

changes a due, fee, or other charge imposed by the Exchange. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-Amex-2006-105 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE, Washington, DC 20549-1090. All submissions should refer to File Number SR-Amex-2006-105. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File

Number SR-Amex-2006-105 and should be submitted on or before January 3, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹²

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54882; File No. SR-Amex-2006-80]

Self-Regulatory Organizations; American Stock Exchange LLC; Order Approving Proposed Rule Change To Amend Rule 777 Regarding Depository Eligibility

December 6, 2006.

I. Introduction

On August 21, 2006, the American Stock Exchange LLC ("Amex") filed with the Securities and Exchange Commission ("Commission") proposed rule change SR-Amex-2006-80 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ Notice of the proposal was published in the **Federal Register** on September 21, 2006.² No comment letters were received. For the reasons discussed below, the Commission is approving the proposed rule change as amended.

II. Description

In general, Amex is amending its depository eligibility requirement. The rule change: (i) Deletes a reference to a distinction between domestic and foreign issuers; (ii) deletes an exception for securities whose terms cannot be reasonably modified to meet the criteria for depository eligibility at all securities depositories; and (iii) deletes additional requirements imposed by the rule that are no longer necessary.

Previously, before an issue of securities could be listed, Rule 777(a) required only a domestic issuer to represent to Amex that a CUSIP number identifying the securities had been included in the file of eligible issues maintained by a securities depository registered with the Commission as a clearing agency under section 17A of the Act.³ The same requirement did not

apply to foreign issuers. However, exclusion of foreign issuers is no longer necessary because they have the capacity to comply with Rule 777 and have been doing so voluntarily for years.

Amex's rule change also deletes the exception in Rule 777(a) for securities whose terms cannot be reasonably modified to meet the criteria for depository eligibility at all securities depositories. The exception was originally included in Rule 777(a) because, among other things, various states and countries precluded the book-entry issuance of securities. Following implementation of Rule 777(a), however, most, if not all, states have amended their corporate statutes to allow for book-entry issuance, and as a result the exception is no longer needed to accommodate such issuers.

Furthermore, Amex's rule change deletes a provision that prevented new issues distributed by an underwriting syndicate prior to the date a securities depository system for monitoring repurchases of distributed shares by the underwriting syndicate from becoming depository eligible because such a system has become available. Prior to the availability of such a system, a managing underwriter could delay the date a security was deemed depository eligible for up to three months after commencement of trading on Amex. Since the approval of Rule 777, The Depository Trust Company ("DTC")⁴ implemented its Initial Public Offering Tracking System⁵ that enables lead managers and syndicate members of equity underwritings to monitor repurchases of distributed shares in an automated book-entry environment. Since DTC has the capability to monitor repurchases of distributed shares, the requirements listed in Rule 777(b) are no longer necessary, and Amex has deleted Rule 777(b) in its entirety.

Finally, Amex has cross-referenced rules 776 and 777 in Part 1 of the Amex Company Guide to clarify that Rules 776 and 777 are initial and continued listing standards applicable to companies listed on Amex.

III. Discussion

Section 19(b) of the Act directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to

⁴ DTC is a securities depository registered with the Commission under sections 17A and 19 of the Act as a clearing agency.

¹² 17 CFR 200.30-3(a)(12).

¹⁵ U.S.C. 78s(b)(1).

² Securities Exchange Act Release No. 54442 (September 14, 2006), 71 FR 55229.

³ 15 U.S.C. 78q-1.

⁵ Securities Exchange Act Release No. 37208 (May 13, 1996), 61 FR 25253 (May 20, 1996) [File No. SR-DTC-95-27].

such organization.⁶ Section 6(b)(5) of the Act requires, among other things, that the rules of an exchange be designed to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities and to remove impediments to and perfect the mechanism of a free and open market and a national market system.⁷ The Commission finds that Amex's rule change is consistent with these requirements. By revising its rule regarding depository eligibility, Amex's proposed rule change fosters cooperation and coordination with persons engaged in clearing and settling transactions in securities and perfects the mechanism of a free and open market and a national market system.⁸

IV. Conclusion

On the basis of the foregoing, 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 and in particular Section 6(b)(5) of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁹ that the proposed rule change (File No. SR-Amex-2006-80) be and hereby is approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Florence E. Harmon,
Deputy Secretary.

[FR Doc. E6-21169 Filed 12-12-06; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54884; File No. SR-BSE-2006-52]

Self-Regulatory Organizations; Boston Stock Exchange, Inc.; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change Relating to the Time a Marketable Order Is Exposed on the BOX Book

December 6, 2006.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

(“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on November 15, 2006, the Boston Stock Exchange, Inc. (“BSE” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by BSE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and is approving the proposal on an accelerated basis.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Section 16 (Execution and Price/Time Priority) of Chapter V of the Rules of the Boston Options Exchange (“BOX”) to reduce the time that an order is exposed in the internal BOX market when BOX is not matching the national best bid or offer (“NBBO”) from three seconds to one second. The text of the proposed rule change is available on the Exchange's Internet Web site (<http://www.bostonstock.com>), at the Exchange's principal office, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposal. The text of these statements may be examined at the places specified in Item III below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend Section 16 (Execution and Price/Time Priority) of Chapter V of the BOX Rules to reduce the time that an order is exposed in the internal BOX market when the BOX best bid and offer (“BBO”) is not matching the NBBO from three seconds to one second.³ The

Exchange's experience with the Filter has shown that one second is ample time for any party interested in trading with the exposed order at the NBBO to generate and send its contra-side order to the BOX Trading Host for matching. Consequently, the Exchange believes that a reduction in this exposure time will not result in an appreciable difference in the number of executions on BOX through the use of the Filter. In addition, the reduction in exposure time will permit the earlier generation and sending of an InterMarket Linkage P/A Order in the case where BOX is unable to provide the NBBO price. Therefore, the Exchange believes that the filtered order would have an improved chance of being executed at the NBBO before the market moves to the disfavor of the order.⁴

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b)⁵ of the Act, in general, and furthers the objectives of Section 6(b)(5)⁶ in particular in that it is designed to promote just and equitable principles of trade, and to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

⁴ The Exchange asked the Commission to incorporate in the Purpose section of this notice the purpose discussion in the Form 19b-4 submitted for this filing rather than the discussion in the Exhibit 1 for the filing. E-mail communication between Brian Donnelly, AVP Regulation & Compliance, BSE, and Leah Mesfin, Special Counsel, Division of Market Regulation, Commission on December 5, 2006.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁶ 15 U.S.C. 78s(b).

⁷ 15 U.S.C. 78f(b)(5).

⁸ 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).

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240. 19b-4.

³ See BOX Rules, Chapter V, Section 16(b) “Filtering of BOX In-Bound Orders to Prevent Trade-Throughs.” This rule and the mechanism utilized by BOX for this purpose are called the “Filter.”