

order handling and execution, order routing, and regulatory compliance obligations, if and when NSX receives the necessary regulatory approval to recommence trading.¹⁰ For this reason, the Commission hereby waives the 30-day operative delay requirement and designates the proposed rule change as operative upon filing.¹¹

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and 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 email to rule-comments@sec.gov. Please include File Number SR-NYSEMKT-2015-84 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-NYSEMKT-2015-84. This file number should be included on the subject line if email 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 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-NYSEMKT-2015-84, and should be submitted on or before December 1, 2015.¹³

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

Brent J. Fields,

Secretary.

[FR Doc. 2015-28509 Filed 11-9-15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76353; File No. SR-CBOE-2015-100]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing of a Proposed Rule Change To List and Trade Options That Overlie a Reduced Value of the FTSE 100 Index

November 4, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on October 30, 2015, Chicago Board Options Exchange, Incorporated (the "Exchange" or "CBOE") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

¹³ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

The Exchange is proposing to amend its rules to list and trade options that overlie a reduced value of the FTSE 100 Index.

The text of the proposed rule change is available on the Exchange's Web site (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at the Exchange's Office of the Secretary, 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 Exchange 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 Exchange 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 purpose of this proposed rule change is to permit the Exchange to list and trade options that overlie the FTSE 100 Index ("FTSE 100 options"). FTSE 100 options would be A.M., cash-settled contracts with European-style exercise.

FTSE 100 Index Design, Methodology and Dissemination

The FTSE 100 Index is a free float-adjusted market capitalization index that is designed to measure the performance of the 100 largest companies traded on the London Stock Exchange and valued in the British pound ("GBP").³ The Exchange notes that the Commission previously approved for the Exchange, International Securities Exchange ("ISE"), and NYSE Arca, Inc. ("NYSE

³ The FTSE 100 Index is a market-capitalization weighted index of UK-listed blue chip companies which is valued on the British pound. The index is part of the FTSE UK Series and is designed to measure the performance of the 100 largest companies traded on the London Stock Exchange that pass screening for size and liquidity. FTSE 100 constituents are all traded on the London Stock Exchange's SETS trading system. See FTSE 100 Index fact sheet (dated August 31, 2015) located at: <http://www.ftse.com/Analytics/FactSheets/Home/DownloadSingleIssue?issueName=UKX>.

¹⁰ In granting this waiver, the Commission does not express an opinion on whether or not NSX will receive regulatory approval to recommence trading.

¹¹ For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹² 15 U.S.C. 78s(b)(2)(B).

Arca”) to list reduced value index options on the FTSE 100 Index.⁴ Although the Exchange previously received approval to list FTSE 100 Index options, the Exchange is taking the opportunity to amend its rules to, among other things, specifically identify the listing criteria applicable to FTSE 100 options.

The FTSE 100 Index was launched on January 3, 1984, and is calculated by FTSE International Limited (“FTSE”), which is a provider of investment support tools. The FTSE 100 Index is calculated and published on a real-time basis in British pounds during U.K. and U.S. trading hours: from 2:00–10:30 a.m. (Chicago time) the real-time index is calculated using real time prices of the securities. At 10:30 a.m. (Chicago time) the real time index closes using the closing prices from the London Stock Exchange. Thus, between 10:30 a.m. and 3:15 p.m. (Chicago time) the FTSE 100 Index level is a static value that market participants can access via data vendors.

The methodology used to calculate the FTSE 100 Index is similar to the methodology used to calculate the value of other benchmark market-capitalization weighted indexes. Specifically, the FTSE 100 Index is governed by the Ground Rules for the FTSE UK Index Series.⁵ The level of the FTSE 100 Index reflects the free float-adjusted market value of the component stocks relative to a particular base date and is computed by dividing the total market value of the companies in the FTSE 100 Index by the index divisor.

The FTSE 100 Index is monitored and maintained by FTSE. Adjustments to the FTSE 100 Index could be made on a daily basis with respect to corporate events and dividends. FTSE reviews the FTSE 100 Index quarterly (March, June, September and December) according to rules for inserting and deleting companies that “are designed to provide stability in the selection of constituents of the FTSE UK Index Series while ensuring that the Indexes continue to be representative of the market by including or excluding those companies which have risen or fallen significantly.”⁶

Real-time data is distributed at least every 15 seconds while the index is being calculated using FTSE’s real-time calculation engine to Bloomberg L.P. (“Bloomberg”), Thomson Reuters (“Reuters”) and other major vendors. End of day data is distributed daily to clients through FTSE as well as through major quotation vendors, including Bloomberg and Reuters.

