OMB APPROVAL	
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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. SR - 2007 - 86
Amendment No.

Proposed Rule Change by American Stock Exchange

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial	Amendment	Withdrawal	Section 19(b)(2)	Section 19(b)(3)(A)	Section 19(b)(3)(B)
☑	☐	☐	☐	☑	☐

Pilot ☐

Extension of Time Period for Commission Action ☐

Date Expires

Rule

☐ 19b-4(f)(1)	☐ 19b-4(f)(4)
☐ 19b-4(f)(2)	☐ 19b-4(f)(5)
☐ 19b-4(f)(3)	☑ 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 seek a six month extension of the pilot program increasing the standard position and exercise limits for options on the QQQQ and equity option classes traded on the Exchange

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: Nyieri Last Name: Nazarian

Title: Assistant General Counsel

E-mail: nyieri.nazarian@amex.com

Telephone: (212) 306-1837 Fax: (212) 306-2139

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: 08/08/2007

By: Jeffrey P. Burns (Name)

Vice President and Associate General Counsel (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.

Jeffrey P Burns, jeffrey.burns@amex.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information Add Remove View	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 Add Remove View	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 Add Remove View 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 Add Remove View 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 Add Remove View	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 the "Exchange") seeks a six month extension of the pilot program increasing the standard position and exercise limits for options on the QQQQ and equity option classes traded on the Exchange. The text of the proposed rule changes 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 June 11, 1998. No further action 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

The Exchange is requesting to extend the current pilot program increasing the standard position and exercise limits for options on the QQQQ and equity option classes traded on the Exchange (the "Pilot Program") for a time period of six months from September 1, 2007, through and including March 1, 2008.

In March 2005, the Exchange established the Pilot Program on a six month basis.[1] The Pilot Program, adopted by all the options exchanges, increased

[1] *See* Securities Exchange Act Release No. 51316 (March 3, 2005); 70 FR 12251 (March 11, 2005) (notice of filing and immediate effectiveness of File No. SR-AMEX 2005-029). The Pilot Program was extended four times and is due to expire on September 1, 2007. *See* Securities Exchange Act Release Nos. 55226 (February 1, 2007), 72 FR 6300 (February 9, 2007)(notice of filing and immediate effectiveness of File No. SR-Amex 2007-15); 54386 (August 30, 2006), 71 FR 52831 (September 7, 2006)(notice of filing and immediate effectiveness of File No. SR-Amex 2006-75); 53349 (February 22, 2006), 71 FR 10571 (March 1, 2006) (notice of filing and immediate effectiveness of File No. SR-AMEX 2006-07); 52260 (August 15, 2005), 70 FR 48991 (August 15, 2005)(notice of filing and immediate effectiveness of File No. SR-AMEX 2005-082).

position and exercise limits for options on the QQQQ and equity options classes traded on the Exchange as follows:

Standard equity option contract limit[2]	**Pilot Program equity option contract limit**
13,500 contracts	25,000 contracts
22,500 contracts	50,000 contracts
31,500 contracts	75,000 contracts
60,000 contracts	200,000 contracts
75,000 contracts	250,000 contracts
Standard QQQQ option contract limit	**Pilot Program QQQQ option contract limit**
300,000 contracts	900,000 contracts

The standard position limits were last increased on December 31, 1998.[3] Since that time there has been a steady increase in the number of accounts that, (a) approach the position limit; (b) exceed the position limit; (c) are granted an exemption to the standard limit. Several member firms have petitioned the options exchanges to either eliminate position limits, or in lieu of total elimination, increase the current levels and expand the available hedge exemptions. In addition, a significant number of accounts that maintain sizeable positions are utilizing the Pilot Program's increased equity option contract limits. Furthermore, overall volume in the options market has continually increased over the past five (5) years. The Exchange believes that the increase in options volume and lack of

[2] Except when the Pilot Program is in effect.

[3] *See* Securities Exchange Act Release No. 40875 (December 31, 1998), 64 FR 1842 (January 12, 1999) (SR-Amex-98-22) (approval of increase in position limits and exercise limits).

evidence of market manipulation occurrences over the past twenty years justifies the proposed increases in the position and exercise limits.

The Exchange has not encountered any problems or difficulties relating to the Pilot Program since its inception. The instant proposed rule change makes no substantive change to the Pilot Program other than to extend it for six months through and including March 1, 2008.

(b) Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(5)[4] in particular in that the Exchange's proposed rules are designed 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.

4. **Self-Regulatory Organization's Statement on Burden on Competition**

The proposed rule change will impose no burden on competition.

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 Act.

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[4] 15 U.S.C. 78(f)(b)(5).

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

(a) This proposed rule change is filed pursuant to paragraph (A) of Section 19(b)(3) of the Exchange Act.[5]

(b) This proposed rule change does not significantly affect the protection of investors or the public interest, does not impose any significant burden on competition, and, by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. This proposed rule change consists of the same provisions and issues addressed in a previous Exchange rule filing.

