

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-67447; File No. SR-ISE-2012-33)

July 16, 2012

Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change Regarding Strike Price Intervals for Certain Option Classes

On May 21, 2012, the International Securities Exchange, LLC (“Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to modify the Short Term Option Series Program (“STOS Program”). The proposed rule change was published for comment in the Federal Register on June 6, 2012.³ The Commission received one comment letter on this proposal.⁴

Section 19(b)(2) of the Act⁵ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is July 21, 2012. The Commission is extending this 45-day time period.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 67083 (May 31, 2012), 77 FR 33543.

⁴ See letter to Elizabeth M. Murphy, Secretary, Commission, from Jenny L. Klebes, Senior Attorney, Legal Division, Chicago Board Options Exchange, Incorporated, dated June 27, 2012.

⁵ 15 U.S.C. 78s(b)(2).

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider this proposed rule change, which would modify the strike price intervals for certain option classes that are in the STOS Program; the comment letter that has been submitted in connection with this proposed rule change; and any response to the comment letter submitted by the Exchange. In addition, another exchange has recently submitted a similar, but not identical, proposal to modify the strike price intervals of its short terms option series program,⁶ and the Commission is seeking comment about the potential implementation of both the Phlx Proposal and the instant proposal, including whether implementation of both proposals would impact liquidity or capacity.

⁶ See Securities Exchange Act Release No. 67446 (July 16, 2012) (SR-Phlx-2012-78) (the “Phlx Proposal”).

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁷ designates September 4, 2012 as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR-ISE-2012-33).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁸

Kevin M. O'Neill
Deputy Secretary

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(31).