Proposed Rule Change by Philadelphia Stock Exchange
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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Description
Provide a brief description of the proposed rule change (limit 250 characters).

Imposing Licensing Fees in Connection with the Firm-Related Equity Option and Index Option Fee Cap

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 Cynthia  Last Name Hoekstra
Title Director
E-mail cynthia.hoekstra@phlx.com
Telephone (215) 496-5066  Fax (215) 496-6729

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.

Date 02/02/2006
By Cynthia Hoekstra  Director

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.

Cynthia HOekstra,
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.

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).

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.

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.

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.

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.

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**

The Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")\(^1\) and Rule 19b-4 thereunder,\(^2\) proposes to amend its schedule of fees to adopt a license fee of $0.10 for options traded on the following products: (1) State Street Global Advisors’, a division of State Street Bank and Trust Company (“SSGA”), streetTracks based on the Dow Jones & Co., Inc. ("Dow Jones”) Global Titans 50 Index\(^{SM}\), traded under the symbol DGT; (2) SSGA’s streetTracks based on the Dow Jones Wilshire 5000 Index\(^{SM}\), traded under the symbol TMW; (3) BGI’s iShares Dow Jones Select Dividend Index\(^{SM}\), traded under the symbol DVY; (4) iShares Dow Jones U.S. Total Market Index\(^{SM}\), traded under the symbol IYY; (5) iShares Dow Jones U.S. Basic Materials Index\(^{SM}\), traded under the symbol IWM; (6) iShares Dow Jones U.S. Consumer Services Sector Index\(^{SM}\), traded under the symbol IYC; (7) iShares Dow Jones U.S. Financial Sector Index\(^{SM}\), traded under the symbol IYF; (8) iShares Dow Jones U.S. Financial Services Sector Index\(^{SM}\), traded under the symbol IYG; (9) iShares Dow Jones U.S. Healthcare Sector Index\(^{SM}\), traded under the symbol IYH; (10) iShares Dow Jones U.S. Industrial Sector Index\(^{SM}\), traded under the symbol IYJ; (11) iShares Dow Jones U.S. Consumer Goods Sector Index\(^{SM}\), traded under the symbol IYK; (12) iShares Dow Jones U.S. Real Estate Sector Index\(^{SM}\), traded under the symbol IYR; (13) iShares Dow Jones U.S. Technology Sector Index\(^{SM}\), traded under the symbol IYW; (14) iShares Dow Jones U.S. Telecommunications Sector Index\(^{SM}\), traded under the symbol IYZ; (15) iShares Dow Jones U.S. Utilities Sector Index\(^{SM}\), traded under the symbol IDU; and (16) First Trust’s ETF based on the Dow Jones Select Microcap Index\(^{SM}\), traded under the symbol FDM.

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(collectively “Dow Jones products”)\(^4\) to be assessed per contract side for equity option “firm” transactions (comprised of equity option firm/proprietary comparison transactions, equity option firm/proprietary transactions and equity option firm/proprietary facilitation transactions). This license fee will be imposed only after the Exchange’s $60,000 “firm-related” equity option and index option comparison and transaction charge cap, described more fully below, is reached. Currently, the Exchange imposes a cap of $60,000 per member organization\(^5\) on all “firm-related” equity option and index option comparison and transaction charges combined.\(^6\)

Specifically, “firm-related” charges include equity option firm/proprietary comparison charges,\(^3\)

\(^3\) This fee will be charged to Exchange members.

