

The Commission notes that the Exchange is not proposing to amend the DE Holdings Operating Agreement.²⁵ Accordingly, the DE Holdings Operating Agreement that the Commission reviewed in connection with the Exchange's application for registration as a national securities exchange, including the provisions in the DE Holdings Operating Agreement relating to the self-regulatory function of the Exchange, will remain in place following the Corporate Reorganization.

C. Ownership and Control of the Exchange, DEI, and DE Holdings

Following the Corporate Reorganization, DEI will be the sole stockholder of the Exchange. The Exchange Bylaws identify this ownership structure.²⁶ Any changes to the Exchange Bylaws, including any change in the provision that identifies DEI as the sole stockholder of the Exchange, must be filed with and approved by the Commission pursuant to Section 19 of the Act.²⁷ Similarly, the DEI Certificate identifies DE Holdings as the sole stockholder of DEI.²⁸ For as long as DEI directly or indirectly controls the Exchange, any amendment to the DEI Certificate, including an amendment to the provision that identifies DE Holdings as the sole stockholder of DEI, must be submitted to the Exchange Board and, if the Exchange Board determines that the amendment must be filed with, or filed with and approved by the Commission, before the amendment may be effective under Section 19 of the Act, then the proposed amendment will not be effective until it is filed with, or filed with and approved by, the Commission.²⁹

they are related to the operation or administration of the Exchange; and (4) DE Holdings agrees to provide the Commission and the Exchange with access to DE Holdings' books and records that are related to the operation or administration of the Exchange for so long as DE Holdings directly or indirectly controls the Exchange. *See* DE Holdings Operating Agreement, Article XI, Section 14.3; and Article XI, Section 11.2. For a more complete discussion of the DE Holdings Operating Agreement, *see* Order, *supra* note 4, at notes 40–47 and accompanying text.

²⁵ For as long as DE Holdings directly or indirectly controls the Exchange, any changes to the DE Holdings Operating Agreement must be submitted to the Exchange Board and, if the Exchange Board determines that such amendment is required to be filed with the Commission pursuant to Section 19(b) of the Act, such change will not be effective until filed with, or filed with and approved by, the Commission. *See* DE Holdings Operating Agreement, Article XV, Section 15.2(b). *See also* Order, *supra* note 4, at note 47 and accompanying text.

²⁶ *See* Exchange Bylaws, Article I(kk).

²⁷ *See* 15 U.S.C. 78s.

²⁸ *See* DEI Certificate, Article EIGHTH(4).

²⁹ *See* DEI Certificate, Article EIGHTH(3).

In addition, as discussed in greater detail in the Order,³⁰ the DE Holdings Operating Agreement includes restrictions on the ability to own and vote the capital stock of DE Holdings.³¹ These limitations apply for so long as DE Holdings directly or indirectly controls the Exchange.³² The limitations, which are designed to prevent any Member of DE Holdings from exercising undue control over the operation of the Exchange and to assure that the Exchange and the Commission are able to effectively carry out their regulatory and oversight obligations under the Act, generally prohibit any person, other than International Securities Exchange Holdings, Inc., from owning interests representing more than 40% of DE Holdings or from voting interests representing more than 20% of DE Holdings. In addition, the limitations prohibit any member of the Exchange from owning interests representing more than 20% of DE Holdings.

The Commission believes that these provisions in the governing documents of the Exchange, DEI, and DE Holdings should minimize the potential that a person could improperly interfere with or restrict the ability of the Commission or the Exchange to effectively carry out their regulatory and oversight responsibilities under the Act.

D. Electing Directors and Certain Committee Members of the Exchange

Currently, the DE Holdings Operating Agreement requires DE Holdings, in its capacity as the sole stockholder of the Exchange, to vote all of the outstanding equity of the Exchange owned by DE Holdings and entitled to vote in an election to be voted in favor of the election of (1) those directors nominated by the Nominating Committee of the Exchange ("Exchange Nominating Committee"); and (2) those nominees for the Exchange Nominating Committee and the Exchange Member Nominating Committee nominated in accordance with the governance documents of the Exchange.³³ Because DE Holdings will no longer be a stockholder of the Exchange following the Corporate Reorganization, the Exchange notes that these requirements will no longer apply to DE Holdings.

