

transferring from another exchange, serve as a means for an exchange to screen issuers and to provide listed status only to bona fide companies that have sufficient public float, investor base, and trading interest to provide the depth and liquidity necessary to promote fair and orderly markets. Adequate standards are especially important given the expectations of investors regarding exchange trading and the imprimatur of listing on a particular market. Once a security has been approved for initial listing, maintenance criteria allow an exchange to monitor the status and trading characteristics of that issue to ensure that it continues to meet the exchange's standards for market depth and liquidity so that fair and orderly markets can be maintained.

The Commission believes that the proposed rule change will provide a means for a narrow category of companies, whose common stock is currently listed on NYSE Arca, to list on the Exchange. In particular, for companies that otherwise meet NYSE's distribution, market value, and price listing requirements,<sup>15</sup> the proposed rule change will allow the Exchange the discretion to list companies that meet the proposed standards. In addition, the Commission expects that the Exchange will deny listing to any company seeking to list pursuant to the proposed rule change if the Exchange determines that the listing of any such company is not in the interests of the Exchange or the public interest.

In accordance with the terms of the proposed rule, the Exchange will apply this standard only for the very narrow category of companies, listed on NYSE Arca as of October 1, 2008, that transfer to the Exchange on or before March 31, 2009. Since NYSE Regulation's Financial Compliance and Corporate Governance groups are responsible for ongoing compliance reviews of both NYSE and NYSE Arca companies, the Commission believes the Exchange should be sufficiently familiar with companies seeking to transfer to be able to determine if any such company is an appropriate transfer candidate. While the new standards are lower than those previously applied to new NYSE listings, the Commission believes that the new criteria, coupled with the

existing applicable listing requirements in Sections 102.01(A) and (B),<sup>16</sup> should help to ensure a minimum level of depth and liquidity to maintain fair and orderly markets.

In approving the proposal, the Commission recognizes that the new standard is applicable only to a small segment of transfers from a single market for a limited time. The Commission believes that this is reasonable and consistent with the Act given the business plans of the Exchange, but more importantly the compliance expertise of NYSE staff in evaluating the potential NYSE Arca transfers. The Commission expects the NYSE to only list those NYSE Arca transfers which they believe, through their past expertise reviewing these companies, are suitable for trading on the NYSE and the maintenance of fair and orderly markets.

For the reasons set forth above, the Commission finds that the proposed rule change is consistent with the Act.

#### IV. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>17</sup> that the proposed rule change (SR–NYSE–2008–97), as modified by Amendment No. 1, be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**Florence E. Harmon,**

*Acting Secretary.*

[FR Doc. E8–27424 Filed 11–18–08; 8:45 am]

**BILLING CODE 8011–01–P**

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–58933; File No. SR–NYSEALTR–2008–05]

#### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NYSE Alternext US LLC To Extend Its Temporary Program Relating to Section 31–Related Funds

November 12, 2008.

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 November 7, 2008, NYSE Alternext US LLC

<sup>16</sup> Only the price requirement in 102.01B would apply to NYSE Arca transfers. *See supra* note 8 and accompanying text.

<sup>17</sup> 15 U.S.C. 78s(b)(2).

<sup>18</sup> 17 CFR 200.30–3(a)(12).

<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.

(“NYSE Alternext” or the “Exchange”) filed with the Securities and Exchange Commission the proposed rule changes 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 changes from interested persons.

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

The NYSE Alternext, formerly known as the American Stock Exchange LLC (“Amex”), proposes to extend until January 13, 2009 a temporary program, which allows member firms to voluntarily submit funds previously accumulated by the member firms pursuant to Rule 393 and not forwarded to be subsequently used by the Exchange to satisfy its obligation to remit Section 31 fees to the Commission.

The text of the proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://www.nyse.com), 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 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 these statements may be examined at the places specified in Item IV below. NYSE Alternext 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

Pursuant to Section 31 of the Act <sup>4</sup> and Commission Rule 31,<sup>5</sup> NYSE Alternext US and other national securities exchanges are required to pay a transaction fee to the Commission that is designed to recover the costs related to the government's supervision and regulation of the securities markets and securities professionals. To offset this obligation, NYSE Alternext US assesses its clearing and self-clearing members a regulatory fee in accordance with Rule 393, which mirrors Section 31 in both

<sup>4</sup> 15 U.S.C. 78ee.

<sup>5</sup> 17 CFR 240.31.

