

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,<sup>7</sup> in general, and with Section 6(b)(5) of the Act,<sup>8</sup> in particular, in that the proposal is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, 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. As one of seven options market in the national market system, Nasdaq's fees must be competitive and low in order for Nasdaq to attract order flow, execute orders, and grow as a market. Nasdaq believes that its fees are fair and reasonable and consistent with the Exchange Act.

#### *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. To the contrary, Nasdaq has designed its fees to compete effectively for the execution of options contracts and to reduce the overall cost to investors of options trading.

#### *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**

Pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>9</sup> and Rule 19b-4(f)(2) thereunder,<sup>10</sup> Nasdaq has designated this proposal as establishing or changing a due, fee, or other charge applicable only to members, which renders the proposed rule change effective upon filing. Nasdaq will make the proposed pricing schedule operational on April 13, 2009.

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](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2009-034 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-NASDAQ-2009-034. 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, 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 available publicly. All submissions should refer to File No. SR-NASDAQ-2009-034 and should be submitted on or before May 26, 2009.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E9-10118 Filed 5-1-09; 8:45 am]

BILLING CODE 8010-01-P

## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-59823; File No. SR-NYSE-2009-40]

### **Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by New York Stock Exchange LLC Amending the Exchange's Timely Alert Policy**

April 27, 2009.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 8, 2009, New York Stock Exchange, LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission" or "SEC") the proposed rule change as described in Items I, II, and III 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.

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

The Exchange proposes to amend Section 202.06 of the Listed Company Manual to provide that companies can comply with the Exchange's immediate release policy by disseminating the information by any Regulation Fair Disclosure ("Regulation FD") compliant method (or combination of methods). The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and <http://www.nyse.com>.

#### **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.

<sup>11</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>7</sup> 15 U.S.C. 78f.

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

<sup>9</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>10</sup> 17 CFR 240.19b-4(f)(2).

The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

Section 202.05 of the Listed Company Manual requires a listed company to release quickly to the public any news or information which might reasonably be expected to materially effect the market for its securities (the "immediate release policy"). Section 202.06 provides that companies should comply with the immediate release policy by issuing a press release.

Regulation FD was adopted by the SEC in 2000 in order to curb the selective disclosure of material non-public information by issuers to analysts and institutional investors.<sup>3</sup> Generally, Regulation FD requires that when an issuer discloses material information, it do so publicly. Public disclosure under Regulation FD can be accomplished by filing a Form 8-K with the SEC or through another method of disclosure that is reasonably designed to provide broad, non-exclusionary distribution of the information to the public. In addition to a broadly disseminated press release, Regulation FD compliant methods of disclosure may include furnishing to or filing with the SEC a Form 8-K as well as conference calls, press conferences and webcasts, so long as the public is provided adequate notice (generally by press release) and granted access.<sup>4</sup>

Since the adoption of Regulation FD, some non-NYSE listed companies have adopted the practice of issuing material disclosures in a Form 8-K rather than by way of a press release. It has been the Exchange's experience that some companies are confused as to their disclosure obligations under Exchange rules, with companies sometimes assuming that a disclosure in a Form 8-K is sufficient to comply with the Exchange's immediate release policy. Furthermore, some companies that do understand the Exchange's press release requirements have expressed the view that a press release is redundant when the company is filing a Form 8-K to meet its Regulation FD requirements. In addition, some companies wish to publicize material news through the

company website, as the SEC has provided recent guidance that this approach is appropriate under certain circumstances.<sup>5</sup>

The Exchange now proposes to amend Section 202.06 to provide that companies may comply with the immediate release policy by disseminating the information using any method (or combination of methods) that constitutes compliance with Regulation FD. Foreign private issuers are subject to the timely alert policy but they are not required to comply with Regulation FD. Notwithstanding their exemption from Regulation FD, Section 202.06 will allow foreign private issuers to comply with the timely alert policy by any method (or combination of methods) that would constitute compliance with Regulation FD for a domestic U.S. issuer. While the Exchange continues to believe that there are benefits to the market and investors generally if companies issue press releases when disclosing material information, the Exchange nonetheless believes that it is appropriate to harmonize its requirements in this regard with Regulation FD and Nasdaq rules thereby eliminating the confusion inherent in having different regimes applied by the two largest listing exchanges and the SEC.<sup>6</sup> The Exchange believes that many companies will continue to issue press releases in relation to material news events, but also believes that it is appropriate to enable companies to utilize the flexibility and discretion with respect to the method of disclosure provided by Regulation FD.

Section 202.06(B) currently provides that, when the announcement of news of a material event or a statement dealing with a rumor which calls for immediate release is made shortly before the opening or during market hours (9:30 a.m. to 5 p.m., New York time<sup>7</sup>), it is recommended that the company's Exchange representative be notified by telephone at least ten minutes prior to release of the announcement. This timely notification enables the Exchange to consider whether, in the opinion of the Exchange, trading in the security should be temporarily halted.<sup>8</sup> The Exchange

proposes to amend this text to make it clear that the notification to the Exchange of such announcements is a requirement of the rule and not just a recommendation. In addition, the Exchange proposes to amend Section 202.06(B) to require the listed company when contacting the Exchange to disclose to the Exchange the substance of the announcement, identify to the Exchange the Regulation FD-compliant method it intends to use to disseminate the news and provide the Exchange with the information necessary to locate the information upon publication. The rule is also amended to require the company, when the announcement is in written form, to provide the text of the proposed announcement to the Exchange by email at the time it notifies the Exchange.

