

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act⁶ in that it provides for the equitable allocation of reasonable dues, fees and other charges among its members.

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

The Exchange 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 solicited or received.

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

The proposed rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁷ and subparagraph (f)(2) of Rule 19b-4 thereunder,⁸ because it involves 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 proposal is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to file number SR-CHX-2002-04, and should be submitted by March 26, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-5144 Filed 3-4-02; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-45480; File No. SR-Phlx-2002-10]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Establishing Fees for Equity Trading Permit Holders

February 26, 2002.

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 February 6, 2002, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") 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 the Exchange. 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 Exchange proposes to amend its schedule of dues, fees and charges to: (1) Adopt new fees applicable to holders of equity trading permits ("ETPs") and ETP organizations;³ (2) establish that certain fees, dues and charges currently applicable to members and member organizations will also be applicable to ETP holders and ETP organizations; and (3) amend the Exchange's member credit program to provide that monthly fees charged to ETP holders and ETP organizations are credit-eligible, and to

clarify certain aspects of the Exchange's member credit program as it applies to ETPs.⁴ The text of the proposed rule change is available at the Phlx's Office of the Secretary and at the Commission.

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 Exchange 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 Exchange 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

On January 9, 2002, the Commission approved a proposed rule change to adopt Exchange Rule 23, which provides for ETPs.⁵ Specifically, Exchange Rule 23(a) provides that the Exchange shall issue up to 75 ETPs outstanding from time to time. The Exchange anticipates commencing an ETP program in the near future. Accordingly, the purpose of the proposed rule change is to: (1) Establish that certain fees, dues and charges currently applicable to members and member organizations will be applicable to ETP holders and ETP organizations under Exchange Rule 23; (2) adopt new fees applicable to members by virtue of being ETP holders and to ETP organizations; and (3) amend the Exchange's member credit program to provide that monthly fees charged to ETP holders and ETP organizations are

⁴ The fees proposed herein would be applicable to ETP holders, which, according to the Exchange, are members although they are not entitled to certain rights under Delaware corporate law. See Securities Exchange Act Release No. 45254 (January 9, 2002), 67 FR 2720 (January 18, 2002) (SR-Phlx-00-03, Amendment 3, footnote 1). Therefore, the fees that are proposed herein to be imposed on ETP holders are member fees. Hence, this proposed rule change is effective on filing pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(2) thereunder.

⁵ See Securities Exchange Act Release No. 45254 (January 9, 2002), 67 FR 2720 (January 18, 2002) (approving SR-Phlx-00-02 and SR-Phlx-00-03). The Exchange notes, as a preliminary matter, that ETPs are not required in order to trade equities on the Exchange. ETPs are simply being made available pursuant to Exchange Rule 23 as an alternative to owning or leasing a membership on terms and conditions that reflect the Exchange's reasonable business judgment.

General Counsel, CHX, and Florence Harmon, Senior Special Counsel, Division of Market Regulation ("Division"), Commission, and Joseph Morra, Special Counsel, Division, Commission.

⁶ 15 U.S.C. 78f(b)(4).

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Exchange defines an ETP organization as a broker-dealer whose associated person has qualified the firm as an "ETP organization" pursuant to Exchange Rule 23(g).

credit-eligible and to clarify certain aspects of the Exchange's member credit program as it applies to ETPs. Therefore, the Exchange proposes to amend Appendix A to the Exchange's Schedule of Dues, Fees and Charges to reflect the changes discussed herein.⁶

As discussed further below, the purpose of the proposed rule change is to generate revenue for the Exchange in order to enable it to provide a marketplace for its members and ETP holders. The Exchange anticipates that in permitting ETP Monthly Fees to be "credit eligible," ETPs would become more attractive because they would enable ETP organizations, which are also member organizations, to maximize the value of the monthly member credits extended to their qualified members.⁷ In addition, the Exchange believes that making ETP Monthly Fees "credit-eligible" should free up funds for trading activity on the Exchange that would otherwise be used for the payment of such fees.