However, the DEI Bylaws require DEI, in its capacity as the sole stockholder of

the Exchange, to cause all outstanding equity of the Exchange owned by DEI and entitled to vote in an election to be voted in favor of the election of (1) those directors nominated by the Exchange Nominating Committee; and (2) those nominees for the Exchange Nominating Committee and the Exchange Member Nominating Committee nominated in accordance with the governance documents of the Exchange.³⁴ Through these requirements in the DEI Bylaws, the Commission believes that the same procedures governing the election of Exchange directors and Exchange member directors that the Commission approved in the Order will continue to apply following the Corporate Reorganization.³⁵ Accordingly, the Commission finds that the proposal is consistent with the requirement in Section 6(b)(3) of the Act that the rules of the Exchange provide for the fair representation of its members in the selection of directors and the administration of the Exchange.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,³⁶ that the proposed rule change (File No. SR–ED³⁷GA–2010–02) is approved.

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

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–62515; File No. SR–EDGX–2010–02]

Self-Regulatory Organizations; EDGX Exchange, Inc.; Order Approving a Proposed Rule Change Relating to Direct Edge, Inc.

July 16, 2010.

I. Introduction

On June 3, 2010, EDGX Exchange, Inc. ("EDGX" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b–4

³⁴ *See* DEI Bylaws, Article II, Section 2.15(b).

³⁵ *See* Order, *supra* note 4, at notes 94–120 and accompanying text, for a discussion of the Exchange's procedures for nominating directors and Exchange member directors.

³⁶ 15 U.S.C. 78s(b)(2).

³⁷ 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

³⁰ *See* Order, *supra* note 4, at notes 65–88 and accompanying text.

³¹ *See* DE Holdings Operating Agreement, Article XII.

³² *See* DE Holdings Operating Agreement, Article XII, Section 12.1(a).

³³ *See* DE Holdings Operating Agreement, Article VII, Section 7.3(b).

thereunder,² a proposed rule change relating to a corporate reorganization ("Corporate Reorganization") in which the Exchange will become a wholly-owned subsidiary of Direct Edge, Inc. ("DEI"). The proposed rule change was published for comment in the **Federal Register** on June 16, 2010.³ The Commission received no comments regarding the proposal. This order approves the proposed rule change.

II. Description of the Proposal

Currently, the Exchange is a wholly-owned subsidiary of Direct Edge Holdings, LLC ("DE Holdings").⁴ DE Holdings, a Delaware limited liability company, is overseen by a Board of Managers, and ownership in DE Holdings is represented by limited liability membership interests. The Fourth Amended and Restated Limited Liability Company Operating Agreement of DE Holdings ("DE Holdings Operating Agreement") refers to the holders of these membership interests as "Members."⁵

The Exchange proposes a Corporate Reorganization in which DE Holdings will transfer all of its equity interest in the Exchange to DEI, a Delaware corporation.⁶ As a result, the Exchange will be a direct, wholly-owned subsidiary of DEI following the Corporate Reorganization. DEI, in turn, will be a direct, wholly-owned subsidiary of DE Holdings, and DE Holdings will be the sole stockholder of DEI. The self-regulatory functions of the Exchange will remain with the Exchange following the Corporate Reorganization. Direct Edge ECN, LLC d/b/a DE Route, the Exchange's routing broker/dealer, will continue to be a wholly-owned subsidiary of DE Holdings.

The Exchange has included in its proposal the Certificate of Incorporation

of DEI ("DEI Certificate"); the Bylaws of DEI ("DEI Bylaws"); and changes to the Amended and Restated Bylaws of EDGX ("Exchange Bylaws") to indicate that DEI will be the sole stockholder of the Exchange.