The Exchange proposes to base trading in options on a fraction of the full size of the FTSE 100 Index. In particular, the Exchange proposes to list FTSE 100 options that are based on one one-tenth of the value of the FTSE 100 Index. The Exchange believes that listing options on the reduced value of the index will attract a greater source of customer business than if options were based on the full value of the FTSE 100 Index. The Exchange further believes that listing options on a reduced value of the index will provide an opportunity for investors to hedge, or speculate on, the market risk associated with the stocks comprising the FTSE 100 Index. Additionally, by reducing the value of the FTSE 100 Index, investors will be able to use this trading vehicle while extending a smaller outlay of capital. The Exchange believes this should attract additional investors, and, in turn, create a more active and liquid trading environment.

Initial and Maintenance Listing Criteria

The FTSE 100 Index meets the definition of a broad-based index as set forth in Rule 24.1(i)(1).⁷ In addition, the Exchange proposes to create specific initial and maintenance listing criteria for options on the FTSE 100 Index. Specifically, the Exchange proposes to add new Interpretation and Policy .02(a) to Rule 24.2, *Designation of the Index*, to provide that the Exchange may trade FTSE 100 options if each of the following conditions is satisfied: (1) The index is broad-based, as defined in Rule 24.1(i)(1); (2) Options on the index are designated as A.M.-settled index options; (3) The index is capitalization-weighted, price-weighted, modified capitalization-weighted or equal dollar-weighted; (4) The index consists of 90 or more component securities; (5) Each of the component securities of the index will have a market capitalization of greater than \$100 million; (6) No single component security accounts for more than fifteen percent (15%) of the weight of the index, and the five highest weighted component securities in the

index do not, in the aggregate, account for more than fifty percent (50%) of the weight of the index; (7) Non-U.S. component securities (stocks or ADRs) that are not subject to comprehensive surveillance agreements do not, in the aggregate, represent more than twenty percent (20%) of the weight of the FTSE 100 Index; (8) During the time options on the index are traded on the Exchange, the current index value is widely disseminated at least once every fifteen (15) seconds by one or more major market data vendors. However, the Exchange may continue to trade FTSE 100 options after trading in all component securities has closed for the day and the index level is no longer widely disseminated at least once every fifteen (15) seconds by one or more major market data vendors, provided that FTSE 100 futures contracts are trading and prices for those contracts may be used as a proxy for the current index value; (9) The Exchange reasonably believes it has adequate system capacity to support the trading of options on the index, based on a calculation of the Exchange’s current Independent System Capacity Advisor (ISCA) allocation and the number of new messages per second expected to be generated by options on such index; and (10) The Exchange has written surveillance procedures in place with respect to surveillance of trading of options on the index.

Additionally, the Exchange proposes to add new Interpretation and Policy .02(b) to Rule 24.2, *Designation of the Index*, to set forth the following maintenance listing standards for options on the FTSE 100 Index: (1) The conditions set forth in subparagraphs .02(a) (1), (2), (3), (4), (7), (8), (9) and (10) must continue to be satisfied. The conditions set forth in subparagraphs .02(a)(5) and (6) must be satisfied only as of the first day of January and July in each year; and (2) The total number of component securities in the index may not increase or decrease by more than ten percent (10%) from the number of component securities in the index at the time of its initial listing. In the event a class of index options listed on the Exchange fails to satisfy the maintenance listing standards set forth herein, the Exchange shall not open for trading any additional series of options of that class unless the continued listing of that class of index options has been approved by the Commission under Section 19(b)(2) of the Exchange Act.

The Exchange believes that A.M. settlement is appropriate for FTSE 100 options due to the nature of the index that encompasses the U.K. market. The components of the FTSE 100 Index open

⁴ See Securities Exchange Act Release No. 29722 (September 23, 1991), 56 FR 49807 (October 1, 1991) (order approving SR-CBOE-91-07); Securities Exchange Act Release No. 53484 (March 14, 2006) 71 FR 14268 (March 21, 2006) (order approving SR-ISE-2005-25); and Securities Exchange Act Release No. 58008 (June 24, 2008) 73 FR 36945 (June 30, 2008) (order approving SR-NYSEArca-2008-61).

