SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- 70372; File No. SR-NYSEARCA-2013-88)

September 11, 2013

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Certain Rules Pertaining to the Trading of Options in Order to Change the Expiration Date for Most Option Contracts to the Third Friday of the Expiration Month Instead of the Saturday Following the Third Friday

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the "Act")[2] and Rule 19b-4 thereunder,[3] notice is hereby given that, on September 5, 2013, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend certain of its rules pertaining to the trading of options in order to change the expiration date for most option contracts to the third Friday of the expiration month instead of the Saturday following the third Friday. The text of the proposed rule change is available on the Exchange's website at www.nyse.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it

1 15 U.S.C.78s(b)(1).

2 15 U.S.C. 78a.

3 17 CFR 240.19b-4.

received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend certain of its rules pertaining to the trading of options in order to change the expiration date for most option contracts to the third Friday of the expiration month instead of the Saturday following the third Friday. This proposed rule change is based on a recent proposal of The Options Clearing Corporation ("OCC") and is designed to conform the Exchange's rules to the changes implemented by the OCC.[4] As discussed in greater detail below, during a transition period that began on June 21, 2013, expiration processing will be conducted on Friday, although supplementary exercises could still be submitted prior to the Saturday expiration time. Saturday expirations will be eliminated for all option contracts expiring on or after February 1, 2015, with a limited exception for certain "grandfathered" contracts.

Most option contracts ("monthly expiration contracts") currently expire at the "expiration time" (11:59 p.m. Eastern Time ("ET")) on the Saturday following the third Friday of the specified expiration month (the "expiration date").[5] As a result of this proposed rule change, the expiration date for monthly expiration contracts would be changed to the third *Friday* of the expiration month. The expiration time would continue to be 11:59 p.m. ET on the expiration date. The proposed rule change would apply only to monthly expiration contracts expiring after

[4] See Securities Exchange Act Release No. 69772 (June 17, 2013), 78 FR 37645 (June 21, 2013) (SR-OCC-2013-04).

[5] See, e.g., the definition of "expiration time" in Article I of the OCC By-Laws.

February 1, 2015, and, in this regard, the Exchange does not propose to change the expiration date for any outstanding option contract.

The proposed rule change would apply only to series of option contracts opened for trading after the effective date of this proposed rule change and having expiration dates later than February 1, 2015. Option contracts having non-monthly expiration dates ("non-monthly expiration contracts") would be unaffected by this proposed rule change except that flexibly structured ("FLEX") options having expiration dates later than February 1, 2015 could not expire on a Saturday unless they are specified by the OCC as grandfathered. Non-monthly expiration contracts are discussed further below.

In order to provide a smooth transition to the proposed Friday expiration, the Exchange, together with other option exchanges and the OCC, began moving the expiration exercise procedures to Friday for all monthly expiration contracts on June 21, 2013, even though the contracts will continue to expire on Saturday. After February 1, 2015, virtually all monthly expiration contracts would actually expire on Friday. The only monthly expiration contracts that would expire on a Saturday after February 1, 2015 would be certain options that were listed prior to the effectiveness of the OCC's proposal, and a limited number of options that may be listed prior to necessary systems changes of the Exchange and the other options exchanges, which are expected to be completed in August 2013. The Exchange, along with other option exchanges, has agreed that, once these systems changes are made, it will not list any additional options with Saturday expiration dates falling after February 1, 2015.

Background

Saturday was established as the monthly expiration date for OCC-cleared options primarily in order to allow sufficient time for processing of option exercises, including correction of errors, while the markets were closed and positions remained fixed. However, improvements in technology and long experience have rendered Saturday expiration processing inefficient. Indeed, many non-monthly expiration contracts are currently traded with business day expiration dates. These include FLEX options and quarterly, monthly, and weekly options. Expiration exercise processing for these non-monthly expiration contracts occurs on a more compressed timeframe and with somewhat different procedures than Saturday expiration processing for monthly expiration contracts.

It has been a long-term goal of OCC and its clearing members to move the expiration process for all monthly expiration contracts from Saturday to Friday night. Eliminating Saturday expirations will allow OCC to streamline the expiration process for all monthly expiration contracts and increase operational efficiencies for OCC and its clearing members. Furthermore, it will compress the operational timeframe for processing the options expirations such that clearing members will be required to reconcile options trades on the trade date, which will enhance intra-day risk management of cleared trades by the clearing member and promote real-time trade date reconciliation and position balancing by clearing members.

