

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-49807; File No. SR-Phlx-2004-22)

June 4, 2003

Self-Regulatory Organizations; Order Granting Approval of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Susquehanna Indices, LLP Disclaimer

On March 22, 2004, the Philadelphia Stock Exchange, Inc. (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend Exchange Rule 1104A, which applies to indexes maintained by *Susquehanna Indices, LLP*.³ The rule generally provides that Susquehanna makes no warranty, express or implied, to the results of SIG Investments Index. The Phlx is proposing to add a new index which it trades options on, to the disclaimer in Phlx Rule 1104A, the SIG Cable, Media & Entertainment Index.

The proposed rule change was published for comment in the Federal Register on May 3, 2004.⁴ The Commission received no comments on the proposal. This order approves the proposed rule change.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Commission notes that it approved Phlx Rule 1104A on July 7, 2003. See Securities Exchange Act Release No. 48135 (July 7, 2003), 68 FR 42154 (July 16, 2003) (approving SR-Phlx-2003-21).

⁴ See Securities Exchange Act Release No. 49605 (April 22, 2004), 69 FR 24209.

securities exchange.⁵ In particular, the Commission believes that the proposed rule change is consistent with Section 6(b)(5) of the Act⁶ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, to protect investors and the public interest and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Commission believes that the proposed rule change should assist investors by clarifying the nature of any warranty, express or implied, as to results to be obtained by any person or entity when trading Phlx options on the SIG, Cable, Media & Entertainment Index.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (SR-Phlx-2004-22) be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁸

Margaret H. McFarland
Deputy Secretary

⁵ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(12).