Section 141 of the Amex Company Guide provides that an annual fee of $3,500 is payable in January of each year for Bonds and Debentures. The Exchange notes that its Bonds and Debentures are primarily structured products (*e.g.,* notes with returns tied to the performance of an underlying index, basket of commodities, *etc.*). The increased annual fees will be applicable to Bonds and Debentures currently listed as well as new listings. The increased fees will be assessed commencing January 2007. Beginning January 2007, the increased fees will be payable by all issuers of Bonds and Debentures.

The Exchange asserts that the proposed fee increase will allow Amex to better recoup its costs in connection with the delivery of services relating to the trading of Bonds and Debentures. The Exchange believes that the proposed increase in annual fees will provide approximately $250,000 of additional revenue to Amex for the 2007 calendar year.

The Exchange notes that the analogous New York Stock Exchange LLC (''NYSE'') and NYSE Arca, L.L.C. (''NYSE Arca Marketplace'') fees applicable to structured products and The Nasdaq Stock Market, Inc. fees applicable to other securities are $5,000, $5,000 and $15,000, respectively.[6] Accordingly, Amex believes that the proposed fee increase will have a minimal impact on volume but will provide additional revenue needed for the Exchange to effectively compete.

The Exchange notes that in recent years it has revised a number of fees to better align its fees with the actual cost of delivering services.[7] Amex believes that the increased fees will help to allocate to those market participants trading in Bonds and Debentures a fair share of the related costs of offering such products.

2. Statutory Basis

The Exchange believes that the proposal is equitable as required by Section 6(b)(4) of the Act.[8] The Exchange notes that charging an increased annual fee commencing January 2007 to issuers of Bonds and Debentures is reasonable given the competitive pressures in the industry. Accordingly, the Exchange seeks through this proposal to better align its transaction charges with the cost of providing products.

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

The Exchange believes that the proposed rule change will 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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

(A) By order approve such proposed rule change, as amended, or

(B) Institute proceedings to determine whether the proposed rule change, as amended, should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, 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 Number SR–Amex–2006–20 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–Amex–2006–20. 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 the 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–2006–20 and should be submitted on or before May 26, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[9]

Nancy M. Morris,

Secretary.

[FR Doc. E6–6777 Filed 5–4–06; 8:45 am]

BILLING CODE 8010–01–P

[6] *See* NYSE Listed Company Manual Section 902.05 (Fees for Listing Structured Products); NYSE Arca Marketplace Annual Listing Maintenance Fee for Structured Products; NASD Rule 4530(b) (Other Securities, Annual Fee).

[7] *See* Securities Exchange Act Release No. 45360 (January 29, 2002), 67 FR 5626 (February 6, 2002); Securities Exchange Act Release No. 44286 (May 9, 2001), 66 FR 27187 (May 16, 2001).

[8] 15 U.S.C. 78f(b)(4). Section 6(b)(4) of the Act 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.''

[9] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–53747; File No. SR–MSRB–2005–11]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing of Amendment No. 2 to Proposed Rule Change Relating to Definition of Solicitation Under MSRB Rules G–37 and G–38

May 1, 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 March 17, 2006, the Municipal Securities Rulemaking Board (''MSRB'' or ''Board'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') Amendment No. 2 to the proposed rule change as described

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

[2] 17 CFR 240.19b–4.

in Items I, II, and III below, which Items have been substantially prepared by the MSRB. The proposed rule change, incorporating Amendment No. 1 (the ''original proposed rule change''), was published for comment in the **Federal Register** on December 20, 2005.[3] The Commission received one comment letter regarding the proposal.[4] The Commission is publishing this notice to solicit comments on the proposed rule change, as amended by Amendment No. 2, from interested persons.

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

In response to comments on the original proposal, the MSRB is proposing Amendment No. 2 to the original proposed rule change. The original proposed rule change consists of an interpretive notice relating to the definition of solicitation for purposes of Rule G–37, on political contributions and prohibitions of municipal securities business, and Rule G–38, on solicitation of municipal securities business. The original proposed rule change, as amended by Amendment No. 2, is hereinafter referred to as the ''Solicitation Guidance.'' The text of Amendment No. 2 is available on the MSRB's Web site (*http://www.msrb.org*), at the MSRB's principal office, and at the Commission's Public Reference Room. The discussion section of this notice focuses on the changes made in Amendment No. 2. For an explanation of the original proposed rule change, see the release cited in footnote 3.

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 MSRB 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 MSRB has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The MSRB previously filed the original proposed rule change to provide guidance on the definition of ''solicitation'' as used in Rules G–37 and G–38. Among other things, the original proposed rule change incorporated, by means of footnote 2 thereof and the text accompanying such footnote, guidance on the meaning of solicitation under Rule G–37 previously provided in certain Question and Answer interpretations (the ''Rule G–37 solicitation Qs&As''). In response to comments received by the Commission from a commentator on the original proposed rule change,[5] the MSRB has determined to file Amendment No. 2 and simultaneously withdraw the Rule G–37 solicitation Qs&As. The MSRB has also determined to withdraw simultaneously obsolete guidance previously provided in Question and Answer interpretations under former Rule G–38 relating to consultants (the ''former Rule G–38 Qs&As'') since, as a result of the adoption of current Rule G–38 in 2005, the consultant provisions to which the former Rule G–38 Qs&As relate have been superseded and are no longer in effect.[6]

The commentator on the original proposed rule change stated that, in certain respects, the guidance on solicitation and related matters provided in the original proposed rule change may not be wholly consistent with guidance previously provided by the MSRB and that such prior guidance should be withdrawn. The commentator noted in particular an apparent inconsistency between the original proposed rule change and a former Rule G–38 Q&A published on March 4, 1999 relating to circumstances where joint ventures between dealers might give rise to one of the dealers being considered a consultant under former Rule G–38.

