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)

Pilot Extension of Time Period for Commission Action Date Expires

Rule

☑ 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 04/18/2006
By Cynthia Hoekstra

(Note)

Director

(Note)

Cynthia HOekstra,
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: (1) adopt fees associated with the implementation of an electronic registration process through the National Association of Securities Dealers, Inc. ("NASD") Web Central Registration Depository ("Web CRD");\(^3\) and (2) amend the Exchange’s fee schedule to reflect various changes to Registered Representative Registration fees in connection with the implementation of Web CRD.

Specifically, the Exchange proposes to adopt the following NASD fees that will be imposed in connection with participation in Web CRD: (a) an NASD CRD Processing Fee of $85.00; (b) an NASD Disclosure Processing Fee of $95.00; (c) an NASD Annual System Processing Fee of $30.00; and (d) fingerprinting fees which vary depending on the submission: for a first card submission the fee will be $35.00; for a second card submission the fee will be $13.00; for a third card submission the fee will be $35.00; and for processing fingerprint results where the member had prints processed through a self-regulatory organization and not the NASD, the fee will be $13.00. The NASD will process the fingerprint cards and will make the results available to the Exchange, its members, and member and participant organizations via Web CRD.

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\(^3\) The Exchange notified the members regarding the migration to Web CRD on February 21, 2006, March 7, 2006, March 27, 2006 and April 10, 2006.
The Exchange is also proposing to assess its fees that are currently referred to on the Exchange’s fee schedule as Registered Representative Registration fees to certain Exchange members designated on Form U4, Uniform Application for Securities Industry Registration or Transfer, as Member Exchange and to Off-Floor Traders. Therefore, the initial fee of $55.00, the renewal fee of $55.00 annually, the transfer fee of $55.00 and the termination fee of $30.00 will be assessed on Registered Representatives, Member Exchange and Off-Floor Traders.

In connection with the above-referenced fees, the Exchange is proposing to make minor, technical changes to Appendix A of its fee schedule for purposes of clarity. The Examinations Fee is being relocated on Appendix A of the fee schedule to group this fee

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4 Registered Representative categories include registered options principals, general securities representatives, general securities sales supervisors and United Kingdom limited general securities registered representatives and shall not apply to “off-floor” traders, as defined in Phlx Rule 604(e). See also, Exchange Rule 604(a) and (d).

5 The Member Exchange category refers to Exchange permit holders.

6 Every person who is compensated directly or indirectly by a member or participant organization for which the Exchange is the Designated Examining Authority or any other associated person of such member or participant organization, and who executes, makes trading decisions with respect to, or otherwise engages in proprietary or agency trading of securities, including, but not limited to, equities, preferred securities, convertible debt securities or options off the floor of the Exchange (“Off-Floor Traders”), must successfully complete the Uniform Registered Representative Examination Series 7. See Exchange Rule 604.

7 The $55.00 initial registration fee and annual renewal fee are charged once per registered individual and are not charged per individual registration category. For example, if a person works for a member organization and requests to be registered as an ME and a Series 7 general securities registered representative, the NASD will collect only one Phlx initial registration fee of $55.00. Further, a person registered in multiple categories with a single member organization will be charged a single Phlx annual $55.00 renewal fee and not $55.00 per registration category.
with similar fees and the categories of Member Exchange and Off-Floor Traders are being added to the currently named Registered Representative Registration fee.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, a copy of the applicable section of Appendix A indicating additions to or deletions from the immediately preceding filing is attached hereto as Exhibit 4, and a copy of the applicable section of Appendix A of the Exchange’s schedule of fees 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 Securities and Exchange Commission (“SEC” or “Commission”) on August 11, 2005.

