

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-72820; File No. SR-OPRA-2013-03)

August 12, 2014

Options Price Reporting Authority; Notice of Filing of Proposed Amendment to the Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information to Amend Sections 5.4 and 7.1 of the OPRA Plan

Pursuant to Section 11A of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 608 thereunder,² notice is hereby given that on October 21, 2013, the Options Price Reporting Authority, LLC (“OPRA”) submitted to the Securities and Exchange Commission (“Commission”) an amendment to the Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information (“OPRA Plan”).³ The proposed amendment would modify Sections 5.4 and 7.1 of the OPRA Plan as they pertain to operations of OPRA outside of its regular hours of operations. The Commission is publishing this notice to solicit comments from interested persons on the proposed OPRA Plan amendment.

I. Description and Purpose of the Plan Amendment

The purpose of the proposed amendment is to amend the OPRA Plan so that it provides for the aggregation of costs for operations of OPRA outside of its regular hours of operations

¹ 15 U.S.C. 78k-1.

² 17 CFR 242.608.

³ The OPRA Plan is a national market system plan approved by the Commission pursuant to Section 11A of the Act and Rule 608 thereunder (formerly Rule 11Aa3-2). See Securities Exchange Act Release No. 17638 (March 18, 1981), 22 S.E.C. Docket 484 (March 31, 1981). The full text of the OPRA Plan is available at <http://www.oprapdata.com>. The OPRA Plan provides for the collection and dissemination of last sale and quotation information on options that are traded on the participant exchanges. The twelve participants to the OPRA Plan are BATS Exchange, Inc., BOX Options Exchange, LLC, Chicago Board Options Exchange, Incorporated, C2 Options Exchange, Incorporated, International Securities Exchange, LLC, Miami International Securities Exchange, LLC, NASDAQ OMX BX, Inc., NASDAQ OMX PHLX LLC, NASDAQ Stock Market LLC, NYSE MKT LLC, NYSE Arca, Inc., and the Topaz Exchange, LLC (d/b/a ISE Gemini).

(“after-hours operations”) with costs for operations of OPRA during its regular hours of operations (“regular-hours operations”) and states expressly that OPRA may establish separate fees for access to OPRA data during periods of after-hours operations.

One of OPRA’s member exchanges has indicated that it is planning to initiate after-hours trading and to request OPRA to operate during the after-hours period when its market is open for trading.⁴ No exchange has previously made such a request, and as a result OPRA currently does not operate outside of its regular hours of operations.

Currently, the OPRA Plan provides that the costs of OPRA’s after-hour operations are to be allocated separately from the costs of OPRA’s regular-hour operations and in a somewhat different manner. In essence, the Plan currently provides that the costs of OPRA’s regular-hour operations below a specified ceiling⁵ and OPRA’s revenues from regular-hour operations are both to be allocated among the OPRA member exchanges on the basis of the relative number of compared trades in options contracts traded on each of the OPRA member exchanges.⁶

⁴ The OPRA Plan provides that the OPRA System will operate outside of its regular hours of operation at the request of any one or more of its member exchanges. See Section 5.3 of the OPRA Plan (available on the OPRA website, www.opradata.com, under the “OPRA Plan” tab). OPRA is not proposing to amend Section 5.3 of the OPRA Plan.

⁵ Clause 7.1(a)(iii)(2) of the Plan provides that costs above a “specified ceiling” are to be allocated in accordance with OPRA’s Capacity Guidelines. (OPRA’s Capacity Guidelines are available on the OPRA website, also under the “OPRA Plan” tab.) The “ceiling” is described in Guideline 7 of the Capacity Guidelines. OPRA is not proposing any change in the allocation of costs that is described in the Capacity Guidelines.

⁶ Section 7.1 of the Plan provides for three “accounting centers”: the foreign currency option or “FCO” accounting center, the index option accounting center and the “basic” accounting center – the accounting center for all options other than foreign currency and index options. Section 7.1 describes the allocation of revenues and expenses associated with OPRA’s regular-hour operations first among these three accounting centers and then *within* each of these accounting centers. OPRA does not currently incur costs specifically attributable to either the FCO accounting center or the index option accounting center, and does not allocate revenues to either of these accounting centers. Both the allocation of costs *among* the accounting centers and the allocation of costs within each accounting center are therefore on the basis of the relative number of compared trades in options

The current provisions of the Plan state that, if the OPRA System operates outside of OPRA's regular hours, any costs attributable to such operation will be allocated to the exchange or exchanges that are actually operating during the after-hours period. The Plan does not make any special provision for the allocation of revenues resulting from fees for access to OPRA data generated in the course of after-hours operations, and the Plan therefore provides that these revenues will be allocated among the OPRA member exchanges in the same way that revenues derived from regular-hours operations are allocated. The result is that the Plan currently provides for the allocation of costs of after-hours trading only to the exchange or exchanges that are actually operating during the after-hours period, but for the allocation of revenues resulting from fees for access to quotation and last sale information generated in the course of after-hours operations to all of the OPRA member exchanges on the basis of the relative number of compared trades in options contracts traded on each of the OPRA member exchanges in trading during both regular hours and outside of regular hours.

OPRA is therefore proposing to revise the Plan to provide that the costs of after-hours operations will be aggregated with the costs of operating the OPRA System during regular hours of operation. The consequence of the revision would be that the aggregated costs of operating the System during all hours of operation would be allocated among all of OPRA's member exchanges, regardless of whether any particular exchange operates its market outside of regular hours. OPRA believes that this amendment will better align the provisions of the Plan relating to the allocation of costs of after-hours operations with the provisions of the Plan relating to the allocation of revenues derived from after-hours trading.

contracts traded on each of the OPRA member exchanges. See, e.g., Section 7.1(a)(iii)(B) of the Plan.

OPRA's Fee Schedule does not currently provide for fees specifically for access to OPRA data during periods of after-hours operations. OPRA believes that, in order to fairly allocate the burden of funding OPRA's after-hours operations to those persons who choose to have access to OPRA information during periods of after-hours operations, it will be appropriate to establish such fees rather than increase its current fees, and OPRA is proposing to add a sentence in Section 5.4(d) to state expressly that it may establish such fees.⁷ However, OPRA is not proposing in this filing to amend its Fee Schedule to establish fees for access to data generated in after-hours trading.

The text of the proposed amendment to the OPRA Plan is available at OPRA, the Commission's Public Reference Room, <http://opradata.com>, and on the Commission's website at www.sec.gov.

II. Implementation of the OPRA Plan Amendment

OPRA will implement the proposed amendment to the OPRA Plan after this filing has been approved by the Commission in accordance with paragraph (b)(1) of Rule 608 of Regulation NMS under the Act.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed OPRA Plan amendment is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or

⁷ OPRA is also proposing in this filing to make a non-substantive change to Section 5.4(d) to reflect that the OPRA Fee Schedule is no longer identified as "Exhibit B" to the OPRA Plan but is publicly available on the OPRA website under the "Fees" tab.

- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-OPRA-2013-03 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-OPRA-2013-03. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed plan amendment that are filed with the Commission, and all written communications relating to the proposed plan amendment between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of OPRA. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer

to File Number SR-OPRA-2013-03 and should be submitted on or before [insert 21 days from date of publication in the Federal Register].

By the Commission.

Kevin M. O'Neill
Deputy Secretary