

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-56616; File No. SR-NYSEArca-2007-99)

October 4, 2007

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Modify the Exchange's Fees for Orders Submitted for Certain NYSE and Nasdaq-Listed Securities

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 September 28, 2007, NYSE Arca, Inc. (the "Exchange"), through its wholly owned subsidiary NYSE Arca Equities, Inc. ("NYSE Arca Equities"), 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 Exchange. The Exchange has designated this proposal as one establishing or changing a due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposed rule change effective upon filing with the Commission. 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 Exchange, through its wholly owned subsidiary NYSE Arca Equities, proposes to amend its Schedule of Fees and Charges for Exchange Services (the "Fee Schedule") to revise transaction fees for orders submitted by ETP Holders⁵ (including Market Makers⁶) for securities

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ See NYSE Arca Equities Rule 1.1(n).

⁶ See NYSE Arca Equities Rule 1.1(u).

listed on either the New York Stock Exchange LLC (“NYSE”) or The NASDAQ Stock Market LLC (“Nasdaq”). The Exchange also proposes to revise its routing fees for Nasdaq-listed securities. While changes to the Fee Schedule pursuant to this proposal were effective upon filing, the Exchange designated the changes operative on October 1, 2007. The text of the proposed rule change is available on the Exchange’s website at www.nyse.com, at the Exchange’s Office of the Secretary, and at the Commission.

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 Exchange included statements concerning the purpose of, and basis for, the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange 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

As part of its continuing efforts to enhance participation on the Exchange, NYSE Arca Equities proposes to amend relevant sections of its Fee Schedule that apply to orders submitted for NYSE and Nasdaq-listed securities, excluding Exchange Traded Funds (“ETFs”) listed on the NYSE. These changes will narrow the margins of fees received and credits paid by either: (1) for Nasdaq-listed securities, reducing the fees assessed for orders that remove liquidity from the NYSE Arca Equities book, or (2) for NYSE-listed securities (other than ETFs), increasing the credits provided for orders that provide liquidity to the book.

Currently, the fees and credits for round lot orders in NYSE-listed securities are \$0.003 per share and \$0.002 per share, respectively. Pursuant to this proposal, for NYSE-listed

securities (excluding ETFs), the Exchange will increase the \$0.002 per share credit to \$0.0025 per share.

Similarly, the fees and credits for round lot orders in Nasdaq-listed securities are \$0.003 per share and \$0.002 per share, respectively. Pursuant to this proposal, for Nasdaq-listed securities, the Exchange will reduce the \$0.003 per share fee to \$0.0025 per share.

Additionally, the Exchange proposes to reduce the fee for round lot and odd-lot orders of Nasdaq-listed securities submitted by ETP Holders routed away from the Exchange, and executed by an another market center or participant, from \$0.004 per share to \$0.0035 per share.

By this filing, the Exchange has also made clarifying amendments to the Fee Schedule to reflect: (1) the approval of Nasdaq as a national securities exchange thereby classifying Nasdaq securities as “listed securities,” and (2) the dissolution of the Intermarket Trading System.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act⁷ in general and furthers the objectives of Section 6(b)(4) of the Act⁸ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities.

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

Written comments on the proposed rule change were neither solicited nor received.

⁷ 15 U.S.C. 78f.

⁸ 15 U.S.C. 78f(b)(4).

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

The foregoing proposed rule change has become effective upon filing pursuant to Section 19(b)(3)(A) of the Act⁹ and Rule 19b-4(f)(2)¹⁰ thereunder, because it establishes or changes a due, fee, or other charge imposed by the Exchange.

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, 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-NYSEArca-2007-99 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-NYSEArca-2007-99. 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

⁹ 15 U.S.C. 78s(b)(3)(A).

comments on the Commissions 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 10:00 a.m. and 3:00 p.m. 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-NYSEArca-2007-99 and should be submitted on or before [insert date 21 days from the date of publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

Nancy M. Morris
Secretary

¹⁰ 17 CFR 19b-4(f)(2).

¹¹ 17 CFR 200.30-3(a)(12).