

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-58604; File No. SR-ODD-2008-04]

### Self-Regulatory Organizations; the Options Clearing Corporation; Order Granting Approval of Accelerated Delivery of Supplement to the Options Disclosure Document Reflecting Changes to Disclosure Regarding Certain Variability Index Options, Strategy-Based Index Options, and Adjustments of Stock Option Contracts

September 19, 2008.

On August 21, 2008, the Options Clearing Corporation (“OCC”) submitted to the Securities and Exchange Commission (“Commission”), pursuant to Rule 9b-1 under the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> five preliminary copies of a supplement to its options disclosure document (“ODD”) reflecting changes to disclosure regarding certain options on variability indexes<sup>2</sup> and strategy-based indexes and adjustments of stock option contracts, among other changes.<sup>3</sup> On September 19, 2008, the OCC submitted to the Commission five definitive copies of the supplement.<sup>4</sup>

The ODD currently contains general disclosures on the characteristics and risks of trading standardized options. Recently, the Chicago Board Options Exchange, Incorporated (“CBOE”) amended its rules to permit the listing and trading of realized variance and realized volatility index options.<sup>5</sup> The CBOE also recently amended its rules to permit the listing and trading of certain strategy-based index options, specifically options that overlie an index that is equal to 1/10th of the value of the CBOE S&P 500 BuyWrite Index (“BXM options”).<sup>6</sup> The proposed supplement amends the ODD to accommodate these changes by

<sup>1</sup> 17 CFR 240.9b-1.

<sup>2</sup> In the proposed September 2008 supplement to the ODD and this Order, the term “variability indexes” refers to implied volatility, realized variance, and realized volatility indexes. See *infra* notes 5 and 7.

<sup>3</sup> See letter from Jean M. Cawley, Senior Vice President and Deputy General Counsel, OCC, to Sharon Lawson, Senior Special Counsel, Division of Trading and Markets (“Division”), Commission, dated August 13, 2008.

<sup>4</sup> See letter from Jean M. Cawley, Senior Vice President and Deputy General Counsel, OCC, to Sharon Lawson, Senior Special Counsel, Division, Commission, dated September 19, 2008.

<sup>5</sup> See Securities Exchange Act Release No. 58171 (July 16, 2008), 73 FR 42841 (July 23, 2008) (SR-CBOE-2008-31).

<sup>6</sup> See Securities Exchange Act Release No. 58207 (July 22, 2008), 73 FR 43963 (July 29, 2008) (SR-CBOE-2008-26).

providing disclosure regarding realized variance index options, realized volatility index options, and strategy-based index options.<sup>7</sup>

Specifically, the proposed supplement to the ODD adds new disclosure regarding the characteristics of realized variance and realized volatility index options as well as the special risks of these options. The proposed supplement to the ODD also adds new disclosure regarding the characteristics and special risks of strategy-based index options. The proposed supplement is intended to be read in conjunction with the more general ODD, which, as described above, discusses the characteristics and risks of options generally.<sup>8</sup>

The proposed supplement also is revised to: (1) Accommodate a change in the application of the new methodology for adjusting equity options for cash dividends;<sup>9</sup> (2) add new language to describe reduced-value index options;<sup>10</sup> and (3) delete a paragraph regarding the NASDAQ Stock Market LLC’s (“Nasdaq”) opening and closing procedure, which has become outdated and inaccurate.<sup>11</sup>

Rule 9b-1(b)(2)(i) under the Act<sup>12</sup> provides that an options market must file five copies of an amendment or

<sup>7</sup> The proposed September supplement is divided into two parts. Part I supersedes and replaces the March 2005 supplement to the ODD to accommodate the approval of trading of certain realized variance index options, realized volatility index options, and BXM options. See notes 4 and 5, *supra*. The March 2005 supplement contained disclosure on implied volatility options previously approved for trading by the Commission, and the September 2008 supplement includes disclosure on these products. See note 2 *supra* and Securities Exchange Act Release No. 49563 (April 14, 2004) 69 FR 21589 (April 21, 2004) (order approving SR-CBOE-2003-40 to list and trade implied volatility options on the CBOE Volatility Index (VIX); the CBOE Nasdaq 100 Volatility Index (VXN); and CBOE Dow Jones Industrial Average Volatility Index, (VXD)). See also Securities Exchange Act Release No. 55425 (March 8, 2007), 72 FR 12238 (March 15, 2007) (order approving SR-CBOE-2006-73 to list and trade implied volatility options on the CBOE Russell 2000 Volatility Index (RVX)).