<sup>15</sup> Companies listing under this standard would still have to meet all the requirements set forth in Section 102.01A and the price listing requirement in Section 102.01B. Those sections include distribution, market value and price requirements. The Commission believes that these requirements will help ensure that the company has requisite liquidity for listing on the Exchange. Companies would also have to comply with all applicable NYSE corporate governance requirements.

scope and amount. Clearing members may in turn seek to charge a fee to their customers or correspondent firms. Any allocation of the fee between the clearing member and its correspondent firm or customer is the responsibility of the clearing member.

Reconciling the amounts reported to the Exchange and the amounts collected from the customers historically had been difficult for member firms, causing surpluses to accumulate at some member firms (referred to as "accumulated funds"). These accumulated funds were not remitted to the Exchange by certain members, despite the fact that these charges may have been previously identified as "Section 31 Fees" or "SEC Fee" by the firms.<sup>6</sup> In addition, since Amex used a "self-reporting" methodology for its members to report and remit amounts payable pursuant to Rule 393 prior to the implementation of its billing system in December 2007, the Exchange accumulated amounts in excess of the amounts due and paid by the Exchange to the Commission pursuant to Section 31 and Rule 31 ("Exchange accumulated funds").

In May 2008, the Commission approved the adoption of Commentary.01 to Rule 393 that allows firms, on a one-time-only basis, voluntarily to remit historically accumulated funds to the Exchange. These funds will be used to pay the Exchange's current Section 31 fees in conformity with prior representations made by member firms. In addition, a member or member organization may designate all or part of the Exchange accumulated excess held by the Exchange and allocated to such member be used by the Exchange in accordance with the new Commentary to Rule 393. Finally, to the extent the payment of these historically accumulated funds or Exchange accumulated funds is in excess of the Section 31 fees due the Commission from NYSE Alternext US, such surplus shall be used by the Exchange to offset regulatory costs.

In accordance with Rule 393, Commentary.01 the effective dates of the temporary program were from May

23, 2008 through October 23, 2008.<sup>7</sup> In the interest of providing member firms with additional notice of the temporary program and providing additional opportunity for member firms to remit historically accumulated funds in accordance with such program, the Exchange now proposes to extend the program through January 13, 2009. The Exchange believes that an extension of its temporary program will permit the Exchange to provide additional notice of the program to members firms and will provide a transparent way of addressing the issue of accumulated funds held at the member firm level and by the Exchange.<sup>8</sup>

## 2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act<sup>9</sup> in general and furthers the objectives of Section 6(b)(5) of the Act<sup>10</sup> in particular in that it 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 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 an extension of its temporary program until January 13, 2009 will permit the Exchange to provide additional notice to member firms regarding the program and will provide a transparent way of addressing the issue of accumulated funds held at the member firm level and by the Exchange.

## 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 purpose of the Act.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

Because the proposed rule change: (i) Does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) does not become operative for 30 days after the date of the filing, 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<sup>11</sup> and Rule 19b-4(f)(6) thereunder.<sup>12</sup>

The Exchange has requested that the Commission waive the 30-day operative delay in this case. The Commission hereby grants the Exchange's request and believes that doing so is consistent with the protection of investors and the public interest. The Commission previously found similar proposals from other SROs to be consistent with the Act.<sup>13</sup> The Commission is not aware of any issue that should cause it to revisit those findings or preclude the immediate operativeness of the extension of the NYSE Alternext proposal. The Commission notes that, because the program is voluntary, it imposes no obligation on any NYSE Alternext member that believes that accumulated funds should be retained or disposed of in another manner. For these reasons, the Commission designates that the proposed rule change become operative immediately upon filing.<sup>14</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate

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

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

<sup>13</sup> See Securities Exchange Act Release No. 58108 (July 7, 2008), 73 FR 40413 (July 14, 2008) (SR-NYSE-2007-64); Securities Exchange Act Release No. 55886 (June 8, 2007), 72 FR 32935 (June 14, 2007) (SR-NASD-2007-027).

<sup>14</sup> For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>6</sup> The Commission stated in its release adopting new Rule 31 and Rule 31T that "it is misleading to suggest that a customer or [self-regulatory organization] member incurs an obligation to the Commission under Section 31." See Securities Exchange Act Release No. 49928 (June 28, 2004), 69 FR 41060 (July 7, 2004). In response to this statement, the Exchange issued a Notice to members regarding its Rule 393 Fee and the SEC's "Section 31 Fee", and provided guidance for members and member organizations that choose to charge their customers fees. See Amex Notice REG 2004-42 Finance (October 29, 2004).

<sup>7</sup> See Securities Exchange Act Release No. 57829 (May 16, 2008), 73 FR 30173 (May 23, 2008) (SR-Amex-2007-107) (order approving procedures under Rule 393 regarding Section 31-related funds).

