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

File No. SR - 2008 - 13
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 permit the listing of up to seven expiration months for options on certain broad based indexes

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: Jeffrey
Last Name: Burns
Title: Vice President and Associate General Counsel
E-mail: jeffrey.burns@amex.com
Telephone: (212) 306-1822
Fax: (212) 306-5724

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: 02/19/2008

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,

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 "Exchange") proposes to add new Commentary .05 to Rule 903C to allow the listing of up to seven expiration months for options on certain broad-based indexes. 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 November 27, 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*

The Exchange proposes to add new Commentary .05 to Amex Rule 901C (Series of Stock Index Options) to allow the Exchange to list up to seven (7) expiration months for index options based on broad-based securities indexes (including reduced-value and jumbo) upon which a constant three-month volatility index is calculated. Currently, subparagraphs (i) and (ii) to Rule 901C(a) permit the Exchange to list only six (6) expiration months in any stock index option at any one time.

Volatility products offer investors a unique set of risk management tools for investors. Options on the Volatility Index ("VIX") introduced by the Chicago Board Options Exchange, Inc. ("CBOE") in February 2006 has been successful in attracting significant investor interest. The average daily trading volume for VIX Options is over

90,000 contracts per day. In addition, the Exchange submits that the CBOE expects to introduce additional options volatility products in the near future. The CBOE S&P 500 (the "S&P 500") Three-Month Volatility Index ("VXV") is expected to be the next volatility option to be introduced.[1] Similar to the VIX, the VXV is a measure of S&P 500 implied volatility--the volatility implied by S&P option prices--but instead of reflecting a constant one-month implied volatility period, VXV is designed to reflect the implied volatility of an option with a constant three-months to expiration. Since there is only one day on which an option has exactly three-months to expiration, VXV is calculated as a weighted average of options expiring immediately before and immediately after the three-month standard. Accordingly, the Exchange submits that an index calculator would be required to use four (4) consecutive expiration months in order to calculate a constant three-month volatility index.

Under the current application of subparagraphs (i) and (ii) of Amex Rule 901C(a), the Exchange generally lists three (3) consecutive near term expiration month series and three (3) cycle month series based on a quarterly expiration cycle. One of the three (3) consecutive near term expiration month series is always a quarterly month; however, that near term contract month series (which is also a quarterly month) is not included as part of the three (3) months listed on a quarterly expiration cycle. Therefore, in order to permit the addition of four (4) consecutive near term expiration month series under Rule 901C(a), the Exchange would only be able to list two (2) months on a quarterly expiration cycle. Because of customer demand and other investment strategy

[1] The CBOE calculates volatility indexes on other broad-based security indexes, such as the Dow Jones Industrial Average index ("DJX"), the Nasdaq-100 index ("NDX"), and the Russell 2000 index ("RUT"). In addition, the CBOE may calculate a constant three-month volatility index on DJX, NDX, or RUT in the future. *See* Securities Exchange Act Release No. 56821 (November 20, 2007), 72 FR 66210 (November 27, 2007) (SR-CBOE-2007-82)("CBOE Approval"). *See also* Securities Exchange Act Release Nos. 57284 (February 7, 2008), 73 FR 8387 (February 13, 2008) (SR-NYSEArca-2008-16) and 57104 (January 4, 2008), 73 FR 2070 (January 11, 2008)(SR-ISE-2007-113).

reasons for having three (3) months on a quarterly expiration cycle, the Exchange is seeking to increase, from six to seven, the number of expiration month series for broad-based securities index options upon which a constant three-month volatility index is calculated.

Proposed Commentary .05 to Rule 901C would permit the Exchange to list up to seven (7) expiration months at any one time for any broad-based securities index option contract[2] upon which any exchange calculates a constant three-month volatility index. As a result, the Exchange, eight times a year, would be able to add an additional seventh expiration month in order to maintain four consecutive near term contract months.[3]

The Exchange believes that this proposal is necessary for competitive reasons based on the fact that the CBOE, International Securities Exchange, Inc. and NYSEArca, Inc. all have the ability to list up to seven (7) expiration months for broad-based securities indexes on which a constant three-month volatility index is calculated.[4] This proposal will similarly permit the Amex to accommodate the listing of a fourth consecutive near term expiration month and maintain the listing of three months on a quarterly expiration cycle, by increasing, from six to seven, the number of expiration months for broad-based securities indexes on which a constant three-month volatility index is calculated.

The Amex has analyzed its capacity and represents that it believes the Exchange and the Options Price Reporting Authority (OPRA) have the necessary systems

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[2] *See* Amex Rule 900C(b)(1). Examples of such broad-based securities indexes include the S&P 500, DJX, NDX and RUT.

[3] *See* CBOE Approval, *supra* note 1, for examples illustrating the need for a seventh month in order to maintain four consecutive near term contract months.

