

The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>4</sup>

Nancy M. Morris,  
Secretary.

[FR Doc. E6-2217 Filed 2-15-06; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting

**FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT:** [71 FR 6799, February 9, 2006].

**STATUS:** Closed meeting.

**PLACE:** 100 F Street, NW., Washington, DC.

**DATE AND TIME OF PREVIOUSLY ANNOUNCED MEETING:** Wednesday, February 15, 2006 at 10 a.m.

**CHANGE IN THE MEETING:** Deletion of item.

The following item will not be considered during the Closed Meeting on February 15, 2006: Report of an Investigation.

Commissioner Glassman, as duty officer, determined that no earlier notice thereof was possible.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551-5400.

Dated: February 13, 2006.

Nancy M. Morris,  
Secretary.

[FR Doc. 06-1492 Filed 2-13-06; 4:07 pm]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-53263; File No. SR-Amex-2005-130]

### Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change, and Amendment No. 1 Thereto, Relating to the Specialist Transaction Fee

February 9, 2006.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934,<sup>1</sup> and

Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 19, 2005, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Amex. On February 1, 2006, the Exchange filed Amendment No. 1 to the proposed rule change.<sup>3</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to approve the amended proposal on an accelerated basis.

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

The Exchange proposes to rebate the increase in the Specialist Transaction Fee that the Amex implemented on October 3, 2005 and which the Exchange has collected since that time. The text of the proposed rule change is available on the Amex's Web site at (<http://www.amex.com>), the Office of the Secretary, the Amex 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 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 III below. The Amex 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

Effective with transactions beginning October 3, 2005, the Exchange increased the Specialist Transaction Fee from \$.00005 to \$.00007 of the total value of a specialist's transactions in equities.<sup>4</sup> After further consideration, analysis of the impact of the fee increase and discussions with its members, the Exchange has determined to rollback the increase in the Specialist Transaction

Fee to \$.00005.<sup>5</sup> The increase in the Specialist Transaction Fee implemented in October 2005 was part of a number of changes to the Equity Fee Schedule, the purpose of which was to generate additional revenue for the Exchange and to create additional incentives for market participants to send order flow to the Amex. According to the Exchange, for market participants other than the specialists, the changes in the aggregate contributed to the increase in revenue for the Exchange. The changes to fees imposed on the specialists, which also generated an increase in revenue, included an increase in the Specialist Transaction Fee and the elimination of a rarely used exemption from the Transaction Fee for trades in paired securities.

According to the Exchange, the Specialist Transaction Fee is based on the dollar value of equity shares executed by the specialist. As a result, specialists trading high-priced and/or high volume securities account for a disproportionate amount of the revenue generated by the fee. The recent increase in the fee exacerbated this result. The Exchange submits that rolling back the increase will alleviate, in part, this disproportionate impact on certain specialists.<sup>6</sup> Although the rollback of the increase in the Specialist Transaction Fee will result in a decrease in the additional revenues expected to be generated by the recent changes to the Equity Fee Schedule, the Exchange represents that this decrease will not result in an increase or other revisions to fees charged to other market participants. In a separate filing submitted pursuant to Section 19(b)(3)(A) and Rule 19b-4(f)(2), this proposed reduction in the Specialist Transaction Fee became effective upon filing.<sup>7</sup>

The Exchange is now requesting to rebate the increase in the Specialist Transaction Fee collected since October 3, 2005. Beginning October 3, 2005, the Exchange billed and collected the increased Specialist Transaction Fee. Upon approval of this proposal to allow a refund of the increased portion of the fee collected, the Amex will issue a credit to the specialists for the amount collected while the higher fee was in place. Notwithstanding the proposed rebate, the Exchange believes that the recent changes to the Equity Fee Schedule continue to be an equitable

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

<sup>3</sup> Amendment No. 1, which replaced the original filing in its entirety, made technical and clarifying changes to the proposed rule change.

<sup>4</sup> See Securities Exchange Act Release No. 52701 (October 28, 2005), 70 FR 67504 (November 7, 2005) (notice of filing and immediate effectiveness of SR-Amex 2005-101).

<sup>5</sup> See Securities Exchange Act Release No. 53232 (February 6, 2006) (notice of filing and immediate effectiveness of SR-Amex-2006-008).

<sup>6</sup> See *supra* note 5.

<sup>7</sup> See *supra* note 5. This reduction was effective upon filing on a prospective basis from February 6, 2006.

<sup>4</sup> 17 CFR 200.30-3(a)(1).

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