

not to exceed 120 days, and solicited comment on the proposal.⁴ The Commission received no comment letters in response to the Temporary Approval Order. This order approves Amendment No. 1 on a permanent basis.

II. Description of the Proposal

Currently, new January LEAPS are introduced shortly after the groups of LEAPS with the least time to expiration are converted to a conventional expiration symbol, generally when they have less than nine months to expiration. The proposal provides for a uniform time frame for the introduction of new LEAP series on equity option classes, options on ETFs, or options on TIRs.

By agreeing to a uniform time frame for the introduction of new LEAP series, the Participants to the OLPP intend to mitigate the number of option series available for trading during certain times of the year. The Participants to the OLPP intend that this will in turn lessen the rate of increase in quote traffic, because quotes will not be generated in the not-yet-available series.

The Participants to the OLPP represent that, for example, in 2007, if this proposal had been in effect, the industry would have eliminated one and a half billion (1,500,000,000) quotes over the three months of June, July, and August, out of just less than 100 billion quotes over all, for a savings of 1.5%. The affected series, however, generated less than three million (3,000,000) contracts traded in the same period, out of more than seven hundred eighty million (780,000,000) contracts total industry volume, or approximately .38%. The exchanges agree that the benefit from reduced quoting levels greatly exceeds the small cost in missed business.

In addition, the Participants to the OLPP may coordinate the date of introduction of new LEAP classes, so as to provide the least disruption on the options industry by having the flexibility to avoid holidays, expiration periods, and industry-wide tests which are scheduled from time to time.

III. Discussion

After careful review, the Commission finds that Amendment No. 1 is consistent with the requirements of the Act and the rules and regulations thereunder.⁵ Specifically, the

Commission finds that Amendment No. 1 to the OLPP is consistent with Section 11A of the Act⁶ and Rule 608 thereunder⁷ in that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets. Specifically, the Commission believes that by adopting a uniform time frame for the introduction of new LEAP series on equity option classes, options on ETFs, and options on TIRs, the options exchanges should reduce the number of option series available for trading during certain times of the year, and thus may reduce increases in the options quote rate because market participants would not be submitting quotes in the not-yet-available LEAP series. Accordingly, the Commission believes that it is necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect mechanisms of, a national market system to approve Amendment No. 1 to the OLPP on a permanent basis.

IV. Conclusion

It is therefore ordered, pursuant to Section 11A of the Act,⁸ and Rule 608 thereunder,⁹ that proposed Amendment No. 1 to the OLPP be, and it hereby is, approved on a permanent basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁰

Florence E. Harmon,

Acting Secretary.

[FR Doc. E8-17213 Filed 7-25-08; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold an Open Meeting on July 30, 2008 at 10 a.m., in the Auditorium, Room L-002.

The subject matter of the Open Meeting will be:

1. The Commission will consider whether to publish an interpretive release to provide guidance regarding

impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁶ 15 U.S.C. 78k-1.

⁷ 17 CFR 242.608.

⁸ 15 U.S.C. 78k-1.

⁹ 17 CFR 242.608.

¹⁰ 17 CFR 200.30-3(a)(29).

the use of company Web sites under the Securities Exchange Act of 1934 and the antifraud provisions of the federal securities laws.

2. The Commission will consider whether to publish for comment a proposed rule change by the Municipal Securities Rulemaking Board to establish the continuing disclosure service of the MSRB's Electronic Municipal Market Access (EMMA) system. The Commission will also consider whether to propose amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 to enhance the disclosure of information regarding municipal securities.

3. The Commission will consider whether to issue proposed guidance to investment company boards of directors to assist them in fulfilling their oversight responsibilities with respect to an investment adviser's trading of fund portfolio securities, including the use of fund brokerage commissions to purchase brokerage and research services.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 551-5400.

Dated: July 23, 2008.

Florence E. Harmon,

Acting Secretary.

[FR Doc. E8-17306 Filed 7-25-08; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-58199; File No. SR-Amex-2008-44]

Self-Regulatory Organizations; American Stock Exchange LLC; Order Approving a Proposed Rule Change Modifying the Provisions Governing Contacts Between Specialists and Issuers

July 21, 2008.

I. Introduction

On May 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 ("Act")¹ and Rule 19b-4 thereunder,² a proposal to amend

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

⁴ See Securities Exchange Act Release No. 57848 (May 22, 2008), 73 FR 30985 (May 29, 2008) ("Temporary Approval Order").

