

futures market may trade security futures products by registering as a national securities exchange. Rule 6a-4<sup>3</sup> sets forth these registration procedures and directs futures markets to submit a notice registration on Form 1-N. Form 1-N calls for information regarding how the futures market operates, its rules and procedures, its criteria for membership, its subsidiaries and affiliates, and the security futures products it intends to trade. Rule 6a-4 also would require entities that have submitted an initial Form 1-N to file: (1) Amendments to Form 1-N in the event of material changes to the information provided in the initial Form 1-N; (2) periodic updates of certain information provided in the initial Form 1-N; (3) certain information that is provided to the futures market's members; and (4) a monthly report summarizing the futures market's trading of security futures products. The information required to be filed with the Commission pursuant to Rule 6a-4 is designed to enable the Commission to carry out its statutorily mandated oversight functions and to ensure that registered and exempt exchanges continue to be in compliance with the Act.

The respondents to the collection of information are futures markets.

The Commission estimates that the total annual burden for all respondents to provide the amendments and periodic updates under Rule 6a-4 would be 105 hours (15 hours/respondent per year  $\times$  seven respondents) and \$10,066 (\$1438/response  $\times$  seven responses/year). The Commission estimates that the total annual burden for the filing of the supplemental information and the monthly reports required under Rule 6a-4 would be 87.5 hours (25 filings/respondent  $\times$  seven respondents  $\times$  0.5 hours/response). The SEC estimates that the total annual cost for all supplemental filings would be \$3675 (25 filings/respondent per year  $\times$  seven respondents  $\times$  \$21/response).

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or

other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Comments should be directed to: R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, C/O Shirley Martinson, 6432 General Green Way, Alexandria, VA 22312 or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted within 60 days of this notice.

Dated: May 7, 2007.

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-9180 Filed 5-11-07; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34-55719; File No. SR-Amex-2006-17]**

### **Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing of Amendment Nos. 3 and 4 Relating to Procedures for At-Risk Cross Transactions**

May 7, 2007.

On February 17, 2006, 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")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to adopt a new crossing procedure, the "at-risk cross," as an alternative to the Exchange's existing facilitation cross procedure. On November 9, 2006, the Exchange filed Amendment No. 1 to the proposed rule change, and on December 1, 2006, the Exchange filed Amendment No. 2 to the proposed rule change. The proposed rule change, as modified by Amendment Nos. 1 and 2, was published for comment in the **Federal Register** on January 17, 2007.<sup>3</sup> On March 28, 2007, the Exchange filed Amendment No. 3 to the proposed rule change, and on May 3, 2007, the Exchange filed Amendment No. 4 to the proposed rule change. Amendment Nos. 3 and 4 are described in Item II below. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended by

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

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

<sup>3</sup> See Securities Exchange Act Release No. 55068 (January 9, 2007), 72 FR 2044 ("Notice").

Amendment Nos. 3 and 4, from interested persons.

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

The Amex proposes to revise the procedures applicable to cross transactions in equity options to provide procedures for at-risk cross transactions. The text of the proposed rule change is available at the Amex, on the Amex's Web site at <http://amex.com>, 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 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.

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

##### **1. Purpose**

The Exchange proposes to provide an alternative crossing procedure to supplement the existing facilitation cross procedure in Commentary .02 to Amex Rule 950-ANTE(d). In this manner, the Amex would permit "at-risk" cross transactions by member firms. A complete description and statement of purpose of the proposed rule change, as modified by Amendment Nos. 1 and 2, may be found in the notice of filing previously published for comment in the **Federal Register**.<sup>4</sup>

In Amendment No. 3, the Exchange made technical and clarifying changes to the proposal<sup>5</sup> and stated that the proposed at-risk cross procedure would not apply to options classes that are part of the Exchange's options penny pilot

<sup>4</sup> See Notice, *supra* note 3.

<sup>5</sup> Specifically, the Exchange made a clarifying change to the language of Commentary .03(vii) to Amex Rule 950-ANTE(d). The Exchange also confirmed that if a public customer order either on the book or represented in the trading crowd has priority over the at-risk cross, the member firm would be permitted to participate only in those contracts remaining after the public customer's order has been filled. Further, the Exchange represented that if there is a public customer order on the book or represented in the trading crowd on the same side of the market as, and priced at or better than, the public customer order that is part of the at-risk cross, the public customer order on the book or represented in the trading crowd would have priority.

<sup>3</sup> 17 CFR 240.6a-4.

program.<sup>6</sup> In Amendment No. 4, the Exchange proposes to allow the proposed at-risk crossing procedure to apply to options classes that are part of the options penny pilot program.<sup>7</sup>

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act<sup>8</sup> in general and furthers the objectives of Section 6(b)(5)<sup>9</sup> in particular in that it is designed to perfect the mechanisms of a free and open market and the national market system, protect investors and the public interest, to foster cooperation and coordination with persons engaged in facilitating transactions in securities and promote just and equitable principles of trade.

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

The proposed rule change will impose no burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

### 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 by the Exchange on this proposal.

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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act.

Comments may be submitted by any of the following methods:

### Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-Amex-2006-17 on the subject line.

### Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-Amex-2006-17. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Amex-2006-17 and should be submitted on or before May 29, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>10</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-9176 Filed 5-11-07; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-55724; File No. SR-CBOE-2007-39]

### Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing of Proposed Rule Change Regarding Penny Price Improvement

May 8, 2007.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 24, 2007, the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") 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 substantially prepared by the CBOE. 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 CBOE proposes to amend its Rules regarding penny price improvement for options not currently quoted in one-cent increments. The text of the proposed rule change is set forth below. Proposed new language is *italicized*; and proposed deletions are [bracketed].

\* \* \* \* \*

#### Rule 6.13B. Penny Price Improvement

*The Exchange may designate one or more options trading on the Hybrid System for inclusion in the Penny Price Improvement Program. Under this program, the Exchange will allow all users to provide price improvement beyond the Exchange's disseminated quotation ("Penny Pricing") for classes or series that are not already quoted in one-cent increments and for which the Simple Auction Liaison system in Rule 6.13A is not in effect.*

*(a) Electronic Penny Pricing. Electronic penny prices may be established as follows:*

*(1) Market-Makers. Market-Makers may electronically provide the Exchange with indications of interest that are superior to their own quotations in increments no smaller than one-cent. Such indications shall be firm for all interest received by the Exchange. The Exchange shall disseminate such*

<sup>6</sup> See Securities Exchange Act Release No. 55162 (January 24, 2007), 72 FR 4738 (February 1, 2007) (SR-Amex-2006-106).

<sup>7</sup> In addition, Amendment No. 4 makes non-substantive rule text changes and shows the text of the final proposal as marked against the current text of Amex Rule 950-ANTE(d).

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> 17 CFR 200.30-3(a)(12).

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

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