\(^4\) “Dow Jones” and “SSGA’s streetTracks based on the Dow Jones Global Titans 50 Index\(^{SM}\), “SSGA’s streetTracks based on the Dow Jones Wilshire 5000 Index\(^{SM}\), “BGI’s iShares Dow Jones Select Dividend Index\(^{SM}\), “iShares Dow Jones U.S. Total Market Index\(^{SM}\), “iShares Dow Jones U.S. Basic Materials Index\(^{SM}\), “iShares Dow Jones U.S. Consumer Services Sector Index\(^{SM}\), “iShares Dow Jones U.S. Financial Sector Index\(^{SM}\), “iShares Dow Jones U.S. Financial Services Sector Index\(^{SM}\), “iShares Dow Jones U.S. Healthcare Sector Index\(^{SM}\), “iShares Dow Jones U.S. Industrial Sector Index\(^{SM}\), “iShares Dow Jones U.S. Consumer Goods Sector Index\(^{SM}\), “iShares Dow Jones U.S. Real Estate Sector Index\(^{SM}\), “iShares Dow Jones U.S. Technology Sector Index\(^{SM}\), “iShares Dow Jones U.S. Telecommunications Sector Index\(^{SM}\), “iShares Dow Jones U.S. Utilities Sector Index\(^{SM}\), and “First Trust’s ETF based on the Dow Jones Select Microcap Index\(^{SM}\), are service marks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by the Philadelphia Stock Exchange, Inc. The Dow Jones products are not sponsored, endorsed, sold or promoted by Dow Jones, and Dow Jones makes no representation regarding the advisability of investing in such product(s).

\(^5\) The firm/proprietary comparison or transaction charge applies to member organizations for orders for the proprietary account of any member or non-member broker-dealer that derives more than 35% of its annual, gross revenues from commissions and principal transactions with customers. Member organizations will be required to verify this amount to the Exchange by certifying that they have reached this threshold by submitting a copy of their annual report, which was prepared in accordance with Generally Accepted Accounting Principles (“GAAP”). In the event that a member organization has not been in business for one year, the most recent quarterly reports, prepared in accordance with GAAP, will be accepted. See Securities Exchange Act Release No. 43558 (November 14, 2000), 65 FR 69984 (November 21, 2000) (SR-Phlx-00-85).

equity option firm/proprietary transaction charges, equity option firm/proprietary facilitation transaction charges, index option firm/proprietary comparison charges, index option firm/proprietary transaction charges, and index option firm/proprietary facilitation transaction charges (collectively the “firm-related charges”). Thus, such firm-related charges in the aggregate for one billing month may not exceed $60,000 per month per member organization.

The Exchange also imposes a license fee of $0.10 per contract side for equity option and index option “firm” transactions on certain licensed products (collectively “licensed products”) after the $60,000 cap, as described above, is reached.\(^7\) Therefore, when a member organization exceeds the $60,000 cap (comprised of combined firm-related charges), the member organization is charged $60,000, plus license fees of $0.10 per contract side for any contracts in licensed products (if any) over those that were included in reaching the $60,000 cap. In other words, if the cap is reached, the $0.10 license fee is imposed on all subsequent equity option and index option firm transactions; these license fees are charged in addition to the $60,000 cap.

The Exchange proposes to adopt a $.10 license fee per contract side for the Dow Jones products for equity option firm transactions, which will be imposed after the $60,000 cap is reached in the same way as the current licensed product fees are assessed. Thus, when a member organization exceeds the $60,000 cap, the member organization will be charged $60,000 plus any applicable license fees for trades of licensed products, including the Dow Jones products, over those trades that were counted in reaching the $60,000 cap.\(^8\)

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\(^7\) For a complete list of the licensed products that are assessed a $.10 license fee per contract side after the $60,000 cap is reached, see $60,000 “Firm Related” Equity Option and Index Option Cap on the Exchange’s fee schedule. See also, Securities Exchange Act Release No. 52220 (August 5, 2005), 70 FR 46899 (August 11, 2005) (SR-Phlx-2005-49).

\(^8\) Consistent with current practice, when calculating the $60,000 cap, the Exchange first calculates all equity option and index option transaction and comparison charges for products without license fees and then equity option and index option transaction and comparison charges for products with license fees (i.e., QQQ license fees) that are assessed by the Exchange after the
This proposal is scheduled to become effective for transactions settling on or after February 2, 2006.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and a copy of the Exchange’s $60,000 Firm Related Equity Option and Index Option Cap Schedule is attached hereto as Exhibit 5.

2. Procedures of the Self-Regulatory Organization

The Executive Committee, pursuant to delegated authority, approved the proposal for filing with the Commission on September 30, 2004.

