

dually listed on the Nasdaq Capital Market, is \$15,000, the same as for any other dually listed security.

Finally, Nasdaq proposes to make technical corrections to more clearly describe the termination of a dual listing, correct an error in the numbering of the subparagraphs of NASD Rule 4520(a), correct a reference in NASD Rule 4520(c)(8), and to delete IM-4500-2 and IM-4500-3, which no longer have any applicability.

2. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 15A of the Act,⁹ in general, and with Sections 15A(b)(5) and (6) of the Act,¹⁰ in particular, in that it is designed to provide an equitable allocation of reasonable dues, fees, and charges among members and issuers and other persons using any facility or system which NASD operates or controls, and to remove impediments to and perfect the mechanism of a free and open market and a national market system. The proposed rule change will assure that an issuer is not required to pay duplicative fees to multiple markets, thereby removing an impediment to issuers transferring from another market to Nasdaq.

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

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

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.

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 Act¹¹ and Rule 19b-4(f)(1) thereunder,¹² in that the proposed rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule of NASD. 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-NASD-2006-047 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-NASD-2006-047. 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. Copies of such filing also will be available for inspection and copying at the principal office of NASD.

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-NASD-2006-047 and should be submitted on or before May 19, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹³

Nancy M. Morris,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-53703; File No. SR-NYSEArca-2006-09]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to NYSE Arca Equities Inc. Rule 5.1(c)

April 21, 2006.

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 April 13, 2006, NYSE Arca, Inc. ("NYSE Arca" or "Exchange") 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 the Exchange. The Exchange filed the proposal pursuant to section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6) 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

NYSE Arca, through its wholly owned subsidiary NYSE Arca Equities, Inc. ("NYSE Arca Equities"), is proposing, for the reasons and time period set forth in this proposal, that an independent accounting firm not prepare a report—for submission to the Commission—on Archipelago Holdings, Inc.'s ("Archipelago Holdings") compliance with the applicable NYSE Arca Equities' listing standards, as required by NYSE Arca Equities Rule 5.1(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 Exchange included statements

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).

⁴ 17 CFR 240.19b-4(f)(6).

⁹ 15 U.S.C. 78o-3.

¹⁰ 15 U.S.C. 78o-3(b)(5) and (6).

¹¹ 15 U.S.C. 78s(b)(3)(A)(i).

¹² 17 CFR 240.19b-4(f)(1).

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 NYSE Arca 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

NYSE Arca Equities Rule 5.1(c) requires, among other things, that if a security of an affiliate of NYSE Arca Equities or any entity that operates and/or owns a trading system or facility of NYSE Arca is listed pursuant to the rules of NYSE Arca Equities, then, once a year, an independent accounting firm shall review the listing standards for the subject security to ensure that the issuer is in compliance with NYSE Arca's Equities' listing requirements, and a copy of the report shall be forwarded promptly to the Commission ("Annual Report").⁵ In August 2004, Archipelago Holdings' common stock was listed on NYSE Arca pursuant to the rules of NYSE Arca Equities. Because Archipelago Holdings owns and operates NYSE Arca Marketplace (formerly known as the Archipelago Exchange), a facility of NYSE Arca (formerly known as the Pacific Exchange), it was subject to the requirements of Rule 5.1(c), including the Annual Report.⁶

On March 7, 2006, as a result of the merger between Archipelago Holdings and the New York Stock Exchange Inc., which was completed that day, Archipelago Holdings' common stock was delisted from NYSE Arca. Accordingly, for the following reasons, NYSE Arca, by this filing, is proposing that the Annual Report related to Archipelago Holdings' listing on NYSE Arca for the period August 2004 through March 2006 not be completed:

1. The Annual Report would relate to an entity (Archipelago Holdings) that is no longer publicly traded or listed on NYSE Arca, and as such, policy considerations that underlie the requirement in NYSE Arca Equities Rule 5.1(c) for an Annual Report as set forth in the Commission's Approval Order—that it would provide additional assurance that all listed securities comply with listing standards and help serve to minimize or eliminate potential conflicts of interest that may exist as a result of the listing on NYSE Arca of the security of an affiliate of NYSE Arca Equities or an entity that operates and/or owns a trading system or facility of the Exchange⁷—are no longer applicable;⁸

2. NYSE Arca Equities otherwise fully complied with its Rule 5.1(c) during this time period, including the preparation and submission to the Commission of the monthly reports also required by Rule 5.1(c); and

3. The costs and burden related to preparation of the Annual Report would be substantial in relation to any benefits. Notwithstanding this filing, NYSE Arca Equities Rule 5.1(c) remains in full force and effect, and is not revised in any way by this filing.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act⁹ in general and furthers the objectives of section 6(b)(5)¹⁰ in particular, in that the policy and practical considerations underlying NYSE Arca Equities Rule 5.1(c) are no longer applicable, that NYSE Arca Equities otherwise complied with Rule 5.1(c), and the costs and burden related to compliance would be substantial in relation to any benefits.¹¹

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

The Exchange does not believe that the proposal will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

⁷ A discussion of these conflicts is contained in the Approval Order.

⁸ Telephone conversation between A. David Strandberg III, Director, NYSE Arca Equities, and Heather A. Seidel, Senior Special Counsel, Commission, Division of Market Regulation ("Division"), on April 21, 2006.

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ At the request of the Exchange, the Commission staff amended the statutory basis section to make it consistent with the Form 19b-4 as filed by the Exchange. Telephone conversation between A. David Strandberg III, Director, NYSE Arca Equities, and Natasha Cowen, Attorney, Commission, Division, on April 19, 2006 ("April 19 Telephone Conversation").

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

Written comments on the proposed rule change were neither solicited nor received.

