

### III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change is consistent with Section 6(b) of the Act<sup>10</sup> in general and Section 6(b)(5) of the Act<sup>11</sup> in particular, which require that the rules of the Exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade and, in general, to protect investors and the public interest.<sup>12</sup> The proposed rule change, as amended, enables the Director of Arbitration to remove an arbitrator when a conflict arises after the commencement of the hearing or when information required to be disclosed pursuant to Exchange Rule 610 and of which the parties were previously unaware, is not disclosed. Similarly, the proposed rule change also permits an arbitrator to be removed where circumstances known before the commencement of the hearing develop into a conflict after the commencement of the hearing. Enabling the Director of Arbitration to remove arbitrators with any of these conflicts if they fail to recuse themselves will address circumstances in which an arbitrator with a conflict could otherwise continue serving on a panel. We believe that allowing the Director of Arbitration to exercise this authority will facilitate the removal of arbitrators with either previously undisclosed and unknown conflicts or newly-arising conflicts (whether from known or unknown circumstances), and will therefore enhance the fairness and transparency of the arbitration process. *Accelerated Approval of the Proposed Rule Change as Modified by Amendment Nos. 2 and 3.* The Commission finds good cause for approving the proposed rule change as modified by Amendment Nos. 2 and 3 to the proposed rule change prior to the thirtieth day after the amendment is published for comment in the **Federal Register** pursuant to Section 19(b)(2) of the Act.<sup>13</sup> Amendment No. 2 responded to a comment by providing that parties aware of conflicts prior to the time that the arbitrator was appointed could not delay action on that knowledge. Amendment No. 3, which clarified Amendment No. 2, set forth the two grounds for removal of an arbitrator after commencement of the hearing: first, a conflict arising after the

commencement of the hearing; and second, a failure to disclose information pursuant to Rule 610 if the parties were previously unaware of the undisclosed information. The Commission finds that, given the concerns the commenter raised with respect to the possibility that the arbitration process might be manipulated by parties seeking to remove an arbitrator based on information known to a party at an earlier date but acted upon only after the party assessed the arbitrator, it is appropriate and responsive for the Exchange to amend the proposed rule change to provide that an arbitrator cannot be removed after taking the oath of arbitration for a particular case based on a conflict of which the parties were previously aware. In essence, the rule provides that parties who come into knowledge of a conflict may not delay before requesting removal of an arbitrator. Similarly, the Commission believes that it is appropriate to permit the Director of Arbitration to remove an arbitrator for whom a conflict arises after commencement of the hearing, as the NYSE rules do not presently provide for such removal. Accordingly, the Commission finds good cause to accelerate approval of the proposed rule change, as amended.

### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the proposed rule change as modified by Amendment Nos. 2 and 3, including whether Amendment Nos. 2 and 3 are 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 e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2004-56 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-2004-56. 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-2004-56 and should be submitted on or before May 3, 2007.

### V. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act<sup>14</sup> that the proposed rule change (SR-NYSE-2004-56), as amended, be, and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>15</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-6935 Filed 4-11-07; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55591; File No. SR-Phlx-2007-30]

### Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Ratio Spreads

April 6, 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 27, 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 and II below, which Items have been prepared substantially by the Phlx.

<sup>14</sup> 15 U.S.C. 78s(b)(2).

<sup>15</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>10</sup> 15 U.S.C. 78f(b).

<sup>11</sup> 15 U.S.C. 78f(b)(5).

<sup>12</sup> In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>13</sup> 15 U.S.C. 78s(b)(2).

The Exchange filed the proposal pursuant to Section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder,<sup>4</sup> which renders the proposal effective upon filing with the Commission.<sup>5</sup> 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 Phlx Rules 1033, "Bids and Offers—Premium," and 1066, "Certain Types of Orders Defined," to define and permit ratio spreads in all options traded on the Exchange.

The text of the proposed rule change is available at the Exchange, in the Commission's Public Reference Room, and at <http://www.phlx.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, 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 define and permit ratio spreads in options overlying equities, indexes, and Exchange Traded Fund Shares ("ETFs"), and to establish by rule permissible ratios for such orders.

Currently, Phlx Rule 1033 permits members to trade spread orders in which the respective legs consist of different numbers of contracts (ratio spreads) for foreign currency options only. The proposed rule change would expand the rule to permit ratio spreads for all options traded on the Exchange by deleting from the rules language limiting such orders to options overlying foreign currencies.

Specifically, the Phlx proposes to amend Phlx Rule 1033(g) to permit ratio

spreads for spread, straddle, and combination orders, as defined in Phlx Rule 1066, in equity, ETF, and index options by deleting the current language that limits such orders to foreign currency options. The amended rules would permit spread, straddle, and combination orders in equity, ETF, and index options with a ratio that is equal to or greater than one-to-three and less than or equal to three-to-one.