Questions and comments on the proposed rule change may be directed to Cynthia Hoekstra, Counsel, at (215) 496-5066, or Edith Hallahan, First Vice President and Deputy General Counsel, Phlx, 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 the proposed rule change is to adopt fees associated with the implementation of an electronic registration process through NASD’s Web CRD, which

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8 The Commission has approved a proposed rule change filed by the Exchange to use the NASD’s Web CRD system as the mechanism for submitting required Forms U4, Uniform Application for Securities Industry Registration or Transfer, and Forms U5, Uniform Termination Notice for Securities Industry Registration. The period from April 10, 2006 to May 11, 2006 has been designated as a phase-in period, which will permit manual filing in case there is a problem with filing via Web CRD. On May 12, 2006, the use of Web CRD will become mandatory. See Securities Exchange Act Release No. 53612 (April 6, 2006), 71 FR 18798 (April 12, 2006) (SR-Phlx-2006-15).
should, in turn, create a more efficient registration process by migrating from a manual paper-based Exchange procedure for registration to a web-based registration process that is operated by the NASD. The proposed fees are similar to those fees charged by other Self-Regulatory Organizations that use NASD’s Web CRD.⁹

The purpose of adopting the Member Exchange and Off-Floor Trader fees is to help offset the Exchange’s increased costs relating to its regulatory oversight and enforcement programs.

Members and member and participant organizations will be instructed to pay the NASD fees associated with Web CRD as well as any Registered Representative/Member Exchange/Off-Floor Trader Registration fees directly to the NASD through Web CRD. NASD will retain the NASD fees and remit the Registered Representative/Member Exchange/Off-Floor Trader Registration fees it collects to Phlx.

Finally, additional modifications are being made to the fee schedule to group similar fees together for ease of reference.

The purpose of Amendment Number One is to make clarifying changes to the proposal, including the rule text.

b. Statutory Basis

The Exchange believes that its proposal to amend its schedule of fees is consistent with Section 6(b) of the Act¹⁰ in general, and furthers the objectives of Section 6(b)(4) of

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the Act\textsuperscript{11} in particular, in that it is an equitable allocation of reasonable fees 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 establishes or changes a due, fee, or other charge applicable only to a member pursuant to Section 19(b)(3)(A)(ii) of the Act\textsuperscript{12} and Rule 19b-4(f)(2)\textsuperscript{13} 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 in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.


\textsuperscript{13} 17 CFR 240.19b-4(f)(2).
8. **Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission**

The proposed rule change is based in part on the rules of the Pacific Exchange, Inc., American Stock Exchange LLC and New York Stock Exchange, Inc.

9. **Exhibits**

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

4. Applicable section of Appendix A of the Exchange’s schedule of fees indicating additions to or deletions from the immediately preceding filing.

5. Applicable section of Appendix A of the Exchange’s schedule of fees.\(^\text{15}\)


\(^{15}\) Appendix A reflects recent changes made to the Exchange’s fee schedule, which were filed with the Commission on March 31, 2006. See SR-Phlx-2006-23.
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 Act\(^3\) and Rule 19b-4 thereunder,\(^4\) proposes to: (1) adopt fees associated with the implementation of an electronic registration process through the National Association of Securities Dealers, Inc. ("NASD") Web Central Registration Depository ("Web CRD"),\(^5\) and (2) amend the


\(^5\) The Exchange notified the members regarding the migration to Web CRD on February 21, 2006, March 7, 2006, March 27, 2006 and April 10, 2006.
Exchange’s fee schedule to reflect various changes to Registered Representative Registration fees in connection with the implementation of Web CRD.

Specifically, the Exchange proposes to adopt the following NASD fees that will be imposed in connection with participation in Web CRD: (a) an NASD CRD Processing Fee of $85.00; (b) an NASD Disclosure Processing Fee of $95.00; (c) an NASD Annual System Processing Fee of $30.00; and (d) fingerprinting fees which vary depending on the submission: for a first card submission the fee will be $35.00; for a second card submission the fee will be $13.00; for a third card submission the fee will be $35.00; and for processing fingerprint results where the member had prints processed through a self-regulatory organization and not the NASD, the fee will be $13.00. The NASD will process the fingerprint cards and will make the results available to the Exchange, its members, and member and participant organizations via Web CRD.

