

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-53735; File No. SR-Amex-2006-20)

April 27, 2006

Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing of Proposed Rule Change and Amendment Nos. 1 and 2 Thereto to Amend the Annual Fee for Certain Listed Bonds and Debentures

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 March 22, 2006, the American Stock Exchange LLC (“Amex” or “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 prepared by the Exchange. On April 5, 2006, the Exchange filed Amendment No. 1 to the proposed rule change.³ On April 24, 2006, the Exchange filed Amendment No. 2 to the proposed rule change.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In Amendment No. 1, the Exchange explained that its listed bonds and debentures are primarily structured products. Amendment No. 1 replaced and superseded the original filing in its entirety.

⁴ In Amendment No. 2, the Exchange clarified that the proposed increase in the annual fee for bond issues would take effect in January 2007. Amendment No. 2 replaced and superseded Amendment No. 1 to the original filing in its entirety.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Section 141 of the Amex Company Guide to increase the annual fee for listed bonds and debentures of companies whose equity securities are not listed on the Exchange ("Bonds and Debentures")⁵ from \$3,500 to \$5,000.

The text of the proposed rule change, as amended, is available on the Exchange's Internet Web site (<http://www.amex.com>), at the Exchange's principal office, and at the Commission's Public Reference Room.

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

Amex proposes to increase the annual fee for listed Bonds and Debentures from \$3,500 to \$5,000. Currently, Section 141 of the Amex Company Guide provides that an annual fee of \$3,500 is payable in January of each year for Bonds and Debentures. The Exchange notes that its Bonds and Debentures are primarily structured products (e.g., notes with returns tied to the performance of an underlying index, basket of commodities, etc.). The increased annual fees

⁵ The Exchange notes that the fees to which this proposal relates are applicable primarily to structured products listed on the Exchange as well as straight corporate debt.

will be applicable to Bonds and Debentures currently listed as well as new listings. The increased fees will be assessed commencing January 2007. Beginning January 2007, the increased fees will be payable by all issuers of Bonds and Debentures.

The Exchange asserts that the proposed fee increase will allow Amex to better recoup its costs in connection with the delivery of services relating to the trading of Bonds and Debentures. The Exchange believes that the proposed increase in annual fees will provide approximately \$250,000 of additional revenue to Amex for the 2007 calendar year.

The Exchange notes that the analogous New York Stock Exchange LLC (“NYSE”) and NYSE Arca, L.L.C. (“NYSE Arca Marketplace”) fees applicable to structured products and The Nasdaq Stock Market, Inc. fees applicable to other securities are \$5,000, \$5,000 and \$15,000, respectively.⁶ Accordingly, Amex believes that the proposed fee increase will have a minimal impact on volume but will provide additional revenue needed for the Exchange to effectively compete.

The Exchange notes that in recent years it has revised a number of fees to better align its fees with the actual cost of delivering services.⁷ Amex believes that the increased fees will help to allocate to those market participants trading in Bonds and Debentures a fair share of the related costs of offering such products.

2. Statutory Basis

The Exchange believes that the proposal is equitable as required by Section

⁶ See NYSE Listed Company Manual Section 902.05 (Fees for Listing Structured Products); NYSE Arca Marketplace Annual Listing Maintenance Fee for Structured Products; NASD Rule 4530(b) (Other Securities, Annual Fee).

⁷ See Securities Exchange Act Release No. 45360 (January 29, 2002), 67 FR 5626 (February 6, 2002); Securities Exchange Act Release No. 44286 (May 9, 2001), 66 FR 27187 (May 16, 2001).

6(b)(4) of the Act.⁸ The Exchange notes that charging an increased annual fee commencing January 2007 to issuers of Bonds and Debentures is reasonable given the competitive pressures in the industry. Accordingly, the Exchange seeks through this proposal to better align its transaction charges with the cost of providing products.

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

The Exchange believes that the proposed rule change will 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

No written comments were solicited or received with respect to 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 the Exchange consents, the Commission will:

- (A) by order approve such proposed rule change, as amended, or
- (B) institute proceedings to determine whether the proposed rule change, as amended, should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, is consistent with the Act. Comments may be submitted by any of the following methods:

⁸ 15 U.S.C. 78f(b)(4). Section 6(b)(4) of the Act states that the rules of a national securities exchange must provide for "the equitable allocation of reasonable dues, fees,

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-2006-20 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-Amex-2006-20. 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. Copies of the 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

and other charges among its members and issuers and other persons using its facilities.”

submissions should refer to File Number SR-Amex-2006-20 and should be submitted on or before [insert date 21 days from the date of publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Nancy M. Morris
Secretary

⁹ 17 CFR 200.30-3(a)(12).