



The Security Traders Association of New York, Inc.

Member of the Security Traders Association
39 Broadway, Suite 1840 New York, NY 10006

● Phone (212) 344-0410 ● Fax (212) 943-8478
e-mail - kimu@stany.org

Kimberly Unger, Esq.
Executive Director

October 29, 2009

Elizabeth Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549

**Re: File No. SR-ISE-2009-35; Release No. 34-60584
Order Granting Approval of Proposed Rule Change Relating to Qualified
Contingent Cross Orders**

Dear Ms. Murphy:

The Security Traders Association of New York, Inc. (“STANY”)¹ submits this letter in support of the Chicago Board Options Exchange (“CBOE”) Petition for Review (“Petition”) in connection with the above captioned rule filing (“rule filing”) filed by the CBOE on September 14, 2009.

¹ The Security Traders Association of New York is the voice of the trader in the New York metropolitan area. STANY represents approximately 1,200 individuals at over 250 firms, all engaged in the buying, selling and trading of securities. As such, we are uniquely qualified to discuss rules and regulations affecting the purchase and sale of securities. STANY is the largest affiliate of the Security Traders Association (STA), a multinational professional trade organization that works to improve the ethics, business standards and working environments of its members. Neither STA, nor STANY, represent a single business or business model, but rather provide a forum for traders representing institutions, broker-dealers, ECNs, ATs and floor brokers to share their unique perspectives on issues facing the securities markets. Our members work together to promote their shared interest in efficient, liquid markets, as well as their concern for investor protection. We believe that strong and efficient markets require an appropriate balance between effective regulation and innovation and competition.

Ms. Elizabeth M. Murphy

October 28, 2009

Page 2

The Division of Markets and Trading of the Security and Exchange Commission (“the Commission”) approved the above-captioned proposed rule change of the International Securities Exchange (“ISE”) on August 28, 2009. In doing so, the Commission noted that the ISE’s proposed rule change “would represent a change in certain long-held principles in the options markets because it would permit the execution of a cross order without requiring exposure or customer priority.”

Given the diversity of STANY’s membership, we understandably have members who support the ISE proposal and those who equally strongly oppose it. Regardless of the merits, we believe that it is in the best interest of the options market and its participants for rule changes, especially those that materially impact the manner in which trades are executed, to be fully vetted prior to implementation.

It has come to our attention that various market participants, for equally various reasons, did not submit comment letters at the time that the ISE filed its request for a rule change in June 2009. While it could be argued that they missed their chance, we believe that it would be appropriate and in the best interests of the market to allow those with potentially valuable comments to be heard and for those comments to be given consideration by the Commission. Therefore, we respectfully request that the Commission grant the CBOE’s Petition for Review.

Respectfully submitted,

Kimberly Unger
Executive Director