

expectation of selling them at higher prices shortly thereafter. Furthermore, the MSRB stated that the proposed rule change incorporates the same exceptions to the priority provisions that exist under current law, and that what the proposed rule change would do is to require accountability of underwriters who deviated from the priority provisions, because they would be required to keep records of why they did so. The Commission believes the MSRB's explanation of the application of the proposal adequately addresses Mr. Melton's concerns. With regard to all other issues raised by the commenters, the Commission believes that the MSRB has adequately addressed the commenters' concerns.

#### IV. Order Granting Accelerated Approval of Proposed Rule Change

Pursuant to Section 19(b)(2) of the Exchange Act,<sup>14</sup> the Commission may not approve any proposed rule change, or amendment thereto, prior to the 30th day after the date of publication of notice of the filing thereof, unless the Commission finds good cause for so doing and publishes its reasons for so finding. The MSRB requests that the Commission find good cause, pursuant to Section 19(b)(2) of the Exchange Act, for approving Amendment No. 1 prior to the thirtieth day after publication of notice of filing of Amendment No. 1 in the **Federal Register**. The MSRB believes that the Commission has good cause for granting accelerated approval of the proposed rule change because the revisions made by Amendment No. 1 are technical amendments that do not significantly alter the substance of the original proposed rule change, are consistent with the purpose of the original proposed rule change, and do not raise significant new issues. The Commission hereby finds good cause for approving the proposed rule change, as modified by Amendment No. 1, before the 30th day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission notes that the original proposed rule change was published in the **Federal Register** on December 10, 2009. The Commission does not believe that Amendment No. 1 significantly alters the proposal. In Amendment No. 1, the MSRB made technical revisions in response to comments. The Commission believes that Amendment No. 1 is consistent with the proposal's purpose and raises no new significant issues. Accordingly, pursuant to Section 19(b)(2) of the Exchange Act,<sup>15</sup> the

Commission finds good cause to approve the proposed rule change, as amended, on an accelerated basis.

#### V. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, is consistent with the Exchange 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](mailto:rule-comments@sec.gov). Please include File Number SR-MSRB-2009-17 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-MSRB-2009-17. 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 Web site viewing and printing 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 such filing also will be available for inspection and copying at the principal office of the MSRB. 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-MSRB-2009-17 and should be submitted on or before September 8, 2010.

#### VI. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule change, as amended, is consistent with the Exchange Act and the rules and regulations thereunder applicable to the MSRB<sup>16</sup> and, in particular, the requirements of Section 15B(b)(2)(C) of the Exchange Act<sup>17</sup> and the rules and regulations thereunder. The proposal will become effective for new issues of municipal securities for which the Time of Formal Award (as defined in Rule G-34(a)(ii)(C)(1)(a)) occurs more than 60 days after approval of the proposed rule change by the SEC, as requested by the MSRB.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Exchange Act,<sup>18</sup> that the proposed rule change (SR-MSRB-2010-17), as amended, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>19</sup>

**Florence E. Harmon,**  
*Deputy Secretary.*

[FR Doc. 2010-20467 Filed 8-17-10; 8:45 am]

**BILLING CODE 8010-01-P**

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62704; File No. SR-CBOE-2010-073]

#### Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Its Fees Schedule and Circular Regarding Trading Permit Holder Application and Other Related Fees

August 12, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on August 3, 2010, the Chicago Board Options Exchange, Incorporated ("CBOE" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by CBOE. The Commission is

<sup>16</sup> In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

<sup>17</sup> 15 U.S.C. 78o-4(b)(2)(C).

<sup>18</sup> 15 U.S.C. 78s(b)(2).

<sup>19</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>14</sup> 15 U.S.C. 78s(b)(2).

<sup>15</sup> 15 U.S.C. 78s(b)(2).

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**

Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") proposes to amend its Fees Schedule and circular regarding Trading Permit Holder application and other related fees ("Trading Permit Fee Circular") as they apply to tier appointments and bandwidth packets. The text of the proposed rule change is available on the Exchange's Web site (<http://www.cboe.org/Legal/>), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

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

In its filing with the Commission, CBOE 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. CBOE 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 Change*

##### **1. Purpose**

CBOE is proposing to amend its Fees Schedule and Trading Permit Fee Circular to extend the deadline for notification of termination of a tier appointment or bandwidth packet until the last business day of the prior month. Specifically, tier appointments and bandwidth packets will be renewed automatically for the next month unless the Trading Permit Holder submits written notification to the CBOE Registration Services Department by the last business day of the prior month to cancel the tier appointment or bandwidth packet effective at or prior to the end of the applicable month. Trading Permit Holders were previously required to submit this notification by the 25th day of the prior month (or the preceding business day if the 25th was not a business day). CBOE no longer believes that it requires this additional notice in the context of tier appointment and bandwidth packet terminations.

CBOE is also proposing to amend its Fees Schedule and Trading Permit Fee

Circular to establish a fee scale for the purchase of Order Entry Bandwidth Packets under which the cost of an Order Entry Bandwidth Packet would decline at certain break points as additional Order Entry Bandwidth Packets are purchased. Specifically, the first through fifth Order Entry Bandwidth Packets obtained by a Trading Permit Holder would cost \$2,000 per packet per month, the sixth through eighth Order Entry Bandwidth Packets obtained by that Trading Permit Holder would cost \$1,000 per packet per month, the ninth through thirteenth Order Entry Bandwidth Packets obtained by that Trading Permit Holder would cost \$500 per packet per month, and the fourteenth and each additional Order Entry Bandwidth Packet obtained by that Trading Permit Holder would cost \$250 per packet per month. As with CBOE's current bandwidth packet fees, the foregoing fees would be discounted by 20% through the end of 2010.

