

# FINANCIAL INFORMATION FORUM

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New York, New York 10004

212-422-8568

April 30, 2012

Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
Station Place, 100 F Street, NE,  
Washington, DC 20549-1090

Re: Release No. 34-66725; File No. SR-NYSEArca-2012-26: Notice of Filing of Proposed Rule Change to List and Trade Option Contracts Overlying 10 Shares of a Security ("Mini-Options Contracts") and Implementing Rule Text Necessary to Distinguish Mini-Options Contracts from Option Contracts Overlying 100 Shares of a Security ("Standard Contracts") and (Release No. 34-66827; File No. SR-ISE-2012-26: Notice of Filing of Proposed Rule Change to List and Trade Option Contracts Overlying 10 Shares of a Security

Dear Ms. Murphy,

The Financial Information Forum (FIF)<sup>1</sup> would like to take this opportunity to comment on implementation considerations with respect to the trading of Mini-Options contracts as described in SR-NYSEArca-2012-26 and SR-ISE-2012-26. The FIF Back Office Committee is made up of service bureaus and broker dealers with back office processing systems that would require changes to support Mini-Options contracts.

We have reviewed the filings of both NYSE Arca and ISE and notice that they differ in nature with respect to several variables as indicated below.

Variable	SR-NYSEArca-2012-26	SR-ISE-2012-26
<b>Minimum Underlying Price for Listing</b>	\$90	\$150
<b>Underlying Instruments</b>	SPDR S&P 500 (SPY), Apple, Inc. (AAPL), SPDR Gold Trust (GLD), Google Inc. (GOOG), and Amazon.com Inc. (AMZN)	Apple, Inc., (AAPL), SPDR Gold Trust (GLD), Google, Inc. (GOOG), Amazon, Inc. (AMZN), International Business Machines (IBM), and Priceline.com, Inc. (PCLN).

<sup>1</sup> FIF ([www.fif.com](http://www.fif.com)) was formed in 1996 to provide a centralized source of information on the implementation issues that impact the financial technology industry across the order lifecycle. Our participants include trading and back office service bureaus, broker-dealers, market data vendors and exchanges. Through topic-oriented working groups, FIF participants focus on critical issues and productive solutions to technology developments, regulatory initiatives, and other industry changes.

<b>Variable</b>	<b>SR-NYSEArca-2012-26</b>	<b>SR-ISE-2012-26</b>
<b>Symbology</b>	OCC Symbology is structured for contracts with other than 100 shares to be designated with a numerical suffix to the standard trading symbol, i.e., AAPL8.	Exchange proposes to adopt 7AAPL as the trading symbol for Mini Options on that same security.
<b>Premium Multiplier</b>	100	10
<b>Strike Price</b>	1/10 of Regular-sized option	Same as the Regular-sized Option

We recommend that, to the greatest degree possible, the exchanges have a common definition of Mini-Option Contracts.

Additionally, we request clarification on the following issues with respect to Mini-options:

1. What happens if a security trades below the minimum price identified? For how long will trading be suspended before a Mini-Options contract will be delisted?
2. What are the LOPR reporting requirements for Mini-Options?
3. What are the position limits on Mini-Options?
4. Will the option security definition produced by OCC include a special indicator in OCC SecDef Tag 107 to indicate a Mini-Option contract? Having a special indicator would be useful for processing Mini-Options contracts.
5. Will there be new margin requirements for Mini-Options?
6. Can Mini-Options be cross-margined with standard options?
7. Will a consistent symbology be used across exchanges for identifying Mini-Options? It is important to note that when choosing a common symbology across exchanges that numbers in front of a symbol are currently associated with FLEX options and numbers after the symbol are considered adjusted options.

We respectfully request that the final rules instituting Mini-Options contracts address the implementation questions and concerns outlined above. FIF looks forward to working with industry participants in resolving the processing and symbology issues associated with Mini-Options contracts.

Sincerely,



Manisha Kimmel  
Executive Director  
Financial Information Forum