A. Applicability of Existing Member/Member Organization Fees and Charges

Inapplicable Existing Fees. Exchange Rule 23(e) provides that an ETP holder shall be subject to the Exchange's fees and other charges, as applicable, provided that an ETP holder shall not be subject to annual membership dues, technology fees or capital assessments. Additionally, the Exchange would not charge its current \$1500.00 Initiation Fee to new ETP holders, whether or not they were previously members, Foreign Currency Option ("FCO") participants or approved lessors.⁸

The Exchange also proposes to add clarifying language to its fee schedule with respect to the Trading Floor Personnel Registration Fee, which 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. The Exchange proposes to add language to a footnote in order to clarify that this fee is not to be billed to ETP organizations with respect to its ETP holders who work on the Exchange's trading floor.

Applicable Existing Fees. Except as indicated above, all other Exchange fees and charges applicable to Exchange members and member organizations would apply to ETP holders and ETP organizations.⁹ However, ETP organizations, which are also member organizations by virtue of holding memberships, and which are subject to fees and charges assessed against member organizations, would not also be assessed such fees and charges a second time in their separate capacity as ETP organizations.¹⁰

B. New Fees Not Applicable to Current Members

The Exchange proposes to adopt a number of new fees which are to be applicable to ETP holders and ETP organizations.

1. ETP Monthly Fees

The Exchange proposes an Off-Floor ETP Fee, a Regular ETP RCS Fee, a Regular ETP 3-Seat Fee, and a Regular ETP Fee (collectively, the "ETP Monthly Fees") as described below.

Off-Floor ETP Fee. An Off-Floor ETP Fee of \$500.00 per month would be charged for Off-Floor ETP holders.

Regular ETP RCS Fee. A Regular ETP RCS Fee of \$1,000.00 per month would be charged in lieu of the Regular ETP Fee for ETP holders whose Exchange business is limited to operating as a remote competing specialist.¹¹

Regular ETP 3-Seat Fee. A Regular ETP 3-Seat Fee of \$1,350.00 per month would be charged for Regular ETP holders and ETP organizations in lieu of the Regular ETP Fee if the ETP organization has at all times at least

three associated persons who are members of the Exchange by virtue of a membership, whether owned or leased.¹² For every 3 memberships, up to 3 ETPs would qualify for this lower rate.

Regular ETP Fee. A Regular ETP Fee of \$3,500.00 per month would be charged for Regular ETP holders and ETP organizations, which are not eligible for the lower Regular ETP 3-Seat Fee or Regular ETP RCS Fee.

2. Other New Fees

ETP Organization Initiation Fee. A non-recurring ETP Organization Initiation Fee of \$1,000.00 would be charged for an ETP organization when it is first qualified as such if it is not, at the time it first becomes so qualified, an FCO participant organization or member organization. For instance, if an existing member organization seeks an ETP, then no such fee applies because that member organization has already paid a membership-related Initiation Fee. At the same time, a completely new organization which gets an ETP and thereby becomes an ETP organization must pay this fee. The Exchange intends for this fee to cover the Exchange's expenses associated with a new firm commencing Exchange business.¹³

ETP Intra-Firm Transfer Fee. Finally, the Exchange proposes that a \$500.00 fee would apply to intra-firm transfers of ETPs.¹⁴

C. Credit-Eligibility of ETP Monthly Fees

ETP holders would not, by virtue of the ETP, be holders of equitable title to Exchange memberships and thus would not be subject, by virtue of the ETP, to the Exchange's \$1,500.00 capital funding fee.¹⁵ Furthermore, an ETP holder who is also an owner of an Exchange membership would not be entitled, by virtue of the ETP, to the monthly credit of up to \$1,000.00 to be applied against certain fees, dues, charges and other amounts owed to the Exchange in connection with the ETP.¹⁶

⁶ The Exchange states that it intends to separately file a proposed rule change to adopt an Application Fee for applicants for ETPs.

⁷ The term "qualified member" is defined in the notice adopting the member credit for 36 months. See Securities Exchange Act Release No. 44292 (May 11, 2001), 66 FR 27715 (May 18, 2001). The term includes Phlx members who own the membership by which they are a member ("member owners") and certain other categories of members described in the notice.

⁸ The Exchange proposes to add a footnote to the fee schedule to provide that the Exchange's existing Initiation Fee would not be imposed on ETP holders. For members, the Initiation Fee is applicable upon admission to membership and is thus a member fee. See Securities Exchange Act Release No. 20651 (February 14, 1984), 49 FR 6817 (February 23, 1984). The Exchange proposes a different initiation fee, discussed below (the "ETP Organization Initiation Fee"), with respect to ETP organizations.

