

Proposed Rule Change by American Stock Exchange
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial <input checked="" type="checkbox"/>	Amendment <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) <input type="checkbox"/>	Section 19(b)(3)(A) <input checked="" type="checkbox"/>	Section 19(b)(3)(B) <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action <input type="checkbox"/>		Date Expires <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	<input type="checkbox"/> 19b-4(f)(6)
			<input type="checkbox"/> 19b-4(f)(2)	<input checked="" type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Exhibit 2 Sent As Paper Document Exhibit 3 Sent As Paper Document

Description
 Provide a brief description of the proposed rule change (limit 250 characters).

Proposal to adopt changes to Rule 205 AEMI in order to clarify the method by which specialists on the Exchange execute odd lot market orders

Contact Information
 Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name Last Name
 Title
 E-mail
 Telephone Fax

Signature
 Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date
 By Vice President and Associate General Counsel
 (Name) (Title)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) The American Stock Exchange LLC (“Amex” or “Exchange”) proposes to adopt changes to Rule 205—AEMI in order to clarify the method by which specialists on the Exchange execute odd-lot market orders. The text of the proposed rule change appears in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Exchange's Board of Governors on May 31, 2007. No further action by the Board or by the membership of the Exchange is required to be taken.

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

(a) *Purpose*

Pursuant to its most recent amendment, Rule 205—AEMI(b) currently specifies that, to the extent an odd-lot market order is not elected by a round-lot transaction within 30 seconds of entry into AEMI, such order will be executed against the specialist's quote 30 seconds after entry of the order into AEMI.¹

The Exchange is now submitting the instant amendment to clarify, more consistently with the way the AEMI system has been configured, that such unelected unexecuted odd-lot market orders are executed, along with all other outstanding unexecuted odd-lot market orders on the AEMI book, at the price of the specialist's quote 30 seconds after the later of (i) the entry of such order into AEMI or (ii) the last round-lot

¹ See Exchange Act Release No. 34-55762 (May 15, 2007), 72 F.R. 28529 (May 21, 2007).

election of a previously entered odd-lot market order. While the current version of Rule 205—AEMI(b) implies that every odd-lot market order has a unique 30-second timer for execution (if not elected by virtue of an earlier round-lot transaction), the instant amendment is necessary to clarify that, in certain limited scenarios, unelected odd-lot market orders can receive executions in under 30 seconds (where tied to executions of earlier-entered odd-lot market orders)² and, in rare circumstances, more than 30 seconds.³

The Exchange asserts that the proposal to effect the foregoing changes to the AEMI trading system does not significantly affect the protection of investors or the public interest, does not impose any significant burden on competition, and does not have the effect of limiting the access to or availability of the system.

(b) *Statutory Basis*

The proposed rule change is designed to be consistent with Section 6(b)⁴ of the Securities Exchange Act of 1934 (the “1934 Act”), 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

² The Exchange estimates that executed odd-lot volume that may fall into this category is less than 15,000 shares per day, or less than 1.5% of all odd-lot executed volume and less than 0.03% of Amex executed volume.

³ The Exchange estimates that this occurs only several times per day when, within a 30-second window, multiple odd-lot market orders are entered followed by entry of round-lot transactions insufficient in size to elect all of them. In such circumstances, remaining unelected odd-lot market order(s) may take more than 30 seconds after their entry to execute, depending on the timing of subsequent round-lot transactions. For example, if three 50 share market buy orders are entered at :01, :02, and :03 seconds, followed at :29 seconds by execution of a new 100 share order at \$10, the first two market buy orders are both executed against the specialist at \$10 at :29 seconds. Then, the timer in AEMI resets back to zero, and the remaining 50 share market buy order is executed against the specialist upon the earlier of (i) the next round-lot transaction (at the price of said transaction) or (ii) the expiration of 30 seconds (at the price of the specialist’s then best offer), resulting in execution anywhere from 26 to 56 seconds after original entry into AEMI.

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

remove impediments to and perfect the mechanism of a free and open market and national market system and, in general, to protect investors and the public interest.

4. 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 1934 Act.

5. 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.

