

IVV—iShares S&P 500  
MDY—MidCap SPDRs  
XLY—Select Sector SPDR—Consumer Discretionary

XLP—Select Sector SPDR—Consumer Staples  
XLE—Select Sector SPDR—Energy  
XLF—Select Sector SPDR—Financial  
XLV—Select Sector SPDR—Health Care  
XLI—Select Sector SPDR—Industrial  
XLB—Select Sector SPDR—Materials  
XLK—Select Sector SPDR—Technology  
XLU—Select Sector SPDR—Utilities

EKH—Europe 2001 HOLDRs  
IAH—Internet Architecture HOLDRs  
HHH—Internet HOLDRs  
IIH—Internet Infrastructure HOLDRs  
MKH—Market 2000+HOLDRs  
OIH—Oil Service HOLDRs  
PPH—Pharmaceutical HOLDRs  
RKH—Regional Bank HOLDRs  
RTH—Retail HOLDRs  
SMH—Semiconductor HOLDRs  
SWH—Software HOLDRs  
TTH—Telecom HOLDRs  
UTH—Utilities HOLDRs  
WMH—Wireless HOLDRs  
SHY—iShares Lehman 1–3 Year Treasury Bond Fund  
IEF—iShares Lehman 7–10 Year Treasury Bond Fund  
TLT—iShares Lehman 20+ Year Treasury Bond Fund  
LQD—iShares GS \$ InvesTop Corporate Bond Fund  
[TFT—Treasury 1 FITR ETF  
TOU—Treasury 2 FITR ETF  
TFI—Treasury 5 FITR ETF  
TTE—Treasury 10 FITR ETF]

Customer transaction charges for the iShares S&P 100 Index Fund are \$.0015 per share (\$.15 per 100 shares), capped at \$100 per trade.

Until [May 31] June 30, 2003, transaction charges also have been suspended in SHY[, and IEF[, [TFT, TOU, TFI and TTE] for specialist, Registered Trader and broker dealer orders.

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## 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 Amex included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV 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 Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The Exchange is extending until June 30, 2003 the suspension of transaction charges in iShares Lehman 1–3 year Treasury Bond Fund (Symbol: SHY) and iShares Lehman 7–10 year Treasury Bond Fund (Symbol: IEF) for specialist, Registered Trader and broker-dealer orders. The Exchange previously filed a suspension of such charges until November 30, 2002,<sup>3</sup> December 31,

2002,<sup>4</sup> January 31, 2003,<sup>5</sup> February 28, 2003,<sup>6</sup> March 31, 2003,<sup>7</sup> April 30, 2003,<sup>8</sup> and May 31, 2003.<sup>9</sup>

The fee suspension contained in the previous filings also applied to transactions in four Treasury FITR ETFs—the Treasury 10 FITR ETF (Symbol: TTE); Treasury 5 FITR ETF (Symbol: TFI); Treasury 2 FITR ETF (Symbol: TOU); and Treasury 1 FITR ETF (Symbol: TFT). The ETF Advisors Trust determined to liquidate the portfolios of these funds on or about May 27, 2003. Trading in these ETFs was halted on the Exchange on May 22, 2003, and they are no longer listed or traded on the Exchange. The amendment to the fee schedule, therefore, deletes reference to these funds.

The Exchange believes that a suspension of fees for the SHY and IEF is appropriate to enhance the competitiveness of executions in these securities on the Amex. The Exchange will reassess the fee suspension as appropriate, and will file any modification to the fee suspension with the Commission pursuant to section 19(b)(3)(A) of the 1934 Act.<sup>10</sup>

<sup>4</sup> See Securities Exchange Act Release No. 46996 (December 13, 2002), 67 FR 78264 (December 23, 2002) (SR-Amex-2002-98).

<sup>5</sup> See Securities Exchange Act Release No. 47141 (January 8, 2003), 68 FR 2090 (January 15, 2003) (SR-Amex-2002-115).

<sup>6</sup> See Securities Exchange Act Release No. 47361 (February 13, 2003), 68 FR 8534 (February 21, 2003) (SR-Amex-2003-04).

<sup>7</sup> See Securities Exchange Act Release No. 47455 (March 6, 2003), 68 FR 12111 (March 13, 2003) (SR-Amex-2003-15).

<sup>8</sup> See Securities Exchange Act Release No. 47668 (April 11, 2003), 68 FR 19241 (April 18, 2003) (SR-Amex-2003-22).

<sup>9</sup> See Securities Exchange Act Release No. 47858 (May 14, 2003), 68 FR 27872 (May 21, 2003) (SR-Amex-2003-40).

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act<sup>11</sup> in general, and furthers the objectives of section 6(b)(4)<sup>12</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its 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

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

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

The foregoing rule change has become effective pursuant to section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)<sup>13</sup> thereunder because the proposal: (i) Does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) does not become operative prior to 30 days after the date of filing or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest; provided that the Exchange has given the Commission notice of its

<sup>11</sup> 15 U.S.C. 78f(b).

<sup>12</sup> 15 U.S.C. 78f(b)(4).

<sup>13</sup> 17 CFR 240.19b-4(f)(6).

<sup>3</sup> See Securities Exchange Act Release No. 46765 (November 1, 2002), 67 FR 68893 (November 13, 2002) (SR-Amex-2002-91).