

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹³

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55738; File No. SR-NYSEArca-2007-17]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Approval of a Proposed Rule Change To Waive 2007 Annual Listing Fees for Certain Dually-Listed Issuers Who Delist During 2007

May 10, 2007.

I. Introduction

On March 6, 2007, NYSE Arca, Inc. ("Exchange") filed with the Securities and Exchange Commission ("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 to waive 2007 annual listing fees for certain issuers listed on the Exchange. The proposed rule change was published for comment in the **Federal Register** on April 5, 2007.³ The Commission received no comments on the proposal. This order approves the proposed rule change.

II. Description of the Proposal

The Exchange, through its wholly-owned subsidiary NYSE Arca Equities, Inc. ("NYSE Arca Equities"), proposes to waive 2007 annual listing fees for any issuers, who, as of January 1, 2007, were dually-listed on NYSE Arca Equities and another securities exchange, provided that such dually-listed issuers provide notice to the Exchange by June 30, 2007 of their intention to voluntarily withdraw listing from NYSE Arca Equities and that such dually-listed issuers withdraw listing before December 31, 2007.

III. Discussion

After a careful review of the proposed rule change, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the regulations thereunder applicable to a

national securities exchange.⁴ In particular, the Commission believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,⁵ which requires that the rules of an exchange provide for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facilities or system which it operates or controls.

The Commission notes that the Exchange increased its annual listing fees substantially as of January 1, 2007.⁶ The Exchange represented that as a result, many dually-listed issuers notified the Exchange of their intent to voluntarily delist from NYSE Arca Equities prior to January 1, 2007. Some dually-listed issuers, however, were unable to voluntarily delist by January 1, 2007, due to their administrative or corporate governance process. The proposal will permit such dually-listed issuers, as well as any other dually-listed issuers who comply with the proposal's requirements, a reasonable period of time to comply with their administrative or corporate governance process to voluntarily delist from NYSE Arca Equities without paying the higher 2007 annual listing fees. The Commission believes that it is appropriate to waive the 2007 annual listing fees for the withdrawing dually-listed issuers because these issuers fully intend to withdraw their listing, must withdraw by December 31, 2007, and are already listed on another national securities exchange. Based on the above, the Commission believes that such waiver is consistent with the requirements of the Act.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (SR-NYSEArca-2007-17) be, and hereby is, approved.

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

J. Lynn Taylor,

Assistant Secretary.

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⁴ In approving the 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).

⁵ 15 U.S.C. 78f(b)(4).

⁶ See Securities Exchange Act Release No. 54007 (June 16, 2006), 71 FR 36155 (June 23, 2006) (SR-PCX-2006-16).

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(12).

SMALL BUSINESS ADMINISTRATION

SBA Lender Risk Rating System

AGENCY: Small Business Administration.

ACTION: Final notice.

SUMMARY: This final notice implements the Small Business Administration's (SBA's) risk rating system (Risk Rating System) as an internal tool to assist SBA in assessing the risk of each active 7(a) Lender's and Certified Development Company's (CDC's) SBA loan operations and loan portfolio. The Risk Rating System will enable SBA to monitor 7(a) Lenders and CDCs (collectively, "SBA Lenders") on a uniform basis and identify those institutions whose SBA loan operations and portfolio require additional SBA monitoring or other action. It is also a vehicle for assessing the aggregate strength of SBA's 7(a) and 504 portfolios. Under the Risk Rating System, SBA will assign each SBA Lender a composite rating based on certain portfolio performance factors, which may be overridden in some cases due to SBA Lender specific factors that may be indicative of a higher or lower level of risk. SBA Lenders will have access to their own ratings through SBA's Lender Portal (Portal).

DATES: This notice is effective June 15, 2007.

FOR FURTHER INFORMATION CONTACT: Bryan Hooper, Director, Office of Lender Oversight, U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20416, (202) 205-3049.

SUPPLEMENTARY INFORMATION:

Background Information

On May 1, 2006, SBA published a notice and request for comment in the **Federal Register** seeking comments on a proposed SBA internal Risk Rating System for assessing an SBA Lender's SBA loan portfolio (i.e., loan portfolio performance). 71 FR 25624 Notice. SBA published a subsequent notice extending the comment period for the proposed Risk Rating System to July 15, 2006. 71 FR 34674. The Risk Rating System is an internal tool that uses data in SBA's Loan and Lender Monitoring System (L/LMS) to assist SBA in assessing the risk of an SBA Lender's SBA loan performance on a uniform basis and identify those SBA Lenders whose portfolio performance demonstrate the need for additional SBA monitoring or other action. The Risk Rating System will also serve as a vehicle to measure the aggregate strength of SBA's overall 7(a) and 504 loan portfolios and to assist SBA in managing the related risk. In addition, SBA will use risk ratings to make more

¹³ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 55564 (March 30, 2007), 72 FR 16844.