<sup>8</sup> The Exchange notes that the date of proposed termination of the program coincides with the termination date of a similar temporary program implemented by the New York Stock Exchange LLC. See Securities Exchange Act Release No. 58108 (July 7, 2008), 73 FR 40413 (July 14, 2008) (SR-NYSE-2007-64).

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

<sup>10</sup> 15 U.S.C. 78f(b)(5).

the 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-NYSEALTR-2008-05 on the subject line.

##### *Paper Comments*

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

All submissions should refer to File Number SR-NYSEALTR-2008-05. 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-NYSEALTR-2008-05 and should be submitted on or before December 10, 2008.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Florence E. Harmon,**

*Acting Secretary.*

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#### SMALL BUSINESS ADMINISTRATION

##### **Data Collection Available for Public Comments and Recommendations**

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, this notice announces the Small Business Administration's intentions to request approval on a new and/or currently approved information collection.

**DATES:** Submit comments on or before January 20, 2009.

**ADDRESSES:** Send all comments regarding whether this information collection is necessary for the proper performance of the function of the agency, whether the burden estimates are accurate, and if there are ways to minimize the estimated burden and enhance the quality of the collection, to Jacqueline West, Assistant Administrator, Office of 8(a) Review, Small Business Administration, 409 3rd Street, SW., 8th floor, Wash., DC 20416.

**FOR FURTHER INFORMATION CONTACT:** Jacqueline West, Assistant Administrator, Office of 8(a) Program Review, 202-205-7521, [jacqueline.west@sba.gov](mailto:jacqueline.west@sba.gov), Curtis B. Rich, Management Analyst, 202-205-7030, [curtis.rich@sba.gov](mailto:curtis.rich@sba.gov).

**SUPPLEMENTARY INFORMATION:** The information is necessary to determine whether HubZone eligibility requirements are met and if the firm is a small business; has a principal office in a HubZone; 35% of its employees reside in a HubZone; and at least 51% owned by U.S. citizens.

*Title:* "HubZone Program Electronic Application; Recertification and Program Examination."

*Description of Respondents:* Small Businesses Seeking Certification.

*Form Number:* 2103.

*Annual Responses:* 6,375.

*Annual Burden:* 10,725.

**Jacqueline White,**

*Chief, Administrative Information Branch.*

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#### DEPARTMENT OF STATE

[Public Notice 6430]

##### **Termination of Statutory Debarment Pursuant to Section 38(g)(4) of the Arms Export Control Act for Interaero, Inc.**

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the Department of State has terminated the statutory debarment of Interaero, Inc. pursuant to section 38(g)(4) of the Arms Export Control Act (AECA) (22 U.S.C. 2778).

**DATES:** Effective November 19, 2008.

**FOR FURTHER INFORMATION CONTACT:** David C. Trimble, Director, Office of Defense Trade Controls Compliance, Directorate of Defense Trade Controls, Bureau of Political-Military Affairs, Department of State (202) 663-2807.

**SUPPLEMENTARY INFORMATION:** Section 38(g)(4) of the AECA and section 127.11 of the International Traffic in Arms Regulations (ITAR) prohibit the issuance of export licenses or other approvals to a person if that person, or any party to the export, has been convicted of violating the AECA and certain other U.S. criminal statutes enumerated at section 38(g)(1) of the AECA and section 120.27 of the ITAR. A person convicted of violating the AECA is also subject to statutory debarment under section 127.7 of the ITAR.

In December 2004, Interaero, Inc. was convicted of violating the AECA (U.S. District Court, District of Columbia, 1:04-cr-00317-JGP-1). Based on this conviction, Interaero, Inc. was statutorily debarred pursuant to section 38(g)(4) of the AECA and section 127.7 of the ITAR and, thus, prohibited from participating directly or indirectly in exports of defense articles and defense services. Notice of debarment was published in the **Federal Register** (71 FR 5402, February 1, 2006).

Section 38(g)(4) of the AECA permits termination of debarment after consultation with the other appropriate U.S. agencies and after a thorough review of the circumstances surrounding the conviction and a finding that appropriate steps have been taken to mitigate any law enforcement concerns. As a condition of reinstatement, Interaero will not be involved in any way with the export of, or otherwise trade in, United States Munitions List items permanently. Therefore, the Department of State has determined that Interaero, Inc. has taken appropriate steps to address the causes of the violations and to mitigate any law

<sup>15</sup> 15 CFR 200.30-3(a)(12).