

transactions in securities, remove impediments to and perfect the mechanisms of a free and open market and a national market system, and protect investors and the public interest.

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

The proposed rule change does not 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 not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

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

Because the foregoing rule 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 Act and Rule 19b-4(f)(6) thereunder.¹⁰

The Exchange has asked the Commission to waive the 30-day operative delay in order to allow the Exchange to remove an obsolete rule without delay. The Commission believes such waiver is consistent with the protection of investors and the public interest because the existing rule regarding the POETS system is obsolete and serves no purpose related to the administration of the Exchange.¹¹ Waiver of the 30-day operative delay specified in Rule 19b-4(f)(6) will allow the Exchange to update its Rules without delay. For these reasons, the Commission designates the proposals to

be operative upon filing with the Commission.

At any time within 60 days of the filing of such 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 No. SR-NYSEArca-2008-27 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-2008-27. 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 on official business days between the hours of 10 a.m. and 3 p.m. 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-NYSEArca-2008-27 and should be submitted on or before April 15, 2008.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57522; File No. SR-NYSEArca-2008-30]]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 6.37B Pertaining to Market Maker Quotations

March 18, 2008.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 14, 2008, NYSE Arca, Inc. ("NYSE Arca" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been substantially prepared by NYSE Arca. The Exchange has filed the proposal as a "non-controversial" rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6) thereunder,⁴ which renders it 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

NYSE Arca proposes to amend NYSE Arca Rule 6.37B Market Maker Quotations—OX. The text of the proposed rule change is available at NYSE Arca, the Commission's Public Reference Room, and <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

¹⁰ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to provide the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of 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 fulfilled this requirement.

¹¹ 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).

¹² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

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 purpose of this rule change is to revise the review period the Exchange uses when determining a Market Maker's compliance with the 60% quoting obligations contained in NYSE Arca Rule 6.37B(c). The Exchange also proposes to add a provision to Rule 6.37B(c) that will deal with exceptions to Market Maker quoting obligations.

Market Makers, other than Lead Market Makers ("LMM"), are required to provide continuous two-sided quotations throughout the trading day in their appointed issues for 60% of the time that the Exchange is open for trading in each issue. Compliance with this obligation is presently measured on a per-calendar-quarter basis. The Exchange proposes to reduce the review period from a quarterly basis down to a monthly basis. The Exchange believes that this change is consistent with a recently approved rule change for LMM quoting obligations.⁵ The Exchange believes that the shorter time period will allow the NYSE Arca Options Surveillance Department to more effectively monitor a Market Maker's compliance with their quoting obligations.

On occasion, a situation may arise where a Market Maker is unable to provide continuous quotations due to circumstances completely beyond his or her control. Accordingly, the Exchange proposes to amend Rule 6.37B(c) to state that if a technical failure or limitation of a system of the Exchange prevents a Market Maker from providing timely and accurate electronic quotes, the duration of such failure shall not be considered in determining whether the Market Maker has satisfied the 60% quoting standard. The Exchange may also take into consideration demonstrated legal or regulatory requirements or other mitigating circumstances that might prevent a Market Maker from providing

continuous quotations. In order for the Exchange to consider any exceptions to quoting obligations, Market Makers must notify the Exchange promptly whenever circumstances arise that prevent them from providing continuous quotations. The Exchange notes that this proposed amendment is similar to NYSE Arca Rule 6.37B(b), which provides for limited exceptions to LMM quoting obligations.

The Exchange also proposes minor technical changes to Rule 6.37B. The Exchange states that the terms "issue" and "class," when used in the context of a Market Maker's Appointment, are virtually interchangeable words. However, for the sake of consistency within Rule 6.37B, the Exchange proposes to use just the term "issue." Accordingly, wherever the term "class" is used, it will now read "issue." The Exchange also proposes a minor change to the numbering of subsections within the Rule.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁷ in particular, because 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, and to remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange believes that this rule change will create a more efficient procedure for the Exchange to monitor quoting obligations of Market Makers, while at the same time providing relief for these obligations when a situation arises that is completely beyond the control of the Market Maker.