Industry groups, clearing members and the option exchanges have been active participants in planning for the transition to the Friday expiration. In March 2012, OCC began to discuss moving monthly expiration contracts to Friday expiration dates with industry groups, including two Securities Industry and Financial Markets Association ("SIFMA") committees, the Operations and Technology Steering Committee and the Options Committee, and at two major industry conferences, the SIFMA Operations Conference and the Options Industry Conference. OCC also discussed the project with the Intermarket Surveillance Group and at an OCC Operations Roundtable. In each case, the initiative received broad support.

Friday expiration processing is also consistent with the long-standing rules and procedures of the options exchanges and the Financial Industry Regulatory Authority ("FINRA"), which generally provide that exercise decisions with respect to expiring monthly expiration contracts must be made by, and exercise instructions may not be accepted from customers after, 5:30 p.m. ET on the business day preceding expiration (usually Friday).[6] Brokerage firms may set earlier cutoff times for customers submitting exercise notices. Clearing members of OCC are permitted to submit exercise instructions after the cutoff time ("supplementary exercises") only in case of errors or other unusual situations, and may be subject to fines or disciplinary actions.[7] The Exchange believes that the extended period between cutoff time and expiration of options is no longer necessary given modern technology.

Transition Period

Based on significant dialogue between the Exchange, other option exchanges, the OCC and its clearing members regarding the move to Friday expiration, the Exchange believes that the adoption of Friday expiration for monthly expiration contracts is best accomplished through an appropriate transition period, during which processing activity for all options, whether expiring on Friday or Saturday, has moved to Friday, followed by a change in the expiration day for new series of options. In May 2012, it was determined that Friday, June 21, 2013, would be an appropriate date on which to move expiration processing from Saturday to Friday night.

Accordingly, and based on the OCC's related proposal, beginning June 21, 2013, Friday expiration processing is in effect for all expiring monthly expiration contracts, regardless of

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6 See, e.g., FINRA Rule 2360(b)(23)(A)(iii), which provides that "[o]ption holders have until 5:30 p.m. Eastern Time ('ET') on the business day immediately prior to the expiration date to make a final exercise decision to exercise or not exercise an expiring option. Members may not accept exercise instructions for customer or noncustomer accounts after 5:30 p.m. ET."

7 See OCC Rule 805(g).

whether the contract's actual expiration date is Friday or Saturday. However, for contracts having a Saturday expiration date, exercise requests received after Friday expiration processing is complete, but before the Saturday contract expiration time, will continue to be processed, without fines or penalties, so long as they are submitted in accordance with OCC's procedures governing such requests. After the transition period and the expiration of all existing Saturday-expiring options, expiration processing would be a single operational process and would run on Friday night for all monthly expiration contracts.

Friday Expiration Processing Schedule

Previously, expiration processing for monthly expiration contracts began on Saturday morning at 6:00 a.m. Central Time ("CT") and was completed at approximately noon CT when margin and settlement reports are available. The window for submission of instructions in accordance with OCC's exercise-by-exception procedures under OCC Rule 805(d) was open from 6:00 a.m. to 9:00 a.m. CT on Saturday morning.[8] As proposed by OCC, the window for submission of exercise-by-exception instructions is now open from 6:00 p.m. to 9:15 p.m. CT on Friday evening.[9] Friday expiration processing for monthly expiration contracts therefore now begins at 6:00 p.m. CT on Friday evening and ends at approximately 2:00 a.m. CT on Saturday

8 OCC's exercise-by-exception procedures are described in OCC Rule 805(d), which generally provides that each clearing member will automatically be deemed to have submitted an exercise notice immediately prior to the expiration time for all in-the-money option contracts unless the clearing member has instructed OCC otherwise in a written exercise notice.

9 See supra note 4. The exercise-by-exception window for weekly and quarterly expiration options is from 6:00 p.m. to 7:00 p.m. CT.

morning when margin and settlement reports would be available.[10]

Exercises for monthly expiration contracts with Saturday expirations must be allowed under the terms of the contracts. However, in order to accommodate the proposed new expiration schedule, the OCC also proposed to shorten the period of time in which clearing members may submit a supplementary exercise notice under OCC Rule 805(b). In addition, OCC amended Rule 801 to eliminate the ability of clearing members to revoke or modify exercise notices submitted to OCC. This change, along with the change in the processing timeline discussed above, more closely aligns OCC's expiration processing procedures with self-regulatory organization rules, including those of the Exchange, under which exchange members must submit exercise instructions by 5:30 p.m. ET on Friday and may not accept exercise instructions from customers after 5:30 p.m. ET on Friday. Accordingly, this change does not represent a departure from current practices for clearing members or their customers.

