

TOPAZ EXCHANGE, LLC
60 Broad Street
New York, NY 10004

December 14, 2012

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

Re: Application for Exemption from certain Form 1 requirements under Section 6 of the Securities Exchange Act of 1934

Dear Ms. Murphy:

Topaz Exchange, LLC (“Topaz”), a wholly owned subsidiary of International Securities Exchange Holdings, Inc. (“ISE Holdings”), has filed a Form 1 application to register as a national securities exchange under Section 6 of the Securities Exchange Act of 1934 (the “Exchange Act”).

Exhibits C and D of the Form 1 application require detailed corporate¹ and financial² information for “each subsidiary or affiliate of the [Applicant]”, respectively. In

¹ Exhibit C requires that for “each subsidiary or affiliate of the applicant, and for any entity with whom Topaz has a contractual or other agreement relating to the operation of an electronic trading system to be used to effect transactions on the exchange (“System”), provide the following information:

1. Name and address of organization.
2. Form of organization (e.g., association, corporation, partnership, etc.).
3. Name of state and statute citation under which organized. Date of incorporation in present form.
4. Brief description of nature and extent of affiliation.
5. Brief description of business or functions.
6. A copy of the constitution.
7. A copy of the articles of incorporation or association including all amendments.
8. A copy of existing by-laws or corresponding rules or instruments.
9. The name and title of the present officers, governors, members of all standing committees or persons performing similar functions.
10. An indication of whether such business or organization ceased to be associated with Topaz during the previous year, and a brief statement of the reasons for termination of the association.”

² Exhibit D requires that “for each subsidiary or affiliate of the exchange, provide unconsolidated financial statements for the latest fiscal year. Such financial statements shall consist, at a minimum, of a balance sheet and an income statement with such footnotes and other disclosures as are necessary to avoid rendering the financial statements misleading. If any affiliate or subsidiary is required by another Securities and Exchange Commission (“Commission”) rule to submit annual financial statements, a statement to that

addition, Rule 6a-2, promulgated under the Exchange Act, requires amendments and periodic updates to such information.³ The Form 1 instructions define an affiliate as “[a]ny person that, directly or indirectly, controls, is under common control with, or is controlled by, the national securities exchange...” The term “control” is defined in the Form 1 instructions as “the power, directly or indirectly to direct the management or policies of a company, whether through ownership of securities, by contract or otherwise. Any person that . . . directly or indirectly has the right to vote 25% or more of a class of voting securities or has the power to sell or direct the sale of 25% or more of a class of voting securities . . . is presumed to control that entity.”

ISE Holdings is a wholly owned subsidiary of U.S. Exchange Holdings, Inc. (“USEH”), a Delaware corporation and is the holding company for each of International Securities Exchange, LLC (the “ISE”), a registered national securities exchange under Section 6 of the Exchange Act and Topaz.

The parent ownership structure of USEH is comprised entirely of foreign entities. USEH is wholly owned by a German stock corporation, Eurex Frankfurt AG (“EFAG”), which is one hundred percent (100%) owned by Eurex Zürich AG (“EZAG”), a Swiss stock corporation. EZAG is fifty percent (50%) owned by Deutsche Börse AG (“DBAG”) and fifty percent (50%) owned by Eurex Global Derivatives AG (“EGD”). DBAG has one hundred percent (100%) direct ownership interest in EGD. EFAG, EZAG, DBAG and EGD, collectively, are the “Foreign Direct Affiliates”, of ISE Holdings. The Foreign Direct Affiliates own interests in excess of 25 percent (25%) in a large number of other foreign entities, some of which in turn own interests in other entities in excess of 25 percent (25%) as well (such Foreign Direct Affiliate-owned entities, collectively the “Foreign Indirect Affiliates”).

Because of the limited and indirect nature of their connection to the Foreign Indirect Affiliates, Topaz believes that the corporate and financial information required by Exhibits C and D for the Foreign Indirect Affiliates would have little relevance to the Commission’s review of Topaz’s Form 1 application or to the Commission’s ongoing oversight of Topaz as a national securities exchange if the Commission approves Topaz’s Form 1 application. In this regard, the Foreign Indirect Affiliates have no ability to influence either the management, policies or finances of Topaz and no obligation to

effect with a citation to the other Commission rule, may be provided in lieu of the financial statements required here.”

