

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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FORM 19b-4

File No. SR _____
(See Instruction C)*

Amendment No. _____
(If applicable)*

Form 19b-4

**Proposed Rule Change
By**

(Exact Name of Self-Regulatory Organization)*

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

*(Do not include parenthetical material in completed form)

**Persons who are to respond to the collection of information
contained in this form are not required to respond unless the
form displays a currently valid OMB control number.**

GENERAL INSTRUCTIONS

A. Use of the Form

This form shall be used for filings of proposed rule changes by all self-regulatory organizations pursuant to Section 19(b) of the Securities Exchange Act of 1934 (“Act”). National securities exchanges, registered securities associations, registered clearing agencies, and the Municipal Securities Rulemaking Board are self-regulatory organizations for the purposes of this form.

B. Need for Careful Preparation of the Completed Form, Including Exhibits

This form, including exhibits, is intended to elicit information necessary for the public to provide meaningful comment on the proposed rule change for the Commission to determine whether the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the self-regulatory organization. The self-regulatory organization must provide all the information called for by the form, including the exhibits, and must present the information in a clear and comprehensible manner.

The proposed rule change shall be considered filed on the date on which the Commission receives the proposed rule change if the filing complies with all requirements of this form. Any filing that does not comply with the requirements of this form may be returned to the self-regulatory organization at any time before the issuance of the notice of filing. Any filing so returned, shall for all purposes, be deemed not to have been filed with the Commission. See also Rule 0-3 under the Act (17 CFR 240.0-3).

C. Documents Comprising the Completed Form

The completed form filed with the Commission shall consist of the facing sheet, numbers and captions for all items, responses to all items, and exhibits required in Item 9. In responding to an item, the completed form may omit the text of the item as contained herein if the response is prepared to indicate to the reader the coverage of the item without the reader having to refer to the text of the item or its instructions. Each filing shall be marked on the facing sheet with the initials of the self-regulatory organization, the year, and the number of the filing for the year.

D. Amendments

If the information on this form is, or becomes inaccurate before the Commission takes action on the proposed rule change, the self-regulatory organization shall file amendments correcting any such inaccuracy. Copies of amendments shall be provided in the quantities specified in Instruction F.

Amendments to a filing include the facing sheet marked to number consecutively the amendments, numbers and captions for each amended item, amended response to the item, and required exhibits. The amended response to Item 3 shall explain the purpose of the amendment and, if the amendment changes the purpose of, or basis for, the proposed rule change, the amended response shall also provide a revised purpose and basis statement for the proposed rule change. Exhibit 1 shall be refiled if there is a material change from the immediately preceding filing in the language of the proposed rule change or in the information provided.

If the amendment alters the text of an existing rule, the amendment shall include the text of the existing rule, marked in the manner described in Item 1(a) using brackets to indicate words to be deleted from the existing rule and underscoring to indicate words to be added. The purpose of this marking requirement is to maintain a current copy of how the text of the existing rule is being changed.

If the amendment alters the text of the proposed rule change as it appeared in the immediately preceding filing (even if the proposed rule change does not alter the text of an existing rule), the amendment shall include, as Exhibit 4, two full copies of the entire text of the rule as altered. This full text shall be marked, in any convenient manner, to indicate additions to, and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may file only those portions of the text of the proposed rule change in which changes are being made if the filing is clearly understandable on its face. Such portions shall be clearly identified and marked to show deletions and additions.

If, after the rule is filed, but before the Commission takes final action on it, the self-regulatory organization receives or prepares any correspondence or other communications reduced to writing (including comment letters) to and from such self-regulatory organizations concerning the proposed rule change, copies of the communications shall be filed in accordance with Instruction F. If information in the communications makes the rule change filing inaccurate, the filing shall be amended to correct the inaccuracy.

E. Completion of Action by the Self-Regulatory Organization on the Proposed Rule Change

The Commission will not approve a proposed rule change before the self-regulatory organization has completed all action required to be taken under its constitution, articles of incorporation, bylaws, rules, or instruments corresponding thereto (excluding action specified in any such instrument with respect to (i) compliance with the procedures of the Act or (ii) the formal filing of amendments pursuant to state law). Nevertheless, proposed rule changes (other than proposed rule changes that are to take, or to be put into, effect pursuant to Section

19(b)(3) of the Act) may be initially filed before the completion of all such action if the self-regulatory organization consents, under Item 6 of this form, to an extension of the period of time specified in Section 16(b)(2) of the Act until at least thirty-five days after the self-regulatory organization has filed an appropriate amendment setting forth the completion of all such action. If a proposed rule change is to be filed for review under Section 19(b)(2) of the Act in preliminary form, the self-regulatory organization may elect to file initially Exhibit 1 setting forth a description of the subjects and issues expected to be involved.