The Exchange is also proposing to assess its fees that are currently referred to on the Exchange’s fee schedule as Registered Representative Registration fees to certain Exchange members designated on Form U4, Uniform Application for Securities Industry Registration or Transfer, as Member Exchange and to Off-Floor Traders. Therefore,

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6 Registered Representative categories include registered options principals, general securities representatives, general securities sales supervisors and United Kingdom limited general securities registered representatives and shall not apply to “off-floor” traders, as defined in Phlx Rule 604(e). See also, Exchange Rule 604(a) and (d).

7 The Member Exchange category refers to Exchange permit holders.

8 Every person who is compensated directly or indirectly by a member or participant organization for which the Exchange is the Designated Examining Authority or any other associated person of such member or participant organization, and who executes, makes trading decisions with respect to, or otherwise engages in proprietary or agency trading of securities, including, but not limited to, equities, preferred securities, convertible debt securities or options off the floor of the Exchange (“Off-Floor Traders”), must
the initial fee of $55.00, the renewal fee of $55.00 annually, the transfer fee of $55.00 and the termination fee of $30.00 will be assessed on Registered Representatives, Member Exchange and Off-Floor Traders.\(^9\)

In connection with the above-referenced fees, the Exchange is proposing to make minor, technical changes to Appendix A of its fee schedule for purposes of clarity. The Examinations Fee is being relocated on Appendix A of the fee schedule to group this fee with similar fees and the categories of Member Exchange and Off-Floor Traders are being added to the currently named Registered Representative Registration fee.

A copy of the applicable section of Appendix A of the Exchange’s schedule of fees 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.

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\(^9\) The $55.00 initial registration fee and annual renewal fee are charged once per registered individual and are not charged per individual registration category. For example, if a person works for a member organization and requests to be registered as an ME and a Series 7 general securities registered representative, the NASD will collect only one Phlx initial registration fee of $55.00. Further, a person registered in multiple categories with a single member organization will be charged a single Phlx annual $55.00 renewal fee and not $55.00 per registration category.
A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to adopt fees associated with the implementation of an electronic registration process through NASD’s Web CRD,\(^\text{10}\) which should, in turn, create a more efficient registration process by migrating from a manual paper-based Exchange procedure for registration to a web-based registration process that is operated by the NASD. The proposed fees are similar to those fees charged by other Self-Regulatory Organizations that use NASD’s Web CRD.\(^\text{11}\)

The purpose of adopting the Member Exchange and Off-Floor Trader fees is to help offset the Exchange’s increased costs relating to its regulatory oversight and enforcement programs.

Members and member and participant organizations will be instructed to pay the NASD fees associated with Web CRD as well as any Registered Representative/Member Exchange/Off-Floor Trader Registration fees directly to the NASD through Web CRD. NASD will retain the NASD fees and remit the Registered Representative/Member Exchange/Off-Floor Trader Registration fees it collects to Phlx.

\(^{10}\) The Commission has approved a proposed rule change filed by the Exchange to use the NASD’s Web CRD system as the mechanism for submitting required Forms U4, Uniform Application for Securities Industry Registration or Transfer, and Forms U5, Uniform Termination Notice for Securities Industry Registration. The period from April 10, 2006 to May 11, 2006 has been designated as a phase-in period, which will permit manual filing in case there is a problem with filing via Web CRD. On May 12, 2006, the use of Web CRD will become mandatory. See Securities Exchange Act Release No. 53612 (April 6, 2006), 71 FR 18798 (April 12, 2006) (SR-Phlx-2006-15).

Finally, additional modifications are being made to the fee schedule to group similar fees together for ease of reference.

The purpose of Amendment Number One is to make clarifying changes to the proposal, including the rule text.

