December 6, 2002

Mr. Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549

Re: File No. SR-Amex-2002-55

Dear Mr. Katz:

The Investment Company Institute\(^1\) appreciates the opportunity to comment on the proposed rule change filed by the American Stock Exchange ("Amex") instituting a pilot program relating to the listing standards applicable to closed-end investment companies registered under the Investment Company Act of 1940.\(^2\)

In particular, the proposed rule change would permit the initial listing of a closed-end fund with a market value of publicly held shares or net assets of at least $20,000,000. The proposed rule change also would permit the listing of a group of funds listed by a single "fund family"\(^3\) if: (1) the fund family has a total market value of publicly held shares or net assets of at least $75,000,000; (2) the closed-end funds in the fund family have an average market value of publicly held shares or net assets of at least $15,000,000; and (3) each closed-end fund in the fund family has a market value of publicly held shares or net assets of at least $10,000,000. The SEC has approved the proposal on a temporary basis for a five-month period ending on April 7, 2003.

The Institute supports the Amex proposal. The proposed rule change would facilitate the listing of closed-end funds on Amex, particularly for listings of a group of closed-end funds from a single fund family. As the Release notes, currently, closed-end funds are evaluated for listing pursuant to Amex's general listing standards. As the Institute has previously stated, the adoption of listing eligibility criteria for closed-end funds should take into account that they are

\(^{1}\) The Investment Company Institute is the national association of the American investment company industry. Its membership includes 8,955 open-end investment companies ("mutual funds"), 533 closed-end investment companies and 6 sponsors of unit investment trusts. Its mutual fund members have assets of about $6.216 trillion, accounting for approximately 95% of total industry assets, and 90.2 million individual shareholders.


\(^{3}\) For purposes of the proposed rule change, a "fund family" would be defined as funds with a common investment adviser or investment advisers who are "affiliated persons" as defined in Section 2(a)(3) of the Investment Company Act.
structured and regulated differently from regular operating companies. In view of these differences, it is appropriate to apply different financial standards to closed-end funds and regular operating companies.

The Institute appreciates the opportunity to comment on this proposal. Any questions regarding our comments may be directed to the undersigned at (202) 371-5408.

Sincerely,

Ari Burstein
Associate Counsel

cc: Paul F. Roye, Director
Division of Investment Management
Securities and Exchange Commission

Claudia Crowley
Assistant General Counsel - Listing Qualifications
American Stock Exchange

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