

(3) MT—Market Maker Authorized Trader—Equities (S7).¹⁰ FINRA is proposing to remove the SF—Single Stock Futures (S43) registration category and the Series 43 examination option in Section 7 of Form U4 and Section 5A of Form U5,¹¹ as the category and examination were not developed by FINRA (then NASD); continuing education requirements have been deemed sufficient for registrants engaging in securities futures business.¹² FINRA also is proposing to remove the Series 12 examination, which was rescinded by the NYSE in May 2007.¹³

FINRA is filing this proposed rule change for immediate effectiveness. FINRA will announce the effective date of the proposed rule change in a *Regulatory Notice*. FINRA anticipates that the amended Forms will be available in February 2008.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,¹⁴ which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. FINRA is amending the Forms to, among other things, reflect its new corporate name and update the currently out-of-date list of SROs, government jurisdictions and registration categories listed in the Forms.

¹⁰ See Securities Exchange Act Release No. 55446 (March 12, 2007), 72 FR 13155 (March 20, 2007) (SR-NYSEArca-2006-51) (Order Granting Approval of Propose Rule Change Relating to Amendments to Registration Rules of NYSE Arca, Inc.).

¹¹ Commission corrected reference to where the removal of the reference to SF—Single Stock Futures (S43) registration category occurs in Form U5.

¹² See Securities Exchange Act Release No. 48932 (December 16, 2003), 68 FR 74674 (December 24, 2003) (SR-NASD-2003-186) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to the Administration of Qualification Examinations on Security Futures). See also Securities Exchange Act Release No. 54617 (October 17, 2006), 71 FR 62498 (October 25, 2006) (SR-NASD-2006-118) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Extend the Date by Which Eligible Registrants Must Complete Firm—Element Continuing Education to Qualify to Engage in a Securities Futures Business).

¹³ See Securities Exchange Act Release No. 55670 (April 25, 2007), 72 FR 24350 (May 2, 2007) (SR-NYSE-2007-41) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Eliminate the Securities Manager Examination (Series 12)).

¹⁴ 15 U.S.C. 78o-3(b)(6).

B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA 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

FINRA has neither solicited nor received written comments on the proposed rule change.

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

Because the foregoing proposed rule change does not:

- (i) Significantly affect the protection of investors or the public interest;
- (ii) Impose any significant burden on competition; and
- (iii) Become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and public interest, it has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁵ and Rule 19b-4(f)(6) thereunder.¹⁶

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-FINRA-2007-036 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission,

¹⁵ 15 U.S.C. 78s(b)(3)(A).

¹⁶ 17 CFR 240.19b-4(f)(6).

100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-FINRA-2007-036. 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. Copies of such filing also will be available for inspection and copying at the principal office of FINRA. 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-FINRA-2007-036 and should be submitted on or before January 22, 2008.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

Nancy M. Morris,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57032; File No. SR-ISE-2007-73]

Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Elimination of the Short Sale "tick" and Price Tests

December 21, 2007.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934

¹⁷ 17 CFR 200.30-3(a)(12).

("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 21, 2007, the International Securities Exchange, LLC ("ISE" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been substantially prepared by the Exchange. On October 26, 2007, ISE filed Amendment No. 1 to the proposed rule change.³ The Exchange has designated the proposed rule change as constituting a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4 under the Act,⁴ which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

The Exchange proposes to amend various ISE rules to conform to recent SEC amendments to Rule 10a-1 under the Act and Regulation SHO that eliminated SEC and self-regulatory organization ("SRO") short sale "tick" and price tests. The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and <http://www.ise.com>.

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 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. 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of Amendment No. 1 to this filing is to amend the proposed rule text to: (1) Allow for the execution of short sale orders during the opening

process; (2) correct an incorrect cross reference to a Regulation SHO provision; and (3) to remove the text proposing to delete a provision of Rule 2129 (MidPoint Match).

On June 13, 2007, the SEC voted to adopt amendments to Rule 10a-1 under the Act and Regulation SHO to remove the "tick" test of Rule 10a-1 and any short sale price test of any SRO. As a result of the SEC's action, the ISE is seeking to conform its rules accordingly by rescinding ISE Rules 1407, which governs short sale transactions in Nasdaq Securities, and 2113(a) and (b), which contains a "tick" test applicable to short sales effected on the ISE, as well as to make conforming "housekeeping" changes to certain other rules. The Exchange proposes to remove references to the execution of short sale orders, as well as remove the "short exempt" marking requirements from the rules.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act⁵ in general and furthers the objectives of section 6(b)(5)⁶ in particular in that the Exchange's proposed rules are designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The proposed rule change does not 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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

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

The foregoing rule change has become immediately effective pursuant to section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(6)⁸ thereunder because it does not: (1) Significantly affect the

protection of investors or the public interest; (2) impose any significant burden on competition; and (3) become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate. At any time within sixty (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.

