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 Act[12] and Rule 19b–4(f)(6) thereunder.[13]

A proposed rule change filed under Rule 19b–4(f)(6) normally may not become operative prior to 30 days after the date of filing.[14] However, Rule 19b–4(f)(6)(iii)[15] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.

The Amex has requested that the Commission waive the 30-day operative delay so that the proposed rule change is operative on June 1, 2006. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because the proposal seeks to change the manner in which futures contracts comprising the DBLCI are replaced or ''rolled'' so that the effects of contango are reduced while the benefits of backwardation are increased to the advantage of investors and the marketplace. For this reason, the Commission designates the proposal to be operative on June 1, 2006, as requested by the Exchange.[16]

At any time within 60 days of the filing of the proposed rule change, 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.[17]

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:

[12] 15 U.S.C. 78s(b)(3)(A).

[13] 17 CFR 240.19b–4(f)(6).

[14] 17 CFR 240.19b–4(f)(6)(iii). As required by Rule 19b–4(f)(6)(iii), the Amex provided the Commission with written notice of its intent to file this proposed rule change, along with a brief description and text of the proposed change, at least five business days prior to the date of filing of the proposed rule change.

[15] *Id.*

[16] For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[17] *See* Section 19(b)(3)(C) of the Act, 15 U.S.C. 78s(b)(3)(C).

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*. Please include File Number SR–Amex–2006–53 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–2006–53. 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 such 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–2006–53 and should be submitted on or before June 22, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[18]

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6–8438 Filed 5–31–06; 8:45 am]

BILLING CODE 8010–01–P

[18] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–53867; File No. SR–Amex–2006–50]

Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change Regarding Options Quote Size Mitigation

May 25, 2006.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on May 18, 2006, 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 substantially prepared by the Amex. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to approve the 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 extend the operation of the options market data size mitigation pilot program (''Options Size Mitigation'' or ''Pilot Program'') from March 5, 2006 through March 5, 2007.

The text of the proposed rule change is available on the Amex's Web site (*http://www.amex.com*), at 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 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 III below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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

1. Purpose

The Amex is proposing to extend the operation of Options Size Mitigation from March 5, 2006 through March 5, 2007. The Commission approved Options Size Mitigation on a four (4) month pilot basis on November 4, 2005.[3] The Pilot Program terminated on March 5, 2006 without extension.

The purpose of the proposal is to continue the effectiveness of the Pilot Program until March 5, 2007. According to the Exchange, continuation of the Pilot Program will benefit the Exchange and the marketplace by helping to enhance the Exchange's ability to process an ever increasing volume of incoming options quotes. The Exchange believes that the continuation of Options Size Mitigation will help to prevent potential data delays and enhance the Exchange's ability to manage market data traffic.

Under Options Size Mitigation, incoming market data is filtered prior to being forwarded to Exchange floor trading systems. When in effect, Options Size Mitigation filters market data by not processing incoming quotes (*i.e.*, away market quotes) with size changes below a variable percent. However, Amex systems always maintain and display Amex quotations with accurate size regardless of whether Options Size Mitigation is in effect.

The Exchange submits that the initial Options Size Mitigation filtering level was set at 10% and has remained the same since the introduction of the Pilot Program. As set forth in the Approval Order, the Exchange has the ability to increase the filtering level in 10% level increments as warranted. The appropriate filtering level is determined by the head of the Exchange's Floor Operations (or his designee), in conjunction with two (2) Senior Floor Officials.

As was the case in the original Pilot Program, the Exchange believes that Options Size Mitigation offers greater ability and flexibility to manage inbound quote traffic. Given the exponential increase in options quote traffic rates in recent years, the Exchange believes that the continuation of Options Size Mitigation is a necessary tool in connection with the processing of quote traffic.

Based on the Exchange's experience to date, the Amex believes that continuation of the Pilot Program from March 5, 2006 through March 5, 2007 is appropriate.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with section 6(b) of the Act[4] in general and furthers the objectives of section 6(b)(5)[5] in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

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

The proposed rule change does not impose any 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 with respect to the proposed rule change.

III. 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 at *http://www.sec.gov/rules/sro.shtml;* or

• Send an e-mail to *rule-comments@sec.gov.* Please include File No. SR–Amex–2006–50 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 No. SR–Amex2006–50. 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 at *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, 100 F Street, NE., Washington, DC 20549. Copies of such 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 No. SR–Amex–2006–50 and should be submitted on or before June 22, 2006.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change.

After careful consideration, the Commission finds that the proposed rule change is consistent with the requirements of the section 6 of the Act[6] and the rules and regulations thereunder applicable to a national securities exchange.[7] In particular, the Commission believes that the proposed rule change is consistent with section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.[8]

The Commission believes that the Options Size Mitigation should continue to enhance the Amex's ability to process an increasing volume of

[3] *See* Securities Exchange Act Release No. 52741 (November 4, 2005), 70 FR 69369 (November 15, 2005).

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

[6] 15 U.S.C. 78f.

[7] In approving this proposed rule change, the Commission has considered its impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[8] 15 U.S.C. 78f(b)(5).

incoming options quotes during high option quote volume periods and peaks. The Commission notes that Options Size Mitigation operated on a pilot basis for four months and the Amex believes it is functioning as intended.