The Exchange provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change. The Exchange requests that the Commission waive the 30-day delayed operative date of Rule 19b-4(f)(6) such that the proposed rule change is operative upon filing. Accordingly, the Exchange believes that this rule change qualifies for expedited approval as a "non-controversial" rule change pursuant to Rule 19b-4(f)(6) because the proposal raises no new regulatory issues, and is concerned solely with a matter that is not likely to engender adverse comments or require the degree of review attendant with more controversial filings. Waiver of this period will allow the Exchange to continue the Pilot Program uninterrupted.

(c) Not applicable.

(d) Not applicable.

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[5] 15 U.S.C. 78s(b)(3)(A).

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

The proposed rule change is not based upon the rules of another SRO or the Commission.

9. **Exhibits**

List of Exhibits Filed:

1. Notice of Proposed Rule Change for publication in the **Federal Register**.
2. Not applicable.
3. Not applicable.
4. Not applicable.
5. Text of proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- ; File No. SR-Amex-2007-86)
Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by American Stock Exchange LLC, Relating to the Extension of a Pilot Program that Increases Position and Exercise Limits for Equity Options and Options on the Nasdaq–100 Tracking Stock

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934,[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 seeks a six month extension of the pilot program increasing the standard position and exercise limits for options on the QQQQ and equity option classes traded on the Exchange.

The text of the proposed rule change is available on the Amex's website 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 self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed

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

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

The Exchange is requesting to extend the current pilot program increasing the standard position and exercise limits for options on the QQQQ and equity option classes traded on the Exchange (the "Pilot Program") for a time period of six months from September 1, 2007, through and including March 1, 2008.

In March 2005, the Exchange established the Pilot Program on a six month basis.[2] The Pilot Program, adopted by all the options exchanges, increased position and exercise limits for options on the QQQQ and equity options classes traded on the Exchange as follows:

Standard equity option contract limit[3]	**Pilot Program equity option contract limit**
13,500 contracts	25,000 contracts
22,500 contracts	50,000 contracts

[2] *See* Securities Exchange Act Release No. 51316 (March 3, 2005); 70 FR 12251 (March 11, 2005) (notice of filing and immediate effectiveness of File No. SR-AMEX 2005-029). The Pilot Program was extended four times and is due to expire on September 1, 2007. *See* Securities Exchange Act Release Nos. 55226 (February 1, 2007), 72 FR 6300 (February 9, 2007)(notice of filing and immediate effectiveness of File No. SR-Amex 2007-15); 54386 (August 30, 2006), 71 FR 52831 (September 7, 2006)(notice of filing and immediate effectiveness of File No. SR-Amex 2006-75); 53349 (February 22, 2006), 71 FR 10571 (March 1, 2006) (notice of filing and immediate effectiveness of File No. SR-AMEX 2006-07); 52260 (August 15, 2005), 70 FR 48991 (August 15, 2005)(notice of filing and immediate effectiveness of File No. SR-AMEX 2005-082).

[3] Except when the Pilot Program is in effect.

31,500 contracts	75,000 contracts
60,000 contracts	200,000 contracts
75,000 contracts	250,000 contracts
Standard QQQQ option contract limit	**Pilot Program QQQQ option contract limit**
300,000 contracts	900,000 contracts

The standard position limits were last increased on December 31, 1998.[4] Since that time there has been a steady increase in the number of accounts that, (a) approach the position limit; (b) exceed the position limit; (c) are granted an exemption to the standard limit. Several member firms have petitioned the options exchanges to either eliminate position limits, or in lieu of total elimination, increase the current levels and expand the available hedge exemptions. In addition, a significant number of accounts that maintain sizeable positions are utilizing the Pilot Program's increased equity option contract limits. Furthermore, overall volume in the options market has continually increased over the past five (5) years. The Exchange believes that the increase in options volume and lack of evidence of market manipulation occurrences over the past twenty years justifies the proposed increases in the position and exercise limits.

The Exchange has not encountered any problems or difficulties relating to the Pilot Program since its inception. The instant proposed rule change makes no substantive change to the Pilot Program other than to extend it for six months through and including March 1, 2008.

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[4] *See* Securities Exchange Act Release No. 40875 (December 31, 1998), 64 FR 1842 (January 12, 1999) (SR-Amex-98-22) (approval of increase in position limits and exercise limits).

(2) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act[5] in general and furthers the objectives of Section 6(b)(5)[6] in particular in that it is 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 facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

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

The Exchange has designated the proposed rule change as a "non-controversial" rule change pursuant to Section 19(b)(3)(A)(iii) of the Act and subparagraph (f)(6) of Rule 19b-4 thereunder. The Exchange represents that the proposed rule change does not impose any significant burden on competition, and, by its terms, does not become operative for 30 days after the date of filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The

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[5] 15 U.S.C. 78f(b).
[6] 15 U.S.C. 78f(b)(5).

proposed rule change is necessary to eliminate any confusion among members and member firms of multiple exchanges regarding which position and exercise limits apply to them and for the purposes of maintaining a fair and orderly market.

