

Proposed Rule Change by Chicago Stock Exchange
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial <input checked="" type="checkbox"/>	Amendment <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) <input checked="" type="checkbox"/>	Section 19(b)(3)(A) <input type="checkbox"/>	Section 19(b)(3)(B) <input type="checkbox"/>
			Rule		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
Provide a brief description of the proposed rule change (limit 250 characters).

Contact Information
Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name	<input type="text" value="Ellen"/>	Last Name	<input type="text" value="Neely"/>
Title	<input type="text" value="President & General Counsel"/>		
E-mail	<input type="text" value="eneely@chx.com"/>		
Telephone	<input type="text" value="(312) 663-2496"/>	Fax	<input type="text" value="(312) 663-2231"/>

Signature
Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date

By

(Name) (Title)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The 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.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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

Form 19b-4 Information**1. Text of Proposed Rule Change**

- (a) The Chicago Stock Exchange, Incorporated (the “CHX” or the “Exchange”), pursuant to Rule 19b-4 of the Securities Exchange Act of 1934 (the “Act” or the “Exchange Act”), proposes to amend the text of its rule relating to the delisting of securities (Article XXVIII, Rule 4) to comply with the requirements of recently amended Exchange Act Rule 12d2-2 and to make a few non-substantive changes to clarify the organization of the Exchange’s rule. The text of the proposed rule change is set out below:

ARTICLE XXVIII**Listed Securities**

* * *

Removal of Securities

RULE 4. (a) Removal of Securities. The Board of Governors may remove securities from the list upon the recommendation of the Chief Executive Officer or upon application of the issuer. [In the absence of special circumstances a security considered by the Exchange to be eligible for continued listing will not be removed from the list upon application of the issuer, unless the issuer files with the Exchange a certified copy of a resolution adopted by the board of directors of the issuer authorizing withdrawal from listing and registration.]

[Interpretations and Policies:]

(b) Notice provided by the issuer. In the absence of special circumstances, a security considered by the Exchange to be eligible for continued listing will not be removed from the list upon application of the issuer, unless the issuer files with the Exchange a certified copy of a resolution adopted by the board of directors of the issuer authorizing withdrawal from listing and registration.

Once an issuer has satisfied the requirement set out above, the issuer may voluntarily withdraw its securities from listing and registration on the Exchange as permitted by Exchange Act Rule 12d2-2. If the issuer notifies the Exchange of its intent to withdraw one or more of its securities from listing and registration on the Exchange, the Exchange shall provide public notice of that intent on the Exchange’s website as required by Exchange Act Rule 12d2-2. The issuer’s securities shall be withdrawn

from listing or registration on the Exchange on the effective date set out in Exchange Act Rule 12d2-2.

(c)[.01] Right to Hearing

An issuer whose securities the Exchange proposes to delist shall have the right to avail itself of a hearing.

* * *

(d) Hearing. If the corporation's response to the notice includes a demand for hearing, the Chief Executive Officer shall appoint a Hearing examiner who will set a date for hearing. Failure of the issuer to appear at that hearing will be deemed consent to delisting.

* * *

(e) Review. The corporation shall have fifteen days from the date of receipt of such ruling to file objection and demand a review thereof by the Executive Committee. Such review, unless the Executive Committee determines to permit the introduction of additional evidence, will consist solely of a review of the transcripts of the hearing.

* * *

(f) Public Notice. When a final determination is made with respect to the delisting of one or more securities of an issuer, the Exchange's Secretary promptly shall provide public notice of that determination by issuing a press release and posting notice on the Exchange's website. This notice shall be disseminated no fewer than 10 days before the delisting becomes effective and must remain posted on the Exchange's website until the delisting is effective.

(g) Submission of Forms. Immediately after providing the notice described in paragraph (f) above, the Exchange shall file the materials with the Commission that are required by Exchange Act Rule 12d2-2 and provide all required materials to the issuer.

(b) Not applicable.

(c) Not applicable.

2. Procedures of Self-Regulatory Organization

The Exchange's Board of Directors unanimously approved these proposed rule changes on September 15, 2005.

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

(a) The Securities and Exchange Commission recently approved changes to Exchange Act Rule 12d2-2, which were designed to streamline the process for delisting securities.¹ As part of these changes, national securities exchanges are required to ensure that their delisting rules conform to the new requirements of Rule 12d2-2.²

The proposed rule changes included in this submission are designed to ensure that the Exchange's rules conform to Rule 12d2-2's new requirements. As an initial matter, the changes confirm that the Exchange will provide public notice, on its website and through a press release, of any final Exchange determination to delist an issuer's securities.³ As noted in the proposed rule, this notice would be provided at least ten days before the delisting decision becomes effective and would remain on the Exchange's website until the decision is effective. The proposed rule change also confirms that the Exchange will file required forms with the Commission and provide a copy to the issuer.⁴ In other changes, the proposal describes, in general terms, that the Exchange will provide public notice of an issuer's voluntary request to delist securities and makes other non-substantive changes (such as inserting headings and making the text part of the rule itself, rather than an interpretation to the rule) that are designed to make the rule easier to read.⁵

The Exchange believes that all of these changes are consistent with the requirements of Rule 12d2-2 and provide guidance to issuers of the procedures that will be followed in the event of a voluntary or involuntary delisting of securities on the Exchange.

¹ File No. S7-25-04, Release No. 34-52029 (July 14, 2005), 70 FR 42456 (July 22, 2005).

² See Rule 12d2-2(b)(1), 17 CFR 240.12d2-2(b)(1). Under these new requirements, exchanges must have rules that, at a minimum, provide for: (a) notice to the issuer of the exchange's decision to delist its securities; (b) an opportunity for appeal to the exchange's board of directors, or to a committee designated by the board; and (c) specifically-defined public notice of the exchange's final delisting determination. Because the CHX's rules already comply with the requirements described in (a) and (b), its current proposal primarily is designed to incorporate the new public notice requirements associated with any final decision to delist an issuer's securities.