⁹ See *supra*, note 4.

¹⁰ Exchange Rule 23(g) provides that "[a]n individual ETP holder who is associated with a broker-dealer shall qualify such broker-dealer as an ETP firm or ETP corporation (either, an 'ETP Organization')." Since it is possible that an existing member organization may have associated persons who are members at the same time it has associated persons who are ETP holders, it is possible that a firm will be both a member organization and an ETP organization at the same time. Fees currently assessed on "member organizations" (such as the Examinations Fee) would not be assessed twice because of this dual status.

¹¹ See Exchange Rule 461, PACE Remote Specialist; See also, Securities Exchange Act Release No. 45184 (December 21, 2001) 67 FR 622 (January 4, 2002) (approving SR-Phlx-2001-98).

¹² The Exchange states that these members would not need to conduct business on the Exchange's physical trading floor and need not be "qualified members" as that term is defined for purposes of the Exchange's member credit program.

¹³ Like the Exchange's current Initiation Fee, the proposed ETP Organization Initiation Fee would apply after the organization has become an ETP Organization and is thus imposed on a "member" organization.

¹⁴ The Exchange states that ETPs are not transferable except within the ETP organization as provided in Exchange Rule 23(f).

¹⁵ Exchange membership owners (also referred to as seat owners) are assessed a monthly capital funding fee of \$1,500.00. See Securities Exchange Act Release No. 42993 (June 29, 2000), 65 FR 132 (July 10, 2000).

¹⁶ See Securities Exchange Act Release No. 44292 (May 11, 2001), 66 FR 27715 (May 18, 2001).

(These dues, fees and charges are identified on the Exchange's fee schedule by a mark which "denotes fee eligible for monthly credit of up to \$1,000.")

The Exchange is proposing that the ETP Monthly Fees be made "credit-eligible" so that a member organization's aggregate monthly member credits may be applied to them.¹⁷

(2) Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act,¹⁸ in general, and furthers the objectives of Section 6(b)(4),¹⁹ in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among its members. Also for the reasons described below, the Exchange believes that the application of the fees, dues and charges as described herein to ETP holders and ETP organizations is consistent with the requirement of Section 6(b)(5) of the Act,²⁰ which requires that the rules of the Exchange not be designed to permit unfair discrimination between customers, issuers, brokers or dealers.

1. ETP Monthly Fees

By assessing ETP Monthly Fees, the Exchange states that it is requiring ETP holders to make an economic contribution to the Exchange, as members and holders of equitable title have done in the past and continue to do. The Exchange believes that this economic contribution is reasonable and equitable in view of the fact that the Exchange provides the benefits of an Exchange marketplace to both members and ETP holders alike.

In light of the limitations on the number of ETPs the Exchange currently has authority to issue under Rule 23(a) (*i.e.*, 75), and the Exchange's prudential

concerns relating to the potential effect on membership prices if existing members in large numbers were to choose to sell their seats to acquire permits, the Exchange has chosen to establish a fee structure for ETPs that the Exchange believes will allow the benefit of the program to the Exchange to be maximized while treating various constituencies fairly.

Off-Floor ETP Monthly Fees. The Exchange states that it wants to encourage order flow providers to send business to the Exchange. An Off-Floor ETP Monthly Fee of only \$500.00 is designed to provide an incentive (or, stated otherwise, to remove the disincentive of a high access fee) to send order flow to the Exchange. Under Exchange Rule 23, the Exchange business of Off-Floor ETP holders is limited to the provision of order flow. Off-Floor ETP holders are not eligible to do business on the Exchange's physical trading floor and are not eligible to conduct a specialist business. Because an Off-Floor ETP holder's trading rights are circumscribed in this respect, and because an ETP holder operating from the Exchange floor would be able to take advantage of more Exchange facilities, utilizing Exchange resources and benefiting from the advantages floor presence affords, the Exchange believes that it is fair to charge less for Off-Floor ETP holders' trading rights than for trading rights which may be exercised by a Regular ETP holder, either at the Regular ETP Fee rate, the Regular ETP RCS Fee rate, or the Regular ETP 3-Seat Fee rate, as applicable.

