

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-56882; File No. SR-Amex-2007-56)

December 3, 2007

Self-Regulatory Organizations; American Stock Exchange LLC; Order Approving a Proposed Rule Change Relating to Resolving Uncompared Transactions

I. Introduction

On June 4, 2007, the American Stock Exchange LLC (“Amex”) filed and on September 18, 2007, amended, a proposed rule change 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 thereunder² to amend Rule 724 (“Agents to Resolve DKs”) and the corresponding Commentary. As proposed, the amendments would require each member to designate a representative that is away from the Amex’s trading floor and that is authorized to resolve uncompared transactions (“DKs”) on the member’s behalf. The proposed rule change was published for comment in the Federal Register on October 16, 2007.³ No comment letters were received on the proposal. This order approves the proposal.

II. Description of the Proposal

Amex is revising Rule 724 to require each member that executes transactions on Amex’s trading floor (“Floor”) to designate another member firm, allied member, registered representative, or any other person required to be registered as a broker-dealer under the Act that is physically located away from the Floor to act in a DK resolution capacity by means of telephone, e-mail, or fax submission. Each member will retain the option to also designate a

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 56635 (Oct. 10, 2007), 72 FR 58693.

Floor member to act on its behalf regarding DK notices.

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered securities exchange. In particular, the Commission believes the proposal is consistent with Section 6(b)(5) of the Act,⁴ which requires, among other things, that the rules of a national securities exchange be designed to foster cooperation and coordination among persons engaged in facilitating transactions in securities. The new requirements that each Amex member must designate an off-Floor representative that is equipped with electronic communication capabilities to act on its behalf to resolve DK notices in its absence will clarify the protocol for and reduce the delays associated with resolving such uncompleted transactions, thereby facilitating a more prompt and reliable processing of securities transactions among Amex members.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 6 of the Act⁵ and the rules and regulations thereunder.

⁴ 15 U.S.C. 78f(b)(5).

⁵ 15 U.S.C. 78q-1.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,⁶ that the proposed rule change (File No. SR-Amex-2007-56) be, and hereby is, approved.⁷

For the Commission by the Division of Trading and Markets pursuant to delegated authority.⁸

Florence E. Harmon
Deputy Secretary

⁶ 15 U.S.C. 78s(b)(2).

⁷ In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

⁸ 17 CFR 200.30-3(a)(12).