Grandfathering of Certain Options Series

Certain option contracts have already been listed on participant exchanges, including the Exchange, with Saturday expiration dates as distant as December 2016. Additionally, until participant exchanges, including the Exchange, complete certain systems enhancements in August 2013, it is possible that additional option contracts may be listed with Saturday expiration dates beyond February 1, 2015. For these contracts, transitioning to a Friday expiration for newly-listed option contracts expiring after February 1, 2015 would create a situation under which certain option open interest would expire on a Saturday while other option

[10] The new expiration schedule for Friday expiration processing is similar to the expiration schedule for weekly options, which begins at 6:00 p.m. CT on Friday evening and ends at 11:30 p.m. CT on Friday evening. All timeframes would be set forth in OCC's procedures and subject to change based on OCC's experience with Friday expiration processing.

open interest would expire on a Friday in the same expiration month. OCC clearing members have expressed a clear preference to not have a mix of option open interest in any particular month. Accordingly, the Exchange and other option exchanges have agreed not to permit the listing of, and OCC will not accept for clearance, any new option contracts with a Friday expiration if existing option contracts of the same series expire on the Saturday following the third Friday of the same month. However, Friday expiration processing will be in effect for these Saturday expiration contracts. As with monthly expiration contracts during the transition period, exercise requests received after Friday expiration processing is complete, but before the Saturday contract expiration time, will continue to be processed without fines or penalties.

Proposed Amendments to the Exchange's Rules

In order to implement the change to Friday expiration processing and eventual transition to Friday expiration for all monthly expiration contracts, the Exchange proposes to amend certain of its rules, as described below. The Exchange is also proposing, with this filing, to replace any historic reference in the purpose section of any past Exchange rule filings or previously released circulars, notices or bulletins to any expiration date other than Friday for a monthly expiration contract with the new Friday standard.

First, the Exchange proposes to amend Rule 5.19 (Terms of Index Option Contracts) with respect to the permitted timing for adding new series of index option contracts so as to differentiate between Friday and Saturday expirations. The Exchange proposes to specify that new series of index option contracts may be added up to, but not on or after, the fourth business day prior to expiration for an option contract expiring on a business day (i.e., up to, but not on or after, the opening of trading on Monday morning for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, the fifth business day prior to expiration.

Second, the Exchange proposes to amend Rule 5.24 (Exercise of Option Contracts) in two ways, both of which would be to differentiate between Friday and Saturday expirations. First, the Exchange would specify that exercises of expiring American-style, cash-settled index options would not be prohibited on the business day of their expiration (i.e., for Friday expirations), or, in the case of option contracts expiring on a day that is not a business day, and as is currently the case for Saturday expirations, on the last business day prior to their expiration. The Exchange would also specify that, with respect to European-style index option contracts, no OTP Holder or OTP Firm shall accept or tender to the OCC an exercise notice prior to the opening of business on the business day of expiration (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, prior to the opening of business on the business day before such option contracts will expire.

Third, the Exchange proposes to amend Rule 6.1 (Applicability, Definitions and References) in order to amend the definition of "Expiration Date." The proposed amendment would add text to differentiate between option contracts that expire on a non-business day, as is currently the case with monthly expiration contracts, and option contracts that expire on a business day, as would be the case under the proposed new timing of expiration (i.e., Friday instead of Saturday). The amended definition would include a reference to the February 1, 2015 transition date, after which virtually all monthly expiration contracts would actually expire on Friday (rather than, beginning June 21, 2013, only being processed on Friday). The amended definition would also include a reference to long-term option contracts expiring on or after

February 1, 2015 that the OCC may designate as "grandfathered," for which the expiration date would continue to be the Saturday immediately following the third Friday of the expiration month.

Fourth, the Exchange proposes to amend Commentary .06 of Rule 6.4 (Series of Options Open for Trading) to differentiate between Friday and Saturday expirations. Specifically, the Exchange would specify that additional series of individual stock options may be added in unusual market conditions until the close of trading on the business day prior to expiration in the case of an option contract expiring on a business day (i.e., Thursday for a Friday expiration), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, until the close of trading on the second business day prior to expiration (i.e., until the close of trading on Thursday for Saturday expirations).

