

December 3, 2009

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

**Re: File No. SR-ISE-2009-35**

Dear Ms. Murphy:

Capstone Global Markets, LLC ("CGM"), appreciates the opportunity to comment on the International Securities Exchange's ("ISE") proposed Qualified Contingent Cross ("QCC") orders. We believe that the Division of Trading and Markets ("Division"), exercising delegated authority on behalf of the Securities and Exchange Commission ("Commission" or "SEC"), properly approved the ISE's filing. We respectfully request that the Commission confirm that approval.

CGM is a boutique broker dealer trading for institutional customers, in particular those that use sophisticated equity derivative strategies. In addition, we are part of an international financial services firm that trades equities, commodities, fixed income and money markets..

We believe that the Division performed a thorough analysis of the QCC filing as it went through the regular filing and comment period. The Division concluded that the QCC order is a useful tool for various industry participants, particularly those transacting in large size, and that it should be approved. We believe that many in this industry were preparing to use this functionality on the ISE's electronic platform as another, more efficient alternative that replicates the way this business is conducted today on floor based exchanges.

CGM executes trades on behalf of institutional customers who seek liquidity in the listed equity options markets, often using complex order strategies like those described in the QCC filing. Liquidity, in addition to significant capital commitment, is extremely important to these types of customers, especially in an environment where displayed size has decreased dramatically over the last several years. In the current environment where institutional customers and capital committing firms expect both speed and certainty of execution, there is no viable all electronic alternative to the manual floor trading model. QCC provides that alternative.

ISE's QCC effectively replicates the way large orders are crossed today in open outcry and does not appear to raise any new issues as claimed by some of the comment letters to date simply because it offers execution in an all electronic environment. QCC, like other enhancements that have been introduced over the last few years by several exchanges with electronic platforms, brings efficiency and transparency to this type of trading by allowing trades to go up in a timely manner without trading through displayed markets.

Over the last few weeks, the letters that have been submitted by some of the floor based options exchanges and other opponents address concerns about customer priority. Customer priority as it relates to complex orders covered by the QCC has never been an issue with respect to the options market structure and several exchanges no longer provide customer priority at all. The concerns related to exposure do not adequately recognize the reality of how this business is conducted today and seem to simply endorse a manual trading environment that prevents competition from electronic exchanges.

We believe that it is important to allow for an efficient and all electronic alternative for conducting this type of business. As we continue to operate in a market environment with low levels of visible liquidity, it's vital to continue to develop technology and tools to encourage large trades to go up in multiple listed, centrally cleared options products and to incentivize industry participants to continue providing liquidity in listed products. We hope the SEC reaffirms its earlier decision of approving this new order type.

We again thank you for the opportunity to comment on the proposal. If you have any questions on our comments, or if we can be of further assistance to the Commission, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read 'LE' followed by a stylized flourish.

Leonard Ellis  
Head of Capital Markets  
Capstone Global Markets, LLC

cc: Hon. Mary L. Schapiro, Chairman  
Hon. Luis A. Aguilar, Commissioner  
Hon. Kathleen L. Casey, Commissioner  
Hon. Troy A. Paredes, Commissioner  
Hon. Elisse B. Walter, Commissioner  
Robert W. Cook, Director, Division of Trading and Markets  
James Brigagliano, Deputy Director, Division of Trading and Markets  
Elizabeth King, Associate Director, Division of Trading and Markets