

December 11, 1998

Katherine A. England
Assistant Director
Division of Market Regulation
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549
Mail Stop 10-1

Re: **File No. SR-NASD-98-92**
Tripling Position Limits for Standardized Equity Options

Dear Ms. England:

Pursuant to Rule 19b-4, enclosed herewith is the above-numbered rule filing. Also enclosed is a 3-1/2" disk containing the rule filing in Microsoft Word 7.0 to facilitate production of the Federal Register release.

If you have any questions, please contact Gary L. Goldsholle, Office of General Counsel, NASD Regulation, Inc., at (202) 728-8104; e-mail goldshog@nasd.com. The fax number of the Office of General Counsel is (202) 728-8264.

Very truly yours,

Alden S. Adkins
Senior Vice President and
General Counsel

Attachment

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C.

Form 19b-4

Proposed Rule Change

by

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

1. Text of Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”), NASD Regulation, Inc. (“NASD Regulation”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to amend Rule 2860(b)(3)(A) of the National Association of Securities Dealers, Inc. (“NASD” or “Association”) to triple the position limits on standardized (exchange-traded) equity options and make them equivalent to the limits on conventional (over-the-counter) equity options overlying the same security. Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

Rule 2860. Options.

(3) Position Limits

(A) Stock Options--Except in highly unusual circumstances, and with the prior written approval of the Association pursuant to the Rule 9600 Series for good cause shown in each instance, no member shall effect for any account in which such member has an interest, or for the account of any partner, officer, director or employee thereof, or for the account of any customer, an opening transaction through Nasdaq, the over-the-counter market or on any exchange in a stock option contract of any class of stock options if the member has reason to believe that as a result of such transaction the member or partner, officer, director or employee thereof, or customer would, acting alone or in concert with others, directly or indirectly, hold or control or be obligated in respect of an aggregate equity options position in excess of:

(i) [4,500] 13,500 option contracts of the put class and the call class on the same side of the market covering the same underlying

security, combining for purposes of this position limit long positions in put options with short positions in call options, and short positions in put options with long positions in call options; or

(ii) [7,500] 22,500 options contracts of the put class and the call class on the same side of the market covering the same underlying security, providing that the [7,500] 22,500 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [7,500] 22,500 option contracts; or

(iii) [10,500] 31,500 option contracts of the put class and the call class on the same side of the market covering the same underlying security providing that the [10,500] 31,500 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [10,500] 31,500 option contracts; or

(iv) [20,000] 60,000 options contracts of the put and the call class on the same side of the market covering the same underlying security, providing that the [20,000] 60,000 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [20,000] 60,000 option contracts; or

(v) [25,000] 75,000 options contracts of the put and the call class on the same side of the market covering the same underlying

security, providing that the [25,000] 75,000 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [25,000] 75,000 option contracts; or

* * *

(ix) Conventional Equity Options

a. For purposes of this paragraph (b), standardized equity options contracts of the put class and call class on the same side of the market overlying the same security shall not be aggregated with conventional equity options contracts or FLEX Equity Options contracts overlying the same security on the same side of the market. Conventional equity options contracts of the put class and call class on the same side of the market overlying the same security shall be subject to a position limit equal to the greater of:

1. [three times] the basic limit of [4,500] 13,500 contracts, or
2. [three times] any standardized equity options position limit as set forth in subparagraphs (b)(3)(A)(ii) through (v) for which the underlying security qualifies or would be able to qualify.

b. In order for a security not subject to standardized equity options trading to qualify for an options position limit of

more than [4,500] 13,500 contracts, a member must first demonstrate to the Association's Market Regulation Department that the underlying security meets the standards for such higher options position limit and the initial listing standards for standardized options trading.

2. Procedures of the Self-Regulatory Organization

(a) The proposed rule change was approved by the Board of Directors of NASD Regulation at its meeting on December 3, 1998, which authorized the filing of the rule change with the SEC. The Nasdaq-AMEX Market Group has been provided an opportunity to consult with respect to the proposed rule change pursuant to the Plan of Allocation and Delegation of Functions by the NASD to its Subsidiaries. The NASD Board of Governors had an opportunity to review the proposed rule change at its meeting on December 10, 1998. No other action by the NASD is necessary for the filing of the proposed rule change. Section 1(a)(ii) of Article VII of the NASD By-Laws permits the NASD Board of Governors to adopt amendments to NASD Rules without recourse to the membership for approval.