2. **Statutory Basis**

The Exchange believes that its proposal to amend its schedule of fees is consistent with Section 6(b) of the Act\(^{12}\) in general, and furthers the objectives of Section 6(b)(4) of the Act\(^{13}\) in particular, in that it is an equitable allocation of reasonable fees 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 rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act\(^{14}\) and paragraph (f)(2) of Rule 19b-4\(^{15}\) thereunder. At any time

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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 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-2006-24 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-Phlx-2006-24. 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 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-2006-24 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{16}

\textbf{Nancy M. Morris}

\textbf{Secretary}

\textsuperscript{16} 17 CFR 200.30-3(a)(12).
Exhibit 4

Bolded text indicates any additions to or deletions from the immediately preceding filing.

New text underlined; deleted text bracketed.

* * * * *

A[ppendix]PPENDIX A

* * * * *

FCO Pricing Tape $600.00 monthly

PHLX CCH Guide $200.00 annually

Option Report Service
(New York) $600.00 monthly
(Chicago) $800.00 monthly

Instinet, Reuters Equipment cost passed through
Hyperfeed Fee 100% of cost passed through

[Examinations Fee $2,000.00 monthly or pass-through of another SRO's fees]

Review/Process Subordinated Loans $25.00

Examinations Fee $2,000.00 monthly or pass-through of another SRO's fees

Off-Floor Examinations Fee $30.00 monthly per Off-Floor Trader

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23 PHLX Guides will be provided to new members/member organizations without charge but there will be a $200/year charge for renewals. Alternatively, members/member organizations can get access to the PHLX Guide at no cost through the internet.

24 This fee is applicable to member/participant organizations for which the PHLX is the DEA. The following organizations are exempt: 1) inactive organizations; 2) organizations operating from the PHLX trading floor or as remote specialists which have demonstrated that at least 25% of their income as reflected on the most recently submitted FOCUS Report was derived from floor activities or remote specialist activities; 3) organizations for any month where they incur transaction or clearing fees charged directly by the Exchange or by its registered clearing subsidiary, provided that the fees exceed the examinations fee for that month; and 4) organizations affiliated with an organization exempt from this fee due to the second or third category. Affiliation includes an organization that is a wholly owned subsidiary of or controlled by or under the common control with an exempt member participant organization. An inactive organization is one which had no securities transaction revenue, as determined by semiannual FOCUS reports, as long as the organization continues to have no such revenue each month.
Registered Representative/Member Exchange/Off-Floor Trader Registration:

<table>
<thead>
<tr>
<th>Type</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>$55.00</td>
</tr>
<tr>
<td>Renewal</td>
<td>$55.00 annually</td>
</tr>
<tr>
<td>Transfer</td>
<td>$55.00</td>
</tr>
<tr>
<td>Termination</td>
<td>$30.00</td>
</tr>
</tbody>
</table>

The NASD, on behalf of the Exchange, will bill and collect these fees.

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>NASD CRD Processing Fee</td>
<td>$85.00</td>
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<tr>
<td>NASD Disclosure Processing Fee</td>
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<tr>
<td>NASD Annual System Processing Fee</td>
<td>$30.00</td>
</tr>
<tr>
<td>NASD Fingerprint Card Processing Fee – 1st Submission</td>
<td>$35.00</td>
</tr>
<tr>
<td>NASD Fingerprint Card Processing Fee – 2nd Submission</td>
<td>$13.00</td>
</tr>
<tr>
<td>NASD Fingerprint Card Processing Fee – 3rd Submission</td>
<td>$35.00</td>
</tr>
<tr>
<td>NASD Processing Fee for Fingerprint Results</td>
<td>$13.00</td>
</tr>
</tbody>
</table>

Trading Floor Personnel Registration Fee

- $25.00 monthly

Continuing Education Fee

- $75.00

Computer Equipment Services,
Repairs or Replacements
- $100.00 per service call and
- $75.00 per hour (Two hour minimum)

Computer Relocation Requests
- $100.00 per service call and
- $75.00 per person, per hour (Two hour minimum)

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25 For the purposes of these fees, the registered representative categories include registered options principals, general securities representatives, general securities sales supervisors and United Kingdom limited general securities registered representatives. [and shall not apply to “off-floor” traders, as defined in] See Phlx Rule 604(e). The Member Exchange category refers to Exchange permit holders.