³ See Article XXVIII, Rule 4(f).

⁴ Although the recent amendments to Rule 12d2-2 do not require the Exchange to include this information in its rules, the Exchange believes that it is appropriate to do so to more fully set out the process for delisting securities.

⁵ These changes also are not required by the recent amendments to Rule 12d2-2.

(b) Approval of the rule changes proposed in this submission is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b). In particular, the proposed changes are consistent with Section 6(b)(5) of the Act, because they would promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest by ensuring that the Exchange's rules are consistent with the requirements of Exchange Act Rule 12d2-2.

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

The Exchange believes that no burden will be placed on competition as a result of the proposed rule changes.

5. 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.

6. Extension of the Time Period for Commission Action

The Exchange does not consent to an extension of the time period specified in Section 19(b)(2) of the Act.

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

Not applicable.

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

This proposed rule change is designed to comply with the requirements of, and to be consistent with, the provisions of Exchange Act Rule 12d2-2.

9. Exhibits

Exhibit 1: The Completed Notice of the Proposed Rule Change for publication in the Federal Register.

Exhibits 2-5: Not applicable.

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION

**(Release No. 34-_____ ; File No. SR-CHX-2005-27)
SELF-REGULATORY ORGANIZATIONS**

**Proposed Rule Change By The Chicago Stock Exchange, Inc. Regarding its
Delisting Procedures**

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”), 15 U.S.C. 78s(b)(1), notice is hereby given that on October 17, 2005, the Chicago Stock Exchange, Inc. (the “CHX” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the CHX. 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

Through this filing, the Exchange proposes to amend the text of its rule relating to the delisting of securities (Article XXVIII, Rule 4) to comply with the requirements of recently amended Exchange Act Rule 12d2-2 and to make a few non-substantive changes to clarify the organization of the Exchange’s rule. The text of this proposed rule change is available on the Exchange’s website at http://www.chx.com/rules/proposed_rules.htm and in the Commission’s Public Reference Room, 100 F Street, NE, Washington, DC 20549.

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 CHX included statements concerning the purpose of and basis for the proposed rule changes and discussed any comments it received regarding the proposal. The text of these statements may be examined at the places specified in Item IV below. The CHX 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 Changes

1. Purpose

The Securities and Exchange Commission recently approved changes to Exchange Act Rule 12d2-2, which were designed to streamline the process for delisting securities.¹ As part of these changes, national securities exchanges are required to ensure that their delisting rules conform to the new requirements of Rule 12d2-2.²

The proposed rule changes included in this submission are designed to ensure that the Exchange's rules conform to Rule 12d2-2's new requirements. As an initial matter, the changes confirm that the Exchange will provide public notice, on its website and through a press release, of any final Exchange determination to delist an issuer's

¹ File No. S7-25-04, Release No. 34-52029 (July 14, 2005), 70 FR 42456 (July 22, 2005).

² See Rule 12d2-2(b)(1), 17 CFR 240.12d2-2(b)(1). Under these new requirements, exchanges must have rules that, at a minimum, provide for: (a) notice to the issuer of the exchange's decision to delist its securities; (b) an opportunity for appeal to the exchange's board of directors, or to a committee designated by the board; and (c) specifically-defined public notice of the exchange's final delisting determination. Because the CHX's rules already comply with the requirements described in (a) and (b), its current proposal primarily is designed to incorporate the new public notice requirements associated with any final decision to delist an issuer's securities.

securities.³ As noted in the proposed rule, this notice would be provided at least ten days before the delisting decision becomes effective and would remain on the Exchange's website until the decision is effective. The proposed rule change also confirms that the Exchange will file required forms with the Commission and provide a copy to the issuer.⁴ In other changes, the proposal describes, in general terms, that the Exchange will provide public notice of an issuer's voluntary request to delist securities and makes other non-substantive changes (such as inserting headings and making the text part of the rule itself, rather than an interpretation to the rule) that are designed to make the rule easier to read.⁵

The Exchange believes that all of these changes are consistent with the requirements of Rule 12d2-2 and provide guidance to issuers of the procedures that will be followed in the event of a voluntary or involuntary delisting of securities on the Exchange.

2. Statutory Basis

The CHX believes the proposal is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b).⁶ The Exchange believes that the

³ See Article XXVIII, Rule 4(f).

⁴ Although the recent amendments to Rule 12d2-2 do not require the Exchange to include this information in its rules, the Exchange believes that it is appropriate to do so to more fully set out the process for delisting securities.

⁵ These changes also are not required by the recent amendments to Rule 12d2-2.

⁶ 15 U.S.C. 78(f)(b).

proposed changes are consistent with Section 6(b)(5) of the Act, because they would promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest by ensuring that the Exchange's rules are consistent with the requirements of Exchange Act Rule 12d2-2.

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

The Exchange does not believe that the proposed rule changes will impose any burden on competition.

C. Self-Regulatory Organization's Statement on Comments Regarding the Proposed Rule Changes Received from Members, Participants or Others

No written comments were either solicited or received.

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

Within 35 days of the date of publication of this notice in the Federal Register or within such other 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 approve the proposed rule changes, or

(B) institute proceedings to determine whether the proposed rule changes should be disapproved.

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.

Comments 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 No. SR-CHX-2005-27 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-9303.

All submissions should refer to File No. SR-CHX-2005-27. 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 changes 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, 100 F Street, NE,

Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the CHX. 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 No. SR-CHX-2005-27 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.⁷

Margaret H. McFarland
Deputy Secretary

⁷ 17 CFR 200.30-3(a)(12).