(b) Questions regarding this rule filing may be directed to Gary L. Goldsholle, Assistant General Counsel, NASD Regulation, Office of General Counsel, at (202) 728-8104.

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

(a) **Purpose**

NASD Regulation is proposing to amend the options position limits prescribed by Rule 2860(b)(3)(A) to triple the position limits on standardized (exchange-traded) equity

options and make them equivalent to the limits on conventional (over-the-counter) equity options overlying the same security.

Position limits impose a ceiling on the number of options contracts of each options class on the same side of the market that can be held or written by a member, an investor, or a group of investors acting in concert for purposes of limiting the potential for manipulation that may be associated with options trading. NASD Rule 2860(b)(3)(A) provides that the position limits for equity options are determined according to a five-tiered system in which more actively traded stocks with larger public floats are subject to higher position limits. Currently, the five tiers for standardized equity options¹ are: 4,500, 7,500, 10,500, 20,000 and 25,000 contracts.² The position limits for conventional equity options³ are three times the limits for standardized equity options: 13,500, 22,500, 31,500, 60,000 and 75,000 contracts.⁴ The NASD's limits on standardized equity options are applicable only to those members who are not also members of the exchange on which the option is traded; the limits on conventional equity options are applicable to all members.⁵

The American Stock Exchange, Inc. ("AMEX"), the Chicago Board Option Exchange, Inc. ("CBOE"), the Pacific Exchange, Inc. ("PCX") and the Philadelphia Stock Exchange, Inc. ("PHLX") (collectively "Options Exchanges") have filed proposed rule

¹ Standardized equity options are exchange-traded options issued by the Options Clearing Corporation ("OCC") that have standard terms with respect to strike prices, expiration dates, and the amount of the underlying security.

² NASD rules do not specifically govern how a specific equity option falls within one of the five position limit tiers. Rather, the NASD's position limit rule provides that the position limit established by an options exchange for a particular equity option is the applicable position limits for purposes of the NASD's rule.

³ A conventional option is any option contract not issued, or subject to issuance by, the OCC.

⁴ 63 Fed. Reg. 33746 (June 19, 1998).

⁵ NASD Rule 2860(b)(1)(A).

changes with the SEC to increase the limits for standardized equity options to establish parity with the limits currently in effect for conventional equity options. In response to these filings, NASD Regulation is proposing two changes to our rules. First, the proposed rule change would triple the limits for standardized equity options to be consistent with the increase sought by the Options Exchanges. Without such an increase, the NASD's standardized equity options position limits would be lower than those established by the Options Exchanges and would lead to inconsistent treatment as to firms (and customers of such firms) that are NASD members but not members of an options exchange, the category of persons for whom our standardized position limits apply.

Second, the proposed rule change deletes the provisions of Rule 2860(b)(3)(A) that establish that the limits for conventional equity options are three times the limits for standardized equity options overlying the same security. This proposed rule change will not affect the position limits for conventional equity options in numerical terms because of the commensurate increase in the position limits for standardized equity options. The proposed rule change, however, is necessary to eliminate the numerical relationship between standardized and conventional equity options. The NASD's rules currently provide that the position limit for conventional equity options shall be three times the limit for standardized equity options overlying the same security. This language was added as part of a rule change designed to increase the limits on conventional equity options to correspond to the numerical limits that were previously in effect with respect to FLEX Equity Options.⁶

⁶ FLEX Equity Options are exchange-traded options issued by the OCC that give investors the ability, within specified limits, to designate certain terms of the options (*i.e.*, exercise price, exercise style, expiration date, and option type). The SEC has approved a two-year pilot program eliminating position limits for FLEX Equity Options on the AMEX, CBOE and the PCX. 62 Fed. Reg. 48638 (September 16, 1997).

