

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

1. Purpose

The Exchange has included in Note 4 to the Amex Equity Fee Schedule a list of ETFs that are subject to transaction charges set forth in Item 9 to the Equity Fee Schedule, relating to ETFs for which the Exchange pays unreimbursed fees to a third party.⁴ The Exchange is adding to this list the iShares S&P 100 Index Fund (Symbol: OEF). This fund is listed on the Chicago Board Options Exchange and will be traded on the Amex pursuant to unlisted trading privileges.

2. Statutory Basis

The Exchange believes that the proposal is consistent with section 6(b) of the Act⁵ in general and furthers the objectives of section 6(b)(4) of the Act⁶ in particular in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among Amex members and issuers and other persons using the Amex's facilities.

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.

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

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change has become effective pursuant to section 19(b)(3)(A)(ii) of the Act⁷ and subparagraph (f)(2) of rule 19b-4 thereunder,⁸ because it establishes or changes a due, fee, or other charge imposed by the Amex. 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 proposal is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 will also be available for inspection and copying at the principal office of the Amex. All submissions should refer to file number SR-Amex-2003-13 and should be submitted by April 9, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 03-6551 Filed 3-18-03; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-47479; File No. SR-Amex-2002-86]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by American Stock Exchange LLC To Eliminate the Obligation of Specialists to Accord Priority to Non-Public Customer Options Orders

March 11, 2003.

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 October 17, 2002, the American Stock Exchange LLC ("Amex") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been

prepared by the Amex. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Amex proposes to amend paragraphs (a) and (d) of Amex Rule 950, and add new paragraph (q) to Amex Rule 950, to provide that when a specialist represents an options order as agent, the specialist is required to accord priority only to those orders of public customers over the specialist's principal transactions. The text of the proposed rule change is below. New language is italicized; deleted language is in brackets.

Rule 950. Rules of General Applicability

(a) The following Floor Rules shall apply to Exchange option transactions and other transactions on the Exchange in options contracts: 100, 101, 104, 105, 106, 110, 112, 117, 123, 129, 130, 135, 150, 151, 152, 153, [155,] 157, 172, 173, 174, 175, 176, 177, 180, 181, 183, 184, 185, 192 and 193. Unless the context otherwise requires, the term "stock" wherever used in the foregoing Rules shall be deemed to include option contracts. Except as otherwise provided in this Rule, all other Floor Rules (series 100 *et seq.*) shall not be applicable to Exchange option transactions.

(b)-(c) No change.

(d) No change.

Commentary—

.01 No change

.02 A member who holds both an order for a public customer of a member organization and a facilitation order may cross such orders if:

(a) No change

(b) No change

(c) No change

(d) No change

For purposes of this Rule, [and] Rule 950(e)(iv) and 950(q) the term "public customer of a member organization" means a customer that is neither a member nor a broker-dealer.

.03 No change

.04 No change

.05 No change

(f)-(p) No change

(q) *The provisions of Rule 155 shall apply to Exchange options transactions as modified below:*

A specialist shall give precedence to the options orders of a public customer of a member organization entrusted to the specialist as an agent in any option in which he is registered before executing at the same price any purchase or sale in the same option for

⁴ See Securities Exchange Act Release No. 46764 (November 1, 2002), 67 FR 68704 (November 12, 2002) (SR-Amex-2002-81).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.