Phlx Rule 1066 currently defines a "spread order" as an order to buy a stated number of option contracts and to sell *the same* number of option contracts in a different series of the same option. The proposed amendment would re-define the term "spread order" as an order to buy *a stated* number of option contracts and to sell a stated number of option contracts (which may be a different number of contracts) in a different series of the same option. The definition would also clarify that such an order may be bid for or offered on a total net debit or credit basis.

##### 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>7</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 permitting ratio spreads in all options traded on the Exchange.

#### 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 Phlx has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act<sup>8</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>9</sup> Because the Phlx has designated the foregoing

proposed rule change as one that 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, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6) thereunder. As required by Rule 19b-4(f)(6)(iii) under the Act,<sup>10</sup> the Phlx provided 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 filing the proposal with the Commission or such shorter period as designated by the Commission.

A proposed rule change filed under Rule 19b-4(f)(6) under the Act<sup>11</sup> normally does not become operative prior to 30 days after the date of filing. However, Rule 19b-4(f)(6)(iii) permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.<sup>12</sup> The Phlx has asked the Commission waive the 30-day operative delay to allow the Phlx to have the same rules governing ratio spreads as those currently in effect on other options exchanges.<sup>13</sup>

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because it would allow the Phlx to implement rules governing ratio spreads consistent with those adopted by other options exchanges without delay.<sup>14</sup> For this reason, the Commission designates that the proposal become operative immediately.

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,

<sup>10</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

<sup>12</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>13</sup> See American Stock Exchange LLC Rule 950(e)(v); Chicago Board Options Exchange, Incorporated Rule 6.53(n); International Securities Exchange, LLC Rule 722(a)(6); and NYSE Arca, Inc. Rule 6.62(j).

<sup>14</sup> See note 13, *supra*. 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. 15 U.S.C. 78c(f).

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

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> The Phlx has asked the Commission to waive the 30-day operative delay provided in Rule 19b-4(f)(6)(iii), 17 CFR 240.19b-4(f)(6)(iii).

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

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>9</sup> 17 CFR 240.19b-4(f)(6).

or otherwise in furtherance of the purposes of the Act.<sup>15</sup>

**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-2007-30 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-Phlx-2007-30. 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. 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-2007-30 and should be submitted on or before May 3, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>16</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-6878 Filed 4-11-07; 8:45 am]

**BILLING CODE 8010-01-P**

**SMALL BUSINESS ADMINISTRATION**

**[Disaster Declaration #10843 and #10844]**

**Colorado Disaster #CO-00015**

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Notice.

**SUMMARY:** This is a notice of an Administrative declaration of a disaster for the State of Colorado dated 04/05/2007.

*Incident:* Tornado.  
*Incident Period:* 03/28/2007.  
*Effective Date:* 04/05/2007.  
*Physical Loan Application Deadline Date:* 06/04/2007.  
*Economic Injury (EIDL) Loan Application Deadline Date:* 01/07/2008.

**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:** A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, SW., Suite 6050, Washington, DC 20416.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that as a result of the Administrator’s disaster declaration, applications for disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

*Primary Counties:* Prowers.

*Contiguous Counties:*

Colorado: Baca, Bent, Kiowa.

Kansas: Greeley, Hamilton, Stanton.

*The Interest Rates are:*

	Percent
Homeowners with Credit Available Elsewhere .....	5.750
Homeowners without Credit Available Elsewhere .....	2.875
Businesses with Credit Available Elsewhere .....	8.000
Businesses & Small Agricultural Cooperatives without Credit Available Elsewhere .....	4.000
Other (including Non-Profit Organizations) with Credit Available Elsewhere .....	5.250

	Percent
Businesses and Non-Profit Organizations without Credit Available Elsewhere .....	4.000

The number assigned to this disaster for physical damage is 10843 C and for economic injury is 10844 0.

The States which received an EIDL Declaration # are Colorado, Kansas. (Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Dated: April 5, 2007.

**Steven C. Preston,**

*Administrator.*

[FR Doc. E7-6950 Filed 4-11-07; 8:45 am]

**BILLING CODE 8025-01-P**

**DEPARTMENT OF STATE**

**[Public Notice 5757]**

**Culturally Significant Objects Imported for Exhibition; Determinations: “Divisionism/Neo-Impressionism: Arcadia and Anarchy”**

*Summary:* Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, Delegation of Authority No. 236 of October 19, 1999, as amended, and Delegation of Authority No. 257 of April 15, 2003 [68 FR 19875], I hereby determine that the objects to be included in the exhibition “Divisionism/Neo-Impressionism: Arcadia and Anarchy,” imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at the Solomon R. Guggenheim Museum, New York, New York, from on or about April 27, 2007, until on or about August 6, 2007, and at possible additional venues yet to be determined, is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

*For Further Information Contact:* For further information, including a list of the exhibit objects, contact Paul Manning, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: (202) 453-8050). The address is U.S. Department of State, SA-

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

<sup>16</sup> 17 CFR 200.30-3(a)(12).