

Pilot Program. The Exchange proposes to continue applying those quote mitigation strategies. Specifically, as proposed in ISE Rule 804, ISE will continue to utilize a holdback timer that delays quotation updates for up to, but not longer than, one second. The Exchange's monitoring and delisting policies, as proposed in the Initial Filing, shall also continue to apply.

Finally, ISE intends to submit reports to the Commission analyzing the Penny Pilot Program for the following time periods:

- February 1, 2008—July 31, 2008
- August 1, 2008—January 31, 2009

The Exchange anticipates its reports will analyze the impact of penny pricing on market quality and options system capacity. The Exchange will submit each report within one month following the end of the period being analyzed.

2. Statutory Basis

The basis under the Act for this proposed rule change is found in section 6(b)(5),⁹ in that the proposed rule change is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism 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 written comments from members or other interested parties.

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

The proposed rule change has become effective pursuant to section 19(b)(3)(A)(i) of the Act¹⁰ and Rule 19b-4(f)(1) thereunder,¹¹ because it constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.

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.¹²

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-2008-27 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-2008-27. 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, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the 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-

2008-27 and should be submitted on or before April 11, 2008.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57500; File No. SR-MSRB-2008-02]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of Amendment to Rule A-3, on Membership on the Board, and Rule A-4, on Meetings of the Board

March 14, 2008.

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 March 5, 2008, the Municipal Securities Rulemaking Board ("MSRB" or "Board"), filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been substantially prepared by the MSRB. The MSRB has filed the proposal pursuant to Section 19(b)(3)(A)(iii) of the Act,³ and Rule 19b-4(f)(3) thereunder,⁴ which renders the proposal 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 MSRB is filing with the Commission a proposed rule change consisting of amendments to Rule A-3 to permit greater diversity in considering persons to serve on the Nominating Committee or for Board membership and amendments to Rule A-4 to permit the Chairman of the Board to call a special meeting of the Board directly and more quickly, but with unanimous consent. The text of the proposed rule change is available on the MSRB's Web site (<http://www.msrb.org>), at the MSRB, and at the Commission's Public Reference Room.

¹³ 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)(iii).

⁴ 17 CFR 240.19b-4(f)(3).

⁹ 15 U.S.C. 78f(b)(5).

¹⁰ 15 U.S.C. 78s(b)(3)(A)(i).

¹¹ 17 CFR 240.19b-4(f)(1).

¹² See 15 U.S.C. 78s(b)(3)(C).

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 MSRB 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 MSRB 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

The Board has been reviewing its Administrative Rules and by-laws to ensure that they are consistent with current good corporate governance practices. Among other things, Rule A-3, on membership on the Board, directs the Board and the Nominating Committee to consider the "need" to maintain broad geographic representation on the Board, as well as diversity in the size and type of dealers represented, in considering persons to serve on the Nominating Committee or for Board membership.

The Board has determined to modify this provision in the rule in order to provide greater flexibility in the appointment of persons to the Nominating Committee and the nomination of candidates to the Board. This modification will facilitate the Board and Nominating Committee's consideration of a broader range of factors for nomination and will encourage consideration of well-qualified candidates with diverse backgrounds, unique experience and complementary skills, together with consideration of geographic representation and diversity in the size and type of dealers represented. Further, the modification seeks to prevent the artificial limiting of the field of qualified candidates by permitting the Board and Nominating Committee to consider such broader factors rather than to exclusively select candidates in order to achieve diversity on a narrower set of parameters.

Rule A-4, among other things, provides a process for calling special meetings of the Board, including how the notice of the time and place of the special meeting shall be provided to Board members. The current provision requires the Secretary of the Board to call a meeting at the request of the

Chairman of the Board or at the request of not less than three Board members. In addition, the rule provides that the notice of the special meeting shall be mailed to each member not later than the seventh calendar day preceding the date on which the meeting is to be held. The rule provides for a three day notice period for notice by telephone, e-mail or personal delivery.

The Board has determined to modify this provision to clarify and update its rules and bring them into line with modern practice. The Board has modified the rule to enable the Chairman of the Board to call a special meeting of the Board directly, without the assistance of the Secretary of the Board. In addition, the Board has provided that notices for the time and place of a special meeting shall be provided to each member and the Secretary of the Board with three-day's advance notice. Further, the modification permits the Board to waive such advance notice by unanimous consent of all Board members attending such meeting. The modification takes into consideration the realities of modern communications and permits the Board to convene quickly, but with unanimous consent, in the event of, among other things, a market or other emergency.

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)(I) of the Act,⁵ which authorizes the MSRB to adopt rules that provide for the operation and administration of the MSRB. The MSRB believes that the proposed rule change is consistent with this provision because it is concerned solely with the operation and administration of the MSRB.

