

### III. Discussion

The Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>9</sup> Specifically, the Commission finds that the proposal, as modified by Amendment No. 1, is consistent with Section 6(b)(5) of the Act,<sup>10</sup> in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transaction in securities, to remove impediments and perfect the mechanisms of a free and open market, and, in general, to protect investors and the public interest.

The Exchange noted its belief that decreasing the minimum settings in the Mechanism would provide Market Makers with greater control and flexibility with respect to managing their risk and the manner in which they enter quotes on the Exchange. The Exchange also notes that the proposed rule change allowing the Exchange to modify Mechanism settings by Regulatory Bulletin is consistent with the Act because it would permit the Exchange to increase or decrease the Mechanism settings to accommodate system capacity concerns. The Exchange has also represented that it believes providing at least one day of advance notice via Regulatory Bulletin prior to making adjustments to the Mechanism would afford Market Makers sufficient time to review their settings and make any necessary operational or technological changes to accommodate such adjustments. Finally, the Commission notes that the proposal would not relieve Market Makers of their quoting obligations on the Exchange under the Exchange's rules.<sup>11</sup> For these reasons, the Commission believes that the proposed rule change, as modified by Amendment No. 1, is consistent with the Act.

### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 1 is consistent with the Act. Comments may be submitted by any of the following methods:

<sup>9</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>10</sup> 15 U.S.C. 78f(b)(5).

<sup>11</sup> See NYSE Amex Options Rule 925NY.

### Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEAmex-2012-23 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-NYSEAmex-2012-23. This file number should be included on the subject line if email 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 Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 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 publicly available. All submissions should refer to File Number SR-NYSEAmex-2012-23 and should be submitted on or before July 27, 2012.

### V. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 1

As discussed above, Amendment No. 1 revised the proposed rule change to specify that, when announcing changes to the Mechanism via Regulatory Bulletin, the Exchange will issue the bulletin at least one trading day in advance of the effective date of the change. The Exchange also specified that such bulletins will include:

- (1) Information regarding the changes to

the risk settings in the Mechanism; (2) the effective date of the changes; and (3) contact information of Exchange staff who can provide additional information. The Exchange also stated its belief that providing at least one day of advance notice prior to making adjustments would afford Market Makers sufficient time to review their settings and make any necessary operational or technological changes to accommodate such adjustments to their own settings in the Mechanism or to their own proprietary systems. The Commission believes that the amendment addresses potential concerns about when the Exchange would provide notice of changes to the Mechanism settings, the form of such notice, and whether such notice would afford Market Makers sufficient time to adjust their settings in the Mechanism or their proprietary systems. Accordingly, the Commission also finds good cause, pursuant to Section 19(b)(2) of the Act,<sup>12</sup> for approving the proposed rule change, as modified by Amendment No. 1, prior to the 30th day after the date of publication of notice in the **Federal Register**.

### VI. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>13</sup> that the proposed rule change (SR-NYSEAmex-2012-23), as modified by Amendment No. 1, be, and hereby is, approved on an accelerated basis.

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

**Kevin M. O'Neill**,  
Deputy Secretary.

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## DEPARTMENT OF STATE

[Public Notice 7946]

**Bureau of Political-Military Affairs;  
Statutory Debarment of Pratt &  
Whitney Canada Corporation Under  
the Arms Export Control Act and the  
International Traffic in Arms  
Regulations**

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the Department of State, acting pursuant to section 127.7(c) of the International Traffic in Arms Regulations ("ITAR") (22 CFR Parts 120-130), imposed a

<sup>12</sup> 15 U.S.C. 78s(b)(2).

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

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

statutory debarment on Pratt & Whitney Canada Corporation (“P&W Canada”) as a result of its conviction for violating section 38 of the Arms Export Control Act, as amended, (“AECA”) (22 U.S.C. 2778).

**DATES:** *Effective Date:* June 28, 2012.

**FOR FURTHER INFORMATION CONTACT:** Lisa Aguirre, Director, Office of Defense Trade Controls Compliance, Bureau of Political-Military Affairs, Department of State (202) 632-2798.

**SUPPLEMENTARY INFORMATION:** Section 38(g)(4) of the AECA, 22 U.S.C. 2778(g)(4), prohibits the Department of State from issuing licenses or other approvals for the export of defense articles or defense services where the applicant, or any party to the export, has been convicted of violating certain statutes, including the AECA. The statute permits limited exceptions to be made on a case-by-case basis. In implementing this provision, Section 127.7 of the ITAR provides for “statutory debarment” of any person who has been convicted of violating or conspiring to violate the AECA. Persons subject to statutory debarment are prohibited from participating directly or indirectly in the export of defense articles, including technical data, or in the furnishing of defense services for which a license or other approval is required.

