

determined by the Board pursuant to a resolution adopted by the Board in accordance with Section 3.1 designating the number of Representative Directors that are Non-Industry Directors and Industry Directors (if any). C2 also proposed to amend Section 3.5 of the Bylaws relating to the filling of vacancies on the Board to provide that the Representative Director Nominating Body may only recommend individuals to fill a vacancy in a Representative Director position who satisfy those same compositional requirements.

Board Size Range

Currently, the Bylaws provide that the Board shall consist of not less than 11 and not more than 23 directors. C2 proposed to change the Board size range such that the Board would consist of not less than 12 and not more than 16 directors.

Conforming Amendments to Certificate of Incorporation

Finally, C2 proposed to make conforming changes to its Certificate of Incorporation and to include in its Certificate of Incorporation that the Board and/or Nominating and Governance Committee, as applicable, shall make determinations as to whether a director candidate satisfies applicable qualifications for election as a director pursuant to and in accordance with Section 3.1 of the Exchange's Bylaws, which is nearly identical to the current provisions in the Exchange's existing Bylaws.

III. Discussion

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.⁷ In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(1) of the Act,⁸ which requires a national securities exchange to be so organized and have the capacity to carry out the purposes of the Act and to enforce compliance by its members and persons associated with its members with the provisions of the Act; Section 6(b)(3) of the Act,⁹ which requires that the rules of a national securities exchange assure the fair representation of its members in the selection of its directors and administration of its affairs, and provide that one or more

⁷ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁸ 15 U.S.C. 78f(b)(1).

⁹ 15 U.S.C. 78f(b)(3).

directors shall be representative of issuers and investors and not be associated with a member of the exchange, broker, or dealer (the "fair representation requirement"); and Section 6(b)(5) of the Act,¹⁰ in that it is designed, among other things, to prevent fraudulent and manipulative acts and practices; 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.

The Commission believes that the Exchange's proposal to expressly provide that any person nominated by the Representative Director Nominating Body¹¹ and any petition candidate nominated pursuant to the Section 3.2 of the Bylaws must satisfy the compositional requirements determined by the Board pursuant to a resolution adopted by the Board in accordance with Section 3.1 of the Bylaws, as well as the proposal to amend Section 3.5 of the Bylaws to provide that the Representative Director Nominating Body may only recommend individuals to fill a vacancy in a Representative Director position who satisfy those same compositional requirements, are consistent with Section 6(b) of the Act,¹² including Section 6(b)(3) of the Act.¹³ The Exchange's proposal would not impact its current process to ensure fair representation of its Trading Permit Holders in the selection of its directors and administration of its affairs as required by Section 6(b)(3) of the Act.¹⁴ Specifically, the proposed changes are consistent with the changes to the Bylaws that C2 made in December of 2011 and simply reflect the application of those changes. As the Commission noted when it approved that prior proposal, the Commission had previously approved proposals in which an exchange's board of directors was composed of all or nearly all non-industry directors where the process was nevertheless designed to comply with the "fair representation" requirement in the selection and election of directors.¹⁵

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ See *supra* note 6.

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(3). Section 6(b)(3) of the Act requires that the rules of a national securities exchange assure the fair representation of its members in the selection of its directors and administration of its affairs, and provide that one or more directors shall be representative of issuers and investors and not be associated with a member of the exchange, broker, or dealer.

¹⁴ See *id.*

¹⁵ See Securities Exchange Act Release No. 65979 (December 15, 2011), 76 FR 79239 at 79241

In addition, the Commission believes that the Exchange's proposal to change the Board size range to consist of not less than 12 and not more than 16 directors is consistent with Section 6(b) of the Act,¹⁶ including Section 6(b)(3) of the Act.¹⁷ The Exchange's proposal would not impact in any manner its current process to ensure fair representation of its Trading Permit Holders in the selection of its directors and administration of its affairs as required by Section 6(b)(3) of the Act.¹⁸ Further, the proposed change is consistent with the current size of C2's Board and simply narrows the possible size range from 11 to 23 to 12 to 16.