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

The MSRB does not believe the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act since it only applies to the operation and administration of the MSRB.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments were neither solicited nor received.

⁵ 15 U.S.C. 78o-4(b)(2)(I).

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

The proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁶ and Rule 19b-4(f)(3) thereunder⁷ because it is concerned solely with the operation and administration of the MSRB. 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.⁸

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-MSRB-2008-02 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-MSRB-2008-02. 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

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)(3).

⁸ See Section 19(b)(3)(C) of the Act, 15 U.S.C. 78s(b)(3)(C).

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 MSRB. 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-MSRB-2008-02 and should be submitted on or before April 11, 2008.

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

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57499; File No. SR-NYSE-2008-17]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change To Adopt New Initial and Continued Listing Standards To List Special Purpose Acquisition Companies

March 14, 2008.

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 March 6, 2008, the New York Stock Exchange LLC ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule changes as described in Items I, II and III below, which items have been substantially prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule changes from interested persons.

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

The Exchange proposes to amend the Exchange's Listed Company Manual (the "Manual") to adopt listing standards for special purpose companies formed for the purpose of raising capital in an initial public

offering and entering into an undetermined business combination. The filing also proposes the adoption of requirements that (i) any equity security listing on the Exchange must have a closing price or, if listing in connection with an initial public offering ("IPO"), an IPO price per share of at least \$4 at the time of initial listing and (ii) convertible debt issuances listed on the Exchange must have an aggregate market value or principal amount of no less than \$10,000,000.

Proposed new language is italicized; proposed deletions are in brackets.

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102.01 Minimum Numerical Standards—Domestic Companies—Equity Listings

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102.01B

A Company must demonstrate an aggregate market value of publicly-held shares of \$60,000,000 for companies that list either at the time of their initial public offerings ("IPO") (C) or as a result of spin-offs or under the Affiliated Company standard, and \$100,000,000 for other companies (D). *A company must have a closing price or, if listing in connection with an IPO, an IPO price per share of at least \$4 at the time of initial listing.*

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102.03 Minimum Numerical Standards—Domestic Companies—Debt Listings

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Convertible Bonds

Debt securities convertible into equity securities may be listed only if the underlying equity securities are subject to real-time last sale reporting in the United States. *The convertible debt issue must have an aggregate market value or principal amount of no less than \$10,000,000.*

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102.06 Minimum Numerical Standards—Acquisition Companies

The Exchange will consider on a case-by-case basis the appropriateness for listing of companies ("acquisition companies" or "ACs") with no prior operating history that conduct an initial public offering of which at least 90% of the proceeds, together with the proceeds of any other concurrent sales of the AC's equity securities, will be held in a trust account" controlled by an independent custodian until consummation of a business combination in the form of a merger, capital stock exchange, asset acquisition, stock purchase,

reorganization, or similar business combination with one or more operating businesses or assets with a fair market value equal to at least 80% of the net assets held in trust (net of amounts disbursed to management for working capital purposes and excluding the amount of any deferred underwriting discount held in trust) (a "Business Combination").

ACs must demonstrate an aggregate market value of \$250,000,000 (A) and a market value of publicly-held shares of \$200,000,000 (A) and must comply with the requirements of Section 102.01A. An AC must have a closing price or, if listing in connection with an IPO, an IPO price per share of at least \$4 at the time of initial listing.

(A) Shares held by directors, officers, or their immediate families and other concentrated holdings of 10 percent or more are excluded in calculating the number of publicly-held shares. For ACs that list at the time of their IPOs, if necessary, the Exchange will rely on a written commitment from the underwriter to represent the anticipated value of the AC's offering in order to determine an AC's compliance with this listing standard.

Under the terms of its constitutive documents or by contract, any AC deemed suitable for listing will be subject to the following minimum requirements:

- *The Business Combination must be approved by a majority of the votes cast by public shareholders at a duly held shareholders meeting;*
- *Each public shareholder voting against the Business Combination will have the right ("Conversion Right") to convert its shares of common stock into a pro rata share of the aggregate amount then on deposit in the trust account (net of taxes payable, and amounts disbursed to management for working capital purposes), provided that the Business Combination is approved and consummated. It will be permissible for an AC to establish a limit (set no lower than 10% of the shares sold in the AC's IPO) as to the maximum number of shares with respect to which any public shareholder, together with any affiliate of such shareholder or any person with whom such shareholder is acting as a "group" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) may exercise Conversion Rights;*
- *The AC cannot consummate its Business Combination if public shareholders owning in excess of a threshold amount (to be set no higher than 40%) of the shares of common stock issued in the AC's initial public offering exercise their Conversion Rights*

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.