26 The NASD CRD Processing Fee is paid directly to the NASD for all initial, transfer, relicense and dual registration Form U4 filings.

27 The NASD Disclosure Processing Fee, applicable to Form U4, Form U5 and amendments thereto, will be paid directly to the NASD for all registration, transfer or termination filings with new or amended disclosure information or that require certification, as well as any amendment to disclosure information. This fee applies to any filing containing a disclosure that was not previously disclosed on Web CRD.

28 The NASD Annual System Processing Fee is assessed only during renewals and is paid directly to the NASD.

29 The NASD Fingerprint Card Processing Fee is for first card submissions and is paid directly to the NASD.

30 The NASD Fingerprint Card Processing Fee is for second card submissions and is paid directly to the NASD.

31 The NASD Fingerprint Card Processing Fee is for third card submissions and is paid directly to the NASD.

32 The NASD Processing Fee for Fingerprint Results applies to results submitted by other self-regulatory organizations; this fee is paid directly to the NASD.

33 This fee is imposed on member/participant organizations for individuals who are employed by such member/participant organizations and who work on the Exchange’s trading floor, such as clerks, interns, stock execution clerks and other associated persons, but who are not registered as members or participants.

34 This fee will be assessed as to each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to Exchange Rule 640. This fee is paid directly to the NASD.
Remote Specialist System Fee * $ 250.00 per month per workstation
Remote Specialist Security Routing Fee $ 250.00 per month per specialist
Remote Specialist Telecommunications Installation Fee Pass-through cost

Remote Specialist Telecommunications Fee

<table>
<thead>
<tr>
<th>No. of Workstations*</th>
<th>Monthly Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>$ 2,800.00</td>
</tr>
<tr>
<td>3</td>
<td>$ 3,600.00</td>
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<tr>
<td>4</td>
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<tr>
<td>5</td>
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<tr>
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<tr>
<td>7</td>
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<tr>
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<td>$ 7,535.00</td>
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<tr>
<td>10</td>
<td>$ 7,935.00</td>
</tr>
<tr>
<td>11</td>
<td>$ 8,335.00</td>
</tr>
<tr>
<td>12</td>
<td>$ 8,735.00</td>
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</tbody>
</table>

Remote Specialist Equipment Installation Fee $ 500.00 per remote facility
Remote Specialist Equipment Rental Fee * $ 355.00 per month for the first two workstations at a single site; $ 144.00 per month for each workstation in excess of two at such site

* Payment for a minimum of two remote workstations will be required for each remote location.
FCO Pricing Tape $ 600.00 monthly
PHLX CCH Guide $ 200.00 annually
Option Report Service
  (New York) $ 600.00 monthly
  (Chicago) $ 800.00 monthly
Instinet, Reuters Equipment cost passed through
Hyperfeed Fee 100% of cost passed through
[Examinations Fee $2,000.00 monthly or pass-through of another SRO's fees]
Review/Process Subordinated Loans $ 25.00
Examinations Fee $2,000.00 monthly or pass-through of another SRO's fees
Off-Floor Examinations Fee $30.00 monthly per Off-Floor Trader

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23 PHLX Guides will be provided to new members/member organizations without charge but there will be a $200/year charge for renewals. Alternatively, members/member organizations can get access to the PHLX Guide at no cost through the internet.