<sup>8</sup> The Commission notes that the options markets must continue to ensure that the ODD is in compliance with the requirements of Rule 9b-1(b)(2)(i) under the Act, 17 CFR 240.9b-1(b)(2)(i), including when future changes regarding variability index options and/or strategy-based index options are made. Any future changes to the rules of the options markets concerning variability index options and/or strategy-based index options would need to be submitted to the Commission under Section 19(b) of the Act. 15 U.S.C. 78s(b).

<sup>9</sup> This proposed change amends the May 2007 supplement to the ODD. See OCC-2008-16.

<sup>10</sup> This proposed new language amends the June 2008 supplement to the ODD.

<sup>11</sup> The language being deleted relates to the opening and closing price for securities trading on Nasdaq, but is no longer accurate because Nasdaq has since changed its opening and closing procedures.

<sup>12</sup> 17 CFR 240.9b-1(b)(2)(i).

supplement to the ODD with the Commission at least 30 days prior to the date definitive copies are furnished to customers, unless the Commission determines otherwise, having due regard to the adequacy of information disclosed and the public interest and protection of investors.<sup>13</sup> In addition, five copies of the definitive ODD, as amended or supplemented, must be filed with the Commission not later than the date the amendment or supplement, or the amended options disclosure document, is furnished to customers. The Commission has reviewed the proposed supplement and finds, having due regard to the adequacy of information disclosed and the public interest and protection of investors, that the proposed supplement may be furnished to customers as of the date of this order.

*It is therefore ordered*, pursuant to Rule 9b-1 under the Act,<sup>14</sup> that definitive copies of the proposed supplement to the ODD (SR-ODD-2008-03), reflecting changes to disclosure regarding certain options on variability indexes and strategy-based indexes, as well as the other changes noted above, may be furnished to customers as of the date of this order.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Florence E. Harmon,**

*Acting Secretary.*

[FR Doc. E8-22638 Filed 9-25-08; 8:45 am]

**BILLING CODE 8010-01-P**

## SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA-2008-0044]

### Agreement on Social Security Between the United States and Denmark; Entry Into Force

**AGENCY:** Social Security Administration (SSA).

**ACTION:** Notice.

**SUMMARY:** The Commissioner of Social Security gives notice that an agreement coordinating the United States (U.S.) and Danish social security programs will enter into force on October 1, 2008. The agreement with Denmark, which was signed on June 13, 2007, is similar to U.S. social security agreements already in force with 21 other countries—Australia, Austria, Belgium,

<sup>13</sup> This provision permits the Commission to shorten or lengthen the period of time which must elapse before definitive copies may be furnished to customers.

<sup>14</sup> 17 CFR 240.9b-1.

<sup>15</sup> 17 CFR 200.30-3(a)(39).

Canada, Chile, Finland, France, Germany, Greece, Ireland, Italy, Japan, Korea (South), Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. Agreements of this type are authorized by section 233 of the Social Security Act (42 U.S.C. 433).

Like the other agreements, the U.S.-Danish agreement eliminates dual social security coverage—the situation that exists when a worker from one country works in the other country and is covered under the social security systems of both countries for the same work. Without such agreements in force, when dual coverage occurs, the worker, the worker's employer, or both may be required to pay social security contributions to the two countries simultaneously. Under the U.S.-Danish agreement, a worker who is sent by an employer in the U.S. to work in Denmark for 5 years or less remains covered only by the U.S. social security program. Similarly, a worker who is sent by an employer in Denmark to work in the U.S. for 3 years or less remains covered only by the Danish social security program. The agreement includes additional rules that eliminate dual U.S. and Danish coverage in other work situations.

