

B. Non-Substantive Changes and Technical Corrections

1. Definition of "Person"

FICC is amending the current definition of Person contained in GSD Rule 1 ("Definitions") to indicate that the term will be used throughout the rules to mean a partnership, corporation, limited liability corporation, or other organization, entity, or individual.

2. Definition of "Eligible Security"

FICC is amending the definition of Eligible Security to make clear that any security of an issuer that is on the Office of Foreign Assets and Control's ("OFAC") Specially Designated Nationals list or a security from a country that is subject to OFAC sanctions may not be an eligible security at GSD. FICC is making the same change to the definition of Eligible Security in MBSD's Clearing and EPN rules.

3. Definition of "Bond Market Association"

The Bond Market Association is now known as the Securities Industry and Financial Markets Association. GSD is removing the definition of and references to The Bond Market Association from its rules and is replacing it with a definition for and references to The Securities Industry and Financial Markets Association.

4. Governing Law Provision

FICC is clarifying the Governing Law provision contained in GSD's and MBSD's Clearing and EPN rules to state that the Clearing and EPN rules of GSD and MBSD are subject to New York law as applicable to contracts executed and performed in New York.

5. Insurance Company Netting Member Eligibility Requirements

FICC is removing from GSD's rules the eligibility requirements for Insurance Company Netting Members because GSD does not currently have any such members. FICC will, however, retain the definition of Insurance Company Netting Member in its rules in the event that such an entity applies for membership in the future. Appropriate eligibility requirements would be reviewed at that time and proposed as additions to the rules.

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. In particular, the Commission

believes the proposal is consistent with the requirements of section 17A(b)(3)(F),⁴ which, among other things, requires the rules of a clearing agency be designed to assure the safeguarding of securities and funds that are in the custody or control of the clearing agency or for which it is responsible. In addition to making the rules more logically structured, more consistent with the rules of FICC's clearing agency affiliate, and less redundant, the proposal should improve FICC's ability to responsibly administer its membership application process by providing FICC with a more flexible and risk-based approach to review applications for membership. Although FICC is eliminating certain factors that would previously have resulted in the automatic disqualification of an applicant, FICC has retained explicit rights to deny membership to an unworthy applicant based upon FICC's qualitative review, based in part on new required documentation, of an applicant's underlying financial, operational, or character issues. Accordingly, the proposed rule change is consistent with FICC's obligation to assure ability to safeguard securities and funds in its possession or control or for which it is responsible.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of section 17A of the Act⁵ and the rules and regulations thereunder.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,⁶ that the proposed rule change (File No. SR-FICC-2006-19) be, and hereby is, approved.⁷

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

Florence E. Harmon,

Deputy Secretary.

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⁴ 15 U.S.C. 78q-1(b)(3)(F).

⁵ 15 U.S.C. 78q-1.

⁶ 15 U.S.C. 78s(b)(2).

⁷ In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

⁸ 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-56184; File No. SR-NSCC-2007-10]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Fees Charged for Its Positions and Valuations Service

August 2, 2007.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on May 11, 2007, the National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change described in Items I, II, and III below, which items have been prepared primarily by NSCC. NSCC filed the proposed rule change pursuant to section 19(b)(3)(A)(ii) of the Act² and Rule 19b-4(f)(2) thereunder³ 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 parties.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The purpose of the proposed rule change is to reduce the fees that NSCC charges for its Positions and Valuations service ("POV"), which is part of the Insurance and Retirement Processing Service ("IPS") effective July 1, 2007.⁴

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, NSCC 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. NSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.⁵

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78s(b)(3)(A)(ii).

³ 17 CFR 240.19b-4(f)(2).

⁴ The Insurance and Retirement Processing Service was formerly called the Insurance Processing Service.

⁵ The Commission has modified the text of the summaries prepared by NSCC.

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

The purpose of the proposed rule change is to reduce the fees that NSCC

charges for its POV service effective July 1, 2007.

The transaction fees schedule for the IPS POV service is tiered according to the numbers of transaction processed.

The following chart shows the current fees and the proposed reduced fees.

POV position records	Current (items)	Proposed (items)
From 0 to 500,000 items per month	\$8.00 per 1,000	\$ no change.
From 500,001 to 2,000,000 items per month	\$4.50 per 1,000	\$4.00 per 1,000.
From 2,000,001 to 4,000,000 items per month	\$3.75 per 1,000	\$3.00 per 1,000.
For 4,000,001 or more items per month	\$3.50 per 1,000	\$2.00 per 1,000.

These fees are being reduced due to an increase in volume and revenue in NSCC's IPS over recent years which has resulted in excess revenue for these services.

The proposed rule change is consistent with the requirements of Section 17A of the Act⁶ and the rules and regulations thereunder applicable to NSCC because the proposed change provides for the equitable allocation of dues fees and other charges among NSCC members and aligns fees for services with the associated cost to deliver the service.

(B) Self-Regulatory Organization's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will have any impact or impose any burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments relating to the proposed rule change have not yet been solicited or received. NSCC will notify the Commission of any written comments received by NSCC.

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

The foregoing rule change has become effective upon filing pursuant to section 19(b)(3)(A)(ii) of the Act⁷ and Rule 19b-4(f)(2)⁸ thereunder because the rule establishes a due, fee, or other charge. At any time within sixty days of the filing of the proposed rule change, the Commission could have summarily abrogated such rule change if it appeared to the Commission that such action was 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 Number SR-NSCC-2007-10 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-NSCC-2007-10. 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.

The text of the proposed rule change is available at NSCC, the Commission's Public Reference Room, and <http://www.nsccl.com/legal/2007/2007-10.pdf>. 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-NSCC-2007-10 and should be submitted on or before August 29, 2007.

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

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-56183; File No. SR-NYSE-2007-42]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change as Modified by Amendment No. 1 Thereto Relating to Rule 103B ("Specialist Stock Allocation")

August 2, 2007.
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 April 20, 2007, the New York Stock Exchange LLC ("NYSE" 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 NYSE. NYSE filed Amendment No. 1 to the proposed rule change on July 20,

⁶ 15 U.S.C. 78q-1.

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.