



**RULE
ADOPTION
NOTICE**

**RAN-06-35
August 3, 2006**

TO: All OTP Holders and OTP Firms

FROM: Office of the General Counsel

**SUBJECT: Linkage Fee Extension
(File No. SR-NYSEArca-2006-41)**

On July 28, 2006, the Securities and Exchange Commission issued an order to extend until July 31, 2007 the current pilot program regarding transaction fees charged for trades executed through the intermarket options linkage.

The following is the text of the rule change. Questions regarding this bulletin may be directed to Glenn Gsell at 415-835-4805.

Exhibit 5

(new text is underlined; deleted text is in brackets)

NYSE Arca, Inc.

Schedule of Fees and Charges

* * *

PCX OPTIONS: TRADE-RELATED CHARGES

TRANSACTIONS

Customer	\$0.00 per contract side
Firm ¹	\$0.15 per contract side for customer transaction
Broker/Dealer	\$0.26 per contract side
Market Maker ²	\$0.26 per contract side

¹ The Firm fee applies to any transaction involving a proprietary trading account of an OTP Firm, including a PCX market maker account, that has a customer of that OTP Firm on the contra side of the transaction.

LIMIT OF FEES ON OPTIONS STRATEGY EXECUTIONS ³	\$1,000 cap on transaction fees and on-line comparison fees for strategy trades involving (a) reversals and conversions, (b) dividend spreads, (c) box spreads (d) short stock interest spreads and (e) merger spreads. The cap applies to each strategy executions executed on the same trading day in the same option class. Transaction fees and on line comparison fees for strategy trades are further capped at \$50,000 per month per initiating firm. All royalty fees associated with Strategy Executions on Index and Exchange Traded Funds will be passed through to trading participants on the Strategy Executions on a pro-rata basis. These royalty fees will not be included in the calculation of the \$1000 per trade cap or the \$50000 per month strategy fee cap.
BROKER DEALER SURCHARGE ⁴	\$0.25 per contract
LINKAGE FEES ⁵	\$0.21 per contract side transaction fee \$0.05 per contract side comparison fee

* * *

² The Exchange will rebate this fee for NYSE Arca executions that result from principal acting as agent orders sent and executed at away market centers. In addition to the fore mentioned rebate, the Exchange will credit Market Makers \$0.26 per contract for executions that result from principal acting as agent orders sent and executed at away market centers. The rebate and credit will be based on the aggregate market maker transaction charge calculated at month-end. Market Makers shall reimburse the Exchange for all credits received in excess of the total actual costs associated with sending principal acting as agent orders to away market centers.

³ This fee is applicable through an Exchange Pilot Program until September 1, 2006.

⁴ Applies to all BD executions entered electronically and executed without a floor broker.

⁵ Executions resulting from Linkage Orders, other than satisfaction orders, will be subject to this fee. This fee is applicable through an Exchange Pilot Program and will expire on July 31, [2006] 2007.