

MEMO# 21012

April 2, 2007

SEC Re-Opens Comment Period on Amendments to Regulation SHO

[21012]

April 2, 2007

TO: SEC RULES MEMBERS No. 42-07
EQUITY MARKETS ADVISORY COMMITTEE No. 17-07
CLOSED-END INVESTMENT COMPANY MEMBERS No. 23-07
ETF ADVISORY COMMITTEE No. 15-07 RE: SEC RE-OPENS COMMENT PERIOD ON
AMENDMENTS TO REGULATION SHO

The Securities and Exchange Commission has re-opened the comment period on certain of its proposed amendments to Regulation SHO. [1] Specifically, in order to give the public additional time to consider recently released data related to the proposal, [2] the SEC is asking for further public comment on eliminating the Regulation SHO grandfather provision and narrowing the options market maker exception. [3] The comment period has been extended until April 30, 2007.

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endnotes

[1] SEC Release No. 34-55520 (March 26, 2007), 72 FR 15079 (March 30, 2007). The proposal can be found on the SEC's website at <http://www.sec.gov/rules/proposed/2007/34-55520.pdf>.

[2] Most significantly, the NASD has released data relating to certain provisions of the proposed amendments. See SEC File No. S7-12-06, Comments of the National Association of Securities Dealers, Inc. (March 12, 2007). The letter can be found on the SEC's website at <http://www.sec.gov/comments/s7-12-06/s71206-nasd031207.pdf>.

[3] SEC Release No. 34-54154 (July 14, 2006), 71 FR 41710 (July 21, 2006). The proposal can be found on the SEC's website at <http://www.sec.gov/rules/proposed/2006/34-54154.pdf>.

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