Fifth, the Exchange proposes to amend Rule 6.11 (Other Restrictions on Exchange Option Transactions and Exercises) with respect to certain timing for restrictions on the exercise of option contracts. Specifically, the Exchange proposes to specify that the 10-business-day period referenced in Rule 6.11(a)(2) includes the expiration date for an option contract that expires on a business day. The Exchange also proposes to specify that, with respect to index options, restrictions on exercise may be in effect until the opening of business on the business day of their expiration (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, on the last business day before the expiration date. Finally, the Exchange proposes to specify in Rule 6.11(a)(3)(B) that exercises of expiring American-style, cash-settled index options are not prohibited on the business day of their expiration (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, on the last business day prior to their expiration.

Sixth, the Exchange proposes to amend Commentary .01 of Rule 6.17 (Verification of Compared Trades and Reconciliation of Uncompared Trades) to eliminate the requirement that authorized representatives of OTP Holders and OTP Firms must either be present on the Trading Floor or be accessible via telephone or e-mail each Saturday immediately prior to expiration for a period of one hour beginning at 6:00 a.m. Pacific Time, or for longer periods of time as may be determined from time to time by an Exchange representative. Such availability would no longer be required on Saturday mornings. A corresponding cross reference to this time period within Commentary .01 of Rule 6.17 would also be eliminated. It would continue to be considered a violation of Rule 6.17 if a responsible OTP Holder or OTP Firm is not available to reconcile an uncompared trade when contacted by NYSE Arca Trade Processing Department.

Seventh, the Exchange proposes to amend Rule 6.24 (Exercise of Option Contracts) in several areas, each of which is designed to differentiate between Friday and Saturday expirations. First, the Exchange proposes to specify in Rule 6.24(b) that special procedures apply to the exercise of equity options on the business day of their expiration (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, on the last business day before their expiration. Second, the Exchange proposes to specify in Rule 6.24(c) that, regarding exercise cut-off times, option holders have until 5:30 p.m. ET on the business day of their expiration (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, on the business day immediately prior to the expiration date. Third, the Exchange proposes to specify in Rule 6.24(g) that the advance notice described therein is applicable if provided by the Exchange on or before 5:30 p.m. ET on the business day (i.e., on Thursday) immediately prior to the business day of expiration (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, the business day immediately prior to the last business day before the expiration date (i.e., Thursday for Saturday expirations). Fourth, the Exchange proposes to amend Commentary .03 of Rule 6.24 to specify that the reference therein to “unusual circumstances” includes, but is not limited to, a significant news announcement concerning the underlying security of an option contract that is scheduled to be released just after the close on the business day the option contract expires (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, the business day immediately prior to expiration.

Eighth, the Exchange proposes to amend Rule 6.65 (Trading Halts and Suspensions) to differentiate between Friday and Saturday expirations. Specifically, the Exchange proposes to specify in Rule 6.65(d)(7) that, in the event that any of the events described in Rule 6.65(d)(1) - (6) should occur on the business day of expiration (i.e., for Friday expirations), or, in the case of an option contract expiring on a day that is not a business day, and as is currently the case for Saturday expirations, on the business day prior to expiration, it is the preference of the Exchange to allow trading to continue on that date.

Finally, the Exchange proposes to amend Rule 6.87 (Obvious Errors and Catastrophic Errors) to add greater specificity regarding the timing surrounding notifying the Exchange of a “Catastrophic Error.” Specifically, the Exchange proposes to specify that, for such transactions in an expiring options series that take place on an expiration day that is a business day (i.e., for

Friday expirations), an OTP Holder must notify the Exchange by 5:00 p.m. ET that same day. For such transactions in an options series that take place on the business day immediately prior to an expiration day that is not a business day (i.e., for Saturday expirations), an OTP Holder must notify the Exchange by 5:00 p.m. ET on such business day (i.e., on Friday).

The Exchange notes that the proposed rule change is not otherwise intended to address any other issues, and the Exchange is not aware of any problems that OTP Holders or OTP Firms would have in complying with the proposed rule change.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,[11] in general, and Section 6(b)(5) of the Act,[12] in particular. The proposed rule change is consistent with Section 6(b)(5) of the Act in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

The Exchange believes that implementing the change to Friday expiration processing and eventually transitioning to Friday expiration for all monthly expiration contracts would foster cooperation and coordination with persons engaged in facilitating transactions in securities. Specifically, and as noted above, it has been a long-term goal of OCC and its clearing members to move the expiration process for all monthly expiration contracts from Saturday to Friday night. Eliminating Saturday expirations would allow OCC to streamline the expiration process

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11 15 U.S.C. 78f(b).

