

of contracts and the net credit or debt at which the order is to be executed ("Complex Order");

(2) The rules of the exchange on which a specialist trades: (a) Prohibit the specialist from accepting Complex Orders from customers of the firm with which the specialist is associated; (b) require the specialist to time stamp a Complex Order upon receipt of the order; (c) require the specialist who accepts a Complex Order to announce immediately after receipt of the order the price, terms, and size of the Complex Order to the trading crowd; (d) require the specialist to execute the Complex Order as soon as it is possible to execute, consistent with the exchange's priority rules, at the net debit or credit specified by the customer; and

(3) The exchange on which the specialist trades has surveillance procedures in place for monitoring specialists' compliance with the exchange's rules governing the handling of Complex Orders.

Accordingly, *it is ordered*, pursuant to Section 36 of the Exchange Act,<sup>23</sup> that a specialist is exempt from the prohibition in Section 11(b) of the Exchange Act from effecting on the exchange as broker any transaction except upon a market or limit order, subject to the conditions set forth above.

By the Commission.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 03-3487 Filed 2-11-03; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-47328; File No. SR-Amex-2003-05]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange LLC Relating to Conforming Amendments to the Amex *Company Guide*

February 6, 2003.

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

<sup>23</sup> 15 U.S.C. 78mm. Section 36 of the Exchange Act authorizes the Commission, by rule, regulation, or order, to exempt, either conditionally or unconditionally, any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of the Exchange Act or any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors.

("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 3, 2003, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change.

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

The Amex proposes to amend Section 102(a) of the Amex *Company Guide* to correct a reference contained therein and conform to recently approved amendments to Section 101 of the Amex *Company Guide*. Below is the text of the proposed rule change. Proposed new language is in italics; proposed deletions are in brackets.

\* \* \* \* \*

#### American Stock Exchange *Company Guide*

##### Section 102

(a) Distribution—Minimum public distribution\* of 500,000, together with a minimum of 800 public shareholders or minimum public distribution of 1,000,000 shares together with a minimum of 400 public shareholders, except for applicants seeking to qualify for listing pursuant to Section 101(d) e).

The Exchange may also consider the listing of a company's securities if the company has a minimum of 500,000 shares publicly held, a minimum of 400 public shareholders and daily trading volume in the issue has been approximately 2,000 shares or more for the six months preceding the date of application. In evaluating the suitability of an issue for listing under this trading provision, the Exchange will review the nature and frequency of such activity and such other factors as it may determine to be relevant in ascertaining whether such issue is suitable for auction market trading. A security which trades infrequently will not be considered for listing under this paragraph even though average daily volume amounts to 2,000 shares per day or more.

In addition, the Exchange may also consider the listing of the securities of a bank which has a minimum of 500,000 shares publicly held and a minimum of 400 public shareholders.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

Except for banks, companies whose securities are concentrated in a limited geographical area, or whose securities are largely held in block by institutional investors, are normally not considered eligible for listing unless the public distribution appreciably exceeds 500,000 shares.

\*The terms "public distribution" and "public shareholders" as used in the *Company Guide* include both shareholders of record and beneficial holders, but are exclusive of the holdings of officers, directors, controlling shareholders and other concentrated (*i.e.*, 10% or greater), affiliated or family holdings.

(b)-(c)—No change.

\* \* \* \* \*

#### 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 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 proposes to amend Section 102(a) of the Amex *Company Guide* to change a reference therein from Section 101(d) to Section 101(e). The Exchange seeks to correct the reference in order to conform to a re-designation of the paragraph references in Section 101 pursuant to recently approved amendments to Section 101<sup>3</sup> of the Amex *Company Guide*. The existing reference to Section 101(d) of the Amex *Company Guide* is meant to refer to the Alternative Listing Standards, which are now referenced in Section 101(e).

###### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>4</sup> in general and furthers the objectives of Section

<sup>3</sup> See Securities Exchange Act Release No. 47119 (January 3, 2003), 68 FR 1494 (January 10, 2003) (approving File No. SR-Amex-2002-97)

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