Questions and comments on the proposed rule change may be directed to Jurij Trypupenko, Director, at (215) 496-5079, Cynthia Hoekstra, Director, at (215) 496-5066, or Edith Hallahan, Deputy General Counsel, at (215) 496-5179.

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

a. Purpose

The purpose of assessing the Dow Jones products license fee of $.10 per contract side after reaching the $60,000 cap as described in this proposal is to help defray licensing costs associated with the trading of these products, while still capping member organizations’ fees enough to attract volume from other exchanges. The cap operates this way in order to offer an incentive for additional volume without leaving the Exchange with significant out-of-pocket costs.

b. **Statutory Basis**

The Exchange believes that its proposal to amend its schedule of dues, fees and charges is consistent with Section 6(b) of the Act\(^9\) in general, and furthers the objectives of Section 6(b)(4) of the Act\(^10\) in particular, in that it is an equitable allocation of reasonable dues, fees, and other charges among Exchange members.

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

The Phlx does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

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

No written comments were either solicited or received.

6. **Extension of Time Period for Commission Action**

The Exchange does not consent to an extension of the time period for Commission action.

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

The foregoing proposed rule change has been designated as a fee change pursuant to Section 19(b)(3)(A)(ii) of the Act\(^11\) and Rule 19b-4(f)(2)\(^12\) thereunder. Accordingly, the proposal will take effect upon filing with the Commission. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if

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\(^12\) 17 CFR 240.19b-4(f)(2).
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.

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

   The proposed rule change is similar to the rules of the Chicago Board Options Exchange, Inc. (“CBOE”).

9. **Exhibits**

   1. Notice of proposed rule for publication in the *Federal Register*.

   5. Exchange’s $60,000 Firm Related Equity Option and Index Option Cap Schedule.

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13 *See* Securities Exchange Act Release No. 49341 (March 1, 2004), 69 FR 10492 (March 5, 2004) (SR-CBOE-2004-08) (CBOE adopted a license fee of $0.10 per contract side for transactions in all licensed products other than the S&P 100® Index Options (OEX) that is imposed on transactions in these products by member organizations that reach the CBOE’s monthly fee cap).
Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-Phlx-2006-10)

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Imposing Licensing Fees in Connection With the Firm-Related Equity Option and Index Option Fee Cap

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 ______________________ 2006, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") 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 Phlx. 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 Phlx, pursuant to Section 19(b)(1) of the Act³ and Rule 19b-4 thereunder,⁴ proposes to amend its schedule of fees to adopt a license fee of $.10 for options traded on the following products:⁵ (1) State Street Global Advisors’, a division of State Street Bank and Trust Company ("SSGA"), streetTracks based on the Dow Jones & Co., Inc. ("Dow Jones") Global Titans 50 IndexSM, traded under the symbol DGT; (2) SSGA’s

⁵ This fee will be charged to Exchange members.
streetTracks based on the Dow Jones Wilshire 5000 IndexSM, traded under the symbol TMW; (3) BGI’s iShares Dow Jones Select Dividend IndexSM, traded under the symbol DVY; (4) iShares Dow Jones U.S. Total Market IndexSM, traded under the symbol IYY; (5) iShares Dow Jones U.S. Basic Materials IndexSM, traded under the symbol IWM; (6) iShares Dow Jones U.S. Consumer Services Sector IndexSM, traded under the symbol IYC; (7) iShares Dow Jones U.S. Financial Sector IndexSM, traded under the symbol IYF; (8) iShares Dow Jones U.S. Financial Services Sector IndexSM, traded under the symbol IYG; (9) iShares Dow Jones U.S. Healthcare Sector IndexSM, traded under the symbol IYH; (10) iShares Dow Jones U.S. Industrial Sector IndexSM, traded under the symbol IYJ; (11) iShares Dow Jones U.S. Consumer Goods Sector IndexSM, traded under the symbol IYK; (12) iShares Dow Jones U.S. Real Estate Sector IndexSM, traded under the symbol IYR; (13) iShares Dow Jones U.S. Technology Sector IndexSM, traded under the symbol IYW; (14) iShares Dow Jones U.S. Telecommunications Sector IndexSM, traded under the symbol IYZ; (15) iShares Dow Jones U.S. Utilities Sector IndexSM, traded under the symbol IDU; and (16) First Trust’s ETF based on the Dow Jones Select Microcap IndexSM, traded under the symbol FDM, (collectively “Dow Jones products”)

to be assessed per contract side for equity option “firm” transactions (comprised of equity option firm/proprietary comparison transactions, equity option firm/proprietary transactions and equity option firm/proprietary facilitation transactions). This license fee will be imposed only after the Exchange’s $60,000 “firm-related” equity option and index option comparison and transaction charge cap, described more fully below, is reached.

