

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-59434; File No. SR-BSE-2008-56)

February 23, 2009

Self-Regulatory Organizations; Boston Stock Exchange, Inc.; Order Granting Approval of Proposed Rule Change Relating to BOX Rules Governing Doing Business with the Public

On December 9, 2008, the Boston Stock Exchange, Inc. (“BSE” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change 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> The proposed rule change was published for comment in the Federal Register on January 13, 2009.<sup>3</sup> The Commission received no comments on the proposed rule change. This order approves the proposed rule change.

I. Description of the Proposed Rule Change

The Exchange proposed to amend Chapter XI of the Boston Options Exchange (“BOX”) Rules by replacing the term “Registered Options and Security Futures Principal” (“ROSFP”) with “Registered Options Principal” (“ROP”). Although ROP was recently changed to ROSFP in the BOX Rules, the Exchange believes that the change

---

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

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

<sup>3</sup> See Securities Exchange Act Release No. 59211 (January 7, 2009), 74 FR 1734 (January 13, 2009).

from ROP to ROSFP may have created confusion among BOX participants, and that reverting to ROP will alleviate this confusion. Furthermore, the Exchange believes that reverting to ROP will provide consistency with the rules of other options exchanges, most of which use ROP rather than ROSFP.<sup>4</sup> The Exchange notes that the reversion to ROP does not affect the qualifications required to transact options business with the public.

The Exchange also proposed amending Chapter XI, Section 13 of the BOX Rules to clarify that an options confirmation need not disclose the exchange or exchanges on which an options transaction is executed. The rule will continue to require that written confirmations contain a description of each transaction in the options contract, the underlying security, the type of option, the option expiration month, exercise price, number of option contracts, premium, commissions, date of transaction and settlement date, and shall indicate whether the transaction is a purchase or sale and whether a principal or agency transaction. The confirmation shall also distinguish by appropriate symbols between Exchange transactions and other transactions in options contracts. This

---

<sup>4</sup> See Securities Exchange Act Release No. 58932 (November 12, 2008), 73 FR 69696 (November 19, 2008) (SR-FINRA-2008-032) (changing the term “Registered Options and Security Futures Principal” to “Registered Options Principal”). See also Securities Exchange Act Release No. 58129 (July 9, 2008), 73 FR 40895 (SR-ISE-2008-21); Securities Exchange Act Release No. 57738 (April 29, 2008), 73 FR 25805 (May 7, 2008) (SR-Amex-2007-129); and Securities Exchange Act Release No. 56971 (December 14, 2007), 72 FR 72804 (December 21, 2007) (SR-CBOE-2007-106) (approving elimination of the positions and titles of Senior Registered Options Principal and Compliance Registered Options Principal).

change will maintain consistency with other exchanges which have recently filed similar rule proposals.<sup>5</sup>

Lastly, the Exchange proposed elimination of the definition of “closing purchase transaction” as defined in Chapter I, Section 1 of the BOX Rules. The term “closing purchase transaction” does not appear in any other provision of the BOX Rules.

Therefore, the definition is unnecessary.

## II. Discussion and Findings

After careful review of the proposed rule change, the Commission finds that the proposed rule change is consistent with the requirements of Section 6(b) of the Act,<sup>6</sup> in general, and Section 6(b)(5) of the Act,<sup>7</sup> in particular, in that it is designed to promote just and equitable principles of trade, facilitate transactions in securities, remove impediments to and perfect the mechanism of a free and open market and a national market system, and protect investors and the public interest.<sup>8</sup> The Commission believes that the proposal is consistent with Section 6(b)(5) of the Exchange Act because the

---

<sup>5</sup> See Securities Exchange Act Release No. 58980 (November 19, 2008), 73 FR 72091 (November 26, 2008) (SR-CBOE-2008-61). See also Securities Exchange Act Release No. 58932 (November 12, 2008), 73 FR 69696 (November 19, 2008) (SR-FINRA-2008-032) (approving change clarifying confirmation disclosure requirements).

<sup>6</sup> 15 U.S.C. 78(f)(b).

<sup>7</sup> 15 U.S.C. 78(f)(b)(5).

<sup>8</sup> In approving this proposal, the Commission has considered the proposed rule change’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 17c(f).

proposed rule change will clarify the use of certain terms consistent with their use by other self-regulatory organizations, and also will clarify the Exchange's options confirmation procedure rules.

III. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR-BSE-2008-56) be, and hereby is, approved.<sup>9</sup>

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>10</sup>

Florence E. Harmon  
Deputy Secretary

---

<sup>9</sup> 15 U.S.C. 78s(b)(2).

<sup>10</sup> 17 CFR 200.30-3(a)(12).