Room. Copies of the filing also will be available for inspection and copying at the principal office of NASD. 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–NASD–2007–033 and should be submitted on or before June 25, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[12]

Florence E. Harmon,

Deputy Secretary.

[FR Doc. E7–10681 Filed 6–1–07; 8:45 am]

BILLING CODE 8010–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–55818; File No. SR–NYSE–2007–48]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change Relating to Proposed Amendments to Rule 600 to Provide Guidance Regarding New and Pending Arbitration Claims in Light of the Consolidation of NYSE Regulation into NASD DR

May 25, 2007.

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 May 23, 2007, the New York Stock Exchange LLC (''NYSE'' or the ''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 NYSE. 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 NYSE proposes to amend current Rule 600 and adopt a new Rule 600A.

As part of the consolidation of the member firm regulation function of NYSE Regulation, Inc. (''NYSE Regulation'') with the National Association of Securities Dealers, Inc. (''NASD''), NYSE Regulation will cease to provide an arbitration program, and its existing arbitration department (''NYSE Arbitration'') will be consolidated with that of NASD Dispute Resolution, Inc. (''NASD DR''). The proposed amendments provide that the arbitration rules of the Exchange shall apply only to NYSE arbitration cases pending prior to the effective date of the consolidation, and that, thereafter, claims involving member organizations, and/or associated persons, and/or other related parties will be arbitrated under the Codes of Arbitration Procedure of NASD DR. The text of the proposed rule is set forth below. Proposed new language is underlined.

* * * * *

Rule 600 Arbitration

* * * * *

Supplementary Material

Rules 600 through 639, with the exception of Rule 600A, apply only to arbitrations commenced prior to [insert effective date of the consolidation] and are otherwise of no force or effect. Notwithstanding the foregoing, arbitrations filed with NYSE Arca on or prior to January 31, 2007 continue to be governed by the NYSE Arca Rule 12 in effect on or prior to January 31, 2007, and arbitrations filed with NYSE Arca Equities on or prior to January 31, 2007 continue to be governed by the NYSE Arca Equities Rule 12 in effect on or prior to January 31, 2007. On and after [insert effective date of the consolidation] all such arbitrations shall, until concluded, be administered by NASD Dispute Resolution, Inc. (''NASD DR'') pursuant to a Regulatory Services Agreement with the Exchange.

* * * * *

Rule 600A

(a) Duty to Arbitrate. (i) Any dispute, claim or controversy between a member organization and another member organization shall be arbitrated pursuant to the Codes of Arbitration Procedure of NASD DR; and, (ii) any dispute, claim or controversy between a customer or non-member and a member organization and/or associated person and/or other related party, or between an associated person and a member organization and/or an associated person arising in connection with the business of such member organization and/or associated person in connection with his or her activities as an associated person, shall be arbitrated pursuant to NASD DR Codes of Arbitration Procedure as provided by any duly executed and enforceable written agreement, or upon the demand of the customer or non-member. However, such obligation to arbitrate shall not extend to any controversy that is not permitted to be arbitrated under NASD DR Codes of Arbitration Procedure.

(b) Referrals. The Exchange may receive, investigate and take disciplinary action with respect to any referral it receives from an NASD DR arbitrator of any matter which comes to the attention of such arbitrator during and in connection with the arbitrator's participation in a proceeding, either from the record of the proceeding or from material or communications related to the proceeding, that the arbitrator has reason to believe may constitute a violation of the Exchange's Rules or the federal securities laws.

(c) Failure to Arbitrate or to Pay an Arbitration Award. Any member organization or associated person who fails to submit to arbitration a matter required to be arbitrated pursuant to this Rule, or that fails to honor an arbitration award made pursuant to the Codes of Arbitration Procedure of NASD DR, or made under the auspices of any other self-regulatory organization, shall be subject to disciplinary proceedings in accordance with Exchange Rule 476.

(d) Other Actions. The submission of any matter to arbitration as provided for under this Rule shall in no way limit or preclude any right, action or determination by the Exchange that it would otherwise be authorized to adopt, administer or enforce.

* * * * *

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 NYSE 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 NYSE 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 provide guidance regarding both new and pending arbitration claims in light of the consolidation of NYSE Regulation into NASD DR. NYSE

[12] 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.