NASD Regulation believes that the proposed rule change is necessary to ensure that the NASD's standardized equity options position limits are consistent with the limits of the Options Exchanges. Without an increase to the NASD's limits, the NASD's standardized equity options position limits would be lower than those established by the Options Exchanges and would lead to inconsistent treatment as to firms (and customers of such firms) that are NASD members but not members of an Options Exchange, the category of persons for whom our standardized position limits apply. The proposed rule change also provides NASD members (and their customers) with greater flexibility regarding their use of standardized equity options. NASD Regulation believes that the increased limits are appropriate in light of the surveillance by the Options Exchanges and the NASD's reporting requirements pursuant to Rule 2860(b)(3)(A)(5), which we believe provide sufficient protection against potential manipulation at these position levels.

(b) Statutory Basis

NASD Regulation believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act, which requires, among other things, that the Association's rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. NASD Regulation believes that the proposed rule change to increase the position limits for standardized equity options, consistent with the increase sought by the Options Exchanges, will promote just and equitable principles of trade, as well as protect investors and the public interest by providing members and their customers with greater flexibility regarding their use of standardized equity options and ensuring that NASD members are not competitively disadvantaged vis-a-vis members of an Options Exchange.

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

NASD Regulation does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

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

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

NASD Regulation does not consent at this time to an extension of the time period for Commission action specified in Section 19(b)(2) of the Act.

7. Basis for Accelerated Effectiveness Pursuant to Section 19(b)(2)

NASD Regulation requests the Commission to find good cause pursuant to Section 19(b)(2) for approving the proposed rule change prior to the 30th day after its publication in the Federal Register. The proposed rule change is designed to make the NASD's options position limits consistent with the proposed increase in limits for standardized equity options sought by the Options Exchanges. NASD Regulation believes that good cause exists to accelerate approval of the proposed rule change to avoid the potentially inequitable treatment faced by NASD members who are not also members of an Options Exchange, who will be subject to lower position limits, and be at a competitive disadvantage vis-a-vis members of the Options Exchanges.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Exhibits

1. Completed notice of proposed rule change for publication in the Federal Register.

Pursuant to the requirements of the Securities Exchange Act of 1934, NASD Regulation has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

NASD REGULATION, INC.

BY: _____
Alden S. Adkins
Senior Vice President and General Counsel

Date: December 11, 1998

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NASD-98-92)

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by National Association of Securities Dealers, Inc. Relating to A Change in Position Limits for Standardized Equity Options

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”), 15 U.S.C. 78s(b)(1), notice is hereby given that on , the National Association of Securities Dealers, Inc. (“NASD”), through its wholly owned subsidiary, NASD Regulation, Inc. (“NASD Regulation”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by NASD Regulation. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons. For the reasons discussed below, the Commission is granting accelerated approval of the proposed rule change.

I. SELF-REGULATORY ORGANIZATION'S STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

NASD Regulation is proposing to amend Rule 2860(b)(3)(A) of the National Association of Securities Dealers, Inc. (“NASD” or “Association”), to triple the position limits on standardized (exchange-traded) equity options and make them equivalent to the limits on conventional (over-the-counter) equity options overlying the same security. Below is the text of the proposed rule change. Proposed new language is in italics; proposed deletions are in brackets.

Rule 2860. Options.

(3) Position Limits

(A) Stock Options--Except in highly unusual circumstances, and with the prior written approval of the Association pursuant to the Rule 9600 Series for good cause shown in each instance, no member shall effect for any account in which such member has an interest, or for the account of any partner, officer, director or employee thereof, or for the account of any customer, an opening transaction through Nasdaq, the over-the-counter market or on any exchange in a stock option contract of any class of stock options if the member has reason to believe that as a result of such transaction the member or partner, officer, director or employee thereof, or customer would, acting alone or in concert with others, directly or indirectly, hold or control or be obligated in respect of an aggregate equity options position in excess of:

(i) [4,500] 13,500 option contracts of the put class and the call class on the same side of the market covering the same underlying security, combining for purposes of this position limit long positions in put options with short positions in call options, and short positions in put options with long positions in call options; or

(ii) [7,500] 22,500 options contracts of the put class and the call class on the same side of the market covering the same underlying security, providing that the [7,500] 22,500 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [7,500] 22,500 option contracts; or

(iii) [10,500] 31,500 option contracts of the put class and the call class on the same side of the market covering the same underlying security providing that the [10,500] 31,500 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [10,500] 31,500 option contracts; or

(iv) [20,000] 60,000 options contracts of the put and the call class on the same side of the market covering the same underlying security, providing that the [20,000] 60,000 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [20,000] 60,000 option contracts; or