CBOE also proposes to allow Trading Permit Holders to obtain and assign to a particular Sponsored User of the Trading Permit Holder one or more Order Entry Bandwidth Packets. In that event, the fees for the assigned bandwidth packet(s) would be assessed to the Trading Permit Holder and the bandwidth packet(s) could be utilized solely by the Sponsored User (and not by the Trading Permit Holder or any other Sponsored User).

Fees for Order Entry Bandwidth Packets assigned to a particular Sponsored User would be subject to the same fee scale as above and to the 20% discount through the end of 2010 that would apply to Order Entry Bandwidth Packets obtained by Trading Permit Holders that are not assigned to a particular Sponsored User, with one difference. Specifically, each break point in the fee scale would be one numeral higher than in the fee scale for Order Entry Bandwidth Packets not assigned to a particular Sponsored User. Thus, for example, the first tier of the fee scale for Order Entry Bandwidth Packets assigned to a particular Sponsored User would be for the first four Order Entry Bandwidth Packets instead of for the first three Order Entry Bandwidth Packets. The reason for this difference is that each Trading Permit Holder has already paid for the order entry bandwidth allocation that is provided by the Trading Permit by paying for the Trading Permit so the fee scale is structured so that the fee for the first Order Entry Bandwidth Packet that is assigned to a Sponsored User is paid before the sliding scale becomes applicable.

Thus, the full fee scale for Order Entry Bandwidth Packets assigned by a Trading Permit Holder to a Sponsored User would be that the first through sixth Order Entry Bandwidth Packets assigned to the Sponsored User would cost \$2,000 per packet per month, the seventh through ninth Order Entry Bandwidth Packets assigned to that Sponsored User would cost \$1,000 per packet per month, the tenth through fourteenth Order Entry Bandwidth Packets assigned to that Sponsored User would cost \$500 per packet per month, and the fifteenth and each additional Order Entry Bandwidth Packet assigned to that Sponsored User would cost \$250 per packet per month.

CBOE is proposing to implement the foregoing changes effective for the month of August 2010.

##### **2. Statutory Basis**

The proposed rule change will treat all Trading Permit Holders in a consistent manner and apply the same fees with respect to all Sponsored Users. The difference in the fee scale applicable with respect to Sponsored Users is reasonable in that Sponsored Users are not CBOE Trading Permit Holders and have not already obtained an order entry bandwidth allowance through the purchase of a Trading Permit. Accordingly, the Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>3</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>4</sup> in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among persons using its facilities for the reasons described above.

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

CBOE does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

#### *C. 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 with respect to the proposed rule change.

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

The foregoing rule has become effective pursuant to Section 19(b)(3)(A)

<sup>3</sup> 15 U.S.C. 78f(b).

<sup>4</sup> 15 U.S.C. 78f(b)(4).

of the Act<sup>5</sup> and subparagraph (f)(2) of Rule 19b-4<sup>6</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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](mailto:rule-comments@sec.gov). Please include File Number SR-CBOE-2010-073 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-CBOE-2010-073. 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 Web site viewing and printing 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 such filing also will be available for inspection and copying at the principal office of the Exchange. 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-CBOE-2010-073 and should be submitted on or before September 8, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>7</sup>

**Florence E. Harmon,**  
*Deputy Secretary.*

[FR Doc. 2010-20407 Filed 8-17-10; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62703; File No. SR-ISE-2010-81]

### Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Filing of Proposed Rule Change Relating to Trading Options on a Reduced Value of the DAX Index, Including Long-Term Options

August 12, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on August 3, 2010, the International Securities Exchange, Inc. (the "Exchange" or the "ISE") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change, replacing the original filing in its entirety, as described in Items I and II, 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 ISE is proposing to amend its rules to trade options on a reduced value DAX Index ("Mini DAX"). The Mini DAX represents 1/10th of the full value of the DAX Index. The Exchange also proposes to list and trade long-term options on the Mini DAX. Options on the Mini DAX will be A.M. cash-settled and will have European-style exercise provisions. The text of the proposed rule change is available on the Exchange's Web site at <http://www.ise.com>, on the Commission's Web site at <http://www.sec.gov>, at the

Exchange, and at the Commission's Public Reference Room. A copy of this filing is available on the Exchange's Web site at <http://www.ise.com>, at the Exchange's principal office and at the Commission's Public Reference Room.

#### 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.

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

###### (a) Purpose

The Exchange proposes to amend its Rules 2001, 2004 and 2009 to provide for the listing and trading of options on the Mini DAX, which represents 1/10th of the full value of the DAX Index. In addition to options on the Mini DAX, the Exchange may list long-term options on the Mini DAX (the "Mini DAX LEAPS").<sup>3</sup> Options on the Mini DAX will A.M. cash-settled and will have European-style exercise provisions.

The DAX Index is an internationally recognized, capitalization-weighted index based on the prices of the 30 most highly capitalized German stocks admitted to the Prime Standard Segment of the FWB Frankfurter Wertpapierbörse (Frankfurt Stock Exchange) and traded on the Xetra trading system operated by Deutsche Börse AG ("DBAG"). DBAG is regulated by the German Federal Financial Supervisory Authority ("BaFin"). DBAG's Xetra trading system is a fully electronic order book trading service. Xetra is the central price formation and trading service for the securities comprising the DAX Index. DBAG and the SIX Swiss Exchange jointly operate a fully electronic derivatives exchange called Eurex. Eurex lists futures and options on, among other things, equities, equity indexes, interest rates, and commodities.

<sup>3</sup> Under ISE Rule 2009(b), "Long-Term Index Options Series," the Exchange may list long-term options that expire from 12 to 60 months from the date of issuance.

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>6</sup> 17 CFR 240.19b-4(f)(2).

<sup>7</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.