declaration for Private Non-Profit organizations in the State of Nebraska, dated 07/15/2010, is hereby amended to include the following areas as adversely affected by the disaster.

Primary Counties: Adams, Buffalo, Dawes, Dawson, Hooker, Jefferson, Sheridan, Thurston.

All other information in the original declaration remains unchanged.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Roger B. Garland,
Acting Associate Administrator for Disaster Assistance.

SUMMARY: This is an amendment of the Presidential declaration of a major disaster for Public Assistance Only for the State of Nebraska (FEMA–1924–DR), dated 07/15/2010.

Incident: Severe Storms, Flooding, and Tornadoes.


DATES: Effective Date: 09/02/2010.
Physical Loan Application Deadline Date: 10/12/2010.
Economic Injury (EIDL) Loan Application Deadline Date: 05/10/2011.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: Alan Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, SW., Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: The notice of the President’s major disaster declaration for Private Non-Profit organizations in the State of Kansas, dated 08/10/2010, is hereby amended to establish the following areas as adversely affected by the disaster.

Primary Counties:
Cheyenne, Decatur, Elk, Jackson, Mcpheerson, Sheridan, Wilson.

All other information in the original declaration remains unchanged.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

James E. Rivera,
Associate Administrator for Disaster Assistance.

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #12238 and #12239]

Nebraska Disaster Number NE–00038

AGENCY: U.S. Small Business Administration.

ACTION: Amendment 1.

SUMMARY: This is an amendment of the Presidential declaration of a major disaster for Public Assistance Only for the State of Nebraska (FEMA–1924–DR), dated 07/15/2010.

Incident: Severe Storms, Flooding, and Tornadoes.


Effective Date: 08/29/2010.

Physical Loan Application Deadline Date: 09/13/2010.
Economic Injury (EIDL) Loan Application Deadline Date: 04/15/2011.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.


SUPPLEMENTARY INFORMATION: The notice of the President’s major disaster declaration for Private Non-Profit organizations in the State of Nebraska, dated 07/15/2010, is hereby amended to establish the incident period for this disaster as beginning 06/01/2010 and continuing through 08/29/2010.

All other information in the original declaration remains unchanged.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Roger B. Garland,
Acting Associate Administrator for Disaster Assistance.

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of Proposed Rule Change To Revise Its Rules To Expand the Forms of Collateral Eligible for Incorporation in the System for Theoretical Analysis and Numerical Simulations Risk Management Methodology

September 7, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) and Rule 19b–4 thereunder notice is hereby given that on August 25, 2010, The Options Clearing Corporation (“OCC”) 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 prepared primarily by OCC. 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 revise OCC’s Rules to expand the forms of collateral eligible for incorporation in the System for Theoretical Analysis and Numerical Simulations (“STANS”) risk management methodology.

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

In its filing with the Commission, OCC 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. OCC 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

The proposed rule change would make a change to Interpretation and Policy .06 under Rule 601 in connection with expanding the forms of collateral eligible for incorporation in the STANS
risk management methodology. Currently, OCC incorporates common stock and ETFs \(^3\) in the STANS margin calculation process.\(^4\) When OCC began including common stock and ETFs in the STANS margin calculation process, it noted its belief that the procedure would more accurately measure risk in Clearing Members’ accounts and thereby permit OCC to more precisely set margin requirements to reflect that risk. For those same reasons, OCC now proposes incorporating certain fixed-income, “government securities” into the STANS margin calculation process.

The specific amendments proposed to OCC’s Rules to facilitate incorporation of government securities in the STANS margin calculation process can be found at http://www.optionsclearing.com/components/docs/legal/rules_and_bylaws/sr_oca_10_14.pdf. OCC would incorporate certain “government securities” into the STANS margin calculation in phases beginning with U.S. Government securities.\(^5\) Treasury Inflation Protected Securities and callable U.S. Treasury Securities would be excluded from the initial phase as would Canadian government securities and GSE debt securities.\(^6\)

Currently, government securities deposited as collateral to satisfy margin requirements are priced on a nightly basis and are assigned a value equal to their current market value less an applicable haircut based on the term to maturity. While this method of valuing collateral has generally served OCC well in the past, OCC believes analyzing cleared positions and margin assets as a single portfolio using STANS provides a more accurate valuation of the Clearing Members’ securities deposited as collateral in relation to other account positions. As when OCC began including common stocks and ETFs in the STANS calculation, OCC believes phasing in government securities would align risk-management techniques utilized to manage market risk of cleared positions, for example for Treasury futures contracts, with those techniques used to value margin deposits.

The proposed inclusion of government securities into STANS would be implemented using an approach similar to that used for adding common stocks and ETFs. The value of the securities deposited in a Clearing Member’s account would be determined along with the risk on the margin assets on a portfolio basis with reference to the volatility and correlation of each deposited security to the other positions in the account. Given the conservative nature of the current haircuts applied to deposits of government securities, OCC anticipates a modest increase in their collateral valuation should this change be implemented.