The Exchange requests that the Commission waive the 5-day pre-filing notice requirement and the 30-day operative delay period for "non-controversial" proposals under Exchange Act Rule 19b-4(f)(6) and make the proposed rule change effective and operative upon filing with the Commission. The Commission believes such waivers are consistent with the protection of investors and the public interest because the proposed rule change conforms ISE rules to currently effective Commission rules.⁹ For this reason, the Commission designates the proposal to be operative upon filing with the Commission.

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-ISE-2007-73 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-ISE-2007-73. 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1 supersedes and replaces the original filing in its entirety.

⁴ 17 CFR 240.19b-4(f)(6).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(6).

⁹ For purposes of waiving the 30-day pre-operative period, the Commission has considered the impact of the proposed rule change on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

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. Copies of such filing also will be available for inspection and copying at the principal office of the ISE. 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-ISE-2007-73 and should be submitted on or before January 22, 2008.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁰

Nancy M. Morris,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57001; File No. SR-NASDAQ-2007-099]

Self-Regulatory Organizations; the NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Establishing Fee for Registering and Transferring Registration of Associated Persons

December 20, 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 December 20, 2007, The NASDAQ Stock Market LLC ("Nasdaq"), 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 prepared by Nasdaq. Pursuant to

Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ Nasdaq has designated this proposal as establishing or changing a due, fee, or other charge, which renders the proposed rule change effective upon filing. 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 the Substance of the Proposed Rule Change

Nasdaq proposes to charge fees for individual registration and transfer/re-licensing under Rule 7003(b). The proposed rule change is effective upon filing.

The text of the proposed rule change is below. Proposed new language is underlined; proposed deletions are in brackets.

* * * * *

(a) The following fees will be collected and retained by *FINRA* [NASD] via the Web CRD registration system for the registration of associated persons of Nasdaq members that are not also *FINRA* [NASD] members:

(1)–(6) No change.

(b) *The following fees will be collected via the Web CRD registration system for the registration of associated persons of Nasdaq members:*

(1) *\$55 for each initial Form U4 filed for the registration of a representative or principal.*

(2) *\$55 for each registration U4 transfer or re-licensing of a representative or principal.*

* * * * *

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

In its filing with the Commission, Nasdaq 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. Nasdaq 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

Nasdaq proposes to revise Rule 7003 and begin charging fees for registration

and transfer/re-licensing of individuals. Currently, Nasdaq is one of only a few self-regulatory organizations ("SROs") that charge membership application and renewal fees for firms, but does not charge fees for registered representatives.

Subsequent to the early 2006 transition of the Nasdaq Market Center as a facility of the Financial Industry Regulatory Authority, Inc. (f/k/a National Association of Securities Dealers, Inc.) to a facility of a new SRO, Nasdaq decided to limit membership fees to firm application, renewal, and trading rights charges. However, since then Nasdaq's market share in trading New York Stock Exchange securities has increased significantly and Nasdaq will also soon launch an options exchange. Both of these events create additional regulation expense that must be supported. Nasdaq believes that the new fees are warranted to ensure that fees for registered representatives fund a portion of the cost of regulating the Nasdaq market. Nasdaq believes that even with the new fees, registered representatives that are Nasdaq members will still generally pay less than or the same amount they pay to be registered representatives in other SROs.⁵

Nasdaq proposes to begin charging \$55 for individual initial registration and transfer/re-licensing on January 1, 2008.

2. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁶ in general, and with Section 6(b)(4) of the Act,⁷ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which Nasdaq operates or controls. Nasdaq believes that the proposed Nasdaq membership fees for individual registration and transfer/re-licensing are a reasonable and equitable method of ensuring that registered representative fees funds a portion of the cost of regulating the Nasdaq market, and that the overall cost for registered representatives that are Nasdaq members is reasonable as compared with their cost of membership in other SROs.

⁵ See, http://www.finra.org/web/groups/reg_systems/documents/regulatory_systems/p005213.pdf.

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(4).

¹⁰ 17 CFR 200.30-3(a)(12).

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).