

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-73856; File No. SR-MIAX-2014-30)

December 17, 2014

Self-Regulatory Organizations; Miami International Securities Exchange LLC; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change to List and Trade Options on Shares of the iShares ETFs

On June 17, 2014, Miami International Securities Exchange LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to list and trade options on shares of the iShares MSCI Brazil Capped ETF, iShares MSCI Chile Capped ETF, iShares MSCI Peru Capped ETF, and iShares MSCI Spain Capped ETF (collectively “iShares ETFs”). The proposed rule change was published for comment in the Federal Register on July 3, 2014.³ On August 13, 2014, the Commission extended the time period in which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change, to October 1, 2014.⁴ On September 25, 2014, the Commission instituted proceedings to determine whether to approve or disapprove the proposed

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 72492 (June 27, 2014), 79 FR 38099 (SR-MIAX-2014-30) (“iShares ETFs Proposal”).

⁴ See Securities Exchange Act Release No. 72835 (August 13, 2014), 79 FR 49140 (August 19, 2014).

rule change.⁵ The Commission received a letter from MIAX on the proposal.⁶

Section 19(b)(2) of the Act⁷ provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. In this case, the proposed rule change was published for notice and comment in the Federal Register on July 3, 2014. December 30, 2014, is 180 days from that date, and February 28, 2015, is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to evaluate the proposed rule change and whether it is consistent with the Act.⁸ The proposed rule change would allow the Exchange to list for trading on the Exchange options on shares of the iShares ETFs without satisfying the Exchange's listing standards, which require, in part, that the component securities of an index or portfolio of securities on which the Exchange Traded Fund

⁵ See Securities Exchange Act Release No. 73211 (September 25, 2014), 79 FR 59338 (October 1, 2014).

⁶ See Letter to Elizabeth M. Murphy, Secretary, Commission, from Brian O'Neill, Vice President and Senior Counsel, MIAX, dated October 22, 2014 (providing comment on SR-MIAX-2014-30 and SR-MIAX-2014-39) ("MIAX Letter").

⁷ 15 U.S.C. 78s(b)(2).

⁸ The Commission notes that MIAX also submitted a similar proposed rule change to list and trade options on shares of certain Market Vectors ETFs. See Securities Exchange Act Release No. 72777 (August 6, 2014), 79 FR 47165 (August 12, 2014) (MIAX-2014-39).

Shares are based for which the primary market is in any one country that is not subject to a comprehensive surveillance sharing agreement do not represent 20% or more of the weight of the index.⁹

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹⁰ designates February 28, 2015, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR-MIAX-2014-30).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Kevin M. O'Neill
Deputy Secretary

⁹ See MIAX Rule 402(i)(5)(ii)(B). The Exchange represents that each of the iShares ETFs are comprised of component securities for which the primary market is a single foreign market, and that, for each ETF, MIAX does not have a CSSA with its foreign counterpart in the applicable foreign market.

¹⁰ Id.

¹¹ 17 CFR 200.30-3(a)(57).