

update their policies and procedures under the rule each year. We estimate that 815 of these institutions are smaller entities that spend an average of 6 hours reviewing and updating their policies and procedures once per year, or 4,890 hours annually. We estimate that an additional 1,265 larger institutions spend an average of 30 hours to review and update their safeguard policies and procedures, or 37,950 hours each year. Accordingly, we estimate that the annual burden for covered institutions that review and update their safeguard policies and procedures is 42,840 hours. We therefore estimate a total of 2,529 respondents and an annual burden of 91,575 hours associated with the rule's collection of information requirement.

These estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid control number. The safeguard rule does not require the reporting of any information or the filing of any documents with the Commission. The collection of information required by the safeguard rule is mandatory.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, C/O Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312 or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

Dated: May 30, 2007.

**Florence E. Harmon,**  
Deputy Secretary.

[FR Doc. E7-10847 Filed 6-5-07; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

### Submission for OMB Review; Comment Request

*Upon Written Request; Copies Available From:* Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

*Extension:* Form F-6; OMB Control No. 3235-0292; SEC File No. 270-270.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

The Commission exercised its authority under Section 19 of the Securities Act of 1933 (15 U.S.C. 77a *et seq.*) to establish Form F-6 for registration of American Depositary Receipts (ADRs) of foreign companies. Form F-6 requires disclosure of information regarding the terms of the depository bank, fees charged, and a description of the ADRs. No special information regarding the foreign company is required to be prepared or disclosed, although the foreign company must be one which periodically furnishes information to the Commission. The information is needed to ensure that investors in ADRs have full disclosure of information concerning the deposit agreement and the foreign company. Form F-6 takes approximately 1 hour per response to prepare and is filed by 150 respondents annually. We estimate that 25% of the 1 hour per response (.25 hours) is prepared by the filer for a total annual reporting burden of 37.5 hours (.25 hours per response × 150 responses).

The information provided on Form F-6 is mandatory to best ensure full disclosure of ADRs being issued in the U.S. All information provided to the Commission is available for public review upon request.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

Written comments regarding the above information should be directed to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503 or send an e-

mail to [David\\_Rostker@omb.eop.gov](mailto:David_Rostker@omb.eop.gov); and

(ii) R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, c/o Shirley Martinson, 6432 General Green Way, Alexandria, VA 22312; or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 30 days of this notice.

Dated: May 30, 2007.

**Florence E. Harmon,**  
Deputy Secretary.

[FR Doc. E7-10848 Filed 6-5-07; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55837; File No. SR-Amex-2006-99]

### Self-Regulatory Organizations; American Stock Exchange LLC; Order Granting Approval to Proposed Rule Change and Amendment No. 1 Thereto Relating to Reverse Mergers and Shareholder Approval for Change of Control Situations

May 31, 2007.

#### I. Introduction

On October 5, 2006, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act ("Act"), and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change relating to reverse mergers. On February 14, 2007, the Exchange filed Amendment No. 1 to the proposed rule change.<sup>3</sup> The proposed rule change was published for comment in the *Federal Register* on March 22, 2007.<sup>4</sup> The Commission received no comments on the proposed rule change. This order approves the proposed rule change, as amended.

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

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

<sup>3</sup> Amendment No. 1 makes revisions to the proposed rule text, including revisions conforming the proposed rule text to a filing submitted by The NASDAQ Stock Market LLC ("Nasdaq") and approved by the Commission in the period following submission of the original filing (Securities Exchange Act Release No. 55052 (January 5, 2007), 72 FR 1569 (January 12, 2007) (SR-NASDAQ-2006-047)) and revisions incorporating an immediately effective filing submitted by Amex in the same period (Securities Exchange Act Release No. 55096 (January 12, 2007), 72 FR 2563 (January 19, 2007) (SR-Amex-2007-03)). Amendment No. 1 replaces and supersedes the original filing in its entirety.

<sup>4</sup> See Securities Exchange Act Release No. 55477 (Mar. 15, 2007), 72 FR 13542.

## II. Description of the Proposal

The Exchange proposes to amend (i) Section 341 of the Amex Company Guide ("Guide") to clarify the circumstances under which a listed issuer will be deemed to have engaged in a reverse merger thereby requiring the post-transaction entity to satisfy the initial listing standards and the process a listed issuer must follow when applying for initial listing in connection with a reverse merger and (ii) Section 713 of the Guide to require shareholder approval in connection with the issuance or potential issuance of additional listed securities that will result in a change of control of a listed issuer.

