

SFB Market Systems

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September 25, 2007

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F St. NE
Washington DC 20549

Re: Comment Letter re: SEC Release No. 34-56037 and Submission of Proposed National Market System Plan for Reserving, Selecting and Allocating Securities Symbols Pursuant to rule 608; Rules 533 and 534

Dear Ms. Morris and SEC Members,

Per our conversation with and at the suggestion of David Liu of the SEC, this letter is being written in response to the above mentioned filings. Pursuant to Section III of Amendment No. 1 to the Symbology plan (File No. 4-534) and NMS plan for the **Selection and Reservation of Securities Symbols**, Section III in both plans reads as follows:

III. Performance of Functions

As determined by its Policy Committee, ISRA will be delegating the operation of the Symbol Reservation System to an independent third party (the "Processor"), and will enter into contracts with such party describing the functions to be performed by it and the service levels and other terms related thereto. The Processor shall be required to agree that any nonpublic information that becomes known to it shall be held in confidence, except as it may be shared with the Commission or other appropriate governmental regulatory authorities or as otherwise required by applicable law.

Based on the requirements requested by the industry and in response to the proposed National Market System (NMS) plans for the selection and reservation of securities symbols, The **Symbol Management Clearing Corporation (SMCC)** was established in August of 2007. **SMCC** is committed to functioning as the independent third party (the "Processor" and "Symbol Master") and providing the trading industry with more accurate symbology.

There have been two of these plans filed with the SEC to date (one sponsored by NASDAQ, NASD, NSX and PHLX, and the other sponsored by AMEX, NYSE and NYSE Euronext; NMS File No. 4-533 and 4-534 respectively). **SMCC** is an independent organization functioning with the interest of the publicly-traded

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companies. For the past twelve (12) years, the options exchanges have been managing symbols with the **SFB** product **Symbol Manager** which is now integrated into the central repository server known as **Symbol Master**, another SFB Product. In addition, the **SMCC** is fully prepared to continue this management process with the **SFB** technology and services currently in place in all of the U.S. options exchanges.

Also, attached are the original exchange "Base-Line Rules and Guidelines" originally written by **SFB** in December of 2004, at the request of the industry to fulfill the requirements of the Symbol Reservation System particularly in the area of options symbology but not limited to options.

The **SMCC** is the only independent, third party processor qualified and experienced to perform the duties of the symbology management provider for the securities industries.

We appreciate your time and commitment to the trading industry by overseeing the services that will enhance both the exchanges and our economy. If you have any questions or comments, please do not hesitate to contact me directly.

Sincerely yours,

S. Lee Clifford
President and CEO

cc: Erik R. Sirri, Market Regulation, SEC
Elizabeth King, Market Regulation, SEC
David Liu, Market Regulation, SEC
Neal L. Wolkoff, Chairman & CEO, AMEX
Michael Bickford, Sr. Vice President, AMEX
Michael J. Curran, Chairman & CEO, BSE
Edward J. Joyce, President & COO, CBOE
David A. Herron, CEO, CHX
David Krell, President & CEO, ISE
Steve Joachim, Executive Vice President, NASD
William O'Brien, Senior Vice President, NASDAQ
James C. Yong, Chief Regulator Officer, NSX
Noreen M. Culhane, Executive Vice President, NYSE
Marsh N. Carter, Deputy Chairman, NYSE Euronext
Catherine R. Kinney, President and Co-COO, NYSE Euronext
Pamela Zielezinski, Sr. Vice President, NYSE Euronext
Scott M. Donnini, First Vice President, PHLX

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Symbol Reservation System

The Original Exchange Base-Line Rules/Guidelines

Original - December, 2004, By: SFB Market Systems For:

The Symbol Management Clearing Corporation (SMCC)

The Symbol Management Clearing Corporation is a symbol repository data management corporation designed to collect and protect the confidentiality of information submitted about the past, current and future ownership of symbols that represent companies traded on the Equity and Option exchanges. (But not limited to equities and options)

Exchanges submit their symbols, determine symbol availability, request the acquisition of available symbols, transfer symbols, deny or accept a transaction offered by another exchange, communicate appropriately, anonymously and confidentially with other exchanges about symbols.

A. Symbol Reserve Exchange List:

- PCX Pacific Exchange
- ARCA Archipelago Exchange
- ISE International Securities Exchange
- AMEX American Stock Exchange
- BSE Boston Stock Exchange
- BOX Boston Options Exchange
- CBOE Chicago Board Options Exchange
- CHX Chicago Stock Exchange
- PHLX Philadelphia Stock Exchange
- NYSE New York Stock Exchange
- NTX National Stock Exchange/Cincinnati Exchange

B. Initial Load / Setup of the “Online Symbol Master / Repository”

B1. Initial Loading “Exchange Symbols on Reserve”

- a. Each exchange will supply a list (file) of symbols believed to be on reserve by their own exchange. If your list (file) contains other exchange symbol reserve information, these symbols will be used to load the database of the non-participating exchange.
- b. Symbols being loaded on behalf of a non-participating exchange will be placed on reserve based on what another exchange thinks the non-participating exchange has on reserve. However, a non-participating exchange is urged to submit their own list (file) to establish solid ownership of a non-active symbol prior to it being placed in the open list.
- c. Symbols not listed on any of the exchange lists (files) will be placed in the unreserved open database and will be available for transfer.
- d. Symbol List (file) fields required from each exchange:
 - Symbol – Symbols listed as reserved by your exchange will be loaded into your exchange database. All other symbols will be analyzed and assigned according to the rules stated above.

- Date Reserved – date your exchange reserved the symbol - if an invalid date is received – a date of 01/01/2004 (back dated 1 year) will be established.
 - Comments (Optional)
- e. Active / Inactive Symbols – All symbols will be checked for an active and inactive status. If a symbol is deemed inactive it will be date time-stamped with 02/06/2005 to begin the six-month inactive clock.

