Proposed Rule Change by Philadelphia 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) Rule

Pilot

Extension of Time Period for Commission Action

Date Expires

☐ 19b-4(f)(1) ☐ 19b-4(f)(4)

☐ 19b-4(f)(2) ☐ 19b-4(f)(5)

☐ 19b-4(f)(3) ☐ 19b-4(f)(6)

Description

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

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 04/10/2006

By Cynthia Hoekstra Director

(Note)

(delete)

Cynthia Hoekstra,

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.
<table>
<thead>
<tr>
<th><strong>Form 19b-4 Information</strong></th>
<th>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.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exhibit 1 - Notice of Proposed Rule Change</strong></td>
<td>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)</td>
</tr>
<tr>
<td><strong>Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Exhibit 3 - Form, Report, or Questionnaire</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Exhibit 4 - Marked Copies</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Exhibit 5 - Proposed Rule Text</strong></td>
<td>The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 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.</td>
</tr>
<tr>
<td><strong>Partial Amendment</strong></td>
<td>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.</td>
</tr>
</tbody>
</table>
Partial Amendment

The Exchange proposes to amend SR-Phlx-2006-22 to clarify on Exhibit 5 that the Exchange is increasing the Linkage Principal Order (“P Order) fee from $.15 to $.25 per contract. The Linkage Principal Acting as Agent (“P/A Order”) fee will remain unchanged at $.15 per contract. Thus, the P Order and P/A order fees will now be listed separately on the Exchange’s Summary of Equity Option Charges in order to clearly reflect the proposed increase to the P Order fee.
**Exhibit 4**

*Bolded text indicates additions to and deletions from the immediately preceding filing.*

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**New Text Underlined; Deleted Text Bracketed**

**SUMMARY OF EQUITY OPTION CHARGES (p. 2/6)**

**OPTION TRANSACTION CHARGE**

* * * *

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linkage “P” [and “P/A”] Orders</td>
<td>$.[1]25 per contract</td>
</tr>
<tr>
<td><strong>Linkage “P/A” Orders</strong>^13</td>
<td><strong>$ .15 per contract</strong></td>
</tr>
</tbody>
</table>

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No further changes are being made to the Exchange’s Summary of Equity Option Charges pursuant to this proposal.

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^13 Fees for Linkage “P” and “P/A” Orders are subject to a pilot program scheduled to expire July 31, 2006.
Exhibit 5

New Text Underlined; Deleted Text Bracketed

SUMMARY OF EQUITY OPTION CHARGES (p. 2/6)

OPTION TRANSACTION CHARGE

* * * * *

<table>
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<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linkage “P” [and “P/A”] Orders</td>
<td>$1.25 per contract</td>
</tr>
<tr>
<td>Linkage “P/A” Orders</td>
<td>$0.15 per contract</td>
</tr>
</tbody>
</table>

No further changes are being made to the Exchange’s Summary of Equity Option Charges pursuant to this proposal.

Footnote:

13 Fees for Linkage “P” and “P/A” Orders are subject to a pilot program scheduled to expire July 31, 2006.