[4] Id.

capacity to handle any additional quote and message traffic associated with the additional listing of a seventh contract month in order to maintain four consecutive near term contract months for those broad-based securities index options upon which a constant three-month volatility index is calculated.

(b) *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, because the proposed increase in the number of options contract expiration month series is limited to broad-based securities indexes upon which a constant three-month volatility index is calculated and because the additional quote and message traffic from any additional index option series is not expected to significantly impact current system capacity. The Exchange further believes that the proposal is consistent with Section 6 of the Act,[7] in general, and furthers the objectives of Section 6(b)(5),[8] 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 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 that is not necessary or appropriate in furtherance of the purposes of the 1934 Act.

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[5] 15 U.S.C. 78f(b).
[6] 15 U.S.C. 78f(b)(5).
[7] 15 U.S.C. 78f(b).
[8] 15 U.S.C. 78f(b)(5).

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.[9]

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

(a) This filing is made pursuant to Paragraph (A) of Section 19(b)(3) of the Act and Commission Rule 19b-4(f)(6) thereunder.

(b) The proposed rule change effects a change 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) 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. The Exchange requests that the Commission waive the 30-day waiting period for the proposed rule to become operative so that the Exchange may implement the proposal as soon as possible thereby permitting the addition of a seventh expiration index options contract month series for those broad-based securities indexes that calculate a constant three-month volatility index. The Exchange submits that immediate effectiveness is necessary for competitive purposes.

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

(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 based on CBOE Rule 24.9(a)(2), ISE Rule 2009(a)(3) and NYSEArca 5.19(a)(3).

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-2008-13)

Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing of Proposed Rule Change Related to Index Options Expiration Months Series

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act")[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on , 2008, the American Stock Exchange LLC (the "Amex" or the "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. 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 add new Commentary .05 to Rule 903C to allow the listing of up to seven expiration months for options on certain broad-based indexes.

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 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

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1 15 U.S.C. 78s(b)(1).
2 17 CFR 240.19b-4.

the places specified in Item IV below. The Exchange 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 proposes to add new Commentary .05 to Amex Rule 901C (Series of Stock Index Options) to allow the Exchange to list up to seven (7) expiration months for index options based on broad-based securities indexes (including reduced-value and jumbo) upon which a constant three-month volatility index is calculated. Currently, subparagraphs (i) and (ii) to Rule 901C(a) permit the Exchange to list only six (6) expiration months in any stock index option at any one time.

Volatility products offer investors a unique set of risk management tools for investors. Options on the Volatility Index ("VIX") introduced by the Chicago Board Options Exchange, Inc. ("CBOE") in February 2006 has been successful in attracting significant investor interest. The average daily trading volume for VIX Options is over 90,000 contracts per day. In addition, the Exchange submits that the CBOE expects to introduce additional options volatility products in the near future. The CBOE S&P 500 (the "S&P 500") Three-Month Volatility Index ("VXV") is expected to be the next volatility option to be introduced.[3] Similar to the VIX, the VXV is a measure of S&P 500 implied volatility--the volatility implied by S&P option prices--but instead of reflecting a constant one-month implied volatility period, VXV is designed to reflect the

[3] The CBOE calculates volatility indexes on other broad-based security indexes, such as the Dow Jones Industrial Average index ("DJX"), the Nasdaq-100 index ("NDX"), and the Russell 2000 index ("RUT"). In addition, the CBOE may calculate a constant three-month volatility index on DJX, NDX, or RUT in the future. *See* Securities Exchange Act Release No. 56821 (November 20, 2007), 72 FR 66210 (November 27, 2007) (SR-CBOE-2007-82)("CBOE Approval"). *See also* Securities Exchange Act Release Nos. 57284 (February 7, 2008), 73 FR 8387 (February 13, 2008) (SR-NYSEArca-2008-16) and 57104 (January 4, 2008), 73 FR 2070 (January 11, 2008)(SR-ISE-2007-113).

implied volatility of an option with a constant three-months to expiration. Since there is only one day on which an option has exactly three-months to expiration, VXV is calculated as a weighted average of options expiring immediately before and immediately after the three-month standard. Accordingly, the Exchange submits that an index calculator would be required to use four (4) consecutive expiration months in order to calculate a constant three-month volatility index.

Under the current application of subparagraphs (i) and (ii) of Amex Rule 901C(a), the Exchange generally lists three (3) consecutive near term expiration month series and three (3) cycle month series based on a quarterly expiration cycle. One of the three (3) consecutive near term expiration month series is always a quarterly month; however, that near term contract month series (which is also a quarterly month) is not included as part of the three (3) months listed on a quarterly expiration cycle. Therefore, in order to permit the addition of four (4) consecutive near term expiration month series under Rule 901C(a), the Exchange would only be able to list two (2) months on a quarterly expiration cycle. Because of customer demand and other investment strategy reasons for having three (3) months on a quarterly expiration cycle, the Exchange is seeking to increase, from six to seven, the number of expiration month series for broad-based securities index options upon which a constant three-month volatility index is calculated.