Currently, the Exchange imposes a cap of $60,000 per member organization on all “firm-related” equity option and index option comparison and transaction charges combined. Specifically, “firm-related” charges include equity option firm/proprietary comparison charges, equity option firm/proprietary transaction charges, equity option firm/proprietary facilitation transaction charges, index option firm/proprietary comparison charges, index option firm/proprietary transaction charges, and index option firm/proprietary facilitation transaction charges (collectively the “firm-related charges”). Thus, such firm-related charges in the aggregate for one billing month may not exceed

Dow Jones products are not sponsored, endorsed, sold or promoted by Dow Jones, and Dow Jones makes no representation regarding the advisability of investing in such product(s).

7 The firm/proprietary comparison or transaction charge applies to member organizations for orders for the proprietary account of any member or non-member broker-dealer that derives more than 35% of its annual, gross revenues from commissions and principal transactions with customers. Member organizations will be required to verify this amount to the Exchange by certifying that they have reached this threshold by submitting a copy of their annual report, which was prepared in accordance with Generally Accepted Accounting Principles (“GAAP”). In the event that a member organization has not been in business for one year, the most recent quarterly reports, prepared in accordance with GAAP, will be accepted. See Securities Exchange Act Release No. 43558 (November 14, 2000), 65 FR 69984 (November 21, 2000) (SR-Phlx-00-85).

$60,000 per month per member organization.

The Exchange also imposes a license fee of $0.10 per contract side for equity option and index option “firm” transactions on certain licensed products (collectively “licensed products”) after the $60,000 cap, as described above, is reached. Therefore, when a member organization exceeds the $60,000 cap (comprised of combined firm-related charges), the member organization is charged $60,000, plus license fees of $0.10 per contract side for any contracts in licensed products (if any) over those that were included in reaching the $60,000 cap. In other words, if the cap is reached, the $0.10 license fee is imposed on all subsequent equity option and index option firm transactions; these license fees are charged in addition to the $60,000 cap.

The Exchange proposes to adopt a $.10 license fee per contract side for the Dow Jones products for equity option firm transactions, which will be imposed after the $60,000 cap is reached in the same way as the current licensed product fees are assessed. Thus, when a member organization exceeds the $60,000 cap, the member organization will be charged $60,000 plus any applicable license fees for trades of licensed products, including the Dow Jones products, over those trades that were counted in reaching the $60,000 cap.  

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9 For a complete list of the licensed products that are assessed a $.10 license fee per contract side after the $60,000 cap is reached, see $60,000 “Firm Related” Equity Option and Index Option Cap on the Exchange’s fee schedule. See also, Securities Exchange Act Release No. 52220 (August 5, 2005), 70 FR 46899 (August 11, 2005) (SR-Phlx-2005-49).

10 Consistent with current practice, when calculating the $60,000 cap, the Exchange first calculates all equity option and index option transaction and comparison charges for products without license fees and then equity option and index option transaction and comparison charges for products with license fees (i.e., QQQ license fees) that are assessed by the Exchange after the $60,000 cap is reached. See Securities Exchange Act.
This proposal is scheduled to become effective for transactions settling on or after February 2, 2006.

A copy of the Exchange’s $60,000 Firm Related Equity Option and Index Option Cap Schedule is attached hereto as Exhibit 5.

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 Phlx 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 Phlx 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 purpose of assessing the Dow Jones products license fee of $.10 per contract side after reaching the $60,000 cap as described in this proposal is to help defray licensing costs associated with the trading of these products, while still capping member organizations’ fees enough to attract volume from other exchanges. The cap operates this way in order to offer an incentive for additional volume without leaving the Exchange with significant out-of-pocket costs.

