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September 4, 2015

VIA E-MAIL AND FEDERAL EXPRESS

Mr. Stephen Luparello
Director
Division of Trading and Markets
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Intent of Borsa Italiana S.p.A. to Rely on Class No-Action Relief for Foreign Options Markets and their Members that Engage in Familiarization Activities

Dear Mr. Luparello:

On behalf of Borsa Italiana S.p.A. (“Borsa Italiana” or the “Exchange”), we are writing to notify you of the Exchange’s intent to rely on the class no-action relief issued by the Securities and Exchange Commission’s (“SEC” or “Commission”) Division of Trading and Markets (“Staff”) for foreign options markets and their members that engage in familiarization activities with certain U.S. based persons.¹

Background

In the Class Relief, the Staff took a no-action position under which a Foreign Options Market,² its Representatives,³ and the Foreign Options Market’s members, could engage in activities to

¹ See LIFFE A&M and Class Relief, SEC No-Action Letter (Jul. 1, 2013) (“Class Relief”).

² The Class Relief defines a Foreign Options Market as a “non-U.S. derivatives market: (1) on which Eligible Options trade; and (2) that is an organized exchange operated and regulated outside the United States.” An Eligible Option is defined in the letter to mean “an index option or option on an individual security traded on a foreign options market that is not fungible or interchangeable with options traded on any market other than the foreign options market, and, accordingly, each position in an eligible option issued by a clearing member of the foreign options market can be closed out only on the foreign options market.”

³ The Class Relief defines a “Representative” as “an employee of the Foreign Options Market located inside or outside the United States who has been appointed to act as representative of the Foreign Options Market and may

familiarize Eligible Broker-Dealers/Eligible Institutions⁴ regarding the Foreign Options Market and Eligible Options available on that market without the Staff recommending enforcement action to the Commission under Sections 5, 6, 15, or 17A of the Securities Exchange Act of 1934 (“Exchange Act”). To make use of the Class Relief, a Foreign Options Market must send a letter, signed either by the Foreign Options Market’s chief legal officer or the Foreign Options Market’s U.S. counsel, to the Director of the Division of Trading and Markets that:

- Identifies the Foreign Options Market;
- Describes the Eligible Options for which the Foreign Options Market, its personnel, and its members seek to engage in familiarization activities with Eligible Broker-Dealers/Eligible Institutions; and
- Makes the following representations:
 - The parties will provide Commission staff promptly upon request a list of the specific equity and index options covered by the request for relief and will identify a primary listing market for each underlying equity security and index component.
 - The requesting entities have taken steps to comply with, and assure continued compliance with, each of the representations and conditions contained in the Class Relief and acknowledge that the Class Relief is only available to the requesting entities to the extent they are in compliance with each of the representations and conditions contained in the Class Relief.
 - All subject entities covered by the Class Relief will comply with each of the representations and conditions contained in the Class Relief, including the restriction on securities of U.S. issuers.

Description of the Borsa Italiana

Founded in 1808, Borsa Italiana is the organization responsible for the management and surveillance of the Italian Stock Exchange (“Stock Exchange”) and the Stock Exchange’s equity derivatives division referred to as the Mercato Italiano dei Derivati (the Italian Derivatives Market, or “IDEM”). IDEM was organized in 1994 under the laws of Italy as a division, and the

undertake the activities described in Section II [of the Class Relief] with respect to Eligible Broker-Dealers/Eligible Institutions[as defined below].”

⁴ An “Eligible Broker-Dealer/Eligible Institution” (and, individually, an “Eligible Broker-Dealer” or “Eligible Institution”) is any entity that meets the following standards: (a) it must be a “qualified institutional buyer” as defined in Rule 144A(a)(1) under the Securities Act of 1933 (“Securities Act”), or an international organization excluded from the definition of “U.S. person” in Rule 902(k)(2)(vi) of Regulation S under the Securities Act; and (b) it must have had prior actual experience with traded options in the U.S. options market (and, therefore, would have received the disclosure document for U.S. standardized options called for by Rule 9b-1 under the Securities Exchange Act of 1934).

equity derivatives market, of the Stock Exchange.⁵ Commissione Nazionale per le Società e la Borsa, or “Consob,” is the Italian governmental authority responsible for regulating and supervising Borsa Italiana. For purposes of this letter, Borsa Italiana is a Foreign Options Markets in that it is a non-U.S. derivatives market (1) on which Eligible Options trade, or will trade, and (2) that is an organized exchange operated and regulated outside the United States.

Description of Eligible Options

The Eligible Options that are the subject of this relief are options contracts on (1) individual stocks; and (2) various equity indices, such as the FTSE MIB.⁶ Eligible Options offered on Borsa Italiana are not fungible or interchangeable with options traded on any market other than Borsa Italiana. In addition, each position in an Eligible Option on Borsa Italiana can be closed out only on Borsa Italiana and can be cleared only by Cassa di Compensazione e Garanzia (the Italian Futures and Options Clearing House, or the “CC&G”). The CC&G is subject to the supervisory authority of the Consob and the Bank of Italy.

Representations

For purposes of relying on the Class Relief for the Eligible Options, Borsa Italiana makes the following representations:

- Borsa Italiana will provide Commission staff promptly upon request a list of the specific equity and index options covered by this notification and will identify a primary listing market for each underlying equity security and index component, as applicable;
- Borsa Italiana has taken steps to comply with, and assure continued compliance by it, its representatives and its Members with, each of the representations and conditions contained in the Class Relief and acknowledges that the Class Relief is only available to the extent that Borsa Italiana, its personnel and its members are in compliance with each of the representations and conditions contained in the Class Relief; and
- Borsa Italiana will comply with each of the representations and conditions contained in the Class Relief, including the restriction on securities of U.S. issuers.

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⁵ In June 2007, the London Stock Exchange Group Plc acquired Borsa Italiana.

⁶ The FTSE MIB Index is the primary benchmark index for the Italian equity markets designed to measure the performance of forty Italian equities; it seeks to replicate the broad sector weights of the Italian stock market. The FTSE MIB Index is a market-cap weighted index after adjusting constituents for float and is derived from stocks trading on the Borsa Italiana equity market.

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We would be pleased to answer any questions that you or the Staff may have with regard to this notification of Borsa Italiana's intention to rely on the Class Relief. Please feel free to contact me through the contact information listed above, Ignacio Sandoval at (202) 739-5201 or Roberto Del Conte, Market Management & Development - Equity & Derivatives Markets division of Borsa Italiana, at +39 02 72426325 or Roberto.DelConte@borsaitaliana.it.

Sincerely,



Michael M. Philipp

cc: Raffaele Jerusalmi, CEO, Borsa Italiana S.p.A.
David Shillman, Associate Director, SEC
John Roeser, Associate Director, SEC
Richard Holley III, Assistant Director, SEC
Yvonne Fraticelli, Special Counsel, SEC

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