Required fields are shown with yellow backgrounds and asterisks.

OMB APPROVAL

OMB Number: 3235-0045
Estimated average burden
hours per response............38

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No.* SR - 2012 - * 09
Amendment No. (req. for Amendments *)

Proposed Rule Change by NYSE Amex LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
☑	☐	☐	☐	☑	☐

Pilot	Extension of Time Period for Commission Action *	Date Expires *
☐	☐	

Rule

☐ 19b-4(f)(1)	☐ 19b-4(f)(4)
☐ 19b-4(f)(2)	☐ 19b-4(f)(5)
☐ 19b-4(f)(3)	☑ 19b-4(f)(6)

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *).

Proposal to amend Commentary 05 to NYSE Amex Options Rule 903 to allow trading of options on iShares Silver Trust and United States Oil Fund at 50 cent strike price intervals where the strike price is less than 75 dollars

Contact Information

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name * Joseph
Last Name * Corcoran
Title * Chief Counsel NYSE Regulation Inc
E-mail * jcorcoran@nyx.com
Telephone * (202) 661-8955
Fax (202) 347-4372

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date 02/06/2012

By Janet McGinness
(Name *)

Corporate Secretary
(Title *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

NYX Janet McGinness,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information (required) Add Remove View	The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.
Exhibit 1 - Notice of Proposed Rule Change (required) Add Remove View	The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)
Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications Add Remove View Exhibit Sent As Paper Document ☐	Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.
Exhibit 3 - Form, Report, or Questionnaire Add Remove View Exhibit Sent As Paper Document ☐	Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.
Exhibit 4 - Marked Copies Add Remove View	The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.
Exhibit 5 - Proposed Rule Text Add Remove View	The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.
Partial Amendment Add Remove View	If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

(a) NYSE Amex LLC ("NYSE Amex" or the "Exchange") proposes to amend Commentary .05 to NYSE Amex Options Rule 903 to allow trading of options on iShares® Silver Trust[1] and United States Oil Fund at $0.50 strike price intervals where the strike price is less than $75. The text of the proposed rule change is attached hereto as Exhibit 5 and is available on the Exchange's website at www.nyse.com, at the Exchange's principal office and at the Public Reference Room of the Securities and Exchange Commission ("Commission").

(b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action is required under the Exchange's governing documents. Therefore, the Exchange's internal procedures with respect to the proposed rule change are complete.

The persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

Joseph Corcoran Chief Counsel NYSE Regulation, Inc. (202) 661-8955	Glenn Gsell Managing Director NYSE Regulation, Inc. (415) 835-4805

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

(a) Purpose

The purpose of this filing is to amend Commentary .05 of Rule 903 to allow trading of options on iShares® Silver Trust ("SLV" or "SLV Trust") and United States Oil Fund ("USO" or "USO Fund") at $0.50 strike price intervals where the strike price is less than $75.

1 "iShares®" is a registered trademark BlackRock Institutional Trust Company, N.A.

The Underlying ETFs
Two popular exchange traded funds ("ETFs"), which are known on the Exchange as Exchange-Traded Fund Shares, underlie SLV and USO options.[2] SLV and USO options are currently traded on several exchanges.[3]

The iShares® Silver Trust is a grantor trust that is designed to provide a vehicle for investors to own interests in silver. The purpose of the SLV Trust is to own silver transferred to the trust in exchange for shares that are issued by the trust. Each of such shares represents a fractional undivided beneficial interest in the net assets of the SLV Trust. The objective of the SLV Trust is for the value of the iShares® to reflect, at any given time, the price of silver owned by the trust at that time.

The United States Oil Fund is a domestic exchange traded security designed to track the movements of light, sweet crude oil that is known as West Texas Intermediate. The investment objective of the USO Fund is for the changes in percentage terms of its units' net asset value to reflect the changes in percentage terms of the spot price of light, sweet crude oil delivered to Cushing, Oklahoma, as measured by the changes in the price of the futures contract for light, sweet crude oil traded on the New York Mercantile Exchange (the "NYMEX"), less USO's expenses.

The ETFs underlying SLV and USO options, which are listed on NYSE Arca, are not affected or changed by this filing.

The Proposal

Commentary .05 of Rule 903 currently states that the interval of strike prices of series of options on Exchange-Traded Fund Shares will be $1 or greater where the strike price is $200 or less and $5 or greater where the strike price is more than $200. This is similar to the applicable ETF option interval standards of other options markets.[4]

The Commission has recently approved a CBOE proposal to allow $0.50 strike price intervals for options on certain ETFs and individual equity securities on

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2 As of July 31, 2011, the average daily volume ("ADV") over the previous three calendar months was 60,087,539 for SLV and 13,881,380 for USO.

3 These exchanges include, in addition to NYSEAmex: NYSEArca ("Arca"), BATS Global Markets ("BATS"), Boston Options Exchange ("BOX"), Chicago Board Options Exchange ("CBOE"), C2 Options Exchange ("C2"), International Securities Exchange ("ISE"), NASDAQ OMX PHLX ("PHLX") and NASDAQ Options Exchange ("NOM").

