

with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁰ and Rule 19b-4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of filing.¹¹ However, Rule 19b-4(f)(6)(iii) permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requested that the Commission waive the 30-day operative delay, as specified in Rule 19b-4(f)(6)(iii),¹² which would make the rule change effective and operative upon filing.

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because the proposal is based on a recent Commission-approved proposal submitted by another options exchange¹³ and therefore does not raise any novel regulatory issues. Further, waiving the operative delay will allow the Exchange to commence quoting all series of IWM and SPY in increments of \$0.01 effective February 1, 2010, contemporaneously with other options exchanges. Accordingly, the Commission designates the proposed rule change as operative upon filing with the Commission.¹⁴

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 proposed rule change 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 Number SR-ISE-2010-08 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-ISE-2010-08. 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 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, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the self-regulatory organization. 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 Number SR-ISE-2010-08 and should be submitted on or before February 23, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Florence E. Harmon,
Deputy Secretary.

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¹⁵ 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-61425; File No. SR-OCC-2009-18]

Self-Regulatory Organizations; The Options Clearing Corporation; Order Approving Proposed Rule Change To Allow Members To Deposit Customer Fully Paid or Excess Margin Securities to the Extent Permitted by No-Action Relief or Interpretive Guidance From the Commission or Interpretive Guidance From a Self-Regulatory Organization

January 26, 2010.

I. Introduction

On October 23, 2009, The Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission ("Commission") proposed rule change SR-OCC-2009-18 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ The proposed rule change was published for comment in the Federal Register on December 7, 2009.² No comment letters were received on the proposal. This order approves the proposal.

II. Description

The proposed rule change allows members to deposit customer fully paid or excess margin securities to the extent that activity is consistent with Rule 15c3-3³ under the Act and is permitted by no-action relief or interpretive guidance from the Commission or interpretive guidance from a Self-Regulatory Organization ("SRO").

OCC rules currently prohibit members from depositing with OCC fully paid or excess margin securities that are carried for the account of a customer. This prohibition is intended to conform OCC's treatment of customer fully paid and excess margin securities to the requirements of Rule 15c3-3.

Currently, a Commission no-action letter and related interpretive guidance from the New York Stock Exchange permit fully paid or excess margin securities carried in a customer account to be deposited with OCC in two circumstances. First, if a customer makes a specific deposit of fully paid or excess margin securities with a member to secure its obligations as an option writer⁴ then the member may in turn deposit the customer's securities with

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ 17 CFR 240.19b-4(f)(6)(iii). In addition, Rule 19b-4(f)(6)(iii) requires the self-regulatory organization to give the Commission notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. ISE has satisfied this requirement.

¹² 17 CFR 240.19b-4(f)(6)(iii).

¹³ See *supra* note 5.

¹⁴ For purposes only of waiving the operative delay for this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹ 15 U.S.C. 78s(b)(1).

² Securities Exchange Act Release No. 61078 (November 30, 2009), 74 FR 64116.

³ 17 CFR 240.15c3-3.

⁴ OCC Rule 610(e)-(f).

OCC.⁵ Second, any fully paid or excess margin securities held by a member to secure a customer's obligations may be posted as margin with OCC to the extent of 140% of the difference between the daily marking price deposits⁶ and the original proceeds of the customer's transaction.⁷ This proposed rule change permits members to deposit customer fully paid or excess margin securities in these two circumstances as well as in any future circumstances identified by no-action relief or interpretive guidance from the Commission or interpretive guidance from an SRO.

III. Discussion

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 registered clearing agency. In particular, the Commission believes that by amending its rules to allow members to deposit customer fully paid or excess margin securities to the extent that activity is consistent with Rule 15c3-3 under the Act and is permitted by no-action relief or interpretive guidance from the Commission or interpretive guidance from an SRO, the proposal is consistent with the requirements of Section 17A(b)(3)(F),⁸ which requires, among other things, that the rules of a clearing agency are designed to promote the prompt and accurate clearance and settlement of securities transactions.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act⁹ and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (File No. SR-OCC-2009-18) be, and hereby is, approved.¹¹

⁵ New York Stock Exchange, *New York Stock Exchange Rule Interpretations Handbook* 505 (2004) (Interpretation 01 of Securities Exchange Act Rule 15c3-3(c) citing Chicago Board Options Exchange, Inc., SEC No-Action Letter (Feb. 19, 1975)).

⁶ As required by OCC of its member.

⁷ New York Stock Exchange, *New York Stock Exchange Rule Interpretations Handbook* 505 (2004) (Interpretation 020 of Securities Exchange Act Rule 15c3-3(c)).

⁸ 15 U.S.C. 78q-1(b)(3)(F).

⁹ 15 U.S.C. 78q-1.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.¹²

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-61424; File No. SR-NYSE-2010-03]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by New York Stock Exchange LLC Amending the Rule Governing the Issuance of Trading Licenses

January 26, 2010.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on January 13, 2010, New York Stock Exchange LLC ("NYSE" 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 self-regulatory organization. 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 Exchange Rule 300 (Trading Licenses) to provide that a member organization shall be ineligible to purchase a trading license, either in the annual offering or subsequently, if such member organization is three months in arrears in paying monthly installments of the trading license fee payable in respect of any previously purchased trading license. The Exchange also proposes to amend Rule 309 (Failure to Pay Exchange Fees) to provide that failure to pay trading license fee installments will be governed by proposed Rule 300(h).

The text of the proposed rule change is available on the Exchange's Web site (<http://www.nyse.com>), at the Exchange's Office of the Secretary and at the Commission's Public Reference room.

¹² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 those 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 parts of such statements.

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

1. Purpose

Exchange Rule 300 provides that member organizations may buy trading licenses in the annual offering and may buy licenses at any other time in the year, provided that the maximum number of 1366 licenses has not been issued and subject to limitations on the number of licenses a single member organization may hold. Rule 300 provides that member organizations must pay for their trading licenses in 12 monthly installments, with the first installment due prior to the commencement of the applicable year. The Exchange has experienced difficulty in collecting trading license fee installments promptly from a small number of member organizations. Consequently, the Exchange now proposes to amend Rule 300 by adding proposed new subparagraph (h), providing that a member organization shall be ineligible to purchase a trading license, either in the annual offering or subsequently, if, at the time of such proposed purchase, such member organization remains three months in arrears in paying monthly installments of the trading license fee payable in respect of any previously purchased trading license.

Any trading license purchased by a member organization in the annual auction for the calendar year commencing January 1, 2010, will be subject to automatic revocation at the close of business on March 31, 2010, if the member organization that holds such license remains three months in arrears in making such payments at that time. The Exchange believes that this transitional approach for 2010 is appropriate as it will enable it to give the affected member organizations adequate notice and a reasonable period in which to pay their overdue trading