

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-NSX-2006-10 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-NSX-2006-10. 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 NSX. 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-NSX-2006-10 and should be submitted on or before August 21, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁷

Jill M. Peterson,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54195; File No. SR-NYSE-2006-01]

Self-Regulatory Organizations; New York Stock Exchange, Inc. (n/k/a New York Stock Exchange LLC); Order Approving Proposed Rule Change to Require Specialists to Publish a 100 x 100 Share Market to Suspend Direct+ for Exchange Rule 127 Block Cross Transactions

July 24, 2006.

On January 17, 2006, the New York Stock Exchange, Inc.¹ (n/k/a New York Stock Exchange LLC) ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")² and Rule 19b-4 thereunder,³ a proposed rule change to eliminate Exchange Rule 1000(v), which suspends the Exchange's Direct+ facility if the specialist publishes a bid and/or offer that is more than five cents away from the last reported transaction price when an Exchange Rule 127 block cross transaction is being executed. The Exchange proposes to replace this procedure with a rule that requires the specialist to quote a 100 x 100 share market when all Exchange Rule 127 block cross transactions are being executed, regardless of the amount the cross price is away from the last reported transaction price. The proposed rule change was published for comment in the **Federal Register** on June 8, 2006.⁴ The Commission received no comments regarding the proposal.

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, and, in particular, with the requirements of Section 6(b) of the Act.⁵ Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act⁶ in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing,

¹ The Exchange is now known as the New York Stock Exchange LLC. See Securities Exchange Act Release No. 53382 (February 27, 2006), 71 FR 11251 (March 6, 2006).

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4.

⁴ See Securities Exchange Act Release No. 53932 (June 1, 2006), 71 FR 33328.

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

⁶ 15 U.S.C. 78f(b)(5).

settling, processing information with respect to, and facilitating transactions in securities, 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 eliminating the requirement that specialists quote a price that is more than five cents away from the last reported transaction price when a Rule 127 transaction is being executed should simplify the procedure for suspending Direct+ while a Rule 127 block transaction is being executed.⁷

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (SR-NYSE-2006-01) is hereby approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Jill M. Peterson,

Assistant Secretary.

[FR Doc. E6-12147 Filed 7-28-06; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54205; File No. SR-NYSE-2005-38]

Self-Regulatory Organizations; New York Stock Exchange, Inc. (n/k/a New York Stock Exchange LLC); Order Approving Proposed Rule Change and Amendment No. 1 Thereto to Rules 104 ("Dealings by Specialists") and 123E ("Specialist Combination Review Policy") To Change the Exchange's Capital Requirements for Specialist Organizations

July 25, 2006.

I. Introduction

On May 26, 2005, the New York Stock Exchange, Inc. (n/k/a New York Stock Exchange LLC) (the "Exchange" or "NYSE") filed with the Securities and Exchange Commission ("SEC" or the "Commission") a proposed rule change to amend Rules 104 ("Dealings by Specialists") and 123E ("Specialist Combination Review Policy") in order to change the Exchange's capital requirements for specialist organizations pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the

⁷ The Commission notes that this rule will not be in effect upon the implementation of the Hybrid Market. See Securities Exchange Act Release No. 53539 (March 22, 2006), 71 FR 16353 (March 31, 2006).

⁸ 15 U.S.C. 78s(b)(2).

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

¹⁷ 17 CFR 200.30-3(a)(12).