

The Exchange Act provides a framework for self-regulation under which various entities involved in the securities business, including national securities exchanges and national securities associations (collectively, self-regulatory organizations or "SROs"), have primary responsibility for regulating their members or participants. The role of the Commission in this framework is primarily one of oversight: the Exchange Act charges the Commission with supervising the SROs and assuring that each complies with and advances the policies of the Exchange Act.

The Exchange Act was amended by the Commodity Futures Modernization Act of 2000 ("CFMA"). Prior to the CFMA, federal law did not allow the trading of futures on individual stocks or on narrow-based stock indexes (collectively, "security futures products"). The CFMA removed this restriction and provides that trading in security futures products would be regulated jointly by the Commission and the Commodity Futures Trading Commission ("CFTC").

The Exchange Act requires all SROs to submit to the SEC any proposals to amend, add, or delete any of their rules. Certain entities (Security Futures Product Exchanges) would be national securities exchanges only because they trade security futures products. Similarly, certain entities (Limited Purpose National Securities Associations) would be national securities associations only because their members trade security futures products. The Exchange Act, as amended by the CFMA, established a procedure for Security Futures Product Exchanges and Limited Purpose National Securities Associations to provide notice of proposed rule changes relating to certain matters.¹ Rule 19b-7 and Form 19b-7 implemented this procedure. Effective April 28, 2008, the SEC amended Rule 19b-7 and Form 19b-7 to require that Form 19b-7 be submitted electronically.²

The collection of information is designed to provide the Commission with the information necessary to determine, as required by the Act, whether the proposed rule change is

consistent with the Act and the rules thereunder. The information is used to determine if the proposed rule change should remain in effect or abrogated.

The respondents to the collection of information are SROs. Five respondents file an average total of 12 responses per year. Each response takes approximately 13.25 hours to complete, which corresponds to an estimated annual response burden of 159 (12 responses × 13.25 hours) hours. The average cost per response is \$4,465.50 (13.25 hours multiplied by a weighted average hourly rate of \$337.02).³

Compliance with Rule 19b-7 is mandatory. Information received in response to Rule 19b-7 shall not be kept confidential; the information collected is public information.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to: Thomas Bayer, Chief Information Officer, Securities and Exchange Commission, C/O Remi Pavlik-Simon, 6432 General Green Way, Alexandria, Virginia 22312 or send an e-mail to: PRA_Mailbox@sec.gov.

Dated: March 1, 2011.

Cathy H. Ahn,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Investor

Education and Advocacy,
Washington, DC 20549-0213.

Extension:

Rule 206(3)-3T; SEC File No. 270-571;
OMB Control No. 3235-0630.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 350 *et seq.*), the Securities and Exchange Commission (the "Commission") has submitted to the Office of Management and Budget ("OMB") a request for extension and approval of the collections of information discussed below.

Temporary rule 206(3)-3T (17 CFR 275.206(3)-3T) under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 *et seq.*) is entitled: "Temporary rule for principal trades with certain advisory clients." The temporary rule provides investment advisers who are registered with the Commission as broker-dealers an alternative means to meet the requirements of section 206(3) of the Advisers Act (15 U.S.C. 80b-6(3)) when they act in a principal capacity in transactions with certain of their advisory clients.

Temporary rule 206(3)-3T permits investment advisers also registered as broker-dealers to satisfy the Advisers Act's principal trading restrictions by: (i) Providing written, prospective disclosure regarding the conflicts arising from principal trades; (ii) obtaining written, revocable consent from the client prospectively authorizing the adviser to enter into principal transactions; (iii) making oral or written disclosure and obtaining the client's consent before each principal transaction; (iv) sending to the client confirmation statements disclosing the capacity in which the adviser has acted; and (v) delivering to the client an annual report itemizing the principal transactions.

The Commission staff estimates that approximately 380 investment advisers make use of rule 206(3)-3T, including an estimated 24 advisers (on an annual basis) also registered as broker-dealers who do not offer non-discretionary services, but whom the Commission staff estimates will choose to do so and rely on rule 206(3)-3T. The Commission staff estimates that these advisers spend, in the aggregate, approximately 378,992 hours annually in complying with the requirements of the rule, including both initial and annual burdens. The aggregate hour burden, expressed on a per-eligible-adviser basis, is therefore approximately 997 hours per eligible adviser (378,992 hours divided by the estimated 380 advisers that will rely on rule 206(3)-3T).