F. Signature and Filing of the Completed Form

Twelve copies of Form 19b-4, twelve copies of Exhibit 1, four copies of Exhibits 2 and 3, and two copies of Exhibit 4 shall be filed with the Chief of the Branch of Exchange Regulation,* Division of Market Regulation, Securities and Exchange Commission, 450 5th Street, N.W. Washington, D.C. 20549.

At least one copy of the completed Form 19b-4 shall be manually signed by a duly authorized officer of the self-regulatory organization. On copies not manually signed, the name of the signing person shall be typed or printed. The manually signed copy shall be numbered sequentially by handwritten, typed, printed, or other legible form of notation from the facing page of the form through the last page of the form, including any exhibits or attachments thereto. The total number of pages contained in the manually signed copy shall be set forth on the facing page of the form. A registered clearing agency for which the Commission is not the appropriate regulatory agency shall also file with its appropriate regulatory agency three copies of the form. One of which shall be manually signed, including exhibits. The Municipal Securities Rulemaking Board shall also file copies of the form, including exhibits, with the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

INFORMATION TO BE INCLUDED IN THE COMPLETED FORM

1. Text of the Proposed Rule Change

- (a) Set forth the text of the proposed rule change. In the case of any change in, addition to, or deletion from, any existing rule, the existing rule should be set forth, with brackets used to indicate words to be deleted and underscoring used to indicate words to be added. If any form, report, or questionnaire is proposed to be used in connection with the implementation or operation of the proposed rule change, or if the proposed rule change prescribes or refers to any form, report, or questionnaire, a copy of such document shall be attached to, and shall be considered to be part of, such proposed rule change. If, however, the completion of the form, report or questionnaire either is voluntary or is required pursuant to an existing rule of the self-regulatory organization, such form, report, or questionnaire, together with a statement identifying any existing rule that requires completion of the form, report, or questionnaire, shall be attached as Exhibit 3.
- (b) If the self-regulatory organization reasonably expects that the proposed rule change will have any direct effect, or significant indirect effect, on the application of any other rule of the self-regulatory organization, set forth the designation or title of any such rule and describe the anticipated effect of the proposed rule change on the application of such other rule.
- (c) Set forth the file numbers for prior filings with respect to any existing rule specified in response to Item 1(b).

2. Procedures of the Self-Regulatory Organization

- (a) Describe action on the proposed rule change taken by the members or board of directors or other governing body of the self-regulatory organization (by amendment if initial filing is prior to completion of final action). See Instruction E.
- (b) State the name(s) and telephone number(s) of the person(s) on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

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

Provide a statement of the purpose of the proposed rule change and its basis under the Act and the rules and regulations thereunder applicable to the self-regulatory organization. The statement should be sufficiently detailed and specific to support a finding under Section 19(b) of the Act that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the self-regulatory organization. The statement should respond specifically to all significant arguments, raised by commentators or known to the self-regulatory organization, that the proposed rule change is consistent with those requirements. At a minimum, the statement should:

* All national securities exchanges should address filings to the Branch Chief of Exchange Regulation; all national securities associations should address filings to the Branch Chief of Over-The-Counter Regulation; all clearing agencies should address filings to the Branch Chief of Clearing Agency Regulation and the Municipal Securities Rulemaking Board should address all filings to the Branch Chief of the National Market System.

- (a) Describe the reason for adopting the proposed rule change, any problems the proposed rule change is intended to address, the manner in which the proposed rule change will resolve those problems, the manner in which the proposed rule change will affect various persons (e.g., brokers, dealers, issuers, and investors), and any significant problems known to the self-regulatory organization that persons affected are likely to have in complying with the proposed rule change; and
- (b) Explain why the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the self-regulatory organization. A mere assertion that the proposed rule change is consistent with those requirements is not sufficient. In the case of a registered clearing agency, also explain how the proposed rule change will be implemented consistently with the safeguarding of securities and funds in its custody or control or for which it is responsible. Certain limitations that the Act imposes on self-regulatory organizations are summarized in the notes that follow.

NOTE 1. *National Securities Exchanges and Registered Securities Associations.* Under Sections 6 and 15A, rules of a national securities exchange or registered securities association may not permit unfair discrimination between customers, issuers, brokers, or dealers, and may not regulate, by virtue of any authority conferred by the Act, matters not related to the purposes of the Act or the administration of the self-regulatory organization. Rules of a registered securities association may not fix minimum profits or impose any schedule of or fix rates of commissions, allowances, discounts, or other fees to be charged by its members.

Under Section 11A(c)(5), a national securities exchange or registered securities association may not limit or condition the participation of any member in any registered clearing agency.