Arbitration currently administers an arbitration program for NYSE Regulation, governed by NYSE Regulation Rules 600 through 639. NYSE Arbitration also administers a program for NYSE Arca, Inc. (''NYSE Arca'') and NYSE Arca Equities, Inc. (''NYSE Arca Equities''), governed by what is referred to as ''Rule 12.'' [4]

As part of the consolidation of NYSE Regulation with NASD,[5] NYSE Regulation will cease to administer an arbitration program, and its existing arbitration department will be consolidated with NASD DR. As a result, on or after the date of the consolidation, all arbitration claims filed prior to the date of the consolidation and previously subject to NYSE Regulation rules and administration will be administered by NASD DR pursuant to a Regulatory Services Agreement with the NYSE.

However, the rules governing the administration of any particular arbitration will depend on the date the case was filed. This will ensure that any person that commenced arbitration under a particular set of arbitration rules will continue to have the case administered pursuant to those rules through to the case's conclusion. There are two categories of cases. First, NYSE arbitration cases filed before the effective date of the consolidation will continue to be governed by existing NYSE Regulation arbitration rules, as would pending NYSE Arca and NYSE Arca Equities cases filed on or after February 1, 2007.[6] Second, those NYSE Arca and NYSE Arca Equities cases filed on or prior to January 31, 2007 are (and will continue to be) governed by Rule 12.

Proposed Exchange Rule 600A provides detailed guidance concerning claims involving member organizations, and/or associated persons and/or other related parties, that are asserted on and after the date of the consolidation. First, any dispute, claim or controversy between a member organization and another member organization shall be arbitrated pursuant to the Codes of Arbitration Procedure of NASD DR. Second, any dispute, claim or controversy between a customer or a non-member and a member organization, and/or associated person and/or other related party shall be arbitrated pursuant to NASD DR Codes of Arbitration Procedure as provided by any duly executed and enforceable written agreement, or upon the demand of the customer or non-member. Third, any dispute, claim or controversy between an associated person and a member organization and/or an associated person arising in connection with the business of such member organization and/or associated person in connection with his or her activities as an associated person, shall be arbitrated pursuant to NASD DR Codes of Arbitration Procedure as provided by any duly executed and enforceable written agreement.

In almost all cases the change from NYSE to NASD DR arbitration rules should not result in material, substantive differences to persons participating in the arbitration process. However, one difference is the treatment of employment discrimination claims. NASD DR rules provide that any claim alleging employment discrimination, including any sexual harassment claims, in violation of a statute, will be eligible for arbitration pursuant to either a pre-dispute or a post-dispute agreement to arbitrate. In contrast, Exchange Rule 600(f) permits claims to be arbitrated only when the parties have agreed to arbitrate the claim after it has arisen.

Rule 600A will explicitly retain the Exchange's enforcement authority related to arbitration. In appropriate cases, arbitrators refer to the Exchange potential violations of the Exchange's Rules or the federal securities laws that come to their attention during and in connection with a proceeding. Rule 600A will specify that the Exchange will retain the ability to take action based on such referrals that may come from arbitrators in cases being arbitrated at NASD DR.

Rule 600A will also retain the substance of current Exchange Rule 637, regarding the obligation to honor arbitration awards. It will provide that any Exchange member organization, or associated person of any Exchange member organization, that fails to honor an award of arbitrators rendered under the NASD DR Codes of Arbitration Procedure, or under the auspices of any other self-regulatory organization, shall be subject to disciplinary proceedings in accordance with Exchange Rule 476. It will also specify that failure to submit a matter to arbitration as required by Rule 600A will also subject the member organization to Exchange disciplinary action.

Rule 600A will also specify that the submission of any matter to arbitration as provided for under the Rule shall in no way limit or preclude any right, action or determination by the Exchange that it would otherwise be authorized to adopt, administer or enforce.

Finally, Supplementary Material added to existing Rule 600, and to become effective on the effective date of the consolidation, will specify that the current NYSE arbitration rules, Rules 600 through 639, will thereafter apply only to arbitrations commenced prior to the effective date of the consolidation and will be otherwise of no force or effect. The Supplementary Material will also specify that arbitrations filed with NYSE Arca or NYSE Arca Equities on or prior to January 31, 2007 will continue to be governed by Rule 12. This will ensure that those who commenced arbitrations under a particular set of arbitration rules will continue to have their cases administered pursuant to those same rules through to the cases' conclusion. The Supplementary Material will also note that from and after the effective date of the consolidation, all outstanding arbitrations shall, until concluded, be administered by NASD DR pursuant to a Regulatory Services Agreement with the Exchange.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b)(5) [7] of the Act, which requires, among other things, that the rules of an Exchange be designed to promote just and equitable principles of trade and to protect investors and the public interest. The proposed rule change will streamline the arbitration process and provide for a unified and more efficient arbitration forum with one set of arbitration rules and administrative procedures. This will allow resources to be devoted to maintaining and improving the NASD DR program, rather than splitting resources between two mainly duplicative programs. As a result of these improvements, the proposed rule change will better protect investors and the public interest.