IV. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁹ that the proposed rule change (SR-C2-2012-039) be and hereby is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁰

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2013-02424 Filed 2-4-13; 8:45 am]

BILLING CODE 8011-01-P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA-2012-0071]

Social Security Ruling, SSR 13-1p; Titles II and XVI: Agency Processes for Addressing Allegations of Unfairness, Prejudice, Partiality, Bias, Misconduct, or Discrimination by Administrative Law Judges (ALJs); Correction

AGENCY: Social Security Administration.

ACTION: Notice of Social Security Ruling; Correction.

SUMMARY: The Social Security Administration published a document in the **Federal Register** of January 29, 2013, in FR Doc. 2013-01833, on page 6168, in the third column, the fourth line under the "Summary" heading, change "SSR-13-Xp" to "SSR-13-1p"

(December 21, 2011) (approving SR-C2-2011-031) (citing to Securities Exchange Act Release No. 48946 (December 17, 2003), 68 FR 74678 (December 24, 2003) (approving SR-NYSE-2003-34)).

¹⁶ 15 U.S.C. 78f(b).

¹⁷ 15 U.S.C. 78f(b)(3).

¹⁸ See *id.*

¹⁹ 15 U.S.C. 78s(b)(2).

²⁰ 17 CFR 200.30-3(a)(12).

Dated: January 30, 2013.

Paul Kryglik,

Director, Office of Regulations, Social Security Administration.

[FR Doc. 2013-02456 Filed 2-4-13; 8:45 am]

BILLING CODE 4191-02-P

DEPARTMENT OF STATE

[Public Notice 8175]

Bureau of Political-Military Affairs; Statutory Debarment Under the Arms Export Control Act and the International Traffic in Arms Regulations

ACTION: Notice.

SUMMARY: Notice is hereby given that the Department of State has imposed statutory debarment pursuant to § 127.7(c) of the International Traffic in Arms Regulations (“ITAR”) (22 CFR parts 120 to 130) on persons convicted of violating, or conspiracy to violate, Section 38 of the Arms Export Control Act, as amended, (“AECA”) (22 U.S.C. 2778). Further, a public notice was published in the **Federal Register** on Tuesday, July 24, 2012, listing persons statutorily debarred pursuant to the ITAR; this notice makes one correction to that notice.

DATES: *Effective Date:* The effective date is the date of this notice.

FOR FURTHER INFORMATION CONTACT: Lisa Aguirre, Director, Office of Defense Trade Controls Compliance, Bureau of Political-Military Affairs, Department of State (202) 632-2798.

SUPPLEMENTARY INFORMATION: Section 38(g)(4) of the AECA, 22 U.S.C. 2778(g)(4), prohibits the Department of State from issuing licenses or other approvals for the export of defense articles or defense services where the applicant, or any party to the export, has been convicted of violating certain statutes, including the AECA. The statute permits limited exceptions to be made on a case-by-case basis. In implementing this provision, Section 127.7 of the ITAR provides for “statutory debarment” of any person who has been convicted of violating or conspiring to violate the AECA. Persons subject to statutory debarment are prohibited from participating directly or indirectly in the export of defense articles, including technical data, or in the furnishing of defense services for which a license or other approval is required.

Statutory debarment is based solely upon conviction in a criminal proceeding, conducted by a United States Court, and as such the

administrative debarment procedures outlined in Part 128 of the ITAR are not applicable.

The period for debarment will be determined by the Assistant Secretary for Political-Military Affairs based on the underlying nature of the violations, but will generally be for three years from the date of conviction. Export privileges may be reinstated only at the request of the debarred person followed by the necessary interagency consultations, after a thorough review of the circumstances surrounding the conviction, and a finding that appropriate steps have been taken to mitigate any law enforcement concerns, as required by Section 38(g)(4) of the AECA. Unless export privileges are reinstated, however, the person remains debarred.

Department of State policy permits debarred persons to apply to the Director, Office of Defense Trade Controls Compliance, for reinstatement beginning one year after the date of the debarment. Any decision to grant reinstatement can be made only after the statutory requirements of Section 38(g)(4) of the AECA have been satisfied.

Exceptions, also known as transaction exceptions, may be made to this debarment determination on a case-by-case basis at the discretion of the Assistant Secretary of State for Political-Military Affairs, after consulting with the appropriate U.S. agencies. However, such an exception would be granted only after a full review of all circumstances, paying particular attention to the following factors: Whether an exception is warranted by overriding U.S. foreign policy or national security interests; whether an exception would further law enforcement concerns that are consistent with the foreign policy or national security interests of the United States; or whether other compelling circumstances exist that are consistent with the foreign policy or national security interests of the United States, and that do not conflict with law enforcement concerns. Even if exceptions are granted, the debarment continues until subsequent reinstatement.

Pursuant to Section 38(g)(4) of the AECA and Section 127.7(c) of the ITAR, the following persons are statutorily debarred as of the date of this notice (Name; Date of Conviction; District; Case No.; Month/Year of Birth):

(1) Luis Alejandro Yanez Almeida; December 8, 2012; U.S. District Court, Southern District of Texas; Case No. 7:12CR00275-001; October, 1988.

(2) Freddy Arguelles; October 5, 2012; U.S. District Court, Southern District of Florida; Case No. 0:12-20478-CR-DIMITROULEAS-002; October 1974.

(3) Victor Brown; October 9, 2012; U.S. District Court, Southern District of Florida; Case No. 0:12-20479-CR-DIMITROULEAS-002; September 1956.

(4) Fidel Ignacio Cisneros; November 2, 2012; U.S. District Court, Middle District of Florida; Case No. 6:12-cr-123-Orl-28TBS; April 1970.

(5) Victor Dobrogaiev, (aka Viktor Dobrogaiev); July 30, 2012; U.S. District Court, District of Arizona; Case No. CR 10-00233-002-PHX-FJM; August 1963.

(6) Kirk Drellich; October 29, 2012; U.S. District Court, Southern District of Florida; Case No. 1:12-cr-20477-RSR-1; April 1963.

(7) Raul Garcia-Nevarez; July 20, 2012; U.S. District Court, Western District of Texas; Case No. EP-09-CR-3418-DB; August 1955.

(8) Martin Guillen-Cruz; September 10, 2012; U.S. District Court, Southern District of Texas; Case No. 7:10CR01446-001; August 1991.

(9) Benjamin Raul Hernandez; November 26, 2012; U.S. District Court, Western District of Texas; Case No. DR-11-CR-1354(1)-AM; July 1983.

(10) Ryan Mathers; July 3, 2012; U.S. District Court, District of Hawaii; Case No. 1:08CR00655-001; November 1987.

(11) Diana Siboney Navarro-Hinojosa; February 24, 2012; U.S. District Court, Southern District of Texas; Case No. 7:10-cr-01440; August 1983.

(12) Arturo Guillermo Nino Palacios, (aka Arturo Guillermo Nino); June 12, 2012; U.S. District Court, Western District of Texas; Case No. W-11-CR-200(03); June 1983.

(13) Carlos Javier Paez-Renteria; July 21, 2012; U.S. District Court, Southern District of Texas; Case No. 7:11CR00164-001; September 1989.

(14) Yusuf Kutbuddin Patanwala; November 30, 2012; U.S. District Court, Western District of Texas; Case No. W-12-CR-020(01); April 1950.

(15) Alberto Pichardo; September 20, 2012; U.S. District Court, Southern District of Florida; Case Nos. 0:12-20478-CR-DIMITROULEAS-001 and 0:12-20479-CR-DIMITROULEAS-001; November 1972.

(16) Juan Ricardo Puente-Paez; May 29, 2012; U.S. District Court, Southern District of Texas; Case No. 7:12CR00083-001; April 1978.

(17) Pablo Reducindo-Chavez; September 27, 2012; U.S. District Court, Southern District of Texas; Case No. 7:11CR00019-001; October 1965.

(18) Geoffrey B. Roose; July 13, 2012; U.S. District Court, Western District of Washington; Case No. 2:12CR00043JCC-001; May 1984.