

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-54001; File No. 4-429)

June 15, 2006

Joint Industry Plan; Notice of Filing of Joint Amendment No. 19 to the Intermarket Option Linkage Plan to Modify the Manner in which the Participation Fee Applicable to New Participants is Calculated

Pursuant to Section 11A of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 608 thereunder,² notice is hereby given that on February 17, 2006, March 16, 2006, April 12, 2006, April 18, 2006, May 2, 2006, and May 22, 2006, International Securities Exchange, Inc. (“ISE”), Philadelphia Stock Exchange, Inc. (“Phlx”), Chicago Board Options Exchange, Incorporated (“CBOE”), Boston Stock Exchange, Inc. (“BSE”), American Stock Exchange LLC (“Amex”), and NYSE Arca, Inc. (“NYSE Arca”) (collectively, “Participants”) respectively submitted to the Securities and Exchange Commission (“Commission”) Joint Amendment No. 19 to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage (the “Linkage Plan”).³ The Joint Amendment proposes to modify the manner in which the participation fee applicable to new Participants is calculated.⁴ The Commission is publishing this notice to solicit comments from interested persons on the proposed Joint Amendment to the Linkage Plan.

¹ 15 U.S.C. 78k-1.

² 17 CFR 242.608.

³ On July 28, 2000, the Commission approved a national market system plan for the purpose of creating and operating an intermarket options market linkage proposed by the Amex, CBOE, and ISE. See Securities Exchange Act Release No. 43086 (July 28, 2000), 65 FR 48023 (August 4, 2000). Subsequently, upon separate requests by the Phlx, Pacific Exchange, Inc. (n/k/a NYSE Arca, Inc.), and BSE, the Commission issued orders to permit these exchanges to participate in the Linkage Plan. See Securities Exchange Act Release Nos. 43573 (November 16, 2000), 65 FR 70851 (November 28, 2000); 43574 (November 16, 2000), 65 FR 70850 (November 28, 2000); and 49198 (February 5, 2004), 69 FR 7029 (February 12, 2004).

⁴ See Section 11(b) of the Linkage Plan.

I. Description and Purpose of the Amendment

The purpose of the Joint Amendment is to modify the manner in which the participation fee applicable to new Participants is calculated. The participation fee is determined by the Participants and is assessed in connection with an Eligible Exchange⁵ becoming a new Participant. The Joint Amendment provides that in determining the amount of the participation fee, the Participants shall consider one or both of the following: (i) the portion of costs previously paid by the Participants for the development, expansion, and maintenance of Linkage⁶ facilities which, under generally accepted accounting principles, could have been treated as capital expenditures and, if so treated, would have been amortized over the five years preceding the admission of the new Participant (and for this purpose all such capital expenditures shall be deemed to have a five-year amortizable life); and (ii) previous participation fees paid by other new Participants. These standards are consistent with the participation fee standards contained in the Consolidated Tape Plan (“CTA Plan”).⁷ Further, the Participants would no longer be required to calculate the participation fee at least once a year. Instead, the participation fee would be calculated at the time an Eligible Exchange seeks to become a Participant.

II. Implementation of the Plan Amendment

The Participants intend to make the proposed Joint Amendment to the Linkage Plan reflected in this filing effective when the Commission approves the Joint Amendment.

⁵ See Section 2(6) of the Linkage Plan.

⁶ See Section 2(14) of the Linkage Plan.

⁷ See Section III(c)(2) of the CTA Plan.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed Joint Amendment to the Linkage Plan 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 4-429 on the subject line.

Paper comments:

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

All submissions should refer to File Number 4-429. 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 Joint Amendment that are filed with the Commission, and all written communications relating to the proposed Joint Amendment 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 such filing also will be available for inspection and copying at the principal offices of the Amex, BSE, CBOE, ISE, NYSE Arca, and 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 4-429 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.⁸

Nancy M. Morris
Secretary

⁸ 17 CFR 200.30-3(a)(29).