The Amex has requested that the Commission find good cause for approving the proposed rule change prior to the thirtieth day after publication of the notice thereof in the **Federal Register**. The Commission believes that granting accelerated approval of the proposal will allow the Amex to continue to operate the Options Size Mitigation program without interruption and thus, should facilitate the processing of incoming options quotes. The Commission notes that no comments were received in connection with the approval of the temporary Pilot Program and no comments have been received during the operation of the temporary Pilot Program. Accordingly, the Commission finds good cause, pursuant to section 19(b)(2) of the Act,[9] for approving the proposed rule change prior to the thirtieth day after publication of the notice thereof in the **Federal Register**.

V. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,[10] that the proposed rule change, as amended (SR–Amex–2006–50), is hereby approved on an accelerated basis for a period to expire on March 5, 2007.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[11]

Nancy M. Morris,

Secretary.

[FR Doc. E6–8477 Filed 5–31–06; 8:45 am]

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[9] 15 U.S.C. 78s(b)(2).

[10] 15 U.S.C. 78s(b)(2).

[11] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–53871; File No. SR–Amex–2006–42]

Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing of Proposed Rule Change and Amendment No. 1 Thereto Relating to a Retroactive Suspension of Transaction Charges for Specialist Orders in the Nasdaq–100 Tracking Stock® (QQQQ)

May 25, 2006.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on May 2, 2006, 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, II, and III below, which Items have been prepared by the Exchange. On May 12, 2005, Amex filed Amendment No. 1 to the proposed rule change.[3] The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

The Exchange proposes to retroactively apply a suspension of transaction charges for specialist orders in connection with the trading of the Nasdaq–100 Index Tracking Stock® (Symbol: QQQQ) from March 1, 2006, through April 5, 2006.

The text of the proposed rule change is available on Amex's Web site at *http://www.amex.com,* at Amex's principal office, 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, as amended, and discussed any comments it received on the proposed rule change, as amended. The text of these statements may be examined at the places specified in Item IV below, and is set forth in Sections A, B, and C below.

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

1. Purpose

The Exchange, in a companion filing (File No. SR–Amex–2006–30), adopted a suspension of transaction charges for specialist orders in the Nasdaq–100 Tracking Stock (''QQQQ'') from April 6, 2006, through June 30, 2006.[4] In order to waive transaction fees for specialist orders in the QQQQ from March 1, 2006, through June 30, 2006, the Exchange has proposed to retroactively suspend transaction fees for specialist transactions from March 1, 2006, through April 5, 2006.

Specialist orders currently are charged $0.0034 ($0.34 per 100 shares), capped at $300 per trade (88,235 shares). Effective December 1, 2004, the Nasdaq–100 Index Tracking Stock® (formerly ''QQQ'') transferred its listing from Amex to The Nasdaq Stock Market, Inc (''Nasdaq''). It now trades on Nasdaq under the symbol QQQQ. After the transfer, Amex began trading QQQQ on an unlisted trading privileges basis.

The Exchange believes that the retroactive suspension of transaction charges for specialist transactions in the QQQQ from March 1, 2006, through April 5, 2006, is consistent with the adoption of the proposal to suspend transaction charges for specialist orders generally in the QQQQ through June 30, 2006. The Exchange further believes that a retroactive suspension of transaction fees on specialist orders in the QQQQ is appropriate to enhance the competitiveness of executions on Amex. The Exchange proposes to amend the Amex Fee Schedule to indicate that transaction charges for specialist orders in the QQQQ have been suspended from March 1, 2006, through June 30, 2006.

As detailed in File No. SR–Amex–2006–30, the Exchange submits that a suspension of transaction fees for specialist orders in connection with the QQQQ is consistent with section 6(b)(4) of the Act.[5] Specifically, the Exchange believes that suspending transaction charges for QQQQ specialist orders is an equitable allocation of reasonable fees among Exchange members. The Exchange believes that the fact that specialists have greater obligations than other members and are also subject to other Exchange fees, in addition to transaction fees, supports this proposal

[1] 15 U.S.C 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Amendment No. 1, which replaced and superseded the original filing in its entirety, is incorporated in this notice.

[4] *See* Securities Exchange Act Release No. 53701 (April 21, 2006), 71 FR 25253 (April 28, 2006). The Exchange previously adopted the suspension of specialist transaction charges in connection with the QQQQ from July 1, 2005, through December 31, 2005. *See* Securities Exchange Act Release Nos. 52268 (August 15, 2005), 70 FR 49336 (August 23, 2005); 52267 (August 15, 2005), 70 FR 49338 (August 23, 2005); 52460 (September 16, 2005), 70 FR 55639 (September 22, 2005); 52516 (September 27, 2005), 70 FR 58247 (October 5, 2005); and 52736 (November 4, 2005), 70 FR 69171 (November 14, 2005) (proposals previously introducing and extending this specialist transaction fee waiver). However, from January 1, 2006, through April 5, 2006, the specialist fee suspension for the QQQQ lapsed; therefore, the QQQQ specialists have been subject to transaction fees in connection with QQQQ executions during that time period.

[5] Section 6(b)(4) states that the rules of a national securities exchange must provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities.