

REG 2007-19

New Requirement for the Reporting of Consolidated Short Interest Positions

ISG Notice 07-01 - Attachment A

ISG Notice 07-01 - SRO Rules

On March 6, 2007, the Securities and Exchange Commission (SEC) approved Amex Rule 30A "Periodic Reports" which requires Members and Member Organizations to increase the frequency of short interest reporting for all securities from monthly to twice a month.¹ Amendments were also made to Amex Rule 7. Concurrently, all other U.S. securities marketplace members of the Intermarket Surveillance Group (ISG)² have also revised their short interest reporting requirements to correspond to the twice a month reporting cycle (See the attached [ISG Notice 07-01](#)). Since the amended short interest reporting requirements become effective 180-days after SEC approval to give Members and Member Organizations adequate time to make any changes necessary to comply with the new requirements, beginning in September 2007 all ISG SROs, including the Amex, will require Members and Member Organizations to submit short interest information twice a month.

The Mid-Month Short Interest Report will continue to be based on short positions³ held by Members on the settlement date of the 15th of each month. If the 15th falls on a weekend or another non-settlement date, the designated settlement date will be the previous business day on which transactions settled. The End-of-Month Short Interest Report will be based on short positions held on the last business day of the month on which transactions settle. The chart below summarizes the revised Short Interest Reporting Schedule for September 2007 through December 2007.

Be reminded that all Members and Member Organizations will continue to be required to report short positions in all securities they carry, irrespective of where the securities are listed.

It is not expected that the current reporting processes or reporting systems offered by the Amex will change other than requiring reporting twice a month.⁴

Questions concerning short interest reporting requirements may be directed to James Turnbull of NASD Amex Regulation 212-306-1526 or James Alaimo at 212-306-1540.

Technical or system questions should be directed to the Helpdesk at (800) 321-NASD.

Amex Short Interest Schedule September through December 2007

Trade Date	Settlement Date	Report Due to Amex	Amex Report Published
September 11 (Tuesday)	September 14 (Friday)	September 18 - 1:00 p.m. (Tuesday)	September 20 (Thursday)
September 25 (Tuesday)	September 28 (Friday)	October 2 - 1:00 p.m. (Tuesday)	October 4 (Thursday)
October 10 (Wednesday)	October 15 (Monday)	October 17 - 1:00 p.m. (Wednesday)	October 19 (Friday)
October 26 (Friday)	October 31 (Wednesday)	November 2 - 1:00 p.m. (Friday)	November 6 (Tuesday)
November 9 (Friday)	November 15 (Thursday)	November 19 - 1:00 p.m. (Monday)	November 21 (Wednesday)
November 27 (Tuesday)	November 30 (Friday)	December 4 - 1:00 p.m. (Tuesday)	December 6 (Thursday)
December 11 (Tuesday)	December 14 (Friday)	December 18 - 1:00 p.m. (Tuesday)	December 20 (Thursday)
December 26 (Wednesday)	December 31 (Monday)	January 3, 2008 - 1:00 p.m. (Thursday)	January 7, 2008 (Monday)

All Times: Eastern Time

Amex Rules

Rule 30A Periodic Reports - Short Positions

Every member organization shall submit, as required by the Exchange, periodic reports with respect to short positions in securities.

o o o Commentary -----

.01 Short positions.-Member organizations are required to report "short" positions, including odd lots, in each Amex-listed stock, warrant or other security treated as an equity, and in each other stock, warrant or other security treated as an equity not listed on the Exchange (and not otherwise reported to another self-regulatory organization), using such format and method as prescribed by the Exchange. Such reports must include customer and proprietary positions and must be made at such times and cover such time periods as may be designated by the Exchange.

For the purposes of this report, the term "customer" means any account other than the proprietary account of the reporting member organization.

"Short" positions to be reported are those resulting from "short sales" as that term is defined in Rule 200 of SEC Regulation SHO, but excluding positions resulting from sales specified in Securities Exchange Act Rule 10a-1(e) (1), (6), (7), (8) or (10). Also to be excluded are "short" positions carried for other members and member organizations reporting for themselves.

Only one report should be made for each stock, warrant or other security treated as an equity in which there is a short position. If more than one "account" has a short position in the same stock, warrant or other security treated as an equity, the combined aggregate should be reported.

NOTE: A member organization which does not carry customers' margin accounts and does not clear its own transactions may obtain an exemption from reporting by notifying the Exchange in writing.

Adopted. March 6, 2007 (Amex-2007-05).

Rule 7. Short Sales

No member or member organization shall for his or its own account or for the account of any other person effect on the Exchange any short sale of a security admitted to dealings on the Exchange unless such sale is based upon a sale in the unit of trading (1) at a price higher than the price at which the latest sale thereof, regular way, was effected on the Exchange, or (2) at such latest price and such price is above the latest different price at which a sale in the unit of trading of such security, regular way, was effected on the Exchange; provided, however, that transactions exempted or excepted by paragraph (e) or paragraph (f) of Rule 10a-1 or by Regulation SHO and any orders issued by the SEC pursuant to Regulation SHO, each under the Securities Exchange Act of 1934, are also exempted or excepted, as the case may be, from this Rule 7. See Rule 30A for short sale position reporting requirements.

Amendments.

June 1, 1970.
April 30, 1976.
June 19, 1978.
March 6, 2007 (Amex-2007-05).

o o o Commentary -----

.01 Members and member organizations should also refer to the SEC's short sale regulations, Securities Exchange Act Rule 10a-1 and Regulation SHO (including any SEC orders issued pursuant to Regulation SHO), in connection with all short sales effected on the Exchange.

.02 This Rule 7 does not apply to transactions on the Exchange in Nasdaq securities effected under Exchange Rule 118.

Amendments.

June 19, 1978.
November 20, 1980.
January 10, 1994.
January 18, 2002 (Amex-2001-79).
August 2, 2002 (Amex-2001-106).
December 30, 2004 (Amex-2004-104).
May 9, 2006 (Amex-2005-125).
August 23, 2006 (Amex-2006-73).
March 6, 2007 (Amex-2007-05).

¹Currently, the Amex requires members to report End-of-Month Short Interest for "ETF type products."

²Members of the ISG: American Stock Exchange LLC (Amex), Boston Stock Exchange, Inc. (BSE), Chicago Board Options Exchange, Inc. (CBOE), Chicago Stock Exchange, Inc. (CHX), International Securities Exchange (ISE), NASD, Inc. (NASD), The NASDAQ Stock Market LLC (NASDAQ), National Stock Exchange, Inc. (NSX), New York Stock Exchange, Inc. (NYSE), NYSE Arca, Inc. (NYSE Arca), and Philadelphia Stock Exchange, Inc. (PHLX) (collectively ISG SROs).

³Short positions to be reported are those resulting from short sales as the term is defined in SEC Rule 200 of Regulation SHO, subject to certain limited exceptions.

⁴In connection with the implementation of the changes to NASDAQ symbology, certain of the ISG SROs may have changes to their reporting processes or systems.