

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-56598; File No. SR-Amex-2007-48)

October 2, 2007

Self-Regulatory Organizations; American Stock Exchange LLC; Order Approving Proposed Rule Change Modifying the Options Listing Criteria for Underlying Securities

On May 17, 2007, the American Stock Exchange LLC (“Amex” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend Amex’s options listing criteria to allow Amex to list and trade equity options that do not meet Amex’s initial listing standards if such options are listed and traded on another national securities exchange and meet Amex’s continued listing standards for equity options. On August 21, 2007, Amex amended the proposed rule change. The proposed rule change, as amended, was published for comment in the Federal Register on August 31, 2007.³ The Commission received no comment letters on the proposal.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the regulations thereunder applicable to a national securities exchange.⁴ In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,⁵ which requires that the rules of an exchange be 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 56328 (August 24, 2007), 72 FR 50423.

⁴ In approving this rule change, the Commission notes that it has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁵ 15 U.S.C. 78f(b)(5).

system, and, in general, to protect investors and the public interest. The proposal is narrowly tailored to address the circumstances where an equity option class is currently ineligible for initial listing on the Exchange even though it meets the Exchange's continued listing standards and is trading on another options exchange. Allowing Amex to list and trade options on such underlying securities should help promote competition among the exchanges that list and trade options. The Commission notes that the Exchange represented that the procedures that the Exchange currently employs to determine whether a particular underlying security meets the initial equity option listing criteria for the Exchange will similarly be applied when determining whether an underlying security meets the Exchange's continued listing criteria.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,⁶ that the proposed rule change (SR-Amex-2007-48) be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Nancy M. Morris
Secretary

⁶ 15 U.S.C. 78f(b)(5).

⁷ 17 CFR 200.30-3(a)(12).