

(2) BBO is \$10.05 to \$10.00, Market odd lot order to buy or sell arrives, Execute at \$10.03 (\$10.025 is rounded to \$10.03)

In the case of a crossed market in which the bid is higher than the offer by more than \$.05, an odd-lot order would not be executed automatically, but would be executed manually in accordance with, as appropriate, either proposed Rule 118(j)(i) (*i.e.*, filled at the price of the next uncrossed qualified national bid or offer), or proposed Rule 118(j)(iv)(a) (*i.e.*, at the locked market price, when the national best bid and offer is in a locked market condition).

Commentary .05 to Amex Rule 205 would be added to reference the Rule 118(j) odd-lot procedures.

2. Statutory Basis

The Exchange believes that the proposed rule change, as amended, is consistent with the provisions of section 6(b) of the Act,¹⁰ in general, and furthers the objectives of section 6(b)(5)¹¹ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, to protect investors and the public interest and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

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

The Exchange does not believe that the proposed rule change, as amended, 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

Written comments were neither solicited nor received with respect to the proposed rule change.

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

Because the foregoing proposed rule change, as amended, does not:

- (i) Significantly affect the protection of investors or the public interest;
- (ii) Impose any significant burden on competition; and
- (iii) Become operative for 30 days from the date on which it was filed, or

such shorter time as the Commission may designate, it has become effective pursuant to section 19(b)(3)(A) of the Act¹² and Rule 19b-4(f)(6) thereunder.¹³ At any time within 60 days of the filing of the proposed rule change, as amended, 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.

The Amex has requested that the Commission waive the 30-day operative delay. The Commission believes waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Acceleration of the operative date will allow the Exchange to reestablish its odd-lot execution procedures applicable to trading in Nasdaq securities without delay. For these reasons, the Commission designates the proposal to be effective and operative upon filing with the Commission.¹⁴

In addition, the Commission requests that the Exchange report any problems or complaints from members and the public regarding odd-lot execution procedures applicable to trading Nasdaq securities, and that the Amex submit any proposal to extend, or permanently approve, the pilot at least two months before the expiration of the six-month pilot.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, 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 Exchange. All submissions should refer to file number SR-Amex-2003-56 and should be submitted by August 12, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-18616 Filed 7-21-03; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-48161A; File No. SR-NASD-2003-57]

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Order Granting Approval of Proposed Rule Change and Amendment Nos. 1 and 2 Thereto, and Notice of Filing and Order Granting Accelerated Approval To Amendment No. 3 to the Proposed Rule Change Relating to Revisions to the Uniform Application for Securities Industry Registration or Transfer (Form U-4) and Uniform Termination Notice for Securities Industry Registration (Form U-5)

July 16, 2003.

Correction

In Release No. 34-48161, issued on July 10, 2003 ("Approval Order"), an inaccurate reference to Question 14J of the Uniform Application for Securities Industry Registration or Transfer ("Form U4") appeared. The Approval Order's Purpose Section contained the inaccurate reference due to a typographical, non-substantive error on the part of the National Association of Securities Dealers, Inc. ("NASD") in the third amendment to the proposed rule change.¹ Specifically, in footnote 11 of the Approval Order, Question 14J is inaccurately referenced in three instances, rather than Question 14M. The corrected text of footnote 11 of the

¹⁵ 17 CFR 200.30-3(a)(12).

¹ See letter from Patrice M. Gliniecki, Vice President and Deputy General Counsel, NASD, to Katherine A. England, Assistant Director, Division, Commission (July 1, 2003) ("Amendment No. 3") (The Commission notes that the NASD inadvertently numbered Amendment No. 3 as Amendment No. 1). In Amendment No. 3, the NASD responded to comments submitted by the Association of Registration Management ("ARM") arguing, primarily, that the information being sought by the additional questions being added to the Form U4 was already captured by pre-existing questions on the Form U4 and that the addition of such questions would create a monumental administrative burden for member firms.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(6).

¹⁴ For purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).