

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-51591; File No. SR-Amex-2005-027)

April 21, 2005

Self-Regulatory Organizations; American Stock Exchange LLC; Order Approving  
Proposed Rule Change Relating to the Use of Certain Consolidated Tape Association  
Financial Status Indicator Fields and Related Disclosure Obligations

On February 25, 2005, the American Stock Exchange LLC (“Amex”) submitted to the Securities and Exchange Commission (“Commission” or “SEC”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change relating to the use of certain Consolidated Tape Association financial status indicator fields and related disclosure obligations. The Commission published the proposed rule change for comment in the Federal Register on March 21, 2005.<sup>3</sup> On March 25, 2005, the Amex filed Amendment No. 1 to the proposed rule change.<sup>4</sup> The Commission did not receive any comments on the proposed rule change.

After careful consideration, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange.<sup>5</sup> In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>6</sup> which requires,

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Securities Exchange Act Release No. 51367 (March 14, 2005), 70 FR 13555.

<sup>4</sup> Amendment No. 1 made technical changes to the proposed rule change and does not require notice.

<sup>5</sup> In approving the proposed 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).

<sup>6</sup> 15 U.S.C. 78f(b)(5).

among other things, that the rules of the Amex be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. The Commission believes that the proposal will add greater transparency and disclosure to the investing community. The proposed rule change provides that the Amex will utilize certain of the financial status indicator fields in CTS and CQS<sup>7</sup> to identify listed companies that (i) are noncompliant with continued listing standards and/or (ii) are delinquent with respect to a required federal securities law periodic filing. It also provides that the Amex will post a list of issuers subject to each indicator on its website. In addition, it will require an indicator to be disseminated over the High Speed Tape with respect to an issuer that has filed or announced its intent to file for reorganization relief under the bankruptcy laws (or an equivalent foreign law). Finally, the proposal amends Sections 401 and 1009 of the Amex Company Guide to explicitly clarify that issuance of a press release is required when a listed company is notified that it is noncompliant with the applicable continued listing standards. The Commission believes that the proposal will increase disclosure to investors when issuers are noncompliant with continued listing standards and/or are delinquent with respect to a required federal securities law periodic filing.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,<sup>8</sup> that the

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<sup>7</sup> CTS and CQS, which are operated by the CTA, collect last-sale prices and current bid/ask quotations, respectively, with associated volumes for all exchange-listed equities. All trades and quotations in Amex-listed equities, regardless of the market center on which such equities are traded or quoted, are reported to CTS and CQS and disseminated on Tape B (also known as Network B).

<sup>8</sup> 15 U.S.C. 78s(b)(2).

proposed rule change (SR-Amex-2005-27) be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>9</sup>

Margaret H. McFarland  
Deputy Secretary

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<sup>9</sup> 17 CFR 200.30-3(a)(12).