SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-57160; File No. SR-Amex-2007-20)  

January 16, 2008  

Self-Regulatory Organizations; American Stock Exchange LLC; Order Approving Proposed Rule Change as Modified by Amendment No. 1 Related to Amending Complex Orders Procedures  

I. Introduction  

On February 15, 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”) and Rule 19b-4 thereunder, a proposed rule change to amend complex orders procedures to allow the adjustment of the options leg of the order if market conditions prevent the execution of the non-option leg at the price agreed upon. On November 28, 2007, Amex filed Amendment No. 1 to the proposed rule change. The proposed rule change was published for comment in the Federal Register on December 12, 2007. The Commission received no comment letters regarding the proposal. This order approves the proposed rule change, as modified by Amendment No. 1.  

II. Description  

The Exchange proposes to amend Rule 953 – ANTE (b)(ii) to provide that if the stock leg or security futures leg of the order cannot be executed at the price agreed upon due to market conditions, the price of a trade representing the execution of the options leg of the transaction may be adjusted to be consistent with the net debit or credit price of the

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original order, if market conditions in any of the non-Exchange markets prevent the execution of the non-option leg at the price agreed upon.

In addition, the Commission notes that Amex has represented that the re-pricing of the options leg must be consistent with Amex’s priority and parity rules. If the transaction does not satisfy the Exchange’s priority and parity rules by the end of the trading day, then the transaction would be cancelled.

III. Discussion

The Commission has carefully reviewed the proposed rule change and the Commission finds that the proposed rule change is consistent with the requirements of Section 6 of the Act\(^4\) and the rules and regulations thereunder applicable to a national securities exchange.\(^5\) In particular, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,\(^6\) because it is designed 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 Commission believes that the Exchange’s proposal to amend its complex order procedures as described above may facilitate the execution of such complex orders.

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\(^5\) In approving this proposed rule change the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

IV. **Conclusion**

For the foregoing reasons, the Commission finds that the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with Section 6(b)(5) of the Act.\(^7\)

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\(^7\) 15 U.S.C. 78f(b)(5).
IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,\(^8\) that the proposed rule change (SR-Amex-2007-20), as modified by Amendment No. 1, is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.\(^9\)

Florence E. Harmon  
Deputy Secretary

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