SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–63104; File No. SR–ISE–2010–91]

Self-Regulatory Organizations; International Securities Exchange, LLC; Order Approving Proposed Rule Change To Adopt a Pilot Program To List Additional Expiration Months for Each Class of Options Opened for Trading on the Exchange

October 14, 2010.

I. Introduction

On August 25, 2010, the International Securities Exchange, LLC (the "Exchange" or "ISE") filed with the Securities and Exchange 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 adopt a pilot program to list additional expiration months for each class of options opened for trading on the Exchange. The proposed rule change was published for comment in the **Federal Register** on September 2, 2010.[3] The Commission received no comments on the proposal. This order approves the proposal.

II. Description of the Proposal

Pursuant to ISE Rule 504(e), the Exchange currently opens series with four expiration months for each class of options open for trading on the Exchange: The first two being the two nearest months, regardless of the quarterly cycle on which that class trades; the third and fourth being the next two months of the quarterly cycle previously designated by the Exchange for that specific class.

The Exchange believes that there is market demand for series with a greater number of expiration months. The Exchange therefore proposes to adopt a pilot program pursuant to which it will list series with up to an additional two expiration months, for a total of six expiration months for each class of options open for trading on the Exchange. The proposal will become effective on a pilot basis for twelve months commencing on the next full month after approval is received to establish the pilot program. Under the proposal, series with the additional months listed pursuant to the pilot program will result in four consecutive expiration months plus two months from the quarterly cycle. The Exchange seeks to limit the pilot to the 20 most actively traded options classes.

III. Discussion

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[4] Specifically, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,[5] in that the proposal has been designed to promote just and equitable principles of trade, and to protect investors and the public interest.

The Commission believes that allowing the Exchange to list and trade series with up to two additional expiration months, under the terms described in the Exchange's proposal, should provide investors with additional means of managing their risk exposures and carrying out their investment objectives. The Commission notes that the pilot program limits the series that may be opened pursuant to the pilot program to the 20 most actively traded options classes. The Commission believes this restriction should allow the Exchange to offer a wider array of investment opportunities, while minimizing the impact on quotation message traffic. The Commission also notes that the proposal requires the Exchange to closely monitor the trading and quotation volume associated with the additional options series created under the pilot program and the effect of these additional series on the capacity of the Exchange's, OPRA's, and vendors' systems.[6]

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[7] that the proposed rule change (SR–ISE–2010–91) is approved.

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

Florence E. Harmon,

Deputy Secretary.

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

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 62772 (August 26, 2010), 75 FR 53991 ("Notice").

[4] The Commission has considered the proposed rule change's impact on efficiency, competition and capital formation. *See* 15 U.S.C. 78c(f).

[5] 15 U.S.C. 78f(b)(5).

[6] If the Exchange were to propose an extension, expansion, or permanent approval of the pilot program, the Exchange would be required to submit a report on the pilot program to the Commission at least 60 days prior to the pilot program expiration date. *See* Notice, *supra* note 3, at 53991–92.

[7] 15 U.S.C. 78s(b)(2).

[8] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–63108; File No. S7–29–10]

Study Required by Section 989G(b) of the Dodd-Frank Act Regarding Compliance With Section 404(b) of the Sarbanes-Oxley Act

AGENCY: Securities and Exchange Commission.

ACTION: Request for comment.

SUMMARY: The Securities and Exchange Commission is requesting public comment related to a study of how the Commission could reduce the burden of complying with Section 404(b) of the Sarbanes-Oxley Act of 2002 for companies whose public float is between $75 million and $250 million, while maintaining investor protections for such companies, and whether any methods of reducing the compliance burden or a complete exemption for such companies from the auditor attestation requirement in Section 404(b) would encourage companies to list on exchanges in the United States in their initial public offerings. This study is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

DATES: Comments should be received on or before December 6, 2010.

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/other.shtml*); or
- Send an e-mail to *rule-comments@sec.gov.* Please include File Number S7–29–10 on the subject line.

Paper Comments

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

All submissions should refer to File Number S7–29–10. To help us process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov*). Comments are also available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. All comments received will be posted without change; we do not edit personal identifying