Section 341 of the Guide currently provides that if an issuer listed on the Amex engages in any plan of acquisition, merger or consolidation, the net effect of which is that the listed issuer is acquired by an unlisted entity, even if the listed issuer is the nominal survivor, the post-transaction entity is required to satisfy the initial listing standards. Such transactions are typically referred to as "Reverse Mergers." Because the issuer resulting from a Reverse Merger is essentially a different entity from the listed issuer, Section 341 does not permit the post-transaction entity to remain listed on the Amex unless it qualifies as a new listing. The Exchange stated that this prohibition is intended to prevent "back door listings" whereby an unqualified entity attempts to obtain an Amex listing. Both the New York Stock Exchange LLC ("NYSE")<sup>5</sup> and Nasdaq<sup>6</sup> have comparable provisions.

The Exchange stated that many Reverse Mergers are entered into for *bona fide* business reasons; however, in some cases listed issuers that are not in compliance with the continued listing standards, and face potential delisting, attempt to enter into Reverse Mergers with private entities in order to retain their Amex listing. In other situations, the Exchange explained that a listed issuer may be in compliance with the continued listing standards but the post-transaction entity would not satisfy the initial listing standards. In both of these cases, a change of control occurs but the listed issuer attempts to structure the transaction so that it will not be deemed a Reverse Merger under the current rule.

The Exchange proposes amending Section 341 to provide greater clarity and transparency as to (i) What constitutes a Reverse Merger, (ii) the factors the Exchange will consider in

determining whether a transaction or series of transactions constitute(s) a Reverse Merger, (iii) the consequences of entering into a Reverse Merger and (iv) the process a listed issuer must follow in connection with a Reverse Merger. The proposed rule change will provide that, in addition to meeting the initial listing standards, a listed company entering into a Reverse Merger will need to obtain shareholder approval in accordance with Section 713 in order to issue additional listed securities in connection with such Reverse Merger. In addition, while the determination of whether a Reverse Merger has occurred or will occur is to some degree subjective, the Exchange proposes to amend Section 341 to more clearly delineate the factors that will be considered by the Exchange in its analysis of a transaction.<sup>7</sup>

Section 341 currently recommends that listed issuers submit any proposed plan which could constitute a Reverse Merger to the Exchange for an informal opinion prior to the plan's promulgation. The Exchange stated that the intent of such provision is to permit Exchange staff to review the proposed transaction in order to determine if it constitutes a Reverse Merger and, in the case of a Reverse Merger, to review the post-transaction entity in order to confirm that it will meet initial listing standards. The Exchange proposes to make such process more transparent by requiring a listed issuer to submit an initial listing application with sufficient time to permit the Exchange to complete its review of the post-transaction entity and providing that delisting proceedings will be commenced if such initial listing application has not been approved prior to consummation of the Reverse Merger. The Commission approved a similar rule change filed by Nasdaq.<sup>8</sup>

In association with the proposed changes to Section 341, the Exchange also proposes to amend Section 713. Section 713 currently requires shareholder approval as a prerequisite to Exchange approval of applications to

list additional shares issued in connection with a transaction (other than a public offering) which would involve the application of the initial listing standards in evaluating an acquisition of a listed company by an unlisted company under Section 341 of the Guide. The Exchange proposes revising Section 713 to require shareholder approval as a prerequisite to Exchange approval of additional listing applications when the issuance or potential issuance of additional securities will result in a change of control of a listed issuer, regardless of whether such change of control also constitutes a Reverse Merger. Additionally, the Exchange proposes changes to Sections 341 and 713 to clarify the relationship between their respective requirements. Both NYSE<sup>9</sup> and Nasdaq<sup>10</sup> require shareholder approval for change of control transactions and the Exchange believes it is necessary and appropriate to require listed issuers to obtain shareholder approval of any issuance or potential issuance of additional listed securities that will result in a change of control.

## III. Discussion

After careful review of the proposal, the Commission finds that the proposed rule change, as amended, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>11</sup> In particular, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,<sup>12</sup> which requires, among other things, that the rules of an exchange be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and the national market system, and, in general, to protect investors and the public interest.

The Commission believes that the proposal will help listed companies by providing greater clarity as to the process a listed company must follow in connection with a reverse merger. More specifically, the Commission notes that the proposed rule change provides guidance to issuers on what constitutes a Reverse Merger under the Exchange's rules, as well as the consequences of such a transaction, including potential

<sup>5</sup> Section 703.08(E) of the NYSE Listed Company Manual.

<sup>6</sup> Nasdaq Rule 4340(a).