24 This fee is applicable to member/participant organizations for which the PHLX is the DEA. The following organizations are exempt: 1) inactive organizations; 2) organizations operating from the PHLX trading floor or as remote specialists which have demonstrated that at least 25% of their income as reflected on the most recently submitted FOCUS Report was derived from floor activities or remote specialist activities; 3) organizations for any month where they incur transaction or clearing fees charged directly by the Exchange or by its registered clearing subsidiary, provided that the fees exceed the examinations fee for that month; and 4) organizations affiliated with an organization exempt from this fee due to the second or third category. Affiliation includes an organization that is a wholly owned subsidiary of or controlled by or under the common control with an exempt member or participant organization. An inactive organization is one which had no securities transaction revenue, as determined by semi-annual FOCUS reports, as long as the organization continues to have no such revenue each month.
Registered Representative/Member Exchange/Off-Floor Trader Registration:  

<table>
<thead>
<tr>
<th></th>
<th>Fee Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>$55.00</td>
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<tr>
<td>NASD CRD Processing Fee</td>
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<tr>
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<td>Trading Floor Personnel Registration Fee</td>
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</tr>
<tr>
<td>Computer Equipment Services,</td>
<td></td>
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<tr>
<td>Repairs or Replacements</td>
<td>$100.00 per service call and $75.00 per hour (Two hour minimum)</td>
</tr>
</tbody>
</table>

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25 For the purposes of these fees, the registered representative categories include registered options principals, general securities representatives, general securities sales supervisors and United Kingdom limited general securities registered representatives, [and shall not apply to “off-floor” traders, as defined in See Phlx Rule 604[(e)]. The Member Exchange category refers to Exchange permit holders.

26 The NASD CRD Processing Fee is paid directly to the NASD for all initial, transfer, relicense and dual registration Form U4 filings.

27 The NASD Disclosure Processing Fee, applicable to Form U4, Form U5 and amendments thereto, will be paid directly to the NASD for all registration, transfer or termination filings with new or amended disclosure information or that require certification, as well as any amendment to disclosure information. This fee applies to any filing containing a disclosure that was not previously disclosed on Web CRD.

28 The NASD Annual System Processing Fee is assessed only during renewals and is paid directly to the NASD.

29 The NASD Fingerprint Card Processing Fee is for first card submissions and is paid directly to the NASD.

30 This NASD Fingerprint Card Processing Fee is for second card submissions and is paid directly to the NASD.

31 This NASD Fingerprint Card Processing Fee is for third card submissions and is paid directly to the NASD.

32 The NASD Processing Fee for Fingerprint Results applies to results submitted by other self-regulatory organizations; this fee is paid directly to the NASD.

33 This fee is imposed on member/participant organizations for individuals who are employed by such member/participant organizations and who work on the Exchange’s trading floor, such as clerks, interns, stock execution clerks and other associated persons, but who are not registered as members or participants.

34 This fee will be assessed as to each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to Exchange Rule 640. This fee is paid directly to the NASD.
Exhibit 5

Computer Relocation Requests
$ 100.00 per service call and
$ 75.00 per person, per hour (Two hour minimum)

Remote Specialist System Fee *
$ 250.00 per month per workstation

Remote Specialist Security Routing Fee
$ 250.00 per month per specialist

Remote Specialist Telecommunications Installation Fee
Pass-through cost

Remote Specialist Telecommunications Fee

<table>
<thead>
<tr>
<th>No. of Workstations*</th>
<th>Monthly Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>$2,800.00</td>
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<tr>
<td>3</td>
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<tr>
<td>11</td>
<td>$8,335.00</td>
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<tr>
<td>12</td>
<td>$8,735.00</td>
</tr>
</tbody>
</table>

Remote Specialist Equipment Installation Fee
$ 500.00 per remote facility

Remote Specialist Equipment Rental Fee *
$ 355.00 per month for the first two workstations at a single site;
$ 144.00 per month for each workstation in excess of two at such site

* Payment for a minimum of two remote workstations will be required for each remote location.