Regular ETP RCS Fee. The Exchange states that it also wants to encourage the success of its Remote Competing Specialist Initiative program ("RCSI"), and is offering a lower fee than will be available to on-floor ETP holders to remote specialists in order to induce broker-dealers to participate in the RCSI program as remote specialists. The Exchange represents that the availability of a Regular ETP RCS Fee rate which is lower than the Regular ETP Fee rate or the Regular ETP 3-Seat Fee rate is designed to accomplish what the Exchange believes is a reasonable and legitimate business objective. The monthly Regular ETP RCS Fee also reflects the fact that remote specialists will not take up space and resources on the Phlx trading floor or use floor services to the same extent as Phlx floor-based specialists. The Exchange believes that it is fair that remote competing specialists be permitted to acquire trading rights at less cost than an ETP holder trading on the Exchange floor and utilizing Exchange resources and

benefiting from the advantages floor presence affords.

Regular ETP 3-Seat Fee and Regular ETP Fee. The Exchange also represents that a goal of the ETP program is to make ETPs available to the Exchange's existing floor members without causing a drastic decline in seat values. The Exchange believes that the requirement that existing members retain 3 seats in order to qualify for the lower Regular ETP 3-Seat Fee will allow the Exchange to do this while creating a disincentive for members to sell all their memberships and replace them with ETPs.

The Exchange recognizes that seat owners who are not themselves members traditionally have, while benefiting from their memberships, also made contributions to the Exchange by making it possible for certain members (in particular, lessee-members) to trade without the member being first required to make a large capital investment in an Exchange membership. In creating the ETP program, the Exchange represents that it has carefully considered the effects on memberships, and has similarly done so respecting the fee structure proposed herein. Specifically, the Exchange states that its business strategy includes a concern not to unnecessarily create a sudden and drastic dislocation in seat prices. Accordingly, the lower Regular ETP 3-Seat Fee is designed to permit some of the ETPs to be issued to existing floor members while creating an incentive for firms which choose to take advantage of ETPs to cause legal title to 3 memberships to be retained by its members. The Exchange believes that making 3 ETPs available at the reduced ETP 3-Seat Fee for each 3 memberships a member organization maintains will result in the optimal mix of Exchange members and ETP holders.

The Exchange states that SROs have filed exchange fee and credit arrangements that do not treat all members (or other persons covered by Sections 6(b)(4) and (5)) equally, such as credits and discounts based on transaction volume, fees based upon the usage by certain members of equipment or other services or resources of an exchange, and fee structures that distinguish among the various activities of persons and firms.²¹ Such measures

However, consistent with the Exchange's current general practice of invoicing the member organization rather than the member, thus aggregating the members' credit-eligible fees, a member organization which is also an ETP organization may include credit-eligible charges incurred by an ETP holder in the total amount that the member organization may offset with member credits. At no time shall the aggregate amount of member credits available to the member organization exceed \$1,000.00 per membership per month.

¹⁷ The Exchange notes that this would represent a change to the currently-approved member credit program, which excepted "any fees paid by equity trading permit holders respecting any trading permits the Exchange may issue" from the definition of "credit-eligible fees". See Securities Exchange Act Release No. 44292 (May 11, 2001), 66 FR 27715 (May 18, 2001).

¹⁸ 15 U.S.C. 78f(b).

¹⁹ 15 U.S.C. 78f(b)(4).

²⁰ 15 U.S.C. 78f(b)(5).

²¹ See, e.g., Securities Exchange Act Release No. 44292 (May 11, 2001), 66 FR 27715 (May 18, 2001) (adopting a monthly credit of up to \$1,000 to qualified members for an aggregate period of 36 months). The Exchange clarified that SRO fee filings made pursuant to Section 19(b)(3)(A) of the Act are noticed, and not approved, by the Commission, but are rather effective upon filing

are designed to promote and encourage certain behaviors.²² In the case of the Regular ETP 3-Seat Fee, this fee is being made available as an alternative to the Regular ETP Fee to member organizations that are contributing to the value of Exchange memberships. The Exchange, in its business judgment, believes that to a certain degree the value of Exchange memberships is important to the well-being of the Exchange as a whole. The Exchange believes that the Regular ETP 3-Seat Fee is reasonably designed to further those interests and is available to any ETP organization by changing the manner in which it secures trading rights on the Exchange and the number of memberships it maintains.