⁵ Summary and comprehensive information about the FTSE 100 Index methodology may be reviewed at: http://www.ftse.com/products/downloads/FTSE_UK_Index_Series.pdf?78.

⁶ See *id.*

⁷ Rule 24.1(i)(1) defines a broad-based index to mean an index designed to be representative of a stock market as a whole or of a range of companies in unrelated industries.

with the start of trading on the London Stock Exchange at approximately 2:00 a.m. (Chicago time) and close with the end of trading on the London Stock Exchange at approximately 10:30 a.m. (Chicago time). As noted above, from 2:00–10:30 a.m. (Chicago time) the FTSE 100 Index level is calculated using real time prices of the securities. At 10:30 a.m. (Chicago time) the real time index closes using the closing prices from the London Stock Exchange. Thus, between 10:30 a.m. and 3:15 p.m. (Chicago time) the FTSE 100 Index level is a static value that market participants can access via data vendors.

As a result, the FTSE 100 Index level will not be calculated using real time prices of the constituent securities during a portion of the day when options are trading, specifically between 10:30 a.m. and 3:15 p.m. (Chicago time).⁸ However, the futures contracts based on the FTSE 100 Index that trade on CME will be trading during this time period.⁹ The Exchange believes that the FTSE 100 futures prices would be a proxy for the current FTSE 100 Index level. Therefore, the Exchange believes that FTSE 100 options should be permitted to trade after trading in all component securities has closed for the day and the index level is no longer widely disseminated at least once every fifteen (15) seconds by one or more major market data vendors, provided that FTSE 100 futures contracts are trading and prices for those contracts may be used as a proxy for the current index value.

Because the FTSE 100 Index is comprised of 100 of the largest companies traded on the London Stock Exchange, the Exchange believes that the initial listing requirements are appropriate to trade options on this index. In addition, similar to other broad based indexes, the Exchange proposes various maintenance requirements, which require continual compliance and periodic compliance.

Options Trading

Exhibit 3 presents contract specifications for FTSE 100 options.

The contract multiplier for FTSE 100 options would be \$100. FTSE 100

options would be quoted in index points and one point would equal \$100. The minimum tick size for series trading below \$3 would be 0.05 (\$5.00) and at or above \$3 will be 0.10 (\$10.00).

Initially, the Exchange would list in-, at- and out-of-the-money strike prices. Additional series may be opened for trading as the underlying index level moves up or down.¹⁰ The minimum strike price interval for FTSE 100 options series would be 2.5 points if the strike price is less than 200. When the strike price is 200 or above, strike price intervals would be no less than 5 points.¹¹ New series would be permitted to be added up to the fifth business day prior to expiration.¹²

The Exchange would be permitted to list up to twelve near-term expiration months.¹³ The Exchange would also be permitted to list up to ten expirations in Long-Term Index Option Series (“LEAPS”) on the FTSE 100 Index and the index would be eligible for all other expirations permitted for other broad-based index options, e.g., End of Week/End of Month Expirations, Short Term Option Series and Quarterly Option Series.¹⁴

The trading hours for FTSE 100 options would be from 8:30 a.m. (Chicago time) to 3:15 p.m. (Chicago time).¹⁵

Exercise and Settlement

The proposed FTSE 100 options would expire on the third Friday of the expiring month.¹⁶ Trading in expiring FTSE 100 options would cease at 3:15 p.m. (Chicago time) one business day prior (usually a Thursday) to the day on which the exercise-settlement value is calculated (usually a Friday). When the last trading day/expiration date is

¹⁰ See Rules 24.9(d) and 24.9.04. These rules set forth the criteria for listing additional series of the same class as the current value of the underlying index moves. Generally, additional series must be “reasonably related” to the current index value, which means that strike prices must be within 30% of the current index value. Series exceeding the 30% range may be listed based on demonstrated customer interest.

¹¹ See proposed amendments to Rule 24.9.01(a) adding FTSE 100 options as a class eligible for 2.5 point minimum strike intervals if the strike price is below 200.

¹² See Rule 24.9.01(c).

