

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-57325; File No. SR-Amex-2008-04)

February 13, 2008

Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing of Proposed Rule Change Related to Index Dissemination Requirements for Index-Linked Securities

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on January 30, 2008, the American Stock Exchange LLC (“Amex” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been substantially 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 Sections 107D(i) and 107D(h)(3)(ii) of the Amex Company Guide (“Company Guide”) to provide that the value of an index or composite value of the indexes underlying an issuance of Index-Linked Securities must be widely disseminated on at least a 15-second basis with respect to an index or indexes containing only securities listed on a national securities exchange, or on at least a 60-second basis with respect to an index or indexes containing foreign country securities.

The text of the proposed rule change is available at www.amex.com, at the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 Exchange 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. The Exchange 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

The Exchange proposes to amend Sections 107D(i) and Section 107D(h)(3)(ii) of the Company Guide for the purpose of conforming the index dissemination requirements relating to Index-Linked Securities to that of Index Fund Shares (“IFSs”) and Portfolio Depository Receipts (“PDRs”) (collectively, exchange-traded funds or “ETFs”). Section 107D(i)(iii) of the Company Guide provides that the current value of an index will be widely disseminated at least every 15 seconds. Similarly, Section 107D(i)(iv) provides that if the value of an Index-Linked Security is based on more than one index, then the composite value of such indexes must be widely disseminated at least every 15 seconds.

As proposed, Section 107D(i) of the Company Guide would be revised as follows:

“(iii) The current value of an index or composite value of more than one (1) index will be widely disseminated at least every 15 seconds with respect to indexes containing only securities listed on a national securities exchange, or on at least a 60-second basis with respect to indexes containing foreign country securities, provided, however, that if the official index value does not change

during some or all of the period when trading is occurring on the Exchange (for example, for indexes of foreign country securities because of time zone differences or holidays in countries where such indexes' component stocks trade) then the last calculated official index value must remain available throughout Exchange trading hours." (Underlining represents proposed changes)

Accordingly current subparagraph (iv) to Section 107D(i) of the Company Guide would be eliminated.

In addition, the delisting requirements set forth in Section 107D(h)(3)(ii) of the Company Guide relating to Index-Linked Securities would similarly need revision due to the proposed change to the index dissemination requirement. The Exchange proposes to amend Section 107D(h)(3)(ii) of the Company Guide to distinguish the dissemination requirements of an index consisting solely of securities listed on a national securities exchange and those indexes that may contain components that are foreign country securities. Section 107D(h)(3)(ii) of the Company Guide reads: "(3) The Exchange will also commence delisting or removal proceedings (unless the Commission has approved the continued trading of the subject index-linked security), under any of the following circumstances: ...(ii) if the value of the index or composite value of the indexes is no longer calculated or widely disseminated on at least a 15-second basis; ..."

As proposed, Section 107D(h)(3)(ii) of the Company Guide would be revised as follows:

"(ii) if the value of the index or composite value of the indexes is no longer calculated or widely disseminated on at least a 15-second basis with respect to indexes containing only securities listed on a national securities exchange, or on at least a 60-second basis with respect to indexes containing foreign country securities,

provided, however, that if the official index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of foreign country securities because of time zone differences or holidays in countries where such indexes' component stocks trade) then the last calculated official index value must remain available throughout Exchange trading hours;..." (Underlining represents proposed changes)

This proposal would conform the index dissemination requirements for Index-Linked Securities to those for ETFs as set forth in Commentary .03(b)(ii) to Rule 1000—AEMI (PDRs) and Commentary .02(b)(ii) to Rule 1000A—AEMI (IFSs). Both ETF Commentaries noted above provide that an index value for an ETF based on an underlying international or global index be widely disseminated by one or more major market data vendors at least every 60 seconds during the time such ETFs are traded on the Exchange. This contrasts with the requirement for an index underlying an ETF based on a domestic index where the underlying index must be updated at least every 15 seconds. If the index value does not change during some or all of the period when trading is occurring on the Exchange, the last official calculated index value must remain available through Exchange trading hours. This 60-second standard reflects limitations, in some instances, on the frequency of intra-day trading information with respect to foreign country securities and the fact that in many cases, trading hours for overseas markets overlap only in part, or not at all, with Exchange trading hours.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, the

requirements of Section 6(b) of the Act³. Specifically, the Exchange believes the proposed rule change is consistent with the requirements of Section 6(b)(5) Act⁴ that the rules of an exchange be designed to prevent fraudulent and manipulative acts, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The proposed rule change does not 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

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

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding, or (ii) as to which Amex consents, the Commission will:

- A. by order approve such proposed rule change; or
- B. institute proceedings to determine whether the proposed rule change should be disapproved.

The Exchange has requested accelerated approval of this proposed rule change prior to the 30th day after the date of publication of the notice of the filing thereof. The Commission has determined that a 15-day comment period is appropriate in this case.

³ 15 U.S.C. 78f(b).

⁴ 15 U.S.C. 78f(b)(5).

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. Please include File Number SR-Amex-2008-04 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-Amex-2008-04. 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 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-Amex-2008-04 and should be submitted on or before [insert date 15 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵

Florence E. Harmon
Deputy Secretary

⁵ 17 CFR 200.30-3(a)(12).