

Price Improvement Mechanism ("PIM"), or send the order to the Exchange's limit order book. If the market maker submits the order to the PIM and is quoting at the national best bid or offer ("NBBO") on the opposite side of the Directed Order, it would be prohibited from changing its quotation to a price less favorable than the price available at the NBBO or reducing the size of its quotation prior to submitting the Directed Order to the PIM, unless such quotation change is the result of an automated quotation system that operates independently from the existence or nonexistence of a pending Directed Order. If the market maker sends the order to the Exchange's limit order book (or the Exchange system releases the order to the limit order book after three seconds) certain restrictions would apply to a market maker's ability to trade with the order depending on whether the Directed Order is marketable or not marketable, and whether the Directed Market Maker is quoting at the NBBO or not quoting at the NBBO. In any case, the Directed Market Maker would be last in priority when the Directed Order is matched against contra interest.

After careful consideration, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange.⁵ In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,⁶ which requires among other things, that an exchange have rules that are designed to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transaction in securities, to remove impediments to and perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Commission notes that the proposal is similar to the Directed Order program currently in place on the Boston Options Exchange facility ("BOX") of the Boston Stock Exchange, Inc. ("BSE").⁷ Similar to the program currently in place on BOX, market makers receiving Directed Orders must accept all orders directed to them and must send such orders only to the PIM

⁵ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁶ 15 U.S.C. 78f(b)(5).

⁷ See BSE Rules Chapter VI, Section 5(b) and (c), and Section 10.

or to the Exchange's limit order book. In addition, a market maker that receives a Directed Order when not quoting at the NBBO as well as when quoting at the NBBO, would have to wait three seconds before trading with the Directed Order. The Directed Order would be exposed to other market participants to give them the first opportunity to trade with the Directed Order. Accordingly, the Commission believes that the proposal would not provide any disincentive for market makers that receive Directed Orders to quote competitively.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (SR-ISE-2004-16) be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. E5-4732 Filed 8-30-05; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-52333, File No. SR-MSRB-2005-13]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Approving Proposed Rule Change Relating to Official Statement Delivery Requirements Under Rule G-32, Rule G-36, and Rule G-11

August 25, 2005.

On June 23, 2005, the Municipal Securities Rulemaking Board ("MSRB" or "Board"), filed with the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² a proposed rule change consisting of amendments to Rule G-32 (on delivery of official statements to new issue customers), Rule G-36 (on delivery of official statements and advance refunding documents to the Board) and Rule G-11 (on new issue municipal securities during the underwriting period). The proposed rule change is intended to improve the efficiency of official statement dissemination in the municipal securities marketplace and the timeliness of official statement deliveries to customers. The proposed

¹ 15 U.S.C. 78s(b)(2).

² 17 CFR 200.30-3(a)(12).

³ 15 U.S.C. 78s(b)(1).

⁴ 17 CFR 240.19b-4.

rule change was published for comment in the **Federal Register** on July 25, 2005.³ The Commission received no comment letters regarding the proposal.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the MSRB⁴ and, in particular, the requirements of Section 15B(b)(2)(C) of the Act⁵ and the rules and regulations thereunder. Section 15B(b)(2)(C) of the Act requires, among other things, that the MSRB's rules be 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.⁶ In particular, the Commission finds that the proposed rule change will increase the efficiency of official statement dissemination in the marketplace and the timeliness of official statement deliveries to customers.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (SR-MSRB-2005-13) be, and hereby is, approved.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. E5-4751 Filed 8-30-05; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2005-22056]

Public Meeting To Discuss the Implementation of the North American Standard for Cargo Securement

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

³ See Securities Exchange Act Release No. 52058 (July 19, 2005), 70 FR 42604 (July 25, 2005).

⁴ In approving this rule the Commission notes that it has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

⁵ 15 U.S.C. 78o-4(b)(2)(C).

⁶ *Id.*

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(12).