¹³ See proposed amendments to Rule 24.9(a)(2). The Exchange is proposing to allow the listing of up to twelve expiration months at any one time for FTSE 100 options.

¹⁴ See e.g., Rules 24.9(b) (LEAPS), 24.9(e) (End of Week/End of Month Expirations), 24.9(a)(2)(A) (Short Term Option Series) and 24.9(a)(2)(B) (Quarterly Option Series).

¹⁵ See Rule 24.6.

¹⁶ See proposed Rule 24.9(a)(3) (listing the reduced value FTSE 100 Index as a European-style index option approved for trading on the Exchange).

moved because of an Exchange holiday or closure, the last trading day/expiration date for expiring options would be the immediately preceding business day.

Exercise would result in delivery of cash on the business day following expiration. FTSE 100 options would be A.M.-settled, in that the expiring contract would cease trading on the business day (usually a Thursday) before the expiration date (generally a Friday).¹⁷ The exercise settlement value would be one-tenth (1/10th) of the FTSE 100 Index calculated via an intra-day auction on the London Stock Exchange that is held on the morning of the expiration date (generally a Friday).¹⁸

The exercise settlement amount would be equal to the difference between the exercise-settlement value and the exercise price of the option, multiplied by the contract multiplier (\$100).

If the exercise settlement value is not available or the normal settlement procedure cannot be utilized due to a trading disruption or other unusual circumstance, the settlement value would be determined in accordance with the rules and bylaws of The Options Clearing Corporation (“OCC”).¹⁹

Position and Exercise Limits

The Exchange proposes to apply the default position limits for broad-based index options to FTSE 100 options. Specifically, the chart set forth in Rule 24.4(a), *Position Limits for Broad-Based Index Options*, provides that the positions limits applicable to “other broad-based indexes” is 25,000 contracts (standard limit/on the same side of the market) and 15,000 contracts (near-term limit). Pursuant to Rule 24.5, *Exercise Limits*, the exercise limits for FTSE 100 options would be equivalent to the position limits for FTSE 100 options. All position limit hedge exemptions would apply.

¹⁷ See proposed amendment to Rule 24.1.01 to identify FTSE International Limited as the Reporting Authority for the FTSE 100 Index. As the designated Reporting Authority for the index, the disclaimers set forth in Rule 24.14 (Disclaimers) would apply to FTSE International Limited.

¹⁸ See proposed amendment to Rule 24.9(a)(4) to specify that for FTSE 100 options the current index value at expiration is based on intra-day auction prices of the underlying securities on the last trading day. The last day of trading continues to be the business day preceding the last day of trading in the underlying securities prior to expiration because the business day preceding the last day of trading in the underlying securities is (generally) Thursday Chicago time and the last day of trading in the underlying securities is (generally) Friday Chicago time.

¹⁹ See Rule 24.7.

⁸ The trading hours for FTSE 100 options are from 8:30 a.m. (Chicago time) to 3:15 p.m. (Chicago time).

⁹ The trading hours for E-Mini FTSE 100 Index futures are from 5:00 p.m. (Chicago time) to 4:00 p.m. (Chicago time) the following day, Sunday through Friday. See E-Mini FTSE 100 Index Future Contract specifications located at: <http://www.cmegroup.com/education/files/e-mini-ftse-100-index-futures.pdf>. CME lists E-mini FTSE 100 Index futures denominated in GBP and USD. The Exchange believes that either futures contract—GBP or USD—would be a sufficient proxy for FTSE 100 options.

Margin

The Exchange proposes that FTSE 100 options be margined as “broad-based index” options, and under CBOE rules, especially, Rule 12.3(c)(5)(A), the margin requirement for a short put or call shall be 100% of the current market value of the contract plus 15% of the “product of the current index group value and the applicable index multiplier,” reduced by any out-of-the-money amount. There would be a minimum margin requirement of 100% of the current market value of the contract plus: 10% of the aggregate put exercise price amount in the case of puts, and 10% of the product of the current index group value and the applicable index multiplier in the case of calls. Additional margin may be required pursuant to Rules 12.3(h) and 12.10 (Margin Required is Minimum).

