

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62432; File No.

SR-CBOE-2010-066]

### Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated: Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Reduce the Payments that CBOE Makes to CBOE Trading Permit Holders that Participate in a Program Under Which CBOE Subsidizes the Costs of Providing and/or Using Certain Order Routing Functionalities

#### Correction

In notice document 10-16686 beginning on page 39602, in the issue of Friday, July 9, 2010 make the following corrections:

1. On page 39602, on the second column, the heading is corrected to include the bracketed information [Release No. 34-62432; File No. SR-CBOE-2010-066].

2. On page 39603, in the second column, at the end of this document, the billing code is corrected to appear as **BILLING CODE 8010-01-P**.

[FR Doc. C1-2010-16686 Filed 7-29-10; 8:45 am]

**BILLING CODE 1505-01-D**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62568; File No. SR-ISE-2010-76]

### Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Foreign Currency Options Fee Discount for Market Makers and Non-ISE Market Makers

July 26, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on July 19, 2010, the International Securities Exchange, LLC (the "Exchange" or the "ISE") filed with the Securities and Exchange Commission the proposed rule change, as described in Items I, II, and III below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit

comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The ISE is proposing to amend its Schedule of Fees. The text of the proposed rule change is available on the Exchange's Web site (<http://www.ise.com>), at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization 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. The self-regulatory organization 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

###### 1. Purpose

The Exchange currently has a fee cap for large-size foreign currency ("FX") options orders. This fee discount applies for orders of 250 contracts or more and waives fees on incremental volume above 250 contracts.<sup>3</sup> Contracts at or under the threshold are charged the constituent's prescribed execution fee. Pursuant to an incentive plan currently in place, this fee discount currently applies to all customer<sup>4</sup> orders, Firm Proprietary orders, market maker orders and non-ISE market maker orders in options on the following FX option currencies traded on the Exchange: New Zealand dollar, Mexican peso, Swedish krona and the Brazilian real.

For all other FX option currencies traded on the Exchange, this fee discount currently applies only to customer orders and Firm Proprietary

<sup>3</sup> See Securities Exchange Act Release No. 62506 (July 15, 2010) (SR-ISE-2010-67).

<sup>4</sup> The fee waiver applies to both professional and priority customer orders. A Priority Customer is defined in ISE Rule 100(a)(37A) as a person or entity that is not a broker/dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). A Customer (Professional) is a person who is not a broker/dealer and is not a Priority Customer.

orders in those products. The Exchange now proposes to extend this fee discount to market maker orders and non-ISE market maker orders in all FX option currencies and specifically, to the orders that were previously not receiving this discount.

ISE adopted this fee discount to encourage members to execute large-sized FX options orders on the Exchange in a manner that is cost effective. The Exchange believes this proposed rule change will further that goal.

###### 2. Basis

The basis under the Securities Exchange Act of 1934 (the "Exchange Act") for this proposed rule change is the requirement under Section 6(b)(4) that an exchange have an equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities. In particular, this proposed rule change would extend a current fee discount to all orders in FX options traded on the Exchange, thus effectively maintaining low fees.

##### B. Self-Regulatory Organization's Statement on Burden on Competition

The proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

#### III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3) of the Act<sup>5</sup> and Rule 19b-4(f)(2)<sup>6</sup> thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>6</sup> 17 CFR 240.19b-4(f)(2).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-ISE-2010-76 on the subject line.

#### *Paper Comments*

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

All submissions should refer to File Number SR-ISE-2010-76. This file number should be included on the subject line if e-mail is used. To help the Commission 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/rules/sro.shtml>). 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 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. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-ISE-2010-76 and should be submitted on or before August 20, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>7</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. 2010-18724 Filed 7-29-10; 8:45 am]

**BILLING CODE 8010-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-62577; IA-3058; File No. 4-606]**

### **Study Regarding Obligations of Brokers, Dealers, and Investment Advisers**

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Request for comment.

**SUMMARY:** The Securities and Exchange Commission is requesting public comment for a study to evaluate: The effectiveness of existing legal or regulatory standards of care for brokers, dealers, investment advisers, and persons associated with them when providing personalized investment advice and recommendations about securities to retail investors; and whether there are gaps, shortcomings, or overlaps in legal or regulatory standards in the protection of retail customers relating to the standards of care for these intermediaries.

**DATES:** The Commission will accept comments regarding issues related to the study on or before August 30, 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](mailto:rule-comments@sec.gov). Please include File Number 4-606 on the subject line.

#### *Paper Comments*

• Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090. All submissions should refer to File Number 4-606. This file number should be included on the subject line if e-mail is used. 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 information from submissions. You should submit only information that you wish to make available publicly.

#### **FOR FURTHER INFORMATION CONTACT:**

Holly Hunter-Ceci, Division of Investment Management, at (202) 551-6825 or Emily Russell, Division of Trading and Markets, at (202) 551-5550, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-7010.

#### **Discussion**

On July 21, 2010, President Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Under section 913 of that Act, the Commission is required to conduct a study regarding the obligations of brokers, dealers, and investment advisers.

The study will evaluate the effectiveness of existing legal or regulatory standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice and recommendations about securities to retail customers imposed by the Commission and a national securities association, and other Federal and State legal or regulatory standards. In addition, the study will evaluate whether there are legal or regulatory gaps, shortcomings, or overlaps in legal or regulatory standards in the protection of retail customers relating to the standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice about securities to retail customers that should be addressed by rule or statute.

For purposes of the study, the term "retail customer" means a natural person (or the legal representative of such natural person) who receives personalized investment advice about securities from a broker or dealer or investment adviser and uses such advice primarily for personal, family, or household purposes.

The Commission is required to submit a study report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives no later than 6 months after enactment of the Dodd-Frank Act.

<sup>7</sup> 17 CFR 200.30-3(a)(12).