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 the public interest, it has become effective pursuant to section 19(b)(3)(A) of the Act¹² and Rule 19b-4(f)(6) thereunder.¹³ As required under Rule 19b-4(f)(6)(iii) under the Act,¹⁴ the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of the filing of the proposed rule change.

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-NYSEArca-2006-09 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary,

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(6). April 19 Telephone Conversation.

¹⁴ 17 CFR 240.19b-4(f)(6)(iii).

⁵ NYSE Arca Equities Rule 5.1(c) also requires that NYSE Arca Equities submit a monthly report to the Commission that describes its monitoring, among other things, of (i) trading in listed securities subject to this rule, and (ii) compliance by such listings with applicable listing standards. NYSE Arca Equities submitted such reports related to the listing of Archipelago Holdings on a timely basis for each month that Archipelago Holdings was listed and subject to this rule, including the report for March 2006, which was submitted on April 10, 2006.

⁶ See Securities Exchange Act Release No. 50171 (August 9, 2004), 69 FR 50427 (August 16, 2004) (order approving NYSE Arca Equities Rule 5.1(c)) ("Approval Order").

Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSEArca-2006-09. 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. Copies of such filing also will be available for inspection and copying at the principal offices 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 available publicly. All submissions should refer to File Number SR-NYSEArca-2006-09 and should be submitted on or before May 19, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Nancy M. Morris,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-53690; File No. SR-PCX-2005-122]

Self-Regulatory Organizations; Pacific Exchange, Inc. (n/k/a NYSE Arca, Inc.); Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 Thereto and Notice of Filing and Order Granting Accelerated Approval to Amendment No. 2 to the Proposed Rule Change Relating to Amending Exchange Delisting Rules to Conform to Recent Amendments to Commission Rules Regarding Removal From Listing and Withdrawal From Registration

April 20, 2006.

I. Introduction

On October 24, 2005, the Pacific Exchange, Inc. (n/k/a NYSE Arca, Inc.) ("Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to amend Exchange delisting rules to conform to recent amendments to Commission rules regarding removal from listing and withdrawal from registration.³ On January 6, 2006, the Exchange filed Amendment No. 1 to the proposed rule change.⁴ The proposed rule change, as amended by Amendment No. 1, was published for comment in the **Federal Register** on March 23, 2006.⁵ On March 21, 2006, the Exchange filed Amendment No. 2 to the proposed rule change.⁶ No

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ On March 6, 2006, the Exchange filed with the Commission a proposed rule change, which was effective upon filing, to change the name of the Exchange, as well as several other related entities, to reflect the recent acquisition of the Pacific Exchange, Inc. by Archipelago Holdings, Inc. ("Archipelago") and the merger of NYSE with Archipelago. See Securities Exchange Act Release No. 53615 (April 7, 2006), 71 FR 19226 (April 13, 2006) (File No. SR-PCX-2006-24). All references herein have been changed to reflect the aforementioned rule change.

⁴ In Amendment No. 1, the Exchange made changes to its rule text to clarify that the delisting procedures set forth therein apply to instances where the Exchange is considering delisting for reasons other than those set forth in amended Rule 12d2-2(a) under the Act.

⁵ See Securities Exchange Act Release No. 53497 (March 16, 2006), 71 FR 14763.

⁶ In Amendment No. 2, the Exchange amended its rule text to clarify that an issuer that is below the continued listing policies and standards of the Exchange and seeks to voluntarily apply to withdraw a class of securities from listing must disclose that it is no longer eligible for continued listing in its statement of material facts relating to the reason for withdrawal from listing, its public

comments were received regarding the proposal. This order approves the proposed rule change, as amended, on an accelerated basis, publishes notice of Amendment No. 2 to the proposed rule change, and grants accelerated approval to Amendment No. 2.

II. Description of the Proposed Rule Change

Section 12 of the Act⁷ and Rule 12d2-2 thereunder⁸ ("SEC Rule 12d2-2") govern the process for the delisting and deregistration of securities listed on national securities exchanges. Recent amendments to SEC Rule 12d2-2 ("amended SEC Rule 12d2-2") and other Commission rules require the electronic filing of revised Form 25⁹ on the Commission's Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system by exchanges and issuers for all delistings, other than delistings of standardized options and securities futures, which are exempted.¹⁰

In the case of exchange-initiated delistings, amended SEC Rule 12d2-2(b) states that a national securities exchange may file an application on Form 25 to strike a class of securities from listing and/or withdraw the registration of such securities, in accordance with its rules, if the rules of such exchange, at a minimum, provide for:

- (i) Notice to the issuer of the exchange's decision to delist its securities;
- (ii) An opportunity for appeal to the exchange's board of directors, or to a committee designated by the board; and
- (iii) Public notice of the national securities exchange's final determination to remove the security from listing and/or registration, by issuing a press release and posting notice on its Web site. Public notice must be disseminated no fewer than 10 days before the delisting becomes effective pursuant to amended SEC Rule 12d2-2(d)(1), and must remain posted on its Web site until the delisting is effective.

NYSE Arca Equities Rule 5.5(m) provides the applicable procedures when the Exchange considers removing securities from listing. The Exchange proposes to amend NYSE Arca Equities

press release, and its Web site notice. In addition, the Exchange revised its rule text to clarify that applications to voluntarily withdraw a class of securities from listing must be filed on Form 25 and that the previous rule text would be operative until April 23, 2006.

⁷ 15 U.S.C. 78l.

⁸ 17 CFR 240.12d2-2.

⁹ 17 CFR 249.25.

¹⁰ See Securities Exchange Act Release No. 52029 (July 14, 2005), 70 FR 42456 (July 22, 2005) ("SEC Rule 12d2-2 Approval Order").

¹⁵ 17 CFR 200.30-3(a)(12).