The agreement also helps eliminate situations where workers suffer a loss of benefit rights because they have divided their careers between the two countries. Under the agreement, workers may qualify for partial U.S. benefits or partial Danish benefits based on combined (totalized) work credits from both countries.

Individuals who wish to obtain copies of the agreement or want more information about its provisions may write to the Social Security Administration, Office of International Programs, Post Office Box 17741, Baltimore, MD 21235-7741 or visit the Social Security Web site at <http://www.socialsecurity.gov/international>.

Dated: September 19, 2008.

**Michael J. Astrue,**

*Commissioner of Social Security.*

[FR Doc. E8-22667 Filed 9-25-08; 8:45 am]

**BILLING CODE 4191-02-P**

## DEPARTMENT OF STATE

[Public Notice 6377]

### Culturally Significant Objects Imported for Exhibition Determinations: "The Getty Commodus: Roman Portraits and Modern Copies"

**SUMMARY:** Notice is hereby given of the following determinations: Pursuant to

the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, Delegation of Authority No. 236 of October 19, 1999, as amended, and Delegation of Authority No. 257 of April 15, 2003 [68 FR 19875], I hereby determine that the objects in the exhibition: "The Getty Commodus: Roman Portraits and Modern Copies," imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at the Getty Villa, Malibu, CA, from on or about December 18, 2008, until on or about June 1, 2009, and at possible additional exhibitions or venues yet to be determined, is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** For further information, including a list of the exhibit objects, contact Julie Simpson, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: (202-453-8050)). The address is U.S. Department of State, SA-44, 301 4th Street, SW., Room 700, Washington, DC 20547-0001.

Dated: September 18, 2008.

**C. Miller Crouch,**

*Principal Deputy Assistant Secretary for Educational and Cultural Affairs, Department of State.*

[FR Doc. E8-22713 Filed 9-25-08; 8:45 am]

**BILLING CODE 4710-05-P**

## DEPARTMENT OF STATE

[Public Notice 6376]

### Culturally Significant Objects Imported for Exhibition Determinations: "Worshiping Women: Ritual and Reality in Classical Athens"

**SUMMARY:** Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, Delegation of Authority No. 236 of October 19, 1999, as amended, and Delegation of Authority No. 257 of April 15, 2003 [68 FR 19875],

I hereby determine that the objects to be included in the exhibition "Worshiping Women: Ritual and Reality in Classical Athens," imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at the Onassis Cultural Center, New York, NY, from on or about December 10, 2008, until on or about May 9, 2009, and at possible additional exhibitions or venues yet to be determined, is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** For further information, including a list of the exhibit objects, contact Carol B. Epstein, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: 202-453-8048). The address is U.S. Department of State, SA-44, 301 4th Street, SW., Room 700, Washington, DC 20547-0001.

Dated: September 15, 2008.

**C. Miller Crouch,**

*Principal Deputy Assistant Secretary for Educational and Cultural Affairs, Department of State.*

[FR Doc. E8-22712 Filed 9-25-08; 8:45 am]

**BILLING CODE 4710-05-P**

## DEPARTMENT OF STATE

[Public Notice 6371]

### Cancellation of a Meeting of the International Telecommunication Advisory Committee

**Summary:** This notice cancels an announced meeting of the International Telecommunication Advisory Committee (ITAC).

The ITAC Meeting scheduled for October 8 from 10 a.m. to 12 p.m. is hereby cancelled. It is rescheduled for November 6 from 2 to 4 p.m. at 1120 20th Street, NW., 10th Floor, Washington, DC 20036. The ITAC meeting will solicit advice for the U.S. Government on the annual ITU Council Meeting, which will be held from November 12-21, 2008 at ITU headquarters in Geneva, Switzerland. The ITAC meeting will also discuss the results of the ITU World Telecommunication Standardization Assembly, which will be held October 21-30, 2008 in Johannesburg, South Africa.

This meeting is open to the public as seating capacity allows. The public will have an opportunity to provide