III. Discussion and Commission Findings

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.⁷ In particular, the Commission finds that the proposal is consistent with Section 6(b) of the Act,⁸ in general, and furthers the objectives of Section 6(b)(1) of the Act,⁹ in particular, in that it is designed to enable the Exchange to be so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its members and persons associated with its members with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange. In addition, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act¹⁰ in that it will result in an exchange governance structure designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. In particular, the Commission believes that the corporate governing documents of DEI, DE Holdings, and the Exchange are designed to protect and maintain the integrity of the self-regulatory functions of the Exchange and to facilitate the ability of the Exchange and the Commission to carry out their regulatory and oversight obligations under the Act. Finally, the Commission finds that the proposal is consistent with the requirement under Section 6(b)(3) of the Act¹¹ that the rules of an exchange assure fair representation of the exchange's members in the selection of its directors and administration of its affairs.

A. DEI

Following the Corporate Reorganization, DEI will be the sole

stockholder of the Exchange.¹² Although DEI will not carry out any regulatory functions, its activities with respect to the operation of the Exchange must be consistent with, and must not interfere with, the self-regulatory obligations of the Exchange. The DEI Certificate and DEI Bylaws include certain provisions that are designed to maintain the independence of the Exchange's self-regulatory function from DEI, enable the Exchange to operate in a manner that complies with the Federal securities laws, including the objectives of Sections 6(b) and 19(g) of the Act,¹³ and facilitate the ability of the Exchange and the Commission to fulfill their regulatory and oversight obligations under the Act.

For example, DEI submits to the jurisdiction of the Commission and the Exchange with respect to activities relating to the Exchange,¹⁴ and agrees to provide the Commission and the Exchange with access to its books and records that are related to the operation or administration of the Exchange.¹⁵ In addition, to the extent they are related to the operation or administration of the Exchange, the books, records, premises, officers, directors, agents, and employees of DEI will be deemed to be the books, records, premises, officers, directors, agents, and employees of the Exchange for the purpose of, and subject to oversight pursuant to, the Act.¹⁶ DEI also agrees to keep confidential non-public information relating to the self-regulatory function¹⁷ of the Exchange and not to use such information for any non-regulatory purpose.¹⁸ In addition, the Board of Directors of DEI, and DEI's officers, employees, and agents, are required to give due regard to the preservation of the independence of the self-regulatory function of the Exchange.¹⁹

Article VII, Section 7.7 of the DE Holdings Operating Agreement requires the approval of the DE Holdings Board of Managers and/or Members of DE Holdings in connection with certain actions taken by DE Holdings or a subsidiary of DE Holdings. Article

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 62256 (June 10, 2010), 75 FR 34196.

⁴ The Amended and Restated Bylaws of EDGX ("Exchange Bylaws") identify this ownership structure. See Exchange Bylaws, Article I(kk). Any changes to the Exchange Bylaws, including a change to the provision that identifies DE Holdings as the sole owner of the Exchange, must be filed with the Commission pursuant to Section 19 of the Act. See 15 U.S.C. 78s. See also Securities Exchange Act Release No. 61698 (March 12, 2010), 75 FR 13151 (March 18, 2010) (File Nos. 10-194 and 10-196) (order granting the exchange registration applications of the Exchange and EDGA Exchange, Inc. ("EDGA")) ("Order"), at note 77 and accompanying text.

⁵ DE Holdings is described in greater detail in the Order, *supra* note 4.

⁶ The Exchange's affiliate exchange, EDGA, also will become a wholly-owned subsidiary of DEI. See Securities Exchange Act Release No. 62514 (July 16, 2010) (order approving File No. SR-EDGA-2010-02).

⁷ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(1).

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ 15 U.S.C. 78f(b)(3).

¹² See Exchange Bylaws, Article I(kk).

¹³ 15 U.S.C. 78f(b) and 15 U.S.C. 78s(g).

¹⁴ See DEI Bylaws, Article VII, Section 7.3.

