

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-54756; File No. SR-SCCP-2006-03)

November 15, 2006

Self-Regulatory Organizations; Stock Clearing Corporation of Philadelphia; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Trade Recording and Value Fees and NMS Linkage

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 September 26, 2006, Stock Clearing Corporation of Philadelphia ("SCCP") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by SCCP. 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

SCCP, pursuant to Section 19(b)(1) of the Act³ and Rule 19b-4 thereunder,⁴ is amending its Trade Recording Fee and its Value Fee (together "Fees") that are set forth in its Fee Schedule. The amendment extends the application of the Fees to an order that is executed by way of an outbound NMS Linkage order when such outbound NMS Linkage order reflects the PACE order's clearing information after being delivered to the Philadelphia Stock Exchange, Inc.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(1).

⁴ 17 CFR 240.19b-4.

(“Phlx”) by the PACE system.⁵ The Fees will not apply where a PACE order was executed against an inbound NMS Linkage order.

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

In its filing with the Commission, SCCP 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. SCCP 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

The purpose of the proposed rule change is treat PACE trades that interact with NMS Linkage⁶ orders the same as Intermarket Trading System (“ITS”) commitments with respect to the Fees.⁷ The NMS Linkage Plan is the successor plan to the ITS Plan. While there are some operational differences between the two plans, both facilitate intermarket linkage among market centers trading certain listed securities, and SCCP believes the NMS Linkage Plan will be used in a similar manner as the ITS Plan by Phlx members and member organizations. Therefore, SCCP proposes to apply the Fees to PACE trades that interact with NMS Linkage orders in the

⁵ PACE is Phlx’s automated order routing, delivery, execution and reporting system for equities. Phlx Rule 229.

⁶ The Commission published notice of the NMS Linkage Plan in Securities Exchange Act Release No. 54239 (July 28, 2006), 71 FR 44328 (August 4, 2006) [File No. 4-524]. A NMS Linkage Plan, dated August 1, 2006, and reflecting Phlx’s inclusion as a Participant, was sent to the Commission on August 8, 2006.

⁷ Securities Exchange Act Release No. 47922 (May 23, 2003), 68 FR 33560 (June 4, 2003) [File No. SR-SCCP-2002-08] (order adopting the current fee treatment of PACE trades that interact with ITS commitments).

identical manner as PACE trades that interact with ITS commitments. This is accomplished by adding the words “or NMS Linkage order” to footnote 1 in the SCCP Fee Schedule.

SCCP believes that proposed rule change is consistent with Section 17A of the Act and with Section 17A(b)(3)(D) in particular because it provides for the equitable allocation of reasonable fees and other charges among its participants.

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

SCCP does not believe that the proposed rule change will impose any inappropriate burden on competition.

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 become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁸ and Rule 19b-4(f)(2)⁹ thereunder because it establishes or changes a due, fee, or other charge. 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.

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

⁸ 15 U.S.C. 78(s)(b)(3)(A)(ii).

⁹ 17 CFR 240.19b-4(f)(2).

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-SCCP-2006-03 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-SCCP-2006-03. 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 SCCP. 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-SCCP-2006-03 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.¹⁰

Nancy M. Morris
Secretary

¹⁰ 17 CFR 200.30-3(a)(12).