⁵ In approving this proposed OPRA Plan Amendment, the Commission has considered its

Amex Rule 27 to (i) modify the provisions governing contacts between specialists and issuers or, in the case of exchange traded funds (“ETFs”) and structured products, sponsors, and (ii) clarify other procedures applicable to the allocation of securities to specialists. The proposed rule change was published for comment in the **Federal Register** on June 18, 2008.³ The Commission received no comments regarding the proposal. This order approves the proposed rule change.

II. Description

The purpose of the proposed rule change is to revise Amex Rule 27 in order to better reflect the different treatment that is afforded ETFs and structured products in connection with the allocation of securities to specialists. This is reflected in the fact that ETFs and structured products are typically allocated to a specialist within a few days after approval of the issuer’s application for listing on the Exchange. However, in the case of other equity securities, the allocation process may take a longer period of time so that allocation to a specialist may not occur within a few days of approval of the issuer’s listing application.

Amex Rule 27 sets forth the procedures and policies pursuant to which the Allocations Committee allocates securities listing on the Exchange to specialists. In particular, paragraph (e) describes the Exchange’s “issuer choice” program under which issuers or, in the case of an ETF or structured product, sponsors, select their specialists from a list of the most qualified specialists prepared by the Allocations Committee and is designed to be read in conjunction with Commentaries .02 and .03 thereto.

Commentaries .02 and .03 contain guidelines for communications between specialists and issuers or, in the case of ETFs and structured products, sponsors that have not yet listed a security on the Exchange, have applied to list a security on the Exchange and/or have a security that has been approved for listing on the Exchange.

(i) Commentary .02

Commentary .02 applies to equity securities other than ETFs and structured products, and prohibits specialists and other members from making direct or indirect contact with an issuer that has requested a listing qualification review⁴ for the purpose of

influencing the issuer’s choice of a specialist. In addition, any communication between equity specialists and issuers is prohibited once an issuer has been approved for listing and the Allocations Committee has prepared the list of qualified specialists. The exception to such prohibition is Exchange-arranged interviews between an issuer approved for listing and any specialist(s) the issuer requests to interview.

The interviews are closely monitored by the Exchange and the Exchange will take appropriate action in the event an inappropriate communication is deemed by the Exchange to have occurred during the interview. The Exchange proposes to clarify that such appropriate action may include the disqualification of a specialist for the allocation.

The Exchange also proposes adding a provision to Commentary .02 addressing post-interview communications between specialists and issuers approved for listing on the Exchange. The proposed rule change would prohibit post-interview contacts between specialists and issuers and provide a means for issuers to obtain further information from the specialists through the Exchange’s Equity Sales Group.

Finally, the Exchange proposes to simplify the description of the procedures set forth in Commentary .02 by adding defined terms and moving the provision concerning an issuer’s ability to request specialists to be placed on the list of qualified specialists to paragraph (e)(i) of Rule 27.

(ii) Commentary .03

Current Commentary .03 applies only to ETFs and structured products and contains provisions governing contacts between specialists and other members and sponsors and issuers prior to such sponsor or issuer deciding to list a security on the Exchange. Pursuant to current Commentary .03, specialists and other members must notify the Exchange in writing before any planned contact with a potential sponsor or issuer for the purpose of listing the ETFs or structured products of such sponsor or issuer on the Exchange, or within five (5) business days of unanticipated contact where discussions regarding the listing occur. Exchange approval of planned contact is required and the Exchange will grant such approval where it appears that the contact will assist rather than impede the Exchange’s

effort to list the new ETF or structured product.

ETF and structured product specialists are also currently required to promptly report to the Exchange any representations or commitments that they, or an individual acting on their behalf, have made to an employee of, or any individual acting on behalf of, an issuer or sponsor. The Exchange proposes to amend Commentary .03 to require specialists to only disclose in their applications to be allocated an ETF or structured product representations or commitments that relate to the prospective listing of the ETF or structured product and that are made within the six (6) months preceding the date allocation applications are solicited with respect to that ETF or structured product. The Exchange further proposes, in the event an ETF or structured product is not allocated within five (5) days of the allocation application, to require specialists and other members to update their applications accordingly to report all representations or commitments since last reported to the Exchange.

Commentary .03 also includes procedures related to the interview process. The Exchange proposes to clarify that such procedures apply to issuers and sponsors whose securities have been approved for listing on the Exchange in accordance with Rule 27(e)(i).

(iii) Other Changes

Finally, the Exchange proposes to make technical revisions to paragraphs (c) and (e)(i) of Rule 27 in order to consistently use the term “issuer” as opposed to “company”, clarify the applicability of the provisions to equity, ETF and structured product listings and, in general, to simplify the reading of the text.