NOTE 2. *Registered Clearing Agencies.* Under Section 17A, rules of a registered clearing agency may not permit unfair discrimination in the admission of participants or among participants in the use of the clearing agency, may not regulate, by virtue of any authority conferred by the Act, matters not related to the purposes of Section 17A or the administration of the clearing agency, and may not impose any schedule of prices, or fix rates or other fees, for services rendered by its participants.

NOTE 3. *Municipal Securities Rulemaking Board.* Under Section 15B, rules of the Municipal Securities Rulemaking Board may not permit unfair discrimination between customers, issuers, municipal securities brokers, or municipal securities dealers, may not fix minimum profits, or impose any schedule or fix rates of commissions, allowances, discounts, or other fees to be charged by municipal securities brokers or municipal securities dealers, and may not regulate, by virtue of any authority conferred by the Act, matters not related to the purposes of the Act with respect to municipal securities or the administration of the Board.

4. Self-Regulatory Organization's Statement of Burden on Competition

State whether the proposed rule change will have an impact on competition and, if so, (i) state whether the proposed rule change will impose any burden on competition or whether it will relieve any burden on, or otherwise promote, competition and (ii) specify the particular categories of persons and kinds of businesses on which any burden will be imposed and the ways in which the proposed rule change will affect them. If the proposed rule change amends an existing rule, state whether that existing rule, as amended by proposed rule change, will impose any burden on competition. If any impact on competition is not believed to be significant burden on competition, explain why. Explain why any burden on competition is necessary or appropriate in furtherance of the purposes of the Act. In providing those explanations, set forth and respond in detail to written comments as to any significant impact or burden on competition perceived by any person who has made comments on the proposed rule change to the self-regulatory organization. The statement concerning burdens on competition should be sufficiently detailed and specific to support a Commission finding that the proposed rule change does not impose any unnecessary or inappropriate burden on competition.

5. Self-Regulatory Organization's Statement of Comments on the Proposed Rule Change Received from Members, Participants or Others

If written comments were received (whether or not comments were solicited) from members of or participants in the self-regulatory organization or others, summarize the substance of all such comments received and respond in detail to any significant issues that those comments raised about the proposed rule change. If an issue is summarized and responded to in detail under Item 3 or Item 4, that response need not be duplicated if appropriate cross-reference is made to the place where the response can be found. If comments were not or are not to be solicited, so state.

6. Extension of Time for Commission Action

State whether the self-regulatory organization consents to an extension of the time period specified in Section 19(b)(2) of the Act and the duration of the extension, if any, to which the self-regulatory organization consents.

NOTE. The self-regulatory organization may elect to consent to an extension of the time period specified in Section 19(b)(2) of the Act until it shall file an amendment which specifically states that the time period specified in Section 19(b)(2) shall begin to run on the date of filing such amendment.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

- (a) If the proposed rule change is to take, or to be put into, effect, pursuant to Section 19(b)(3), state whether the filing is made pursuant to paragraph (A) or (B) thereof.
- (b) In the case of paragraph (A) of Section 19(b)(3), designate that the proposed rule change:
 - (i) is a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule,
 - (ii) establishes or changes a due, fee, or other charge,
 - (iii) is concerned solely with administration of the self-regulatory organization, or
 - (iv) effects a change in an existing service of a registered clearing agency that (A) does not adversely affect the safeguarding of securities or funds in the custody or control of the clearing agency or for which it is responsible and (B) does not significantly affect the respective rights or obligations of the clearing agency or persons using the service, and set forth the basis on which such designation is made.
- (c) In the case of paragraph (B) of Section 19(b)(3), set forth the basis upon which the Commission should, in the view of self-regulatory organization, determine that the protection of investors, the maintenance of fair and orderly markets, or the safeguarding of securities and funds requires that the proposed rule change be put into effect summarily by the Commission.

NOTE. The Commission has the power, under Section 19(b)(3)(C) of the Act, to abrogate summarily within sixty days of its filing any proposed rule change which has taken effect upon filing pursuant to Section 19(b)(3)(A) of the Act or was put into effect summarily by the Commission pursuant to Section 19(b)(3)(B) of the Act. In exercising its summary power under Section 19(b)(3)(B), the Commission is required to make one of the findings described above but may not have a full opportunity to make a determination that the proposed rule change otherwise is consistent with the requirements of the Act and the rules and regulations thereunder. The Commission will generally exercise its summary power under Section 19(b)(3)(B) on condition that the proposed rule change to be declared effective summarily shall also be subject to the procedures of Section 19(b)(2) of the Act. Accordingly, in most cases, a summary order under Section 19(b)(2)(A) of the Act, to approve such proposed rule change or, depending on circumstances, until such time as the Commission shall institute proceedings to determine whether to disapprove such proposed rule change or, alternatively, such time as the Commission shall, at the conclusion of such proceedings, enter an order, pursuant to Section 19(b)(2)(B), approving or disapproving such proposed rule change.