Proposed Commentary .05 to Rule 901C would permit the Exchange to list up to seven (7) expiration months at any one time for any broad-based securities index option contract[4] upon which any exchange calculates a constant three-

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[4] *See* Amex Rule 900C(b)(1). Examples of such broad-based securities indexes include the S&P 500, DJX, NDX and RUT.

month volatility index. As a result, the Exchange, eight times a year, would be able to add an additional seventh expiration month in order to maintain four consecutive near term contract months.[5]

The Exchange believes that this proposal is necessary for competitive reasons based on the fact that the CBOE, International Securities Exchange, Inc. and NYSEArca, Inc. all have the ability to list up to seven (7) expiration months for broad-based securities indexes on which a constant three-month volatility index is calculated.[6] This proposal will similarly permit the Amex to accommodate the listing of a fourth consecutive near term expiration month and maintain the listing of three months on a quarterly expiration cycle, by increasing, from six to seven, the number of expiration months for broad-based securities indexes on which a constant three-month volatility index is calculated.

The Amex has analyzed its capacity and represents that it believes the Exchange and the Options Price Reporting Authority (OPRA) have the necessary systems capacity to handle any additional quote and message traffic associated with the additional listing of a seventh contract month in order to maintain four consecutive near term contract months for those broad-based securities index options upon which a constant three-month volatility index is calculated.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act,[7] in general, and furthers the objectives of Section 6(b)(5),[8] in

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5 *See* CBOE Approval, *supra* note 3, for examples illustrating the need for a seventh month in order to maintain four consecutive near term contract months.

6 *Id.*

7 15 U.S.C. 78f(b).

particular, because the proposed increase in the number of options contract expiration month series is limited to broad-based securities indexes upon which a constant three-month volatility index is calculated and because the additional quote and message traffic from any additional index option series is not expected to significantly impact current system capacity. The Exchange further believes that the proposal is consistent with Section 6 of the Act,[9] in general, and furthers the objectives of Section 6(b)(5),[10] 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 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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)[11] of the Securities Exchange Act of 1934 and Rule 19b-4(f)(6)[12] under the Act because: (i)

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8 15 U.S.C. 78f(b)(5).
9 15 U.S.C. 78f(b).
10 15 U.S.C. 78f(b)(5).
11 15 U.S.C. Section 78s(b)(3)(A).

it does not significantly affect the protection of investors or the public interest; (ii) it does not impose any significant burden on competition; and (iii) by its terms, it 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; provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change. 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.

The Amex has requested that the Commission waive the 30-day pre-operative waiting period. The Commission finds good cause to waive the 30-day pre-operative waiting period and to designate the proposal to become immediately operative upon filing, because such waiver and designation is consistent with the protection of investors and the public interest. The proposal is substantially similar to CBOE Rule 24.9(a)(2), ISE Rule 2009(a)(3) and NYSEArca Rule 5.19(a)(3) and would accordingly permit the Exchange to list up to seven (7) expiration months for any broad-based securities index option contract upon which any exchange calculates a constant three-month volatility index. Waiver of the 30-day pre-operative waiting periods will permit the Exchange to implement the proposed rule change as soon as possible mirroring the rules of the CBOE, ISE and NYSEArca. In addition, immediate effectiveness will also permit the Exchange not to be put at a competitive disadvantage given the recent approvals of

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[12] 17 CFR 240.19b-4(f)(6).

comparable CBOE, ISE and NYSEArca proposals. For these reasons, the Commission finds good cause to waive the 30-day operative waiting periods, and to designate that the proposal become operative immediately.[13]

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–2008–12 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–2008–12. 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

[13] For purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

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 Street, NE, 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–2008–12 and should be submitted on or before [insert date 21 days from date of publication].

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.[14]

Nancy M. Morris
Secretary

Dated:

[14] 17 CFR 200.30-3(a)(12).

SR Amex 2008-13
EXHIBIT 5

AMERICAN STOCK EXCHANGE LLC
Proposed Rule Change

It is proposed that the following provisions of the rules of the American Stock Exchange LLC be amended as set forth below. Additions are <u>underlined</u> and deletions are [bracketed].

Series of Stock Index Options

Rule 903C. (a) through (c). No Change

• • • ***Commentary*** ------------------

.01 through **.04**. No Change

<u>**.05** Notwithstanding the restrictions set forth in subparagraphs (i) and (ii) of this Rule 903C(a), the Exchange may list up to seven expiration months at any one time for any broad-based securities index (See Rule 900C(b)(1)) option contract upon which any exchange calculates a constant three-month volatility index.</u>