III. Discussion

After careful review, 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.⁵ In particular, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,⁶ which requires, among other things, that a national securities exchange’s rules be designed to promote just and equitable principles of trade, to remove impediments to and to perfect the mechanism of a free and open

³ Securities Exchange Act Release No. 57952 (June 11, 2008), 73 FR 34809.

⁴ The listing qualification review is the process whereby an issuer undergoes review by the

Exchange’s Listing Qualifications Department. The listing qualification review will commence once the listing application is submitted to the Exchange.

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

⁶ 15 U.S.C. 78f(b)(5).

market and a national market system, and, in general, to protect investors and the public interest.

Specifically, the Exchange is proposing, among other things, to amend Commentary .03 to Amex Rule 27 to eliminate the requirement that specialists and other members notify the Exchange in writing before any planned contact with a potential sponsor or issuer for the purpose of listing the ETFs or structured products of such sponsor or issuer on the Exchange, or within five business days of unanticipated contact where discussions regarding the listing occur. As noted above, under current Commentary .03, the Exchange will grant such approval where it appears that the contact will assist rather than impede the Exchange's effort to list the new ETF or structured product. The Exchange has stated that it no longer believes this restriction is necessary because it is unlikely that such contact would impede the Exchange's effort to list an issuer. The Commission believes this is a reasonable modification of the Exchange's allocation procedures. As discussed below, representations or commitments that relate to the prospective listing still must be disclosed on the listing application.

The Exchange also proposes to shorten the disclosure timeframe in Commentary .03 to require specialists to only disclose in their applications to be allocated an ETF or structured product representations or commitments that relate to the prospective listing of the ETF or structured product and that are made within the six months preceding the date allocation applications are solicited with respect to that ETF or structured product. The Commission believes that this shorter timeframe should be sufficient to enable the Exchange to continue to monitor the appropriateness of such representations and/or commitments, without impairing the allocation process by requiring specialists to disclose every representation or commitment that they have ever made to the issuer or sponsor. The Commission also notes that ETFs and structured products are generally allocated to the specialist very quickly after approval of the listing application. However, in the event an ETF or structured product is not allocated within five days of the allocation application, specialists and other members would be required to update their applications to report all representations or commitments since last reported to the Exchange, which should help to ensure the integrity of the allocation process.

In addition, the Exchange proposes a change to Commentary .03 to clarify that

the Exchange may arrange telephone or in-person interviews on the Exchange's premises, if an issuer or sponsor wishes to interview one or more specialists once the Allocation Committee has prepared the list of qualified specialists. Because ETFs and structured products are typically allocated to a specialist within a few days after (and often the same day as) approval of the issuer's application for listing on the Exchange, the Commission would expect such interviews to occur infrequently. Should an interview occur, the Commission notes that Commentary .03 permits the Performance Committee to disqualify any specialist that has made inappropriate representations.

Finally, in addition to other minor changes to Rule 27 and Commentaries .02 and .03 thereto, the proposal amends Commentary .02 to clarify that the Exchange's Performance Committee may disqualify for allocation any specialist that is deemed to have made an inappropriate communication to an issuer of an equity security that has been approved for listing on the Exchange. The Commission notes that this proposed change would make Commentary .02 more consistent with Commentary .03. The Exchange also proposes adding a provision to Commentary .02 that would prohibit post-interview contacts between specialists and issuers and provide a means for issuers to obtain further information from the specialists through the Exchange's Equity Sales Group. The Commission believes that these proposed changes to Commentary .02 are reasonable modifications of, and should further the public interest by helping to promote the integrity of, the allocation process.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (SR-Amex-2008-44) is approved.

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

Florence E. Harmon,

Acting Secretary.

[FR Doc. E8-17141 Filed 7-25-08; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-58195; File No. SR-BSE-2008-39]

Self-Regulatory Organizations; Boston Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Extend a Pilot Program That Allows No Minimum Size Order Requirement and Certain Premature Terminations Under the Price Improvement Period Process on the Boston Options Exchange Facility Until November 18, 2008

July 18, 2008.

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 July 18, 2008, 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 the self-regulatory organization. The Exchange filed the proposed rule change pursuant to section 19(b)(3)(A) of the Act,³ and Rule 19b-4(f)(6) thereunder,⁴ which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule from interested persons.

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

The Exchange proposes to amend the Supplementary Material to section 18 (The Price Improvement Period "PIP") of Chapter V of the Rules of the Boston Options Exchange Group, LLC ("BOX") to extend a pilot program that permits BOX to have no minimum size requirement for orders entered into the PIP and under certain circumstances permits the premature termination of the PIP process ("PIP Pilot Program"). The text of the proposed rule change is available on the BSE's Web site: <http://www.bostonstock.com>, the principal office of the Exchange, 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 self-regulatory organization included

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(12).