(v) [25,000] 75,000 options contracts of the put and the call class on the same side of the market covering the same underlying security, providing that the [25,000] 75,000 contract position limit shall only be available for option contracts on securities which underlie Nasdaq or exchange-traded options qualifying under applicable rules for a position limit of [25,000] 75,000 option contracts; or

* * *

(ix) Conventional Equity Options

a. For purposes of this paragraph (b), standardized equity options contracts of the put class and call class on the same side of the market overlying the same security shall not be

aggregated with conventional equity options contracts or FLEX Equity Options contracts overlying the same security on the same side of the market. Conventional equity options contracts of the put class and call class on the same side of the market overlying the same security shall be subject to a position limit equal to the greater of:

1. [three times] the basic limit of [4,500] 13,500 contracts, or
2. [three times] any standardized equity options position limit as set forth in subparagraphs (b)(3)(A)(ii) through (v) for which the underlying security qualifies or would be able to qualify.

b. In order for a security not subject to standardized equity options trading to qualify for an options position limit of more than [4,500] 13,500 contracts, a member must first demonstrate to the Association's Market Regulation Department that the underlying security meets the standards for such higher options position limit and the initial listing standards for standardized options trading.

II. SELF-REGULATORY ORGANIZATION'S STATEMENT OF THE PURPOSE OF, AND STATUTORY BASIS FOR, THE PROPOSED RULE CHANGE

In its filing with the Commission, NASD Regulation included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it

received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NASD Regulation has prepared summaries, set forth in Sections (A), (B), and (C) below, of the most significant aspects of such statements.

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

(a) **Purpose**

NASD Regulation is proposing to amend the options position limits prescribed by Rule 2860(b)(3)(A) to triple the position limits on standardized (exchange-traded) equity options and make them equivalent to the limits on conventional (over-the-counter) equity options overlying the same security.

Position limits impose a ceiling on the number of options contracts of each options class on the same side of the market that can be held or written by a member, an investor, or a group of investors acting in concert for purposes of limiting the potential for manipulation that may be associated with options trading. NASD Rule 2860(b)(3)(A) provides that the position limits for equity options are determined according to a five-tiered system in which more actively traded stocks with larger public floats are subject to higher position limits. Currently, the five tiers for standardized equity options¹ are: 4,500, 7,500, 10,500, 20,000 and 25,000 contracts.² The position limits for conventional equity options³ are three times the limits for standardized equity options: 13,500, 22,500, 31,500, 60,000 and 75,000

¹ Standardized equity options are exchange-traded options issued by the Options Clearing Corporation (“OCC”) that have standard terms with respect to strike prices, expiration dates, and the amount of the underlying security.

² NASD rules do not specifically govern how a specific equity option falls within one of the five position limit tiers. Rather, the NASD’s position limit rule provides that the position limit established by an options exchange for a particular equity option is the applicable position limits for purposes of the NASD’s rule.

³ A conventional option is any option contract not issued, or subject to issuance by, the OCC.

contracts.⁴ The NASD's limits on standardized equity options are applicable only to those members who are not also members of the exchange on which the option is traded; the limits on conventional equity options are applicable to all members.⁵

The American Stock Exchange, Inc. ("AMEX"), the Chicago Board Option Exchange, Inc. ("CBOE"), the Pacific Exchange, Inc. ("PCX") and the Philadelphia Stock Exchange, Inc. ("PHLX") (collectively "Options Exchanges") have filed proposed rule changes with the SEC to increase the limits for standardized equity options to establish parity with the limits currently in effect for conventional equity options. In response to these filings, NASD Regulation is proposing two changes to our rules. First, the proposed rule change would triple the limits for standardized equity options to be consistent with the increase sought by the Options Exchanges. Without such an increase, the NASD's standardized equity options position limits would be lower than those established by the Options Exchanges and would lead to inconsistent treatment as to firms (and customers of such firms) that are NASD members but not members of an options exchange, the category of persons for whom our standardized position limits apply.

