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Dated at Rockville, Maryland, this 7th day of June 2007.

For the Nuclear Regulatory Commission.

James Smith,

Acting Chief, Technical Support Branch, Special Projects and Technical Support Directorate, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards.

[FR Doc. E7-11510 Filed 6-13-07; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meetings during the week of June 18, 2007:

A Closed Meeting will be held on Monday, June 18, 2007 at 2 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), (8), (9)(B), and (10) and 17 CFR 200.402(a)(3), (5), (7), (8), 9(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

Commissioner Casey, as duty officer, voted to consider the items listed for the closed meeting in closed session.

The subject matter of the Closed Meeting scheduled for Monday, June 18, 2007 will be:

Formal orders of investigations; Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings of an enforcement nature;

Regulatory matter regarding a financial institution;

Resolution of litigation claims; and Other matters related to enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 551-5400.

Dated: June 11, 2007.

Nancy M. Morris,
Secretary.

[FR Doc. E7-11540 Filed 6-13-07; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55884]

Order Exempting Certain Error Correction Transactions From Rule 611 of Regulation NMS Under the Securities Exchange Act of 1934

June 8, 2007.

I. Introduction

Pursuant to Rule 611(d)¹ of Regulation NMS² under the Securities Exchange Act of 1934 (“Exchange Act”), the Securities and Exchange Commission (“Commission”), by order, may exempt from the provisions of Rule 611 of Regulation NMS (“Rule 611” or “Rule”), either unconditionally or on specified terms and conditions, any person, security, transaction, quotation, or order, or any class or classes of persons, securities, quotations, or orders, if the Commission determines that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors.³ As discussed below, the Commission is exempting from Rule 611(a) certain transactions to correct bona fide errors in the execution of customer orders, subject to specified conditions discussed below. The exemption is designed to promote efficiency and the best execution of investor orders by allowing trading centers to correct bona fide errors in a manner consistent with their customers’ orders, without the trading centers incurring additional costs to meet the requirements of Rule 611(a).

II. Background

The Commission adopted Regulation NMS in June 2005.⁴ Rule 611 addresses intermarket trade-throughs of displayed quotations in NMS stocks. Rule 611(a)(1) requires a trading center to establish, maintain, and enforce written policies and procedures that are reasonably designed to prevent trade-throughs on that trading center of

protected quotations in NMS stocks that do not fall within an exception set forth in the Rule. Rule 611(b)(6) provides an exception for a trade-through transaction effected by a trading center that simultaneously routes an intermarket sweep order (“ISO”) to execute against the full displayed size of any protected quotation in the NMS stock that was traded through. Rule 611(b)(5) provides an exception for a trade-through transaction that is an execution of an ISO. Finally, Rule 611(c) requires that the trading center, broker, or dealer responsible for the routing of an ISO take reasonable steps to establish that such order meets the definition of an ISO in Rule 600(b)(30).⁵

The Trading Committee of the Securities Industry and Financial Markets Association (“SIFMA”) has requested that the Commission exempt certain error correction transactions from Rule 611(a).⁶ According to the SIFMA Exemption Request, error correction transactions are the mechanism through which broker-dealers remedy the execution of customer orders that have been placed in error or mishandled due to an error involving any term of an order, including, for example, price, number of shares, identification of the security, or execution of a transaction on the wrong side of the market.⁷ In addition, the SIFMA Exemption Request noted that, given the high level of automation in today’s marketplace, errors often result from delays, outages, or other failures of communications systems used in the delivery or execution of an order. Broker-dealers typically remedy such bona fide errors by entering a subsequent trade on behalf of the customer on the correct terms of the original order. In the interim, however, the market prices for a security may have moved, and the subsequent error correction transaction may be effected at a price that is no longer within the national best protected bid and offer.⁸

According to the SIFMA Exemption Request, broker-dealers seeking to execute error corrections, if required to comply with Rule 611, would need to satisfy all better-priced protected quotations prior to effecting the error correction transaction.⁹ Although some error correction transactions that are “underwater” within the meaning of the stopped order exception in Rule

¹ 17 CFR 242.611(d).

² 17 CFR 242.600 *et seq.*

³ See also 15 U.S.C. 78mm(a)(1) (providing general authority for the Commission to grant exemptions from provisions of the Exchange Act and rules thereunder).

⁴ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496 (June 29, 2005) (“Regulation NMS Adopting Release”).

⁵ 17 CFR 242.600(b)(30).

⁶ Letter to Nancy M. Morris, Secretary, Commission, from Jerry O’Connell, Chairman, SIFMA Trading Committee, dated May 1, 2007 (“SIFMA Exemption Request”).

⁷ *Id.* at 2.

⁸ *Id.*

⁹ *Id.*