

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-62599; File No. SR-NYSEAmex-2010-75)

July 29, 2010

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NYSE Amex LLC to Amend Certain of Its Rules in Connection with the Decommissioning of the Odd-Lot System

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 29, 2010, NYSE Amex LLC (the “Exchange” or “NYSE Amex”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change 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 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 certain of its NYSE Amex Equities Rule 500 Series to correspond with rule changes filed by the Exchange and approved by the Commission.³ The text of the proposed rule change is available at the Exchange’s principal office, from the Commission’s Public Reference Room, on the Commission’s Web site at <http://www.sec.gov>, and at www.nyse.com.

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

¹ 15 U.S.C.78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 62578 (July 27, 2010) (order approving SR-NYSE-2010-43 and SR-NYSEAmex-2010-53).

received on the proposed rule change. The text of those 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 parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend certain of the NYSE Amex Equities Rule 500 Series to correspond with rule changes filed by the Exchange and approved by the Commission.

a. Background

On July 27, 2010, the Commission approved amendments to certain Exchange rules relating to the receipt and execution of odd-lot interest into the round-lot market and to decommission the use of the odd-lot system.⁴ The Exchange proposes to implement these changes on a stock-by-stock basis beginning on July 30, 2010.

As approved, the Exchange will no longer trade odd-lot sized (generally, less than 100 shares) orders in a separate, dedicated system, but will trade them on the Display Book system, which the Exchange uses for round-lot sized orders. As part of these changes, the new unit of trading on the Exchange will be one share. However, quotes of less than one round-lot (generally, 100 shares) will not be displayed as the Exchange quotation and odd-lot sized transactions will not be published to the Consolidated Tape.

⁴ See Securities Exchange Act Release No. 62578 (July 27, 2010). The New York Stock Exchange LLC ("NYSE") submitted, and received SEC approval of, a companion rule filing adopting trading-in-shares. See id.

b. Proposed Amendments to Rules 501-, 506- and 508- NYSE Amex Equities

In conjunction with the Exchange's decommissioning of its odd-lot system, the Exchange proposes conforming amendments to Rules 501-, 506- and 508- NYSE Amex Equities governing the trading of Nasdaq Securities.

In Rule 501(a) – NYSE Amex Equities, the Exchange proposes to amend the definition of the term “Closing Price” to mean the last transaction in a Nasdaq Security on the Exchange reported to the Consolidated Tape. This change is necessary because, under the current Rule, a last transaction on the Exchange in a Nasdaq Security could be an odd-lot sized transaction, which would not be reported to the Consolidated Tape. The proposed change makes clear that only transactions reported to the Consolidated Tape would be considered for the Closing Price. In paragraph (e)(1) of Rule 501 – NYSE Amex Equities, the Exchange further proposes to add language to conform the definition of a “Stop Order” for Nasdaq Securities with that for the Exchange's listed securities in accordance with Rule 13 – NYSE Amex Equities.

The Exchange proposes to amend Rule 506(a) – NYSE Amex Equities to conform with the approved changes to Rules 55- and 56- NYSE Amex Equities. Thus, the minimum unit of trading for Nasdaq Securities will be one share and Nasdaq Securities will be quoted in round-lots of 100 shares, unless the UTP Listing Market determines otherwise, in which case the provisions of Rule 64 – NYSE Amex Equities shall apply. Correspondingly, the Exchange further proposes to delete the provisions of Rule 506(b)(1)(A)- and (B)- NYSE Amex Equities related to odd-lots and partial round-lots, and the cross-reference to Rule 65 – NYSE Amex Equities in paragraph (b)(3)(A) of Rule 506 – NYSE Amex Equities.

The Exchange further proposes to delete the provisions of Rule 508(a)(1)(A) – NYSE Amex Equities. Because odd-lot sized orders will no longer trade on their own system, but will

instead trade with all other interest in Display Book, odd-lot sized orders in Nasdaq Securities will not be accepted by the Exchange before trading opens and will be rejected by Exchange systems.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁶ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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 the proposed rule change supports the objectives of the Act by conforming, as needed, its rules governing the trading of Nasdaq Securities with the rules for trading its listed securities.

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 purposes of the Act.

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

No written comments were solicited or received with respect to the proposed rule change.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸ Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, 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 Act⁹ and Rule 19b-4(f)(6) thereunder.¹⁰

The Exchange has requested that the Commission waive the 30-day operative delay. The Commission believes that waiver of the operative delay is consistent with the protection of investors and the public interest because the proposal is substantially similar to another proposal that was approved by the Commission.¹¹ In addition, waiver of the operative delay will allow the proposed rule changes to become operative before the existing odd-lot system is decommissioned on July 30, 2010, and thus will ensure consistency between the rules governing

⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

⁸ 17 CFR 240.19b-4(f)(6).

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange's 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 Commission has waived the five-day pre-filing requirement in this case.

¹¹ See Securities Exchange Act Release No. 62578 (July 27, 2010) (SR-NYSEAmex-2010-53).

trading of Nasdaq Securities and listed securities. Therefore, the Commission designates the proposal operative upon filing.¹²

At any time within the 60-day period beginning on the date of filing of the proposed rule change, the Commission summarily may temporarily suspend such 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 e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEAmex-2010-75 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-2010-75. 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

¹² 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).

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 available publicly. All submissions should refer to File number SR-NYSEAmex-2010-75 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Florence E. Harmon
Deputy Secretary

¹³ 17 CFR 200.30-3(a)(12).