¹⁵ See DEI Bylaws, Article V, Section 5.8(b).

¹⁶ *Id.*

¹⁷ This requirement to keep confidential non-public information relating to the self-regulatory function of the Exchange will not limit the Commission's or the Exchange's ability to access and examine such information or limit the ability of any officers, directors, agents, or employees of DEI to disclose such information to the Commission or to the Exchange. See DEI Bylaws, Article V, Section 5.8(a).

¹⁸ See DEI Bylaws, Article VII, Section 7.1.

¹⁹ See DEI Bylaws, Article V, Section 5.8(b).

SIXTH of the DEI Certificate states that any action that specifically requires the approval of the DE Holdings Board of Managers and/or Members of DE Holdings pursuant to Article VII, Section 7.7 of the DE Holdings Operating Agreement will require the approval of the stockholders of DEI.²⁰ Article SIXTH of the DEI Certificate further provides, however, that nothing contained in Article VII, Section 7.7 of the DE Holdings Operating Agreement will be applicable where the application of that provision would interfere with the effectuation of any decisions of the DEI Board of Directors ("DEI Board") relating to regulatory functions of the Exchange (including disciplinary matters) or the structure of the market the Exchange regulates, or would interfere with the ability of the Exchange to carry out its responsibilities under the Act or to oversee the structure of the market the Exchange regulates.²¹ For as long as DEI directly or indirectly controls the Exchange, any change to the DEI Certificate must be submitted to the Exchange's Board of Directors ("Exchange Board") and, if the amendment is required to be filed with the Commission pursuant to Section 19(b) of the Act, the change will not be effective until filed with, or filed with and approved by, the Commission.²²

The Commission finds that these provisions in the DEI Bylaws and DEI Certificate are consistent with the Act, and that they will assist the Exchange in fulfilling its self-regulatory obligations and in administering and complying with the requirements of the Act.

B. DE Holdings

In the Corporate Reorganization, DE Holdings, which currently is the sole stockholder of the Exchange, will transfer its stock in the Exchange to DE Holdings' wholly-owned subsidiary, DEI, which will become the sole stockholder of the Exchange. Accordingly, DE Holdings will be an indirect owner of the Exchange following the Corporate Reorganization. Although DE Holdings will not carry out any regulatory functions, its activities with respect to the operation of the Exchange must be consistent with, and not interfere with, the self-regulatory obligations of the Exchange.

The DE Holdings Operating Agreement, which the Commission reviewed in connection with the Exchange's application for registration as a national securities exchange,²³

includes certain provisions that are designed to maintain the independence of the Exchange's self-regulatory function from DE Holdings, enable the Exchange to operate in a manner that complies with the Federal securities laws, including the objectives of Sections 6(b) and 19(g) of the Act, and facilitate the ability of the Exchange and the Commission to fulfill their regulatory and oversight obligations under the Act. For example, the DE Holdings Operating Agreement provides that, for so long as DE Holdings directly or indirectly controls the Exchange, the Managers, officers, employees, and agents of DE Holdings shall give due regard to the preservation of the independence of the self-regulatory function of the Exchange and shall not take any actions that would interfere with the effectuation of any decisions by the Exchange Board relating to the Exchange's regulatory functions (including disciplinary matters) or which would interfere with the ability of the Exchange to carry out its responsibilities under the Act.²⁴

The Commission notes that the Exchange is not proposing to amend the DE Holdings Operating Agreement.²⁵ Accordingly, the DE Holdings Operating Agreement that the Commission