2. **Statutory Basis**

The Exchange believes that its proposal to amend its schedule of dues, fees and charges is consistent with Section 6(b) of the Act\(^\text{11}\) in general, and furthers the objectives of Section 6(b)(4) of the Act\(^\text{12}\) in particular, in that it is an equitable allocation of reasonable dues, fees, and other charges among Exchange members.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition 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 either solicited or received.

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

The foregoing proposed rule change has been designated as a fee change pursuant to Section 19(b)(3)(A)(ii) of the Act\(^\text{13}\) and Rule 19b-4(f)(2)\(^\text{14}\) thereunder. Accordingly, the proposal will take effect upon filing with the Commission. 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.

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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 rule-comments@sec.gov. Please include File Number SR-
  Phlx-2006-10 on the subject line.

Paper comments:

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and
  Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609.

All submissions should refer to File Number SR-Phlx-2006-10. 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
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 Phlx. 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-Phlx-2006-10 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.\textsuperscript{15}

\begin{flushright}
Margaret H. McFarland
Deputy Secretary
\end{flushright}

\textsuperscript{15} 17 CFR 200.30-3(a)(12).
New Text Underlined; Deleted Text Bracketed

$60,000 “FIRM RELATED” EQUITY OPTION AND INDEX OPTION CAP

“Firm related” transaction and comparison charges for equity and index options, in the aggregate, for one billing month will not exceed $60,000 per month, per member organization, except when a member organization who trades QQQ, IWF, IWM, IWN, IWO, IWP, IWS, NYC, NY, SPY, SHY, IEF, TLT, AGG, TIP, KSX, KIX, BKX, OEF, IEV, IOO, IXC, IXG, IXJ, IXN, IXP, ILF, IJH, IJR, ITF, IVV, XLI, XLK, XLU, XLP, XLE, XLF, XLV, XLB, XLY, MDY, KRX, [and] MFX, DGT, TMW, DVY, IYY, IWM, IYC, IYF, IYG, IYH, IYJ, IYK, IYR, IYW, IYZ, IDU and FDM options exceeds the $60,000 cap, a license fee of $0.10 per contract side will be in addition, once the cap is reached. When calculating the $60,000 cap, all equity option and index option transaction and comparison charges for products without license fees are calculated first and then equity option and index option transaction and comparison charges for products with license fees that are assessed by the Exchange after the $60,000 cap is reached are calculated.

QXC, QCE and FXI Options are not subject to the $60,000 cap described above.

See Appendix A for additional fees.

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“Dow Jones” and “SSGA’s streetTracks based on the Dow Jones Global Titans 50 IndexSM”, “SSGA’s streetTracks based on the Dow Jones Wilshire 5000 IndexSM”, “BGI’s iShares Dow Jones Select Dividend IndexSM”, “iShares Dow Jones U.S. Total Market IndexSM”, “iShares Dow Jones U.S. Basic Materials IndexSM”, “iShares Dow Jones U.S. Consumer Services Sector IndexSM”, “iShares Dow Jones U.S. Financial Sector IndexSM”, “iShares Dow Jones U.S. Financial Services Sector IndexSM”, “iShares Dow Jones U.S. Healthcare Sector IndexSM”, “iShares Dow Jones U.S. Industrial Sector IndexSM”, “iShares Dow Jones U.S. Consumer Goods Sector IndexSM”, “iShares Dow Jones U.S. Real Estate Sector IndexSM”, “iShares Dow Jones U.S. Technology Sector IndexSM”, “iShares Dow Jones U.S. Telecommunications Sector IndexSM”, “iShares Dow Jones U.S. Utilities Sector IndexSM”, and “First Trust’s ETF based on the Dow Jones Select Microcap IndexSM”, are service marks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by the Philadelphia Stock Exchange, Inc. The Dow Jones products are not sponsored, endorsed, sold or promoted by Dow Jones, and Dow Jones makes no representation regarding the advisability of investing in such product(s).