<sup>7</sup> The Exchange's proposed Section 341 states that a "Reverse Merger" is: "any plan of acquisition, merger or consolidation whereby a listed company combines with, or into, a company not listed on the Exchange, resulting in a change of control of the listed company and potentially allowing such unlisted company to obtain an Exchange listing. In determining whether a change of control constitutes a Reverse Merger, the Exchange will consider all relevant factors, including, but not limited to, changes in the management, board of directors, voting power, ownership, and financial structure of the listed company. The Exchange will also consider the nature of the businesses and the relative size of both the listed and the unlisted companies." See proposed Section 341 of the Guide.

<sup>8</sup> See *supra* note 3.

<sup>9</sup> Section 312.03(d) of the NYSE Listed Company Manual.

<sup>10</sup> Nasdaq Rule 4350(i)(1)(B).

<sup>11</sup> In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition and capital formation. See 15 U.S.C. 78c(f).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

delisting. This additional guidance may be helpful to investors as well.

Finally, the Commission notes that the Exchange is clarifying and broadening its shareholder approval rules by requiring shareholder approval in all change of control situations, not just Reverse Mergers, which will protect investors and the public interest. This should allow investors of listed issuers to participate in important corporate decisions involving a change of control. While certain change of control situations would require shareholder approval under other provisions of the Guide, this proposal ensures that all change of control situations must be approved by shareholders, thereby strengthening the Exchange's shareholder approval requirements, and is consistent with comparable rules of the New York Stock Exchange and Nasdaq.

#### IV. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>13</sup> that the proposed rule change (SR-Amex-2006-99) be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>14</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-10871 Filed 6-5-07; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55826; File No. SR-CBOE-2007-47]

### Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change Relating to Permanent Approval of the Preferred Market Maker Program

May 29, 2007.

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 May 15, 2007, the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is

publishing this notice to solicit comments on the proposed rule change from interested persons and is approving the proposal on an accelerated basis.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to make the Preferred Market Maker Program permanent. The text of the proposed rule change is available on CBOE's Web site at <http://www.cboe.org/legal>, at the Exchange's principal office, and at the Commission's Public Reference Room.

#### 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 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 III below. The Exchange 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 Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

In June, 2005, CBOE obtained approval of a filing adopting a Preferred DPM Program.<sup>3</sup> This allowed order providers to send orders to the Exchange designating a Preferred DPM from among the DPM complex. If the Preferred DPM was quoting at the NBBO at the time the order was received by CBOE, the Preferred DPM was entitled to the entire DPM participation entitlement. The Exchange subsequently modified the applicable participation entitlement percentages under the program<sup>4</sup> and, then expanded the scope of the program to apply to qualifying Market Makers (as opposed to just DPMs).<sup>5</sup> At that time the program was

renamed the Preferred Market Maker Program.

The Preferred Market Maker Program has been operating on a pilot basis. The pilot is due to expire on June 2, 2007. Since the Pilot was put into operation it has been positively received by the options trading community. There has not been any adverse or unanticipated negative impact on the market by the presence of the Preferred Market Maker Program. Further, CBOE believes that the pilot program helps generate greater order flow for the Exchange which in turn adds depth and liquidity to CBOE's markets.

###### 2. Statutory Basis

CBOE believes that the proposed rule change is consistent with the Act<sup>6</sup> and the rules and regulations under the Act applicable to a national securities exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>7</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</sup> requirements that an exchange have rules that are designed 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 to protect investors and the public interest.

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

CBOE does not believe that the proposed rule change will impose any burden on competition 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

The Exchange neither solicited nor received comments on the proposal.

#### III. 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

<sup>6</sup> 15 U.S.C. 78a *et seq.*

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

<sup>8</sup> 15 U.S.C. 78(f)(b)(5).

<sup>13</sup> 15 U.S.C. 78s(b)(2).

<sup>14</sup> 17 CFR 200.30-3(a)(12).

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

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

<sup>3</sup> See Securities Exchange Act Release No. 51779 (June 2, 2005), 70 FR 33564 (June 8, 2005) (approving SR-CBOE-2004-71).

<sup>4</sup> See Securities Exchange Act Release Nos. 51824 (June 10, 2005), 70 FR 35476 (June 20, 2005) (approving SR-CBOE-2005-45); and 52021 (July 13, 2005), 70 FR 41462 (July 19, 2005) (approving SR-CBOE-2005-50).

<sup>5</sup> See Securities Exchange Act Release No. 52506 (September 23, 2005), 70 FR 57340 (September 30, 2005) (approving SR-CBOE-2005-58).