[4] NYSE Arca and NYSE Arca Equities have two separate rules that govern arbitrations, one for Equity Trading Permit (''ETP'') holders, and one for Option Trading Permit (''OTP'') holders and OTP firms; both rules are known as ''Rule 12.'' Although Rule 12 has subsequently been amended, for purposes of administering NYSE Arca and NYSE Arca Equities arbitrations filed on or prior to January 31, 2007, NYSE Arbitration follows Rule 12 as it was in effect on that date.

[5] Additional information regarding the consolidation may be found in: SR–NASD–2007–23 (March 19, 2007) concerning proposed amendments to the By-Laws of NASD to implement governance and related changes to accommodate the consolidation of the member firm regulatory functions of NASD and NYSE Regulation, Inc.; and SR-NYSE–2007–22 (February 27, 2007) concerning proposed amendments to several NYSE rules which, among other matters, harmonize the rules with corresponding NASD regulatory requirements.

[6] *See* Release No. 34–55142 (January 19, 2007), 72 FR 3898 (January 26, 2007) (SR–NYSEArca–2006–54) and Release No. 34–55141 (January 19, 2007), 72 FR 3897 (January 26, 2007) (SR–NYSEArca–2006–55).

[7] 15 U.S.C. 78f(b)(5).

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

Within 35 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 90 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 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:

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–2007–48 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–2007–48. 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 such filing also will be available for inspection and copying at the principal office of the NYSE. 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–2007–48 and should be submitted on or before June 25, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[8]

Florence E. Harmon,

Deputy Secretary.

[FR Doc. E7–10661 Filed 6–1–07; 8:45 am]

BILLING CODE 8010–01–P

[8] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–55823; File No. SR–NYSE–2007–10]

Self-Regulatory Organizations; New York Stock Exchange LLC; Order Approving Proposed Amendments to Interpretation to Rule 311(b)(5) (''Co-Designation of Principal Executive Officers'') as Modified by Amendment No. 1

May 29, 2007.

I. Introduction

On February 2, 2007, the New York Stock Exchange LLC (''NYSE'' or the ''Exchange'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act''),[2] and Rule 19b–4 thereunder,[3] a proposed rule change to amend Interpretation .05 to NYSE Rule 311(b)(5) regarding co-designation of principal executive officers. On April 16, 2007, the Exchange submitted Amendment No. 1 to the proposed rule change. The proposed rule change, as amended, was published for comment in the **Federal Register** on April 26, 2007.[4] The Commission received no comments on the proposal. This order approves the proposed rule change, as amended.

II. Description of the Proposal

NYSE Rule 311 (''Formation and Approval of Member Organizations'') and specifically Section (b)(5) thereof currently provide that principal executive officers[5] shall exercise principal executive responsibility over the various areas of the business of the member corporation. Interpretation .05 to Rule 311(b)(5) (the ''Interpretation'') sets forth the regulatory framework under which member organizations may request approval for assigning two persons as the principal executive officers for the same function pursuant to Rule 311(b)(5). The Rule currently provides that no understanding or agreement purporting to limit or apportion the joint and several responsibility of each such co-officer will be recognized by the Exchange. The Exchange now believes, however, that there are situations in which CCOs and COOs can exercise supervisory authority over discrete and naturally separate business functions, consistent with the internal corporate structure of the particular member organization. Accordingly, the Exchange has proposed to permit co-CCOs and co-COOs to allocate supervisory responsibility in a fashion acceptable to the Exchange.[6]

Specifically, where a member organization seeks to divide regulatory responsibility between more than one such principal executive officer bearing the same or similar titles without the assumption of joint and several responsibility, it must provide the Exchange with a plan acceptable to the Exchange allocating specific responsibility and making unambiguous provisions, especially for the supervision of areas where the separate functions interact. Joint and several responsibility would remain in effect for any area not specifically included in the plan approved by the Exchange.

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78(a) *et seq.*

[3] 17 CFR 240.19b–4.

[4] *See* Securities Exchange Act Release No. 55650 (April 19, 2007), 72 FR 20905.

[5] The Exchange recognizes four such principal executive officers: chief executive officer (''CEO''), chief operations officer (''COO''), chief finance officer (''CFO'') and chief compliance officer (''CCO'').

[6] The Exchange continues to believe that the authority vested in CEOs and CFOs is indivisible, thus the proposed amendments to the Interpretation would not apply to these principal executive officers.