6. Extension of Time Period for Commission Action

The Exchange does not consent to an extension of the time period for Commission consideration of the proposed rule change specified in Section 19(b)(2) of the 1934 Act.⁶

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

(a) This filing is made pursuant to Paragraph A, subsection (iii), of Section 19(b)(3) of the 1934 Act⁷ and Rule 19b-4(f)(5) thereunder.⁸

(b) The proposed rule change effects a change in an existing order-entry or trading system of a self-regulatory organization that (i) does not significantly affect the protection of investors or the public interest, (ii) does not impose any significant burden on competition, and (iii) does not have the effect of limiting the access to or the availability of the system.

⁶ 15 U.S.C. 78f(b)(2).

⁷ 15 U.S.C. 78s(b)(3).

⁸ 17 CFR 240.19b-4(f)(5).

(c) Not applicable.

(d) Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on the rules of another Exchange.

9. Exhibits

List of exhibits to be filed:

Exhibit 1. Completed Notice of Proposed Rule Change for publication in the Federal Register.

Exhibit 2. Not applicable

Exhibit 3. Not applicable

Exhibit 4. Not applicable

Exhibit 5. Text of the proposed rule change

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-Amex-2007-61

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by American Stock Exchange LLC to Clarify the Method by Which Specialists Execute Odd-Lot Market Orders in Rule 205—AEMI

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “1934 Act”), 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, 2007, the American Stock Exchange LLC (“Amex” or “Exchange”) filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. 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 Exchange proposes to adopt clarifying changes to Rule 205—AEMI to specify that specialists on the Exchange execute unelected odd-lot market orders, along with all other outstanding unexecuted odd-lot market orders on the AEMI book, at the price of the specialist’s quote 30 seconds after the later of (i) the entry of such order into AEMI or (ii) the last round-lot election of a previously entered odd-lot market order.

The text of the proposed rule change is available on Amex’s Web site at <http://www.amex.com>, at its 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 self-regulatory organization 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 self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change

(1) *Purpose*

Pursuant to its most recent amendment, Rule 205—AEMI(b) currently specifies that, to the extent an odd-lot market order is not elected by a round-lot transaction within 30 seconds of entry into AEMI, such order will be executed against the specialist's quote 30 seconds after entry of the order into AEMI.¹

The Exchange is now submitting the instant amendment to clarify, more consistently with the way the AEMI system has been configured, that such unelected unexecuted odd-lot market orders are executed, along with all other outstanding unexecuted odd-lot market orders on the AEMI book, at the price of the specialist's quote 30 seconds after the later of (i) the entry of such order into AEMI or (ii) the last round-lot election of a previously entered odd-lot market order. While the current version of Rule 205—AEMI(b) implies that every odd-lot market order has a unique 30-second timer for execution (if not elected by virtue of an earlier round-lot transaction), the instant amendment is necessary to clarify that, in certain limited scenarios, unelected odd-lot market orders can receive executions in under 30 seconds (where tied to

¹ See Exchange Act Release No. 34-55762 (May 15, 2007), 72 F.R. 28529 (May 21, 2007).

executions of earlier-entered odd-lot market orders)² and, in rare circumstances, more than 30 seconds.³

The Exchange asserts that the proposal to effect the foregoing changes to the AEMI trading system does not significantly affect the protection of investors or the public interest, does not impose any significant burden on competition, and does not have the effect of limiting the access to or availability of the system.

(2) *Statutory Basis*

The proposed rule change is designed to be consistent with Section 6(b)⁴ of the Securities Exchange Act of 1934 (the “1934 Act”), 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 national market system and, in general, to protect investors and the public interest.

² The Exchange estimates that executed odd-lot volume that may fall into this category is less than 15,000 shares per day, or less than 1.5% of all odd-lot executed volume and less than 0.03% of Amex executed volume.

³ The Exchange estimates that this occurs only several times per day when, within a 30-second window, multiple odd-lot market orders are entered followed by entry of round-lot transactions insufficient in size to elect all of them. In such circumstances, remaining unelected odd-lot market order(s) may take more than 30 seconds after their entry to execute, depending on the timing of subsequent round-lot transactions. For example, if three 50 share market buy orders are entered at :01, :02, and :03 seconds, followed at :29 seconds by execution of a new 100 share order at \$10, the first two market buy orders are both executed against the specialist at \$10 at :29 seconds. Then, the timer in AEMI resets back to zero, and the remaining 50 share market buy order is executed against the specialist upon the earlier of (i) the next round-lot transaction (at the price of said transaction) or (ii) the expiration of 30 seconds (at the price of the specialist’s then best offer), resulting in execution anywhere from 26 to 56 seconds after original entry into AEMI.