12 15 U.S.C. 78f(b)(5).

for all monthly expiration contracts and increase operational efficiencies for OCC and its clearing members.

The Exchange further believes that the proposed rule change would remove impediments to and perfect the mechanism of a free and open market and a national market system by compressing the operational timeframe for processing the options expirations, such that OCC clearing members would be required to reconcile options trades on the trade date, which would enhance intra-day risk management of cleared trades by the clearing member and promote real-time trade date reconciliation and position balancing by clearing members.

The Exchange further believes that the proposed rule change is consistent with the Act because the extended period between cutoff time and expiration of options is no longer necessary given modern technology. In this regard, and based on significant dialogue between the Exchange, other option exchanges, the OCC and its clearing members regarding the move to Friday expiration, the Exchange believes that the adoption of Friday expiration for monthly expiration contracts is best accomplished through an appropriate transition period during which processing activity for all options, whether expiring on Friday or Saturday, has moved to Friday, followed by a change in the expiration day for new series of options.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,[13] the Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not designed to address any aspect of competition, whether between the Exchange and its competitors, or among market participants. Instead, the proposed rule change is designed to allow OCC to streamline the

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[13] 15 U.S.C. 78f(b)(8).

expiration process for all monthly expiration contracts and increase operational efficiencies for OCC and its clearing members. The proposed rule change also will allow OCC and its clearing members to reduce operational risk. Moreover, OCC has coordinated moving to a Friday night expiration process with options industry participants, including the Exchange, and has also obtained assurance from all such participants that they are able to adhere to OCC's Friday night expiration implementation schedule. Therefore, the Exchange does not believe the proposed rule change would impose a burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[14] and Rule 19b-4(f)(6) thereunder.[15] Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.[16]

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[14] 15 U.S.C. 78s(b)(3)(A)(iii).

[15] 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires the Exchange to give the Commission written notice of the Exchange's intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

[16] 17 CFR 240.19b-4(f)(6)(iii).

A proposed rule change filed under Rule 19b-4(f)(6)[17] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),[18] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission notes that waiver of the operative delay would permit the Exchange to implement the changes proposed herein immediately.

Under the proposal, the Exchange would amend certain of its rules pertaining to the trading of options in order to change the expiration date for most option contracts to the third Friday of the expiration month instead of the Saturday following the third Friday. The Exchange represents that a waiver of the 30-day operative delay is necessary and appropriate to not disrupt the industry scheduled listing of Long Term Equity Options Series ("LEAPS") expiring in January 2016. Specifically, the Exchange notes that, pursuant to the Options Listing Procedures Plan (an approved national market system plan) and its Rule 6.4(e)(ii), the Options Clearing Corporation and all national securities exchanges that trade options, including the Exchange, agreed on adding new LEAPS expiring in January 2016 on September 16, 2013, for those issues that are on the January expiration cycle. The Exchange further represents that this date was published in 2012 and has been relied upon across the industry.

Since the Exchange's Rule 6.1(17) currently defines "expiration date" as the "Saturday immediately following the third Friday of the expiration month," the Exchange will not be able to list monthly option contracts expiring on any day other than a Saturday until this proposal becomes effective. As such, the Exchange represents that it will be at a significant competitive

[17] 17 CFR 240.19b-4(f)(6).

[18] 17 CFR 240.19b-4(f)(6)(iii).

disadvantage, and it requests the waiver to facilitate and coordinate with the listing of the 2016 LEAPS on September 16, 2013. Additionally, the Exchange notes that no other provision of the proposal will have an immediate impact on market participants because no monthly options expiring in the next 30 days have a Friday expiration date. Based on the Exchange representations above, and since the proposal is based, in part, on a proposal submitted by the OCC and approved by the Commission,[19] the Commission waives the 30-day operative delay requirement and designates the proposed rule change as operative upon filing.[20]

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)[21] of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change 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

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19 See supra note 4.

20 For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

21 15 U.S.C. 78s(b)(2)(B).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEARCA-2013-88 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-NYSEARCA-2013-88. 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 rule change that are filed with the Commission, and all written communications relating to the proposed rule change 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 Section, 100 F Street, NE, Washington, DC 20549-1090. Copies of the filing will also be available for inspection and copying at the NYSE's principal office and on its Internet website at www.nyse.com. 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-NYSEARCA-2013-88 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[22]

Kevin M. O'Neill
Deputy Secretary

[22] 17 CFR 200.30-3(a)(12).