¹ These matters are higher margin levels, fraud or manipulation, recordkeeping, reporting, listing standards, or decimal pricing for security futures products; sales practices for security futures products for persons who effect transactions in security futures products; or rules effectuating the obligation of Security Futures Product Exchanges and Limited Purpose National Securities Associations to enforce the securities laws. See 15 U.S.C. 78s(b)(7)(A).

² See Securities Exchange Act Release No. 57526 (March 19, 2008), 73 FR 16179 (March 27, 2008).

³ The average cost per response is \$4,465.50 (13.25 hours multiplied by a weighted average hourly rate of \$337.02). The resultant total related cost of compliance for these respondents is \$53,586 per year (12 responses × \$4,465.50 per response).

The information collected pursuant to the rule is not required to be filed with the Commission, but rather takes the form of disclosures to, and responses from, clients. Accordingly, these filings are not kept confidential. To the extent advisers include any of the information required by the rule in a filing, such as Form ADV, the information will not be kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

The public may view the background documentation for this information collection at the following Web site, <http://www.reginfo.gov>. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an e-mail to: Shagufta_Ahmed@omb.eop.gov; and (ii) Thomas Bayer, Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 6432 General Green Way, Alexandria, VA 22312 or send an e-mail to: PRA_Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.

Dated: March 1, 2011.

Cathy H. Ahn,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64007; File No. SR-CBOE-2011-021]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to PULSe Fees

March 2, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 1, 2011, 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, II and III below, which Items have been prepared

by CBOE. The Exchange has designated this proposal as one establishing or changing a due, fee, or other charge imposed by CBOE under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder.⁴ 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 is proposing to amend its Fees Schedule to reduce an away-market routing fee and extend a fee waiver related to the PULSe workstation. The Exchange is also proposing to make a non-substantive formatting change to its Fee Schedule. 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.

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

The purpose of this proposed rule change is to reduce an away-market routing fee and extend a fee waiver related to the PULSe workstation. The Exchange is also proposing to make a non-substantive formatting change to its Fee Schedule.

By way of background, the PULSe workstation is a front-end order entry system designed for use with respect to orders that may be sent to the trading systems of CBOE and CBOE Stock Exchange, LLC ("CBSX"). In addition, the PULSe workstation provides a user with the capability to send options orders to other U.S. options exchanges and stock orders to other U.S. stock

exchanges through a PULSe Routing Intermediary ("away-market routing").⁵

The first purpose of this proposed rule change is to reduce the PULSe away market routing fee. Currently the fee is set at \$0.10 per executed contract or share equivalent. The Exchange is proposing to reduce the fee to \$0.05 per executed contract or share equivalent effective March 1, 2011.

The second purpose of this proposed rule change is to extend the waiver of the PULSe Routing Intermediary fee. Currently the Exchange has waived the Routing Intermediary fee through March 31, 2011. The Exchange is proposing to extend this waiver through June 30, 2011. Thus this fee will be assessed beginning July 1, 2011.

Finally, the third purpose of this proposed rule change is to make a non-substantive formatting change to its Fee Schedule. In particular, the Fees Schedule currently contains references to fees for Professional and Voluntary Professional transactions in S&P 500 Index options series that trade on the Hybrid Trading System. Specifically, the fee schedule references "SPX Options Trading on Hybrid." The Exchange is proposing to change these references to the trading symbol for such options, which is simply "SPXW." This change is non-substantive and should simplify the Fees Schedule in a manner consistent with other existing references to option trading symbols.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(4) of the Act,⁷ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among Trading Permit Holders in that the same fees and fee waivers are applicable to all Trading Permit Holders that use the PULSe Workstation. In addition, the change of the references from SPX Options Trading on Hybrid to the trading symbol SPXW should simplify the Fees Schedule in a manner consistent with other existing references to option trading symbols.

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

CBOE does not believe that the proposed rule change will impose any

⁵ For a more detailed description of the PULSe workstation and its other functionalities, see, e.g., Securities Exchange Act Release Nos. 62286 (June 11, 2010), 75 FR 34799 (June 18, 2010) (SR-CBOE-2010-051) and 63721 (January 14, 2011), 76 FR 3929 (January 21, 2011) (SR-CBOE-2011-001).

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).