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

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 1934 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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective immediately pursuant to Section 19(b)(3)(A) of the Act⁶ and Rule 19b-4(f)(5)⁷ thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary of appropriate in the public interest, for the protection of investors, or otherwise in the furtherance of the purposes of the Securities Exchange Act of 1934.

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. Please include File No. SR Amex

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)(5).

2007-61 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 Amex 2007-61. 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, 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 2007-61 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁸

Nancy M. Morris

Dated:

Secretary

⁸ 17 CFR 200.30-3(a)(12).

**SR Amex 2007-61
EXHIBIT 5**

AMERICAN STOCK EXCHANGE LLC

Proposed Rule Change

It is proposed that the following provisions of the Rules of the American Stock Exchange Rules be amended as set forth below. Underlined text indicates material to be added. [Bracketed] text indicates material to be deleted.

* * * *

Rule 205—AEMI.

Manner of Executing Odd-Lot Orders

(a) No Change.

(b) Market Orders. Odd-lot market orders received by AEMI shall be executed in time priority of receipt by AEMI at the price of the next round-lot transaction on the Exchange in the subject security following receipt of the orders by AEMI, subject to the following:

(i) Odd-lot market [buy] orders [and odd-lot sell orders]will be executed at the price of such round-lot transaction with the specialist as the contra side to the extent that such odd-lot orders total an equal number of shares bought and sold.

(ii) The total number of additional shares of odd-lot market orders executed at the price of such round-lot transaction shall not exceed the number of shares of such round-lot transaction, except that an odd-lot market order which would otherwise receive a partial execution shall be executed in full.

(iii) Odd-lot market orders not executed pursuant to paragraph (i) or (ii) above shall be executed, in time priority order, at the price of the subsequent round-lot transactions, subject to the same procedures stated in paragraph (i) and (ii) as to volume of round-lot transactions.

(iv) Any odd-lot market order to buy (sell) not executed within 30 seconds of receipt by AEMI pursuant to paragraphs (i), (ii) or (iii) above (“round-lot election”) shall be executed, together with any other unexecuted odd-lot market order(s) on the AEMI Book [in the case of an order to buy, at the price of the specialist’s best offer after 30 seconds, and in the case of an order to sell], at the price of the specialist’s best offer (bid) [after] 30 seconds after the later of (A) the

entry of the order or (B) the last round-lot election of a previously entered odd-lot market order.

(v) Odd-lot market orders entered before the opening of the subject security shall be executed at the price of the opening transaction. If there is no opening transaction (i.e., the symbol opens on a quote) in the subject security, odd-lot market orders will trade according to Rule 205—AEMI(b)(i-iv).

(vi) Notwithstanding anything in this rule to the contrary, any [Any] odd-lot market order to buy (sell) entered within 30 seconds of the close of trading and not executed prior to the closing transaction shall be executed[, in the case of an order to buy,] at the price of the specialist's best offer (bid) at 4:00 p.m. (or such other closing time)[, and in the case of an order to sell, at the price of the specialist's best bid at 4:00 p.m. (or such other closing time)].

(vii) An odd-lot market order to sell short a security subject to price restrictions under Exchange Rule 7 shall be executed at the price of the next sale in the round-lot market on the Exchange following entry of the order which is higher than the last different round-lot price.

(viii) If a partial-lot trade is received from an away market in response to an intermarket sweep order sent by AEMI, resulting in an unexecuted balance which comprises an odd-lot, then any unexecuted odd-lot balance on the aggressing order (including the unexecuted odd-lot balance from the intermarket sweep order) shall be traded immediately against the specialist at the last trade price of the intermarket sweep order, and any remaining unexecuted round-lot balance shall reaggregate the AEMI Book in accordance with Rule 126A-AEMI.

(c) – (g) No Change.

• • • **Commentary** -----

.01 - .04 No Change.