

under NSCC's rules with respect to utilizing these services—namely, that by establishing the relationship within the facility both members will continue to be bound by NSCC's rules, the Correspondent is bound by the details of all transactions submitted on their behalf by the Qualified Special Representative or Special Representative, and any errors or omissions or disputes relating to such relationships and related transactions must be resolved directly between the parties.

The establishment of relationships through the automated facility will meet the written notice requirements for such services as otherwise set forth within NSCC's rules and procedures. Members will no longer be required to submit signed forms to NSCC for these processes.

#### D. Implementation Time Frame

NSCC will implement many of the changes described above by January 31, 2011.

With respect to UTC changes and to support the migration period, NSCC will provide a conversion process to support those markets that are not yet ready to submit transaction data in the new common input format (*i.e.*, NSCC will accept data in the old format and convert data into the new UTC format). The conversion process will enable NSCC to offer members and SROs the new output format regardless of whether the market has converted to the new standard. UTC will continue to support all existing interfaces with markets, members, and SROs with respect to trade input and output.

To provide maximum flexibility in allowing firms to migrate to the new input and output formats according to their own schedules, NSCC will continue to support all existing interfaces with markets, members, SROs and regulatory agencies for a period of time after UTC is implemented.

Finally, NSCC will establish a plan for the retirement of all legacy input and output formats and by the end of the first quarter of 2012 will reassess the status of those firms utilizing legacy formats. At that time, NSCC will work with any members, SROs, and regulatory agencies that have not yet converted from legacy reporting, thereby affording such firms sufficient lead time for migration.

### III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to NSCC. In particular, the

Commission finds that the proposal is consistent with Section 17A(b)(3)(F) of the Act,<sup>4</sup> which requires that the rules of a registered clearing agency are designed to, among other things, remove impediments to the perfection of the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions. NSCC's consolidation of its trade capture and reporting applications are designed to remediate certain operational inefficiencies associated with providing and maintaining redundant transaction submission and reporting systems that were created to service different transaction sources. As securities marketplaces have ceased providing clearance and settlement services for their members and as those members have ultimately become direct NSCC members or have entered clearing arrangements with other NSCC members, there is little operational basis for NSCC to continue to service different data formats and systems. Accordingly, consolidating its systems to receive and report transaction details while providing new automated services to assist NSCC members maintain their correspondent and Special Representative relationships should help remove certain impediments to the perfection of the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions.

### IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular Section 17A of the Act<sup>5</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>6</sup> that the proposed rule change (File No. SR–NSCC–2010–09) be and hereby is approved.<sup>7</sup>

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.<sup>8</sup>

**Elizabeth M. Murphy,**

*Secretary.*

[FR Doc. 2011–666 Filed 1–13–11; 8:45 am]

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<sup>4</sup> 15 U.S.C. 78q–1(b)(3)(F).

<sup>5</sup> 15 U.S.C. 78q–1.

<sup>6</sup> 15 U.S.C. 78s(b)(2).

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

<sup>8</sup> 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–63669; File No. SR–NYSE–2011–01]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange Price List

January 6, 2011.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the “Act”)<sup>2</sup> and Rule 19b–4 thereunder,<sup>3</sup> notice is hereby given that, on January 3, 2011, New York Stock Exchange LLC (“NYSE” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 Exchange proposes to amend its 2011 Price List (“Price List”) for equity transactions in stocks with a per share stock price less than \$1.00 to provide that the equity per share charge for all other transactions when taking liquidity from the Exchange per transaction will be the lesser of (i) 0.3% of the total dollar value of the transaction and (ii) \$0.0023 per share. The amended pricing will take effect on January 3, 2011. The text of the proposed rule change is available at the Exchange, at <http://www.nyse.com>, at the Commission's Public Reference Room, and on the Commission's Web site at <http://www.sec.gov>.

#### 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 self-regulatory organization 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 those 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 parts of such statements.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b–4.

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

1. Purpose

The Exchange proposes to amend its Price List for equity transactions in stocks with a per share stock price less than \$1.00 to provide that the equity per share charge for all other transactions (*i.e.*, when taking liquidity from the NYSE) per transaction will be the lesser of (i) 0.3% of the total dollar value of the transaction and (ii) \$0.0023 per share. This is an increase of \$0.0002 per share from the currently applicable rate of \$0.0021 per share under the second part of the formula.

The amount of the proposed fee increase under this portion of the formula is identical to the increase in charges to customers and floor brokers for the trading of NYSE-listed securities that take liquidity from the Exchange with a per share stock price of \$1.00 or more, as recently filed with the Commission by the Exchange<sup>4</sup> pursuant to Rule 19b-4 under the Securities Exchange Act of 1934 ("Act").<sup>5</sup>

These changes are intended to be effective immediately for all transactions beginning January 3, 2011 and are only applicable to those NYSE-listed securities with a per share stock price of under \$1.00. The charges are equally applicable to customers and floor brokers.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>6</sup> in general, and Section 6(b)(4) of the Act,<sup>7</sup> in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities. The Exchange believes that the proposal does not constitute an inequitable allocation of fees, as all similarly situated member organizations will be subject to the same fee structure, the new charges apply equally to both customers and floor brokers, and access to the Exchange's market is offered on fair and non-discriminatory terms.

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

The Exchange 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*

No written comments were solicited or received with respect to the proposed rule change.

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)<sup>8</sup> of the Act and subparagraph (f)(2) of Rule 19b-4<sup>9</sup> thereunder, because it establishes or changes a due, fee, or other charge imposed on its members by the Exchange. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2011-01 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSE-2011-01. 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 Web site viewing and printing 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 Exchange. 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 publicly available. All submissions should refer to File Number SR-NYSE-2011-01 and should be submitted on or before February 4, 2011.

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

**Elizabeth M. Murphy,**  
Secretary.

[FR Doc. 2011-667 Filed 1-13-11; 8:45 am]

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**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-63673; File No. SR-FINRA-2011-002]

**Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Extend a TRACE Pilot Program**

January 7, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 5, 2011, the Financial Industry Regulatory Authority, Inc. ("FINRA") 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 prepared by FINRA. FINRA has designated the proposed rule change as constituting a "non-controversial" rule change under paragraph (f)(6) of Rule

<sup>10</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>4</sup> See File No. SR-NYSE-2010-87.

<sup>5</sup> 17 CFR 240.19b-4.

<sup>6</sup> 15 U.S.C. 78f.

<sup>7</sup> 15 U.S.C. 78f(b)(4).

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>9</sup> 17 CFR 240.19b-4(f)(2).