A proposed rule change filed under Rule 19b-4(f)(6) may not become operative prior to thirty (30) days after the date of filing. However, Rule 19b-4(f)(6)(iii) permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day waiting period so that the proposed rule change becomes effective immediately. The Exchange provided the Commission with written notice of its intent to file this proposed rule change at least five business days prior to the date of filing.

The Commission believes that it is consistent with the protection of investors and the public interest for the proposed rule change to become operative immediately. At any time within sixty (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.

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 *rulecomments@sec.gov* . Please include File Number SR–Amex–2007–86 on the subject line.

Paper Comments:

send paper comments in triplicate to Nancy M. Morris , Secretary, Securities and Exchange Commission, 100 F St. N.E. Washington, DC 20549–1090

All submissions should refer to File Number SR–Amex–2007–86. 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 Section, 100 F. St. N.E., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of the Amex. 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– 2007–86 and should be submitted on or before_____.

For the Commission by the Division of Market Regulation, pursuant to delegated authority[7]

Nancy M. Morris
Secretary

Dated:

[7] 17 CFR 200.30-3(a)(12).

SR Amex 2007-86
EXHIBIT 5

AMERICAN STOCK EXCHANGE LLC
Text of Proposed Rule Change

It is proposed that the following provisions of the Rulebook of the American Stock Exchange be amended as set forth below. [Bracketing] indicates text to be deleted and underlining indicates text to be added.

Rule 904. Position Limits

(a) For Option Contracts Dealt In On The Exchange—Except with the prior approval of the Exchange in each instance and to be confirmed in writing, no member or member organization shall effect, for any account in which such member or member organization has an interest or for the account of any partner, officer, director, trustee or employee thereof or for the account of any customer, an opening transaction (whether on the Exchange or on another Participating Exchange) in an option contract of any class of options dealt in on the Exchange if the member or member organization has reason to believe that as a result of such transaction the member or member organization or partner, officer, director, trustee or employee thereof or customer would, acting alone or in concert with others, directly or indirectly, control an aggregate position in option contracts (whether long or short) of the put class and the call class on the same side of the market covering any underlying security in excess of:

(i) 13,500, 22,500, 31,500, 60,000 or 75,000 contracts covering an underlying stock or Exchange-Traded Fund Share, which limit is determined in accordance with Commentaries .07 and .09; except that for a pilot program period of 6 months ("Rule 904 Pilot Program Period") expiring on [September 1, 2007] March 1, 2008, the position limits shall be 25,000 or 50,000 or 75,000 or 200,000 or 250,000 option contracts (whether long or short), or

(ii) (a) 10% of the value of the initial or reopened public issuance of the Treasury note or Treasury bond, rounded to the next lower $100 million interval, combining, for purposes of this position limit, long positions in put options with short positions in call options and short positions in put options with long positions in call options. In no event shall the position limit exceed a position on either side of the market covering a value in excess of $1,200,000,000 (or 12,000 contracts) of the underlying Treasury note or Treasury bond. (b) in the event that any of the underlying Treasury notes or Treasury bonds are reported as "separate trading of registered interest and principal of securities" ("STRIPS") in the Monthly Statement of the Public Debt of the United States Government (hereinafter "Monthly Report"); or such other report or compilation as may be selected from time to time by the Exchange, such stripping shall be taken into account in determining whether the position limit, as initially established under subparagraph (ii)(a) ("the established position limit"), can be maintained (the remaining non-stripped underlying securities are

hereinafter referred to as "the non-stripped securities"). The established position limit may remain so long as the position limit covers a principal amount of underlying securities not in excess of 12% of the non-stripped securities. In the event that the established position limit covers a principal amount of securities in excess of 12% of the non-stripped securities, the Exchange shall reestablish the position limit to cover a principal amount of underlying securities not in excess of 12% of the non-stripped securities; or

(iii) a number of contracts covering, in the aggregate, $1,000,000,000 principal amount of underlying Treasury bills with terms to maturity of 13 weeks, or covering, in the aggregate, $500,000,000 principal amount of underlying Treasury bills with terms to maturity of 26 weeks (i.e., if the underlying principal amount of each 13-week contract is $1,000,000 or each 26-week contract is $500,000, the position limit is 1,000 contracts; if the underlying principal amount of each 13-week contract is $200,000 or each 26-week contract is $100,000, the position limit is 5,000 contracts); or

(iv) 250 contracts on the same side of the market if the underlying security is a certificate of deposit; or

(v) such other number of option contracts as may be fixed from time to time by the Exchange as the position limit for one or more classes or series of options.

(b) No change.

Commentary ...

.01 - .11 No Change.