²⁴ See DE Holdings Operating Agreement Article XIV, Section 14.1. In addition, the DE Holdings Operating Agreement further specifies, among other things, that: (1) DE Holdings and its officers, Managers, employees, and agents submit to the Commission's and the Exchange's jurisdiction with respect to activities relating to the Exchange; (2) DE Holdings agrees to retain in confidence information in the books and records of the Exchange reflecting confidential information pertaining to the self-regulatory function of the Exchange (including disciplinary matters, trading data, trading practices, and audit information) that comes into DE Holdings' possession; (3) the books, records, premises, officers, Managers, agents, and employees of DE Holdings are deemed to be the books, records, premises, officers, Managers, agents, and employees of the Exchange for purposes of, and subject to oversight pursuant to, the Act, to the extent that they are related to the operation or administration of the Exchange; and (4) DE Holdings agrees to provide the Commission and the Exchange with access to DE Holdings' books and records that are related to the operation or administration of the Exchange for so long as DE Holdings directly or indirectly controls the Exchange. See DE Holdings Operating Agreement, Article XI, Section 14.3; and Article XI, Section 11.2. For a more complete discussion of the DE Holdings Operating Agreement, see Order, *supra* note 4, at notes 40–47 and accompanying text.

²⁵ For as long as DE Holdings directly or indirectly controls the Exchange, any changes to the DE Holdings Operating Agreement must be submitted to the Exchange Board and, if the Exchange Board determines that such amendment is required to be filed with the Commission pursuant to Section 19(b) of the Act, such change will not be effective until filed with, or filed with and approved by, the Commission. See DE Holdings Operating Agreement, Article XV, Section 15.2(b). See also Order, *supra* note 4, at note 47 and accompanying text.

reviewed in connection with the Exchange's application for registration as a national securities exchange, including the provisions in the DE Holdings Operating Agreement relating to the self-regulatory function of the Exchange, will remain in place following the Corporate Reorganization.

C. Ownership and Control of the Exchange, DEI, and DE Holdings

Following the Corporate Reorganization, DEI will be the sole stockholder of the Exchange. The Exchange Bylaws identify this ownership structure.²⁶ Any changes to the Exchange Bylaws, including any change in the provision that identifies DEI as the sole stockholder of the Exchange, must be filed with and approved by the Commission pursuant to Section 19 of the Act.²⁷ Similarly, the DEI Certificate identifies DE Holdings as the sole stockholder of DEI.²⁸ For as long as DEI directly or indirectly controls the Exchange, any amendment to the DEI Certificate, including an amendment to the provision that identifies DE Holdings as the sole stockholder of DEI, must be submitted to the Exchange Board and, if the Exchange Board determines that the amendment must be filed with, or filed with and approved by the Commission, before the amendment may be effective under Section 19 of the Act, then the proposed amendment will not be effective until it is filed with, or filed with and approved by, the Commission.²⁹

In addition, as discussed in greater detail in the Order,³⁰ the DE Holdings Operating Agreement includes restrictions on the ability to own and vote the capital stock of DE Holdings.³¹ These limitations apply for so long as DE Holdings directly or indirectly controls the Exchange.³² The limitations, which are designed to prevent any Member of DE Holdings from exercising undue control over the operation of the Exchange and to assure that the Exchange and the Commission are able to effectively carry out their regulatory and oversight obligations under the Act, generally prohibit any person, other than International Securities Exchange Holdings, Inc., from owning interests representing more than

²⁶ See Exchange Bylaws, Article I(kk).

²⁷ See 15 U.S.C. 78s.

²⁸ See DEI Certificate, Article EIGHTH(4).

²⁹ See DEI Certificate, Article EIGHTH(3).

³⁰ See Order, *supra* note 4, at notes 65–88 and accompanying text.

³¹ See DE Holdings Operating Agreement, Article XII.

³² See DE Holdings Operating Agreement, Article XII, Section 12.1(a).

²⁰ See DEI Certificate, Article SIXTH(1).

²¹ See DEI Certificate, Article SIXTH(2).

²² See DEI Certificate, Article EIGHTH(3).

²³ See Order, *supra* note 4.

40% of DE Holdings or from voting interests representing more than 20% of DE Holdings. In addition, the limitations prohibit any member of the Exchange from owning interests representing more than 20% of DE Holdings.

The Commission believes that these provisions in the governing documents of the Exchange, DEI, and DE Holdings should minimize the potential that a person could improperly interfere with or restrict the ability of the Commission or the Exchange to effectively carry out their regulatory and oversight responsibilities under the Act.