The Exchange believes that FTSE 100 options are an eligible product for portfolio margining under CBOE Rule 12.4. Accordingly, the Exchange proposes that FTSE 100 options be allowed in portfolio margin accounts. CBOE proposes that the FTSE 100 Index be treated as a high-capitalization, broad-based index and that a new Product Group be established in which to house a FTSE 100 Index Class Group. This new Product Group would be referred to as the “United Kingdom Indexes Product Group. The assumed market moves utilized for the new Product Group would be $-8\%/+6\%$, with a 100% offset of gains and losses between products in the same Class Group. With respect to a percentage offset between Class Groups within the United Kingdom Indexes Product Group, none would be specified at this time given that the FTSE 100 Index would be the only Class Group.²⁰

Exchange Rules Applicable

Except as modified herein, the rules in Chapters I through XIX, XXIV, XXIVA, and XXIVB would equally apply to FTSE 100 options. FTSE 100 options would be subject to the same rules that currently govern other CBOE index options, including sales practice rules,²¹ margin requirements²² and trading rules.²³

²⁰ A table detailing the currently existing portfolio margining Product Groups and their component class groups can be found at http://www.optionsclearing.com/components/docs/risk-management/cpm/cpm_parameters.pdf.

²¹ See Chapter IX (Doing Business with the Public).

²² See Chapter XII (Margins).

²³ See e.g., Chapters IV (Business Conduct), VI (Doing Business on the Exchange Floor), Chapter VIII (Market-Makers, Trading Crowds and Modified Trading Systems) and Chapter XXIV (Index Options).

The Exchange hereby designates FTSE 100 options as eligible for trading as Flexible Exchange Options as provided for in Chapters XXIVA (Flexible Exchange Options) and XXIVB (FLEX Hybrid Trading System).²⁴

Surveillance and Capacity

The Exchange represents that it has an adequate surveillance program in place for FTSE 100 options and intends to use the same surveillance procedures currently utilized for each of the Exchange’s other index options to monitor trading in FTSE 100 options.

The Exchange is a member of the Intermarket Surveillance Group (“ISG”), which “is comprised of an international group of exchanges, market centers, and market regulators.”²⁵ The purpose of the ISG is to provide a framework for the sharing of information and the coordination of regulatory efforts among exchanges trading securities and related products to address potential intermarket manipulations and trading abuses. The ISG plays a crucial role in information sharing among markets that trade securities, options on securities, security futures products, and futures and options on broad-based security indexes. A list identifying the current ISG members is available at: <https://www.isgportal.org/home.html>.

The Exchange is also an affiliate member of the International Organization of Securities Commissions (“IOSCO”), which has members from over 100 different countries. The United Kingdom’s Financial Conduct Authority, the regulator of the market on which the constituent securities trade, is also a member of IOSCO.²⁶ A list

²⁴ See proposed amendments to Rules 24A.7, *Position Limits and Reporting Requirements*, and 24B.7, *Position Limits and Reporting Requirements*, providing that the position limits for FLEX Index options on the FTSE 100 Index would be equal to the position limits for Non-FLEX options on the index. Per existing Rules 24A.8, *Exercise Limits*, and 24B.8, *Exercise Limits*, the exercise limits for FLEX FTSE 100 options would be equivalent to the position limits for FLEX FTSE 100 options.

²⁵ See Intermarket Surveillance Group Web site, available at <https://www.isgportal.org/home.html>.

²⁶ There are three categories of IOSCO members: Ordinary, associate and affiliate. In general, the ordinary members (124) are the national securities commissions in their respective jurisdictions. Associate members (17) are usually agencies or branches of government, other than the principal national securities regulator in their respective jurisdictions that have some regulatory competence over securities markets, or intergovernmental international organizations and other international standard-setting bodies, such as the IMF and the World Bank, with a mission related to either the development or the regulation of securities markets. Affiliate members (64) are self-regulatory organizations, stock exchanges, financial market infrastructures, investor protection funds and compensation funds, and other bodies with an appropriate interest in securities regulation. See

identifying the current ordinary IOSCO members is available at: <http://www.iosco.org/about/?subsection=membership&memid=1>. Finally, the Exchange has entered into various comprehensive surveillance agreements (“CSAs”) and/or Memoranda of Understanding with various stock exchanges, including the London Stock Exchange. Given the capitalization of the FTSE 100 Index and the deep and liquid markets for the securities underlying this Index, the concerns for market manipulation and/or disruption in the underlying markets are greatly reduced.