As a part of this proposal, OCC would apply a portfolio specific adjustment factor when determining whether sufficient margin excess resides in an account. This would enable OCC to release margin collateral to a Clearing Member on an intraday basis. The adjustment factor is account and security specific and is determined by approximating the change in margin requirement caused by depositing or withdrawing a particular security from the Clearing Member’s account based on the risk characteristics of that security and its consequent assessed value. OCC believes this process would provide a more accurate projection of the margin impact of collateral withdrawals and substitutions on a Clearing Member’s account. It is currently used to analyze the impact of substitutions and withdrawals of equity collateral within the STANS Monte Carlo simulations.\(^7\) OCC’s Rule 601, “Margin Requirements” already provides that margin assets in the form of securities may be incorporated into the Monte Carlo calculations as an alternative to valuing such assets under Rule 604, “Form of Margin Assets”. In connection with incorporating common stocks and ETFs into the STANS calculation, OCC adopted Interpretation and Policy .06 under Rule 601 to clarify that margin assets in the form of common stocks and ETFs would be included in the Monte Carlo simulations described in Rule 601 for purposes of determining the minimum expected liquidating value of an account with other margin assets being valued as provided for under Rule 604.\(^8\) OCC now proposes broadening the interpretation to provide that OCC may designate those margin assets which, if deposited into a Clearing Member’s account, will be valued as provided in Rule 601 rather than Rule 604. This change is intended to facilitate OCC’s proposal incorporate certain government securities into the STANS margin calculation process.

OCC believes the proposed rule changes are consistent with the requirements of Section 17A of the Act \(^9\) and the rules and regulations thereunder because the proposed rule changes would promote accuracy in the clearance and settlement of cleared contracts and in the risk assessments relative thereto, and would promote efficiency and eliminate unnecessary costs to investors by determining margin requirements with better precision. and, in general, to protect investors and the public interest. The change accomplishes these purposes by more accurately valuing collateral deposits.

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

OCC does not believe that the proposed rule change would impose any burden on competition.

C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. OCC will notify the Commission of any written comments received by OCC.

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

Within forty-five 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 ninety 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 self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove the proposed rule change or
(B) institute proceedings to determine whether the proposed rule change should be disapproved.

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:

\(^1\) ETFs fall within the definition of “fund shares” as that term is denied in Article I, Section 1 of OCC’s By-Laws.


\(^3\) This would include but not be limited to Government securities and GSE debt securities.

\(^4\) The government securities initially excluded would be evaluated for possible inclusion in STANS as appropriate models are developed.

\(^5\) This would include but not be limited to U.S. Government securities.

\(^6\) The government securities initially excluded would be evaluated for possible inclusion in STANS as appropriate models are developed.

\(^7\) OCC believes the approach currently used to assess the impact of collateral substitutions and withdrawals represents an improvement over that outlined in File No. SR–OCC–2007–20, Interpretation and Policy .01 under Rule 608 generally provides that OCC may specify procedures from time-to-time to assess the impact of collateral withdrawals and substitutions.

\(^8\) Rule 604(f) provides that, in lieu of the valuations provided for in Rule 604, OCC may elect to value any or all margin assets in the form of securities pursuant to Rule 601.

SECURITIES AND EXCHANGE
COMMISSION
[Release No. 34–62850; File No. SR–
NYSEArca–2010–80]
Self-Regulatory Organizations; NYSE
Arca, Inc.; Notice of Filing and
Immediate Effectiveness of Proposed
Rule Change Adopting Commentary
.04 to Rule 6.47A Related to the
Exposure of Reserve Orders

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 August
27, 2010, NYSE Arca, Inc. (the
“Exchange” or “NYSE Arca”) 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 proposes to adopt
Commentary .04 to Rule 6.47A related
to the exposure of Reserve Orders. The
text of the proposed rule change is
available at the Exchange, 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
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 purpose of the proposal is to
adopt a Commentary to NYSE Arca Rule
6.47A to specify that the exposure
requirement contained in subsection (i)
of the Rule is satisfied with respect to
the non-displayed reserve portion of a
Reserve Order if the displayable portion
is displayed at its displayable price for
one second. A Reserve Order is an order
where only a portion of the full size is
included in the Exchange’s
disseminated quotation. 4 The display
size is executed according to the
Exchange’s regular priority rules, and is
refreshed with additional volume from
the non-displayed portion of the order.
The non-displayed portion of the
Reserve Order is available for execution
only after the Exchange’s displayed
quote is fully exhausted.

Under the proposed commentary,
after entering a Reserve Order, an OTP
Holder may enter a contra-side order for
its own account or a contra-side order
that was solicited from another broker-
dealer that would execute against the
displayable and non-displayed portions
of the order so long as the displayable
portion of the order was displayed on
NYSE Arca (i.e., the price of the order
is at the NYSE Arca Best Bid/Offer) for
at least one second. This proposed
Commentary is the same as an existing
Commentary to the rule of the Nasdaq
Options Market that contains the same
exposure requirements as NYSE Arca
Rule 6.47A. 5 Accordingly, the
Commission has previously determined
that display of the displayable portion
of a reserve order is sufficient to satisfy
the exposure requirements of NYSE
Arca Rule 6.47A(i).

2. Statutory Basis
The Exchange believes the proposed
rule change is consistent with Section
6(b) of the Act 6 in general, and
further the objectives of Section 6(b)(5) of
the Act, in that it is designed to promote
just and equitable principles of trade,
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. In particular, the
proposal is the same as an existing rule
of another exchange, 7 and will provide
OTP Holders with certainty with respect
to the applicable exposure requirements
for reserve orders.

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

4 NYSE Arca Rule 6.62(d)(3).
5 Nasdaq Rules, Chapter VII, Sec.12 (Order
Exposure Requirements), Commentary .03.
7 Supra, Note 2 [sic].