2. Other Fees

With respect to the applicability and inapplicability of the existing fees to ETP holders and ETP organizations, the Exchange represents that the proposal is reasonable and equitable because the Exchange believes that the proposal generally treats ETP holders/organizations the same as other members/member organizations doing business on the Exchange in terms of fees assessed on the basis of transactions or the use of particular Exchange facilities or services. For instance, ETP holders executing transactions on the equity floor will be subject to equity transaction fees such as the equity transaction value charge. Similarly, ETP holders who utilize post space will be subject to post fees. By extending the applicability of fees currently applicable to existing members and member organizations (except as provided herein) to ETP holders and ETP organizations, the Exchange believes that ETP holders and ETP organizations be treated equally with members and member organizations doing business on the Exchange in terms of fees assessed on the basis of transactions or the use of particular Exchange facilities or services.

The Exchange believes that the one-time \$1,000.00 ETP Organization Initiation Fee is fair and equitable. By assessing a one-time \$1,000.00 ETP Organization Initiation Fee for new ETP organizations (and by not assessing the \$1,500.00 Initiation Fee for new ETP

holders) the Exchange states that it is affording ETP organizations new to the Exchange an initial comparative fee advantage relative to new members associated with member organizations. The Exchange believes this advantage is reasonable, however, in that it is designed to result in an optimal mix of ETPs and memberships as determined by the Exchange in the exercise of its reasonable business judgment. This comparative initial advantage is also reflective of the fact that ETP holders will not have voting privileges and that ETPs will not be transferable, except intra-firm to the extent permitted by Exchange Rule 23.

The Exchange proposes a \$500.00 ETP Intra-Firm Transfer Fee be charged in the context of ETP transfers, which do not involve the transfer of legal or equitable title. ETP transfers are permitted on an intra-firm basis to the extent provided in Exchange Rule 23. The Exchange believes that this transfer fee is reasonable and equitable because the Exchange would devote administrative resources to ETP transfers as it currently does with transfers of legal and equitable title to memberships.

3. Credit-Eligibility

With respect to the credit eligibility of ETP Monthly Fees, the Exchange believes that this aspect of the proposal is reasonable and equitable, because ETP Monthly Fees will be "credit-eligible" across-the-board, such that any member organization which incurs them may apply any available member credits to them. By making the ETP Monthly Fees "credit-eligible" the Exchange intends to enhance the attractiveness of ETPs, which the Exchange believes is an appropriate, nondiscriminatory business strategy.

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

The Exchange 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 rule change establishes or changes a due, fee, or charge imposed by the Exchange and, therefore, has become effective upon filing pursuant to

section 19(b)(3)(A)(ii) of the Act²³ and Rule 19b-4(f)(2) hereunder.²⁴ At any time within 60 days of the filing of such 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 purpose 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. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 Section. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-Phlx-2002-10 and should be submitted by March 26, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁵

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 02-5145 Filed 3-4-02; 8:45 am]

BILLING CODE 8010-01-P

SOCIAL SECURITY ADMINISTRATION

Privacy Act of 1974 as Amended; Computer Matching Program (SSA/ Department of Veterans Affairs, Compensation and Pension Service) Match 1008

AGENCY: Social Security Administration (SSA).

ACTION: Notice of computer matching program.

SUMMARY: In accordance with the provisions of the Privacy Act, as

with the Commission. See telephone conversation between Carla Behnfeldt, Director, Phlx, and Florence Harmon, Senior Special Counsel, Division of Market Regulation ("Division"), Commission, on February 26, 2002.

²² The Exchange clarified certain language regarding its views on the effects of such fees. See telephone conversation between Carla Behnfeldt, Director, Phlx, and Florence Harmon, Senior Special Counsel, Division, Commission, on February 26, 2002.

²³ 15 U.S.C. 78(s)(b)(3)(A)(ii).

²⁴ 17 CFR 240.19b-4(f)(2).

²⁵ 17 CFR 200.30-3(a)(12).