Second, the proposed rule change deletes the provisions of Rule 2860(b)(3)(A) that establish that the limits for conventional equity options are three times the limits for standardized equity options overlying the same security. This proposed rule change will not affect the position limits for conventional equity options in numerical terms because of the commensurate increase in the position limits for standardized equity options. The proposed rule change, however, is necessary to eliminate the numerical relationship between

⁴ 63 Fed. Reg. 33746 (June 19, 1998).

⁵ NASD Rule 2860(b)(1)(A).

standardized and conventional equity options. The NASD's rules currently provide that the position limit for conventional equity options shall be three times the limit for standardized equity options overlying the same security. This language was added as part of a rule change designed to increase the limits on conventional equity options to correspond to the numerical limits that were previously in effect with respect to FLEX Equity Options.⁶

NASD Regulation believes that the proposed rule change is necessary to ensure that the NASD's standardized equity options position limits are consistent with the limits of the Options Exchanges. Without an increase to the NASD's limits, the NASD's standardized equity options position limits would be lower than those established by the Options Exchanges and would lead to inconsistent treatment as to firms (and customers of such firms) that are NASD members but not members of an Options Exchange, the category of persons for whom our standardized position limits apply. The proposed rule change also provides NASD members (and their customers) with greater flexibility regarding their use of standardized equity options. NASD Regulation believes that the increased limits are appropriate in light of the surveillance by the Options Exchanges and the NASD's reporting requirements pursuant to Rule 2860(b)(3)(A)(5), which we believe provide sufficient protection against potential manipulation of these position levels.

(b) Statutory Basis

NASD Regulation believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act, which requires, among other things, that the

⁶ FLEX Equity Options are exchange-traded options issued by the OCC that give investors the ability, within specified limits, to designate certain terms of the options (*i.e.*, exercise price, exercise style, expiration date, and option type). The SEC has approved a two-year pilot program eliminating position limits for FLEX Equity Options on the AMEX, CBOE and the PCX. 62 Fed. Reg. 48638 (September 16, 1997).

Association's rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. NASD Regulation believes that the proposed rule change to increase the position limits for standardized equity options, consistent with the increase sought by the Options Exchanges, will promote just and equitable principles of trade, as well as protect investors and the public interest by providing members and their customers with greater flexibility regarding their use of standardized equity options and ensuring that NASD members are not competitively disadvantaged vis-a-vis members of an Options Exchange.

(B) Self-Regulatory Organization's Statement on Burden on Competition

NASD Regulation does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

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

Written comments were neither solicited nor received.

III. DATE OF EFFECTIVENESS OF THE PROPOSED RULE CHANGE AND TIMING FOR COMMISSION ACTION

NASD Regulation has requested that the Commission find good cause pursuant to Section 19(b)(2) for approving the proposed rule change prior to the 30th day after publication in the Federal Register. The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the NASD and, in particular, the requirements of Section 15A and the rules and regulations thereunder. Specifically, the Commission finds that the proposed rule change

promotes just and equitable principles of trade, removes impediments to and perfects the mechanism of a free and open market and a national market system, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Commission believes that proposed rule change will avoid the potentially inequitable treatment as between NASD members (and their customers) who are members of an Options Exchange, and those who are not. Without the proposed rule changes, NASD members (and their customers) who are not also members of an Options Exchange would be subject to lower position limits, and thus be at a competitive disadvantage vis-a-vis members of the Options Exchanges. The proposed rule change also will provide member firms and their customers with greater flexibility regarding their use of standardized equity options. The increase in limits will expand the depth of the standardized equity options market without significantly increasing concerns regarding manipulation or disruptions of the options or the underlying security in view of the surveillance and reporting requirements for large options positions.

The Commission finds good cause for approving the proposed rule change prior to the 30th day after the date of publication of notice of filing thereof in the Federal Register. The Commission notes that proposed rule change would make the NASD's position limits for standardized equity options equivalent to the proposed increases sought by the Options Exchanges thereby ensuring that all NASD members and their customers have the same position limits as firms that are also a member of an Options Exchange. Accelerated approval of the proposed rule change will ensure consistent treatment for persons trading in standardized equity options. Accordingly, the Commission believes that it is consistent with Section 15A of the Act to approve the proposed rule change on an accelerated basis.

IV. SOLICITATION OF COMMENTS

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. 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 inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by [insert date 21 days from the date of publication].

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act, that the proposed rule change be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

Jonathan G. Katz
Secretary