

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-57113; File No. SR-CTA-2007-02)

January 8, 2008

Consolidated Tape Association; Order Approving the Eleventh Substantive Amendment to the Second Restatement of the Consolidated Tape Association Plan

I. Introduction

On November 5, 2007, the Consolidated Tape Association (“CTA”) Plan Participants (“Participants”)¹ filed with the Securities and Exchange Commission (“SEC” or “Commission”) pursuant to Section 11A of the Securities Exchange Act of 1934 (“Act”),² and Rule 608 thereunder,³ a proposal to amend the Second Restatement of the CTA Plan (the “Plan”) to permit Participants to report to the Processor under the CTA Plan the actual number of shares for each transaction (exclusive of odd-lots), rather than to report the number of round lots for each transaction. The proposed Plan amendment was published for comment in the Federal Register on December 12, 2007.⁴ No comment letters were received in response to the Notice. This order approves the proposed Plan amendment.

¹ Each Participant executed the proposed amendment. The Participants are the American Stock Exchange LLC; Boston Stock Exchange, Inc.; Chicago Board Options Exchange, Inc.; Chicago Stock Exchange, Inc.; International Securities Exchange, LLC; The NASDAQ Stock Market LLC; National Association of Securities Dealers, Inc. (n/k/a the Financial Industry Regulatory Authority); National Stock Exchange, Inc.; New York Stock Exchange LLC.; NYSE Arca, Inc.; and Philadelphia Stock Exchange, Inc.

² 15 U.S.C. 78k-1.

³ 17 CFR 242.608.

⁴ See Securities Exchange Act Release No. 56904 (December 5, 2007), 72 FR 70621 (“Notice”).

II. Description of the Proposal

The Plan currently requires Participants to include in their transaction reports to the CTA Plan's processor the stock symbol of the Eligible Security, the price at which the transaction was executed, and the volume, in round lots, involved in the transaction.

The Eleventh Substantive Amendment proposes to replace the requirement that Participant report each transaction's volume in round lots with a requirement that each Participant report the actual number of shares for each transaction, exclusive of odd lots. The Participants believe that it remains appropriate to exclude odd lots from CTA trade reporting because the small size of odd-lot trades adds little to marketplace transparency and because the number of odd-lot trades would clutter data feeds and make it more difficult for investors to obtain a true view of the markets for Eligible Securities.

The Participants propose to implement the change soon after receipt of Commission approval of the Amendment.

III. Discussion

The Commission finds that the proposed CTA Plan amendment is consistent with the Act and the rules and regulations thereunder.⁵ Specifically, the Commission finds that the amendment to report transactions in the actual number of shares traded is consistent with Rule 608(b)(2)⁶ of the Act in that it is necessary for the protection of investors, the maintenance of fair and orderly markets, and to remove impediments to a national market system.

The proposed amendment would add greater transparency to the market place. Thus, the proposed amendment is consistent with, and would further, one of the principal objectives for the

⁵ The Commission has considered the proposed amendment's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁶ 17 CFR 242.608 (b)(2).

national market system set forth in Section 11A(a)(1)(C)(iii)⁷ of the Act – increasing the availability of market information to broker-dealers and investors.

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 11A of the Act,⁸ and the rules thereunder, that the proposed amendment to the CTA Plan (SR-CTA-2007-02) is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Florence E. Harmon
Deputy Secretary

⁷ 15 U.S.C. 78k-1(a)(1)(C)(iii).

⁸ 15 U.S.C. 78k-1.

⁹ 17 CFR 200.30-3(a)(27).