D. Electing Directors and Certain Committee Members of the Exchange

Currently, the DE Holdings Operating Agreement requires DE Holdings, in its capacity as the sole stockholder of the Exchange, to vote all of the outstanding equity of the Exchange owned by DE Holdings and entitled to vote in an election to be voted in favor of the election of (1) those directors nominated by the Nominating Committee of the Exchange ("Exchange Nominating Committee"); and (2) those nominees for the Exchange Nominating Committee and the Exchange Member Nominating Committee nominated in accordance with the governance documents of the Exchange.³³ Because DE Holdings will no longer be a stockholder of the Exchange following the Corporate Reorganization, the Exchange notes that these requirements will no longer apply to DE Holdings.

However, the DEI Bylaws require DEI, in its capacity as the sole stockholder of the Exchange, to cause all outstanding equity of the Exchange owned by DEI and entitled to vote in an election to be voted in favor of the election of (1) those directors nominated by the Exchange Nominating Committee; and (2) those nominees for the Exchange Nominating Committee and the Exchange Member Nominating Committee nominated in accordance with the governance documents of the Exchange.³⁴ Through these requirements in the DEI Bylaws, the Commission believes that the same procedures governing the election of Exchange directors and Exchange member directors that the Commission approved in the Order will continue to apply following the Corporate Reorganization.³⁵ Accordingly, the Commission finds that the proposal is

consistent with the requirement in Section 6(b)(3) of the Act that the rules of the Exchange provide for the fair representation of its members in the selection of directors and the administration of the Exchange.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,³⁶ that the proposed rule change (File No. SR-EDGX-2010-02) is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁷

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62526; File No. SR-NYSEAmex-2010-68]

Self-Regulatory Organizations; NYSE Amex LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Its Fee Schedule

July 19, 2010.

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 July 7, 2010, NYSE Amex LLC (the "Exchange" or the "NYSE Amex") filed with the Securities and Exchange Commission ("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 Exchange proposes to temporarily suspend the collection of marketing charges on Customer orders that trade within the Complex Matching Engine contra to a Market Maker. Concurrent with this change we are also proposing to reduce some of the transaction fees associated with executions in the Complex Matching Engine.

A copy of this filing is available on the Exchange's Web site at <http://www.nyse.com>, on the Commission's

Internet Web site at <http://www.sec.gov>, at the Exchange's principal office, 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 is proposing to temporarily suspend the collection of marketing charges on Customer orders that trade within the Complex Matching Engine contra to a Market Maker. At present, our marketing charges program is designed to allow for the collection of marketing charges from Market Makers who trade contra to electronic Customer orders. The marketing charges accrue to either the Directed Order Market Maker or in the case of a non-directed order, the Specialist or e-Specialist that is in control of the pool of marketing charge monies that accrue from non-directed order flow.

Within our Complex Matching Engine we presently do not have functionality that would permit Market Makers to receive Directed Orders and therefore control the marketing charges associated with those directed Customer orders. Given this limitation, the Exchange feels it is appropriate to suspend the collection of marketing charges for electronic Customer orders executed in the Complex Matching Engine until such a time that we can offer Directed Order functionality within the Complex Matching Engine. Once we create functionality that will allow Directed Order Market Makers can [sic] receive Complex Directed Orders that execute within the Complex Matching Engine, the Exchange will file at that time to reinstate the collection of marketing charges.

Concurrent with this change in marketing charges, the Exchange is also proposing to reduce the transaction charges associated with receiving an

³³ See DE Holdings Operating Agreement, Article VII, Section 7.3(b).

³⁴ See DEI Bylaws, Article II, Section 2.15(b).

³⁵ See Order, *supra* note 4, at notes 94-120 and accompanying text, for a discussion of the Exchange's procedures for electing directors and Exchange member directors.

³⁶ 15 U.S.C. 78s(b)(2).

³⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.