The Exchange will continue to evaluate the materiality of these disclosures and implement temporary trading halts, where appropriate, to facilitate the orderly dissemination of certain issuer announcements having a potentially material impact on the price of the securities.

The Exchange is also proposing several other minor changes to Section 202.06. The Exchange is adding a parenthetical to Section 202.06(B), referring readers to Exchange Rule 123D(1) for the Exchange's policies with respect to delayed openings and trading halts. Additionally, Section 202.06(C) is being amended (i) to provide that public disclosures which may significantly affect trading should be provided to the Exchange by e-mail rather than by facsimile as is currently the case and (ii) to conform to the change to Section 202.06(B) by providing that material news may be disseminated by any Regulation FD compliant method and not just by press release.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with and furthers the objectives of Section 6(b)(5) of the Act,<sup>9</sup> in that it is designed to prevent fraudulent and manipulative practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanisms of, a free and open market and a national market system, and, in general, to protect investors and the public interest.<sup>10</sup>

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> The Commission notes that, in the purpose section of the Form 19b-4, the Exchange provided a more complete statutory basis for the proposed rule change, as follows: The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the

<sup>3</sup> See Securities Exchange Act Release No. 43154 (August 15, 2000), 65 FR 51716 (August 24, 2000) ("Regulation FD Adopting Release").

<sup>4</sup> See Regulation FD Adopting Release at pages 51723-51724.

<sup>5</sup> See Securities Exchange Act Release No. 58288 (August 1, 2008), 73 FR 45862 (August 7, 2008).

<sup>6</sup> See Securities Exchange Act Release No. 46288 (July 31, 2002), 67 FR 51306 (August 7, 2002) (SR-NASD-2002-85) (the "Nasdaq Amendment").

<sup>7</sup> While the NYSE's trading day ends officially at 4 p.m., New York time, there are crossing sessions until 5 p.m., New York time.

<sup>8</sup> See NYSE Rule 123D(1) for the Exchange's procedures with respect to delayed openings and trading halts pending dissemination of material news.

### *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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>11</sup> and Rule 19b-4(f)(6) thereunder.<sup>12</sup> Because the 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 prior to 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, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.<sup>13</sup>

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.

"Act"), in general, and furthers the objectives of Section 6(b)(5) of the Act, in particular in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, 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 Exchange believes that the proposed amendment is consistent with the investor protection objectives of the Act in that it harmonizes the Exchange's immediate release policies with the SEC's requirements in Regulation FD.

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> The Commission notes that pursuant to Rule 19b-4(f)(6)(iii) under the Act, the Exchange is required to give the Commission 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 filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

### **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-2009-40 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-2009-40. 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, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the 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 available publicly. All submissions should refer to File Number SR-NYSE-2009-40 and should be submitted on or before May 26, 2009.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>14</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E9-10119 Filed 5-1-09; 8:45 am]

BILLING CODE 8010-01-P

### **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-59824; File No. SR-CBOE-2009-018]

### **Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Order Approving Proposed Rule Change To Permanently Establish the Short Term Option Series Pilot Program**

April 27, 2009.

On March 13, 2009, the Chicago Board Options Exchange, Incorporated ("Exchange" or "CBOE") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to permanently establish its Short Term Option Series pilot program (the "Weeklys Program"). The proposed rule change was published for comment in the **Federal Register** on March 26, 2009.<sup>3</sup> The Commission received no comment letters on the proposed rule change. This order approves the proposed rule change.

The Commission approved the Weeklys Program on a pilot basis on July 12, 2005.<sup>4</sup> The proposed rule change permanently establishes the Weeklys Program. The proposal also consolidates the subsections of Rules 5.5 and 24.9 and make conforming, non-

<sup>14</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>3</sup> See Securities Exchange Act Release No. 59601 (March 19, 2009), 74 FR 13281.

<sup>4</sup> See Securities Exchange Act Release No. 52011 (July 12, 2005), 70 FR 41451 (July 19, 2005) (SR-CBOE-2004-63) ("Weeklys Pilot Program Approval Order"). The Weeklys Program has since been extended and is currently scheduled to expire on July 12, 2009. See Securities Exchange Act Release Nos. 53984 (June 14, 2006), 71 FR 35718 (June 21, 2006) (SR-CBOE-2006-48), 56050 (July 11, 2007), 72 FR 39472 (July 18, 2007) (SR-CBOE-2007-76); and 58094 (July 3, 2008), 73 FR 40000 (July 11, 2008) (SR-CBOE-2008-70). See also Securities Exchange Act Release Nos. 54338 (August 21, 2006), 71 FR 50952 (August 28, 2006) (SR-CBOE-2006-49) (order approving an increase in the number of series that may be listed for a class selected to participate in the Weeklys Program from five to seven) and 58870 (October 28, 2008), 73 FR 65430 (November 3, 2008) (SR-CBOE-2008-110) (immediately effective rule change increasing the number of series that may be listed for a classes selected to participate in the Weeklys Program from seven series to 20 series).