The MSRB agrees that it would be appropriate to consolidate its guidance on the definition of solicitation for purposes of Rules G–37 and G–38 in the Solicitation Guidance and therefore is filing Amendment No. 2. Amendment No. 2 deletes the footnote in the original proposed rule change referencing the Rule G–37 Solicitation Qs&As (which are being withdrawn in the companion proposed rule change) and instead inserts the substantive language of such Qs&As into the text of the Solicitation Guidance. Amendment No. 2 and the withdrawal of the Rule G–37 solicitation Qs&As and former Rule G–38 Qs&As do not effect a substantive change in the MSRB's guidance on the definition of solicitation as set forth in the original proposed rule change.

With respect to the commentator's discussion of former Rule G–38 Q&A of March 4, 1999, the range of professionals covered by the final paragraph of the Solicitation Guidance relating to communications by non-affiliated professionals is broader than the range of professionals previously designated within an exception to the definition of consultant under former Rule G–38.[7] Such professionals would not be subject to current Rule G–38 under the Solicitation Guidance only so long as they are not being paid directly or indirectly by the dealer for communicating with an issuer for the purpose of obtaining or retaining municipal securities business for the dealer (*i.e.*, the professionals are paid solely for the provision of professional services with respect to the business). Professional services provided by a non-affiliated person in connection with municipal securities business for which payments may be made under the final paragraph of the Solicitation Guidance must in fact constitute *bona fide* services and not be illusory in nature. Finally, the MSRB notes that the application of the Solicitation Guidance is dependent upon the specific facts and circumstances and the MSRB has no opinion on how the Solicitation Guidance would be applied in any particular scenario.

2. Statutory Basis

The MSRB believes that the proposed rule change, as amended by Amendment No. 2, is consistent with Section 15B(b)(2)(C) of the Act,[8] which provides that the MSRB's rules shall:

> 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 municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in

[3] *See* Securities Exchange Act Release No. 52948 (December 13, 2005), 70 FR 75514.

[4] *See* letter to Jonathan G. Katz, Secretary, Commission, from Leslie M. Norwood, Vice President and Assistant General Counsel, The Bond Market Association, dated January 10, 2006.

[5] *See supra* note 4.

[6] *See* File No. SR–MSRB–2006–1 relating to the withdrawal of the Rule G–37 solicitation Qs&As and the former Rule G–38 Qs&As (the ''companion proposed rule change'').

[7] Former Rule G–38 identified only those persons providing legal, accounting or engineering advice as qualifying for the exception under appropriate conditions, whereas the Solicitation Guidance identifies those non-affiliated persons providing legal, accounting, engineering or other professional services as not being subject to current Rule G–38 under appropriate conditions.

[8] 15 U.S.C. 78o–4(b)(2)(C).

general, to protect investors and the public interest.

The MSRB believes that the original proposed rule change, as amended by Amendment No. 2, is consistent with the Act because it will further investor protection and the public interest by ensuring that dealers understand their obligations under MSRB rules designed to maintain standards of fair practice and professionalism, thereby helping to maintain public trust and confidence in the integrity of the municipal securities market.

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

The MSRB does not believe that the original proposed rule change, as amended by Amendment No. 2, will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act since it would apply equally to all dealers.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments on Amendment No. 2 were neither solicited nor received.

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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

A. By order approve such proposed rule change, or

B. Institute proceedings to determine whether the proposed rule change should be disapproved.

The MSRB has requested accelerated approval of the proposed rule change. The Commission is not granting accelerated approval at this time in order to allow interested persons to comment on this proposal and on the companion proposed rule change relating to the withdrawal of obsolete Question-and-Answer Interpretive Guidance under former Rule G–38, on consultants, and certain Question-and-Answer Interpretive Guidance relating to the definition of ''solicitation'' under Rule G–37, on political contributions and prohibition on municipal securities business.[9] The MSRB also requested that the Commission approve Amendment No. 2 and the original proposed rule change simultaneously with the companion proposed rule change. The Commission expects to consider these proposals simultaneously after the close of their respective comment periods.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, 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 Number SR–MSRB–2005–11 on the subject line.

Paper Comments

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–MSRB–2005–11. 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 MSRB's offices. 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-MSRB–2005–11 and should be submitted on or before May 26, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[10]

Nancy M. Morris,

Secretary.

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[9] *See* File No. SR–MSRB–2006–01.

[10] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–53746; File No. SR–MSRB–2006–01]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing of Proposed Rule Change and Amendment No. 1 Relating to Withdrawal of Obsolete Question-and-Answer Interpretive Guidance Under Former Rule G–38, on Consultants, and Certain Question-and-Answer Interpretive Guidance Relating to the Definition of ''Solicitation'' Under Rule G–37, on Political Contributions and Prohibitions on Municipal Securities Business

May 1, 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 March 28, 2006, the Municipal Securities Rulemaking Board (''MSRB'' or ''Board'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. On April 20, 2006, the MSRB 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 MSRB is filing with the Commission a proposed rule change to delete obsolete Question-and-Answer (''Q&A'') interpretive guidance under former Rule G–38, on consultants, and certain Q&A interpretive guidance relating to the definition of ''solicitation'' under Rule G–37, on

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

[2] 17 CFR 240.19b–4.

[3] Amendment No. 1 deletes one additional Q&A providing interpretive guidance under Rule G–37 and former Rule G–38.