B2. Initial Symbol Load Discrepancies / Contested Symbols

- a. Symbols will be listed as a Contested symbol if more than one exchange has claimed ownership of the same symbol.
- b. If the symbol is contested by another exchange, a “Request to Resolve” the dispute will be submitted to SMCC acting only as the mediator. Both exchanges must supply documentation showing the earliest reserve date on record and/or correspondence showing a transfer of ownership rights.
- c. If an exchange is involved in a contested symbol dispute and elects to be removed from a contested state, the exchange may do so automatically online using the “Release Symbol to Exchange”. User must be an authorized Level 2 user from the exchange requesting the release of the contested symbol.

B3. Initial “User Profile” Setup

- a. Each exchange will be provided with 2 user profiles unless a request for additional users has been arranged through SMCC. Users can be of the following status/levels:
 Level 1 – User / Read Only no transfer capabilities
 Level 2 - Manager – Transfer Authority
 Level 3 - Exchange Administrator – Transfer Authority and Manage Users
- b. User Information Required Maintained on file:
 - User First Name
 - User Last Name
 - User Phone # and Ext.
 - User email address
 - Email Notification List – email address of the person to be copied on all transfer related correspondence for your exchange.
 - UserID – All UserID’s will be established by SMCC
 - Password – Your initial password will be randomly generated and emailed to the email address you provided in your user profile.

C. Unreserved Symbol Repository:

Definition: “Unreserved Symbol Repository” – Any symbol NOT “Active” Not on “Reserve” and NOT “Exempt” by another exchange. All unreserved symbols are listed in the “Open List” of symbols.

C1. Requesting a symbol from the “Unreserved Symbol Repository”

- a. User may select any symbol from the “Open List”.

- b. Symbol is time-stamped at the time of request and will be assigned to the Exchange on a first-come-first-serve basis.
- c. If a symbol request is terminated or cancelled for any reason the symbol is returned to the “Open List”.
- d. Any Exchange with more than 1,000 symbols on reserve must give a symbol to the “Open List” in exchange for the requested unreserved symbol.
- e. Any Exchange with less than 1,000 symbols on reserve will NOT be required to give a symbol in exchange when requesting a new symbol from the “Open List”.
- f. Any Exchange with less than 1,000 symbols on reserve will be limited to 10 new symbol assignments per month from the unreserved symbol repository.
- g. Any symbol currently being contested will NOT be available for transfer. All disputes must be resolved prior to transfer.

C2. Symbols Being Retired to the “Unreserved Symbol Repository”

- a. If a symbol is delisted, moves to the NASDAQ or becomes inactive for any reason, the symbol will move into a hold status for 6 months. If after 6 months the symbol is not activated the symbol will expire into the “Open List” upon reaching its 6-month inactive anniversary date. (Excluding symbols marked as “Exempt” – See “Exempt Symbols”).
- b. Retired Leap Symbols in a hold status as of 02/06/2005 will expire into the “Unreserved Symbol Repository” after 30 months (2.5 years) of inactivity.
- c. All exchanges are urged to release unused symbols to the “Open List” to build up the number of symbols available.

D. Reserved Symbol Repository:

Definition: “Reserved Symbol Repository” – Any symbol that is currently on reserve by any exchange. Symbols on reserve include symbols in the “Active”, “Inactive” or “Exempt” status. Note: Symbols assigned to your exchange and symbols available for transfer within the “Open” list are the only symbols that will be visible to your exchange.

D1. Requesting a symbol from the “Reserved Symbol Repository”

- a. User may request any symbol from the “Open List”. If a symbol is on reserve by another exchange you will receive the “Symbol is not available” message when searching for the symbol you are requesting.
- b. Symbol swaps are optional when requesting a symbol from another exchange.
- c. Exchanges have the right to refuse to swap with a requesting exchange.
- d. Any symbol in a Contested status will NOT be permitted as a symbol available for transfer or exchange for another symbol.

E. Exempt Symbols

- a. These are symbols that exchanges choose to place on "Exempt" status to keep an inactive symbol from expiring. The number of "Exempt" symbols per exchange may vary and are based on the service plan your exchange is signed up for.
- b. Maximum allowable "Exempt" symbols for any exchange will be 100.

G. Symbol Status Definitions:

- a. Open – Symbol is available to be reserved
- b. Reserved – Symbol is inactive but still reserved and will be held on reserve for 6 months of inactivity after which it will be returned to the (O)pen status
- c. Exempt – Symbols exempt from 6-month expiration / retirement rules
- d. Active – Symbol is actively trading and/or contains open positions
- e. Inactive – Symbol is not actively trading

F. Non-Participating Exchanges:

- a. Each non-participating exchange will be provided with a Userid and password to view their own symbols following the initial load. There will be no access to Open and Available symbols.
- b. Each non-participating exchange will provide a correction list of symbols to be applied to the Symbol Master Repository as a starting point for symbols on reserve by their exchange.
- c. If a non-participating exchange does not provide SMCC with their own list of reserved symbols, symbols will be assigned to the non-participating exchange from what the participating exchanges have on file for the non-participating exchange.
- d. If a symbol does not appear on any of the participating exchange lists (files) on behalf of the non-participating exchange and the symbol is inactive (not currently trading), that symbol will be assumed as open and available and will appear in the open and available list.
- e. If a symbol is de-listed or becomes inactive by moving to the NASDQ, that symbol will be date time-stamped on the date it stops trading. If that symbol is not reactivated within 6 months from the inactive date time-stamp the symbol will be released to the open and available list upon its 6th month inactive anniversary date.