SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-60582; File No. 4-429)

August 28, 2009

Joint Industry Plan; Order Approving Amendments to Withdraw from the Intermarket Options Linkage Plan filed by Chicago Board Options Exchange, Incorporated, International Securities Exchange, LLC, The NASDAQ Stock Market LLC, NASDAQ OMX BX, Inc., NASDAQ OMX PHLX, Inc., NYSE Amex LLC, and NYSE Arca, Inc.

I. Introduction

On June 25, 2009, June 25, 2009, July 2, 2009, July 2, 2009, July 7, 2009, July 17, 2009, and July 20, 2009, NYSE Arca, Inc. ("NYSE Arca"), NYSE Amex, LLC ("NYSE Amex"), International Securities Exchange, LLC ("ISE"), Chicago Board Options Exchange, Incorporated ("CBOE"), NASDAQ OMX BX, Inc. ("BX"), NASDAQ OMX PHLX, Inc. ("Phlx"), and The NASDAQ Stock Market LLC ("Nasdaq") (collectively, "Participants"),[1] respectively, submitted to the Securities and Exchange Commission ("Commission") amendments to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage ("Linkage Plan")

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1 See letter from Peter G. Armstrong, NYSE Arca, to Elizabeth Murphy, Secretary, Commission, dated June 24, 2009; letter from Michael Babel, NYSE Amex, to Elizabeth Murphy, Secretary, Commission, dated June 24, 2009; letter from Michael J. Simon, ISE, to Elizabeth Murphy, Secretary, Commission, dated July 1, 2009; letter from Edward J. Joyce, CBOE, to Elizabeth Murphy, Secretary, Commission, dated July 1, 2009; letter from Maura A. Looney, Associate Vice President, BX, to Elizabeth Murphy, Secretary, Commission, dated July 6, 2009; letter from letter from Richard S. Rudolph, Assistant General Counsel, Phlx, to Elizabeth Murphy, Secretary, Commission, dated July 16, 2009; and letter from Jeffrey S. Davis, Vice President and Deputy General Counsel, Nasdaq, to Elizabeth Murphy, Secretary, Commission, dated July 17, 2009.

("Amendments").[2] The proposed Amendments were published for comment in the Federal Register on July 28, 2009.[3] The Commission received no comment letters in response to the Notice. This order approves the Amendments.

## II. Description of the Proposed Amendments

The Participants submitted the Amendments to withdraw from the Linkage Plan. Pursuant to Section 4(d) of the Linkage Plan, a Participant may withdraw from the Linkage Plan by: (i) providing not less than 30 days' prior written notice to each of the other Participants and to the facilities manager[4] of such intent to withdraw; and (ii) effecting an amendment to the Linkage Plan as specified in Section 5(c)(iii) of the Linkage Plan. Section 5(c)(iii) of the Linkage Plan states that a Participant can withdraw from the Linkage Plan by filing an amendment deleting its name in Section 4(a) of the Linkage Plan and submitting such amendment to the Commission for approval. The submitting Participant must state how it plans to accomplish, by alternate means, the goals of the Linkage Plan regarding limiting trade-throughs of prices on other exchanges trading the same options classes. Such amendment is effective upon Commission approval.

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[2] On July 28, 2000, the Commission approved a national market system plan for the purpose of creating and operating an intermarket options market linkage proposed by the American Stock Exchange LLC (n/k/a NYSE Amex), CBOE, and ISE. See Securities Exchange Act Release No. 43086 (July 28, 2000), 65 FR 48023 (August 4, 2000). Subsequently, Philadelphia Stock Exchange, Inc. (n/k/a Phlx), Pacific Exchange, Inc. (n/k/a NYSE Arca), Boston Stock Exchange, Inc. (n/k/a BX), and Nasdaq joined the Linkage Plan. See Securities Exchange Act Release Nos. 43573 (November 16, 2000), 65 FR 70851 (November 28, 2000); 43574 (November 16, 2000), 65 FR 70850 (November 28, 2000); 49198 (February 5, 2004), 69 FR 7029 (February 12, 2004); and 57545 (March 21, 2008), 73 FR 16394 (March 27, 2008).

[3] See Securities Exchange Act Release No. 60360 (July 21, 2009), 74 FR 37265 ("Notice").

[4] The facilities manager of the Linkage Plan is the Options Clearing Corporation.

As set forth in the Notice, the Participants plan to accomplish the Linkage Plan's goals through membership in the Options Order Protection and Locked/Crossed Market Plan ("New Plan"), which was approved by the Commission on July 30, 2009.[5] The New Plan requires its participants to establish, maintain and enforce written procedures and policies that are reasonably designed to prevent trade-throughs.[6] The Participants state that the New Plan will accomplish this in a more efficient manner than the Linkage Plan. Specifically, the New Plan eliminates a central hub and addresses trade-through compliance through the use of intermarket sweep orders. The New Plan incorporates certain concepts of Regulation NMS[7] which, among other things, addresses trade-throughs in the equity market. The Participants further note that the New Plan also requires its participants to conduct surveillance of their markets to ascertain the effectiveness of these policies and procedures.[8] Finally, the New Plan contains provisions requiring its participants to establish, maintain and enforce written rules addressing locked and crossed markets.[9] The Participants believe that the New Plan will fully accomplish the same goals of the Linkage Plan, including imposing limits on trade-throughs.

## III. Discussion

After careful consideration, the Commission finds that the proposed Amendments to the Linkage Plan are consistent with the requirements of the Act and the rules and

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5 See Securities Exchange Act Release No. 60405 (July 30, 2009), 74 FR 39362 (August 6, 2009).

6 Section 5(a)(i) of the New Plan.

7 See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496 (June 29, 2005) (File No. S7-10-04); 17 CFR 242.600 et seq.

8 Section 5(a)(ii) of the New Plan.

9 Section 6 of the New Plan.

regulations thereunder.[10] Specifically, the Commission finds that the Amendments are consistent with Section 11A of the Act[11] and Rule 608 of Regulation NMS thereunder[12] in that they are necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system.

The Commission believes that the New Plan accomplishes, by alternate means, the goals of the Linkage Plan, including the goal of limiting trade-throughs of prices on other exchanges trading the same options classes. The Commission notes that it has approved the rule filings implementing the New Plan submitted by each of the Participants ("Exchange Linkage Rules") and has found such rules consistent with the requirements of the Act and the New Plan.[13]

The Commission notes that the withdrawal of each Participant will be effective with this approval of the Amendments. In addition, the Commission notes that each of the Exchange Linkage Rules will become effective upon this approval of the Amendments.

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10 In approving the proposed Amendments, the Commission has considered the Amendments' impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

11 15 U.S.C. 78k-1.

12 17 CFR 242.608.

13 See Securities Exchange Act Release Nos. 60525 (August 18, 2009) (SR-NASDAQ-2009-056); 60526 (August 18, 2009) (SR-NYSEAmex-2009-19); 60527 (August 18, 2009) (SR-NYSEArca-2009-45); 60530 (August 18, 2009) (SR-BX-2009-028); 60550 (August 20, 2009) (SR-Phlx-2009-61); 60551 (August 20, 2009) (SR-CBOE-2009-040); and 60559 (August 21, 2009) (SR-ISE-2009-27).

## IV. Conclusion

It is therefore ordered, pursuant to Section 11A of the Act[14] and Rule 608 thereunder,[15] that the proposed Amendments to the Linkage Plan are approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[16]

Florence E. Harmon
Deputy Secretary

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14 15 U.S.C. 78k-1.

15 17 CFR 242.608.

16 17 CFR 200.30-3(a)(29).