Statutory debarment is based solely upon conviction in a criminal proceeding, conducted by a United States Court, and as such the administrative debarment procedures outlined in Part 128 of the ITAR are not applicable.

The period for debarment will be determined by the Assistant Secretary for Political-Military Affairs based on the underlying nature of the violations, but will generally be for three years from the date of conviction. Export privileges may be reinstated only at the request of the debarred person followed by the necessary interagency consultations, 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 required by Section 38(g)(4) of the AECA. Unless export privileges are reinstated, however, the person remains debarred.

Department of State policy permits debarred persons to apply to the Director, Office of Defense Trade Controls Compliance, for reinstatement beginning one year after the date of the debarment. Any decision to grant reinstatement can be made only after the statutory requirements of Section

38(g)(4) of the AECA have been satisfied.

Exceptions, also known as transaction exceptions, may be made to this debarment determination on a case-by-case basis at the discretion of the Assistant Secretary of State for Political-Military Affairs, after consulting with the appropriate U.S. agencies. However, such an exception would be granted only after a full review of all circumstances, paying particular attention to the following factors: Whether an exception is warranted by overriding U.S. foreign policy or national security interests; whether an exception would further law enforcement concerns that are consistent with the foreign policy or national security interests of the United States; or whether other compelling circumstances exist that are consistent with the foreign policy or national security interests of the United States, and that do not conflict with law enforcement concerns. Even if exceptions are granted, the debarment continues until subsequent reinstatement.

Pursuant to Section 38(g)(4) of the AECA and Section 127.7(c) of the ITAR, the following person is statutorily debarred: Pratt & Whitney Canada Corporation, 1000 boul. Marie-Victorin Longueuil, Quebec, Canada J4G 1A1 (and all other Pratt & Whitney Canada Corporation locations); U.S. District Court, District of Connecticut; Case No. 3:12CR146(WWE).

As noted above, at the end of the three-year period following the date of this notice, the above named entity remains debarred unless export privileges are reinstated. Debarred persons are generally ineligible to participate in activity regulated under the ITAR (see e.g., sections 120.1(c) and (d), and 127.11(a)). Also, under Section 127.1(c) of the ITAR, any person who has knowledge that another person is subject to debarment or is otherwise ineligible may not, without disclosure to and written approval from the Directorate of Defense Trade Controls, participate, directly or indirectly, in any export in which such ineligible person may benefit therefrom or have a direct or indirect interest therein.

Notwithstanding the information above, based on overriding national security and foreign policy concerns and after a thorough review of the circumstances surrounding the conviction and a finding that the appropriate steps have been taken to mitigate law enforcement concerns, the Assistant Secretary for Political-Military Affairs has determined to approve specific carve-outs from the statutory

debarment of P&W Canada for the following categories of authorization requests:

1. Support of U.S. Government programs;
2. Support of coalition Operation Enduring Freedom; and
3. Support of government programs for NATO and Major Non-NATO Ally countries.

All requests for authorizations, or use of exemptions, involving P&W Canada that fall within the scope of the specific carve-outs will be reviewed and action taken by the Directorate of Defense Trade Controls in the ordinary course of business. All requests for authorizations involving P&W Canada that do not fall within the scope of the carve-outs must be accompanied by a specific transaction exception request. Any use of an exemption involving P&W Canada that does not fall within the scope of the carve-outs must be preceded by the approval of a transaction exception request by the Department prior to the use of the exemption. The decision to grant a transaction exception will be made on a case-by-case basis after a full review of all circumstances.

This notice is provided for purposes of making the public aware that the person identified above is prohibited from participating directly or indirectly in activities regulated by the ITAR, including any brokering activities and in any export from or temporary import into the United States of defense articles, related technical data, or defense services in all situations covered by the ITAR that do not fall within the carve-outs to the debarment. Specific criminal case information may be obtained from the Office of the Clerk for the U.S. District Courts mentioned above and by citing the court case number where provided.

Dated: June 26, 2012.

**Andrew J. Shapiro,**

*Assistant Secretary, Bureau of Political-Military Affairs, Department of State.*

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## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

[Docket No. FHWA-2012-0062]

#### Agency Information Collection Activities: Request for Comments for a New Information Collection

**AGENCY:** Federal Highway Administration (FHWA), DOT.

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

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