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 rule change does not: (1) Significantly affect the protection of investors or the public interest; (2) impose any significant burden on competition; and (3) become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act⁸ and Rule 19b-4(f)(6) thereunder.⁹

A proposed rule change filed under 19b-4(f)(6) normally may not become operative prior to 30 days after the date of filing.¹⁰ However, Rule 19b-4(f)(6)(iii)¹¹ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because such waiver would allow the Exchange to implement the proposal without needless delay. The Commission notes that it recently approved a substantially similar NYSE Arca proposal pertaining to LMM quoting obligations.¹² For these reasons, the Commission designates the proposed rule change to be operative upon filing with the Commission.¹³

At any time within 60 days of the filing of such 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,

⁵ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6).

¹⁰ 17 CFR 240.19b-4(f)(6)(iii). In addition, Rule 19b-4(f)(6)(iii) requires that a self-regulatory organization submit to the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of 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 the five-day pre-filing notice requirement.

¹¹ *Id.*

¹² See *supra* note 5.

¹³ For the 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).

⁵ See Securities Exchange Act Release No. 57186 (January 22, 2008), 73 FR 4931 (January 28, 2008) (SR-NYSEArca-2007-121).

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

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-2008-30 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-2008-30. 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 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. 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-2008-30 and should be submitted on or before April 15, 2008.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57520; File No. SR-OCC-2008-02]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Definition and Use of the Terms "Settlement Price" and "Final Settlement Price"

March 18, 2008.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on January 24, 2008, 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. OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)(i) of the Act² and Rule 19b-4(f)(1)³ thereunder so that the proposal was 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 proposed rule change amends the definition and use of the terms "settlement price" and "final settlement price" as applied to futures contracts cleared by OCC for the purpose of improving the definitions and establishing consistent usage.

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 such statements.⁴

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

The primary purpose of the proposed rule change is to revise OCC's By-Laws and Rules to eliminate any inconsistencies in the use of the terms "settlement price" and "final settlement price" and to clarify the roles of OCC and of the exchanges on which futures are traded in determining the daily and if applicable intraday settlement price and the final settlement price of a series of futures contracts. OCC is also making one change in its rules to reflect a change in the services available to clearing members.

The two key components of the proposed rule change involve the definition of "settlement price" and "final settlement price" as used in OCC's By-Laws and Rules and the location of the language governing the manner in which settlement prices are determined. Currently, the prices used to calculate daily or intraday variation payments are referred to simply as "settlement prices" rather than "interim settlement prices." The term "settlement price" does not encompass the term "final settlement price," which is separately defined to refer only to the price used to determine the value of a contract at maturity. There are provisions of OCC's By-Laws and Rules that apply equally to daily or intraday settlement prices and final settlement prices. Accordingly, OCC is revising the definition of "settlement price" to encompass both types of prices. The term "interim settlement price" will be used to refer to prices used to determine daily and intraday variation payments. In addition, the definition of "final settlement price" is being revised in recognition of the possibility that prices determined in the futures markets themselves, as opposed to prices determined in the cash markets for the underlying interests, may sometimes be used to determine the final settlement price. OCC is also moving the language regarding the establishment of the interim settlement price for futures from Rule 1301(d) to Article XII, Section 6 of OCC's By-Laws. OCC believes that this language more logically belongs in Article XII, which currently governs only the establishment of final settlement prices.

Proposed Changes to By-Laws

OCC is introducing the new term "interim settlement price" in Article I, Section 1 of its By-Laws with respect to futures to refer to what is currently defined simply as "settlement price"

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78s-1(b)(3)(A)(i).

³ 17 CFR 240.19b-4(f)(1).

⁴ The Commission has modified parts of these statements.

¹⁴ 17 CFR 200.30-3(a)(12).