

by the language set forth above. The Exchange's outbound routing facility sends outbound orders to an away market broker for execution on an away market. Any covered sale type-fee assessed by an away market and incurred by the away market broker is then passed back to Phlx for payment, through the Exchange's outbound routing facility. This proposal inserts language to reflect that sale transactions may be routed over the Exchange's routing facility. Also, the proposed language reflects that the Covered Sale fee may be collected by the Exchange for these transactions to help the Exchange recover the amounts paid to other exchanges.

Additionally, the Exchange proposes to delete the reference to transactions routed over the NMS Linkage Plan, as it is no longer applicable. As discussed above, the Exchange has contracted with its outbound routing facility to route the Exchange's outbound orders. Thus, these orders are no longer routed outbound through the NMS Linkage Plan. Deleting the language relating to outbound routing over the NMS Linkage Plan will update Phlx Rule 607 and the XLE Fee Schedule to reflect the Exchange's current outbound routing practices. The provisions of Phlx Rule 607 pertaining to arrangements with other exchanges remain unchanged because the Exchange accepts orders routed inbound through the NMS Linkage Plan.

## 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 allocation of reasonable fees and other charges among Exchange members.

### *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 either solicited or received by the Exchange.

### **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 paragraph (f)(2) of Rule 19b-4<sup>11</sup> thereunder because it establishes a due, fee, or other charge applicable only to a member. 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-Phlx-2007-23 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-Phlx-2007-23. 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 Phlx. 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-Phlx-2007-23 and should be submitted on or before April 26, 2007.

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

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-6375 Filed 4-4-07; 8:45 am]

BILLING CODE 8010-01-P

## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-55558; File No. SR-Phlx-2007-25]

### **Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Exchange's Automated Opening System**

March 29, 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 20, 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 the Phlx. The Phlx has filed the proposed rule change as one effecting a change in an existing order-entry or trading system of a self-regulatory organization pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>3</sup> and Rule 19b-4(f)(5) 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**

The Phlx proposes to amend Exchange Rule 1017, Openings in

<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)(5).

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

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

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

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

Options, to provide for a delay in the automated opening of an option series for up to five seconds when the conditions for opening the option series have been satisfied, and following: (1) Respecting equity options, the dissemination of an opening quote or trade in the primary market for the underlying security; or (2) respecting index options, following the dissemination of a quote or trade by the primary markets for underlying securities constituting 100% of the index value. The text of the proposed rule change is available at Phlx, the Commission's Public Reference Room, and [www.Phlx.com/exchange/phlx-rule-fil.html](http://www.Phlx.com/exchange/phlx-rule-fil.html).

## 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 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. The 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 the proposed rule change is to help Exchange specialists, Streaming Quote Traders ("SQTs"),<sup>5</sup> and Remote Streaming Quote Traders ("RSQTs")<sup>6</sup> to better manage their market risk by delaying the opening of an option series for a brief interval following the dissemination of an opening trade or quote in the underlying security. Thus, specialist, SQTs and RSQTs would be able to price options series accurately on the opening.

<sup>5</sup> An SQT is an Exchange Registered Options Trader ("ROT") who has received permission from the Exchange to generate and submit option quotations electronically through AUTOM in eligible options to which such SQT is assigned. An SQT may only submit such quotations while such SQT is physically present on the floor of the Exchange. See Exchange Rule 1014(b)(ii)(A).

<sup>6</sup> An RSQT is an ROT that is a member or member organization with no physical trading floor presence who has received permission from the Exchange to generate and submit option quotations electronically through AUTOM in eligible options to which such RSQT has been assigned. An RSQT may only submit such quotations electronically from off the floor of the Exchange. See Exchange Rule 1014(b)(ii)(B).

Currently, the Exchange's systems immediately open a series when the following conditions are satisfied:

(i) The Exchange has received market orders, or the book is crossed (highest bid is higher than the lowest offer) or locked (highest bid equals the lowest offer); and either:

(ii)(A) The specialist's quote has been submitted;

(B) The quotes of at least two Phlx XL participants<sup>7</sup> have been submitted within two minutes of the opening trade or quote on the primary market for the underlying security; or

(C) If neither the specialist's quote nor the quotes of two Phlx XL participants have been submitted within two minutes of the opening trade or quote on the primary market for the underlying security, one Phlx XL participant has submitted their quote.

Once these conditions are satisfied, the system will automatically open the series immediately upon the dissemination of an opening trade or quote in the primary market for the underlying. The proposed rule change would delay the opening of an option series for up to five seconds from the dissemination of an opening quote or trade in the primary market for the underlying security or, respecting index options, following the dissemination of a quote or trade by the primary markets for underlying securities constituting 100% of the index value. The time period would apply uniformly to all options traded on the Exchange.

Experience with the automated opening system has shown that specialists, SQTs, and RSQTs frequently do not have an adequate opportunity to adjust their pre-opening quotes to accurately reflect the price of the underlying security when the underlying trade or quote is disseminated. As a result, the option series may be priced incorrectly at the opening, which places Exchange specialists, SQTs and RSQTs at market risk on the opening.