- (d) If accelerated effectiveness pursuant to Section 19(b)(2) is requested, provide a statement explaining why there is good cause for the Commission to accelerate effectiveness.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

State whether the proposed rule change is based on a rule either of another self-regulatory organization of the Commission, and if so, identify the rule and explain any differences between the proposed rule change and that rule, as the filing self-regulatory organization understands it. In explaining any such differences, give particular attention to the differences between the conduct required to comply with the proposed rule change and that required to comply with the other rule.

9. Exhibits

List of exhibits to be filed, in the quantities specified in Instructions D and F:

1. Completed Notice of Proposed Rule Change for publication in the *Federal Register*. Amendments to Exhibit 1 should be filed in accordance with Instruction D.
2. (a) Copies of notices issued by the self-regulatory organization soliciting comment on the proposed rule change and copies of all written comments on the proposed rule change received by the self-regulatory organization (whether or not comments were solicited), presented in alphabetical order, together with an alphabetical listing of such comments.
 - (b) Any transcript of comments on the proposed rule change made at any public meeting or, if a transcript is not available, a summary of comments on the proposed rule change made at such meeting.

- (c) If after the proposed rule change is filed but before the Commission takes final action on it, the self-regulatory organization prepares or receives any correspondence or other communications reduced to writing (including comment letters) to and from such self-regulatory organization concerning the proposed rule change, copies of the communications shall be filed in accordance with Instruction F.
- 3. Current copies of any form, report, or questionnaire covered by the last sentence of Item 1(a).
- 4. For amendments to a filing, marked copies, if required by Instruction D, of the text of the proposed rule change as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1943, the self-regulatory organization has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Self-Regulatory Organization)

By _____
(Signature)*

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- _____ ; File No. SR _____)
Dated: (**)

SELF-REGULATORY ORGANIZATIONS

Proposed Rule Change By

(Name of Self-Regulatory Organization)

Relating to (brief description of subject matter proposed rule change)

General Instructions

A. Format Requirements

Leave a 1-inch margin at the top, bottom, and right hand side, and a 1.5-inch margin at the left hand side. Number all pages consecutively. Double space all primary text and single space lists of items, quoted material when set apart from primary text, footnotes, and notes to tables.

B. Need for Careful Preparation of the Notice

The self-regulatory organization must provide all information required in the notice and present it in a clear and comprehensible manner. It is the responsibility of the self-regulatory organization to prepare Items I, II, and III of the notice. The Commission cautions self-regulatory organizations to pay particular attention to assure that the notice accurately reflects the information provided in the Form 19b-4 it accompanies. Any filing that does not comply with the requirements of Form 19b-4, including the requirements applicable to the notice, may, at any time before the Commission issues a notice of filing, be returned to the self-regulatory organization. Any document so returned shall for all purposes be deemed not to have been filed with the Commission. See Instruction B to Form 19b-4.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on (DATE***), the (name of the self-regulatory organization) filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

* Print name and title of signer below signature.

** To be completed by the Commission.

*** To be completed by the Commission. This date will be the date on which the Commission receives the proposed rule change filing if the filing complies with all requirements of this form. See Instruction B to Form 19b-4.

(Information to be Included in the Completed Notice)

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

(Supply a brief statement of the terms of substance of the proposed rule change. If the proposed rule change is relatively brief, a separate statement need not be prepared, and the text of the proposed rule change may be inserted in lieu of the statement of the terms of substance. If the proposed rule change amends an existing rule, indicate changes in the rule by brackets for words to be deleted and italics for words to be added.)

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 self-regulatory organization 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 self-regulatory organization has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements. (Reproduce the headings and summarize briefly the most significant aspects of the responses, to Items 3, 4, and 5 of Form 19b-4, redesignating them as (A), (B), and (C), respectively.)

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

(If the proposed rule change is to be considered by the Commission pursuant to Section 19(b)(2), the following paragraph should be used.)

Within 35 days of the date of publication of this notice in the *Federal Register* or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approved such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

(If the proposed rule change is to take, or to be put into, effect pursuant to Section 19(b)(3) and subparagraph (e) of Rule 19b-4, the following paragraph should be used.

The foregoing rule change has become effective pursuant to Section 19(b)(3) of the Securities Exchange Act of 1934 and subparagraph (e) of Securities Exchange Act Rule 19b-4. 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 purposes of the Securities Exchange Act of 1934.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 5th Street, N.W., Washington D.C. 20549.

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. [Section, 450, 5th Street, N.W., Washington D.C. 20549.] Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by [insert date 21 days from the date of publication*].

For the Commission by the Division of Market Regulation, pursuant to delegated authority, 17 CFR§200.30-3(a)(12).

Secretary

* To be completed by the Commission