³ Rule 6a-2(a) provides, in pertinent part, that a “national securities exchange . . . shall file an amendment to Form 1, which shall set forth the nature and effective date of the action taken and shall provide any new information and correct any information rendered inaccurate, on Form 1, within 10 days after any action is taken that renders inaccurate, or that causes to be incomplete, . . . 2. Information filed as part of Exhibit C . . . or any amendments thereto” 17 CFR 240.6a-2(a)

Rule 6a-2(b) provides, in pertinent part, that “[o]n or before June 30 of each year, a national securities exchange . . . shall file, as an amendment to Form 1, . . . 1. Exhibit D.” 17 CFR 240.6a-2(b)

Rule 6a-2(c) provides, in pertinent part, that “[o]n or before June 30, 2001 and every 3 years thereafter, a national securities exchange . . . shall file, as an amendment to Form 1, [a] complete Exhibit C . . .” 17 CFR 240.6a-2(c)

provide funding to, or ability to materially affect the funding of, Topaz. The Foreign Indirect Affiliates have no ownership interest in Topaz or any of the controlling shareholders of Topaz and there are no commercial dealings between Topaz and the Foreign Indirect Affiliates. In addition, Topaz believes that obtaining detailed corporate and financial information with respect to the Foreign Indirect Affiliates is unnecessary for the protection of investors and the public interest. Further, Topaz believes that the provision of such information would be unduly burdensome and inefficient because these affiliates are located in foreign jurisdictions and such disclosure could implicate foreign information sharing restrictions in those jurisdictions. Lastly, Topaz believes that providing such information with respect to the Foreign Indirect Affiliates could raise confidentiality concerns because many of the Foreign Indirect Affiliates are not public companies. In light of the foregoing, Topaz requests that the Commission exercise its authority under Section 36 of the Exchange Act⁴ and grant Topaz an exemption from the requirement to provide detailed corporate and financial information for the Foreign Indirect Affiliates as required by Exhibits C and D of Form 1. Topaz also requests an exemption with respect to the Foreign Indirect Affiliates from the requirements: (1) under Exchange Act Rule 6a-2(a)(2) to file within ten (10) days an amendment to Exhibit C if the information in Exhibit C becomes inaccurate or incomplete; and (2) under Rule 6a-2(b)(1) and (c) to file periodic updates to Exhibits C and D. These requests for relief are conditioned upon Topaz providing: (i) a listing of the names of the Foreign Indirect Affiliates; (ii) an organizational chart setting forth the affiliation of the Foreign Indirect Affiliates and the Foreign Direct Affiliates and Topaz; and (iii) a description of the nature of the affiliation of the Foreign Indirect Affiliates and the Foreign Direct Affiliates and Topaz, as part of Exhibit C to Topaz's respective Form 1 application.⁵ The relief under Rule 6a-2 shall be further conditioned on Topaz providing, with respect to the Foreign Indirect Affiliates, amendments to the information required under conditions (i) through (iii) by June 30th of each year. In addition, Topaz will provide the information required by Exhibits C and D for all of their affiliates other than the Foreign Indirect Affiliates, including the Foreign Direct Affiliates.

Topaz believes that if the exemption is granted, the Commission will still have sufficient information to review Topaz's Form 1 application and make the determinations required under Sections 6(b) and 19(a) of the Exchange Act with respect to its application for registration as a national securities exchange.⁶ Topaz believes, further, that the Commission would have the information necessary to oversee Topaz's activities as a national securities exchange if the Commission were to approve the Topaz's Form 1 application.

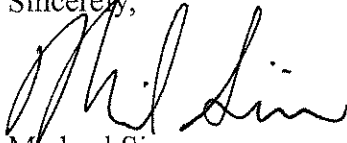
⁴ Section 36 of the Exchange Act, 15 U.S.C. 78mm(a)(1), provides in relevant part that the "Commission, by rule, regulation, or order, may conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of this title or of any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors."

⁵ See Attachment A for the relevant list and organizational charts.

⁶ 15 U.S.C. 78f(b) and 78s(a).

For the reasons stated above, Topaz believes that this requested exemption pursuant to Section 36 of the Exchange Act is both appropriate and consistent with the protection of investors and the public interest. Should you have any questions regarding Topaz's exemption request, you can reach me at (212)-897-0230.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Simon". The signature is written in a cursive, flowing style with a large initial "M".

Michael Simon
General Counsel, Secretary and Chief Regulatory Officer

Attachment A to
Application for Exemption from certain Form I requirements