requiring FINRA members to use automated clearing agency customer account transfer services and to effect customer account transfers within specified time frames.

⁴ CNS is an ongoing accounting system which nets today's settling trades with yesterday's closing positions to produce a net short or long position for a particular security for a particular Member. NSCC is the counter party for all positions. The positions are then passed against the Member's designated depository positions and available securities are allocated by book-entry. This allocation of securities is accomplished through an evening cycle followed by a day cycle. Positions which remain open after the evening cycle may be changed as a result of trades accepted for settlement that day. CNS allocates deliveries in both the night and day cycles using an algorithm based on priority groups in descending order, age of position within a priority group, and random numbers within age groups.

⁵ DTC is proposing its concurrent rule change with the Commission in filing SR-DTC-2010-09.

⁶ Commission Rule 15c3-3 provides that a broker-dealer shall promptly obtain and shall thereafter maintain the physical possession or control of all fully paid securities and excess margin securities carried for the account of customers.

⁷ DTC's Settlement Service Guide currently provides that securities delivered to a receiving DTC Participant's account from CNS are classified as collateral which may otherwise be made available to NSCC in the event that the DTC Participant fails to meet its NSCC settlement obligation. Pursuant to a separate rule filing, DTC is proposing revisions to its service guide so that ACAT deliveries from CNS would be designated by the DTC Participant as "Minimum Amount Securities" when credited to the Participant's account. This designation would prevent the securities from being designated as collateral for either this purpose or for purposes of DTC's Rules. DTC Rule 1 for the definition of Minimum Amount Securities.

¹⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.