The delay (which time period would be determined by the Exchange and disseminated to membership via an Exchange circular) should enable Exchange specialists, SQTs and RSQTs to better manage this market risk and to maintain fair and orderly markets by pricing options series accurately on the opening.

<sup>7</sup> Phlx XL participants include specialist, SQT, RSQT, and non-SQT ROTs who are required to submit continuous two-sided electronic quotations pursuant to Exchange Rule 1014(b)(ii)(E). See Exchange Rule 1017(A).

#### 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act<sup>8</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>9</sup> in particular, in that it is designed to promote just and equitable principles of trade, 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, by enabling Exchange specialists, SQTs and RSQTs to better manage their risk, thus providing fair and orderly markets and correct options pricing on the opening of a series, all to the benefit of customers and the marketplace as a whole.

#### 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 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.

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

The foregoing proposed rule change effects a change in an existing order-entry or trading system of a self-regulatory organization that: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not have the effect of limiting the access to or availability of the system. Therefore, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>10</sup> and Rule 19b-4(f)(5)<sup>11</sup> thereunder. 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.

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and

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

<sup>9</sup> 15 U.S.C. 78f(b)(5).

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

<sup>11</sup> 17 CFR 240.19b-4(f)(5).

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 No. SR-Phlx-2007-25 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-Phlx-2007-25. 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 Phlx. 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-Phlx-2007-25 and should be submitted on or before April 26, 2007.

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

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-6378 Filed 4-4-07; 8:45 am]

**BILLING CODE 8010-01-P**

## DEPARTMENT OF STATE

### [Public Notice 5743]

#### **Bureau of Educational and Cultural Affairs (ECA); Request for Grant Proposals: Edmund S. Muskie Graduate Fellowship Program**

*Announcement Type:* New Cooperative Agreement.

*Funding Opportunity Number:* ECA/A/E/EUR-08-01.

*Catalog of Federal Domestic Assistance Number:* 00.000.

*Key Dates:* Application Deadline: June 1, 2007.

*Executive Summary:* The Office of Academic Exchange Programs of the Bureau of Educational and Cultural Affairs (ECA) announces an open competition for the administration of the FY 2008 Edmund S. Muskie Graduate Fellowship Program (Muskie Program). Public and private non-profit organizations meeting the provisions described in IRS regulation 26 CFR 1.501(c)(3) may submit proposals to administer the selection, placement, monitoring, evaluation, follow-on, and alumni activities for the Edmund S. Muskie Graduate Fellowship Program (Muskie Program). Organizations with less than four years experience in conducting international exchange programs are not eligible for this competition.

The Muskie Program selects outstanding citizens from Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Ukraine, Uzbekistan, Tajikistan and Turkmenistan (herein referred to as Eurasia) to receive fellowships for Master's level study in the United States in the fields of business administration, economics, law, public administration, and public policy. Candidates from countries other than Russia and Ukraine will be also considered in additional fields of education, environmental management, international affairs, library and information science, journalism/mass communications, and public health per guidelines outlined in the Project Objectives, Goals, and Implementation (POGI). Muskie Program fellows will be enrolled in graduate degree, certificate, and non-degree programs lasting one to two academic years. Funding should support a minimum of 145 fellows for Master's level fellowships under the FY 2008 program. Every effort should be made to maximize the number of awards granted.

## I. Funding Opportunity Description

### *Authority*

Overall grant making authority for this program is contained in the Mutual Educational and Cultural Exchange Act of 1961, Public Law 87-256, as amended, also known as the Fulbright-Hays Act. The purpose of the Act is "to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries \* \* \*; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations \* \* \* and thus to assist in the development of friendly, sympathetic and peaceful relations between the United States and the other countries of the world." The funding authority for the program above is provided through Fulbright-Hays legislation.

### *Purpose*

The Muskie Program is designed to promote mutual understanding, build democracy and foster the transition to market economies in Eurasia through intensive academic study and professional training. The academic component of the program will begin in the fall semester of academic year 2008-2009. Fellows may participate in a nine, twelve, eighteen, or twenty-four month academic program leading to a Master's degree. Fellows also take part in an eight to twelve week internship during the summer following the first academic year, with an option for a second internship following the second year of study. At the end of their designated academic and/or internship programs, fellows are required to return immediately to their home countries.

Applicant organizations must demonstrate the ability to administer all aspects of the Muskie Program—recruitment, selection, university placements, orientation, monitoring and support of FY 2008 fellows including all logistics, financial management, evaluation, follow-on, and alumni. Applicant organizations must demonstrate the ability to recruit and select a diverse pool of candidates from various geographic regions in Eurasia. The cooperating organization will serve as the principal liaison with Muskie Program host institutions for the Bureau. Further details on specific program responsibilities can be found in the Project Objectives, Goals, and Implementation (POGI), which is part of the formal solicitation package. Interested organizations should read the entire **Federal Register** announcement

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