

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-57916; File No. SR-Amex-2008-14)

June 4, 2008

Self-Regulatory Organizations; American Stock Exchange LLC; Order Approving Proposed Rule Change, and Amendment No. 1 Thereto, to Amend Rule 903C to Permit the Listing and Trading of Additional Index Options Series

I. Introduction

On February 20, 2008, 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 (the “Act”),¹ and Rule 19b-4 thereunder,² a proposed rule change to amend Rule 903C to permit the listing and trading of additional index options series that do not meet current requirements. On April 24, 2008, Amex submitted Amendment No. 1 to the proposed rule change. The proposed rule change was published for comment in the Federal Register on May 1, 2008.³ The Commission received no comments on the proposal. This order approves the proposed rule change, as amended.

II. Description of the Proposal

The Exchange proposes to add new Commentary .06 to Rule 903C to permit the listing and trading of additional index options series that do not meet current Rule 903C requirements if such options series are listed on at least one other national securities exchange in accordance with the applicable rules of such exchange for the listing and trading of index options. For each additional options series listed by the Exchange pursuant to proposed Commentary .06, the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 57707 (April 24, 2008), 73 FR 24098 (“Notice”).

Exchange would submit a proposed rule change with the Commission that is effective upon filing within the meaning of Section 19(b)(3)(A) of the Act.

Rule 903C provides the mechanism for the Exchange to list or open options expiration month series on particular index options classes approved for listing and trading on the Exchange. Currently, up to six expiration month series may be listed at any one time. Amex Rule 903C(a) permits the Exchange to open options expiration month series on approved index options classes as follows: (i) Consecutive Month Series; (ii) Cycle Month Series; (iii) Long-Term Options Series; (iv) Short-Term (1 week) Options Series; and (v) Quarterly Options Series. This proposal seeks to permit the Exchange to list additional index options expiration month series if another options exchange does so, regardless of whether the additional series listing complies with the requirements of Rule 903C.

Consistent with this proposal, the index options class must either be specifically reviewed and approved by the Commission under Section 19(b)(2) of the Act and rules thereunder, or comply with Commentary .02 or .03 to Rule 901C, for the Exchange to be able to list the additional series.

III. Discussion and Commission Findings

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 national securities exchange.⁴ In particular, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,⁵ which requires that an exchange have rules designed to promote just and equitable

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

⁵ 15 U.S.C. 78f(b)(5).

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 notes that in order for Amex to list any additional expiration month series of an index option class pursuant to new Commentary .06 to Rule 903C, such series must: (1) be already listed on another options exchange; (2) belong to an index options class that has been specifically reviewed and approved by the Commission under Section 19(b)(2) of the Act or that complies with Commentary .02 or .03 to Rule 901C; and (3) Amex must submit a proposed rule change with the Commission that is effective upon filing within the meaning of Section 19(b)(3)(A) of the Act.⁶ In addition, the Commission notes that the proposal would allow Amex the ability to quickly list and trade additional expiration month series of an index options class based on the listing of the series by another options exchange.

⁶ Commentary .02 (Broad Stock Index Groups) and Commentary .03 (Stock Index Industry Groups) of Rule 901C provide the requirements that must be met before those specific options groups may be traded on the Exchange pursuant to Rule 19b-4(e) under the Act.

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (SR-Amex-2008-14), as modified by Amendment No. 1, is hereby approved.

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

Florence E. Harmon
Acting Secretary

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(12).