CBOE has analyzed its capacity and represents that it believes the Exchange and the Options Price Reporting Authority (“OPRA”) have the necessary systems capacity to handle the additional traffic associated with the listing of new series that would result from the introduction of FTSE 100 options. Because the proposal is limited to one new class, the Exchange believes that the additional traffic that would be generated from the introduction of FTSE 100 options would be manageable.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.²⁷ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²⁸ requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, to remove impediments to and to perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change will further the Exchange’s goal of introducing new and innovative products to the marketplace. Currently, the Exchange believes that there is unmet market demand for exchange-listed security options listed on this popular cash index. As described above, E-Mini FTSE 100 Index futures are listed for trading on CME. In addition, other derivatives contracts on the FTSE 100 Index are listed for trading in Europe (e.g., Borsa Italiana).²⁹ As a result, CBOE believes

IOSCO Fact Sheet located at: <http://www.iosco.org/about/pdf/IOSCO-Fact-Sheet.pdf>.

²⁷ 15 U.S.C. 78f(b).

²⁸ 15 U.S.C. 78f(b)(5).

²⁹ See Fact Sheet for FTSE 100 Mini-Futures traded on the Borsa Italiana, available at <https://www.borsaitalia.it/ftse100mini-futures>.

that FTSE 100 options are designed to provide different and additional opportunities for investors to hedge or speculate on the market risk on the FTSE 100 Index by listing an option directly on the FTSE 100 Index.

The Exchanges believes that the FTSE 100 Index is not easily susceptible to manipulation. The index is a broad-based index and has high market capitalizations. The FTSE 100 Index is comprised of 100 of the largest companies traded on the London Stock Exchange and no single component comprises more than 10% of the index, making it not easily subject to market manipulation.

Additionally, because the index has 100 of the largest and most liquid stocks listed on the London Stock Exchange, the Exchange believes that the initial listing requirements are appropriate to trade options on the index. In addition, similar to other broad-based indexes, the Exchange proposes to adopt various maintenance criteria, which would require continual compliance and periodic compliance.

FTSE 100 options would be subject to the same rules that currently govern other CBOE index options, including sales practice rules,³⁰ margin requirements³¹ and trading rules.³² The Exchange would apply the same default position limits for broad-based index options to FTSE 100 options. Specifically, the applicable position limits would be 25,000 contracts (standard limit/on the same side of the market) and 15,000 contracts (near-term limit). The exercise limit for FTSE 100 options would be equivalent to the position limit for FTSE 100 options. These same position and exercise limits would apply to FLEX trading. All position limit hedge exemptions would apply. The Exchange would apply existing index option margin requirements for the purchase and sale of FTSE 100 options.

The Exchange represents that it has an adequate surveillance program in place for FTSE 100 options. The Exchange also represents that it has the necessary systems capacity to support the new option series.

www.lseg.com/sites/default/files/content/documents/%E2%80%A2LSEG_ITA_Products_Factsheet_v10.pdf.

³⁰ See Chapter IX (Doing Business with the Public).

³¹ See Chapter XII (Margins).

³² See e.g., Chapters IV (Business Conduct), VI (Doing Business on the Exchange Floor), Chapter VIII (Market-Makers, Trading Crowds and Modified Trading Systems) and Chapter XXIV (Index Options).

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

CBOE does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Specifically, CBOE believes that the introduction of new cash index options will enhance competition among market participants and will provide a new type of options to compete with FTSE 100 futures and European-traded derivatives on the FTSE 100 Index to the benefit of investors and the marketplace.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

A. By order approve or disapprove such proposed rule change, or

B. Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and 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 email to rule-comments@sec.gov. Please include File Number SR-CBOE-2015-100 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-CBOE-2015-100. This file number should be included on the subject line if email 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 10:00 a.m. and 3:00 p.m. Copies of the 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-CBOE-2015-100 and should be submitted on or before December 1, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³³

Brent J. Fields,
Secretary.

[FR Doc. 2015-28516 Filed 11-9-15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-76344; File No. SR-NASDAQ-2015-115]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Modify Chapter XV, Entitled "Options Pricing," at Section 2 Governing Pricing for NASDAQ Members

November 4, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on October 22, 2015, The NASDAQ Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange

³³ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.