4 *See, e.g.*, CBOE Rule 5.5 Interpretation and Policy .08; and NOM Chapter IV Section 6, Supplementary Material .01 to Section 6.

which CBOE would calculate volatility (known as "volatility options").[5] The Exchange is, in this filing, proposing $0.50 strike price intervals for options on ETFs similarly to what CBOE proposed in respect of volatility options. The Exchange notes that its $0.50 strike price interval proposal is, however, limited in several respects. First, the proposed $0.50 intervals are limited to only one type of underlying instrument, namely Exchange-Traded Fund Shares. Second, the $0.50 intervals are proposed for two option products, namely iShares® Silver Trust and United States Oil Fund. And third, the intervals are limited to strike prices that are less than $75.

Other than options in $0.50 strike price intervals approved for CBOE as noted, options on ETFs or Exchange Trades Fund Shares trade at $1 intervals where the strike price is below $200. As demonstrated in this filing, however, this $1 strike price interval is no longer always appropriate, and in fact may be counter-productive and more costly, for ETF option traders and investors that are trying to achieve optimum trading, hedging, and investing objectives.

The Exchange believes that reducing these strike price intervals would make excellent economic sense, would allow better tailored investing and hedging opportunities, and would potentially enable traders and investors to save money.

The number of low-priced strike interval options have increased significantly over the last decade, such that now there are approximately 935 equity options and 225 ETF options listed at $1 strike price intervals.[6]

There are also, in addition to the newly enabled CBOE $0.50 strike price options, approximately 5 options listed at $0.50 strike price intervals pursuant to the $0.50 Strike Program.[7] Clearly, however, this is no longer sufficient in the current volatile and economically challenging environment. Traders and investors are

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5 *See* Securities Exchange Act Release No. 64189 (April 5, 2011), 76 FR 20066 (April 11, 2011)(SR-CBOE-008)(order granting approval of $0.50 and $1 strike price intervals for certain volatility options where the strike prices are less than $75 and between $75 and $150, respectively). Other Exchanges have submitted similar immediately effective proposals. See Securities Exchange Act Release Nos. 64325 (April 22, 2011), 76 FR 23632 (April 27, 2011)(SR-NYSEAmex-2011-26); 64324 (April 22, 2011), 76 FR 23849 (April 28, 2011)(SR-NYSEArca-2011-19); 64359 (April 28, 2011), 76 FR 25390 (May 4, 2011)(SR-ISE-2011-27); and 64589 (June 2, 2011), 76 FR 33387 (June 8, 2011)(SR-Phlx-2011-74).

6 Figures were based on July 2011 data using symbols with a 2011 expiration date.

7 The noted $0.50 intervals were established per the $0.50 Program found in Commentary .13 of Rule 903. The $0.50 Program has inherent price limitations that make it unsuitable for SLV and USO options.

requesting more low-priced interval ETF options so that they may better tailor investing and hedging strategies and opportunities.[8]

By way of example, if an investor wants to gain exposure to the silver market or hedge his position, he may invest in options on the iShares® Silver Trust (SLV). Today an investor must choose a strike price that might lack the precision he is looking for in order to gain or reduce exposure to the silver market. Thus, an investor executing a covered call strategy may be looking to sell calls on SLV. Assume the investor's SLV cost basis is $38.35. The nearest out-of- the-money strike call is the 39.00 strike, which is 1.69 % out of the money. If the 38.50 strike were available, however, the investor could sell calls in a strike price only .39% out-of-the-money, thus offering 1.29% additional risk protection. To an investor writing covered calls on an equity position, this extra protection could be significant on an annual basis.

With United States Oil Fund (USO), a similar lack of precision exists at the current strike prices. For an investor looking to purchase out-of-the-money put protection against a USO purchase of $31.65, the investor must choose the 31.00 strike, which is 2.05% out-of-the-money. If the 31.50 strike were available, the investor could avail himself of a superior strike price that is only .47% out of the money, thus offering 1.58% additional protection. The smaller strike price offers an increased amount of downside protection to the investor at a more precisely factored cost for the hedging opportunity.

Moreover, an investor may want to execute an investment or hedging strategy whereby the investor would close one position and open another through use of a complex order. Implementing $0.50 strike intervals would, again, offer more precision and an opportunity to improve returns and/or risk protection. Thus, using the previous SLV example, the investor who purchased SLV at $38.35 and sold the $38.50 call might later wish to purchase a call to close the original position and roll into a new position as the stock moves away from the original strike price. By offering $0.50 strike prices, the investor may be able to again avail himself of a better return or hedging opportunity.

The Exchange also believes that with the increase in inter-market trading and hedging,[9] the ability to offer potentially similarly-situated products at more similar strike intervals gains importance. Thus, options on futures underlying USO and SLV are traded at $0.50 and lower strike price intervals. Options on USO futures listed for trading on the NYMEX have $0.50 strike price intervals.[10]

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8 The Exchange is not aware of any material market surveillance issues arising because of the $0.50 or $1.00 the strike price intervals.

9 Particularly between options markets and futures markets that also trade options on futures.

10 Per the NYMEX website, http://www.cmegroup.com/product-codeslisting/nymex-market.html, options on crude oil futures are listed nine years

And options on silver futures listed on NYMEX have strike price intervals as low as $0.05.[11] The Exchange is not, in this filing, proposing to go to sub-$0.50 strike price intervals but is proposing reasonable, requested, and needed $0.50 intervals only where the strike price of the underlying is less than $75.

By establishing $0.50 strike intervals for SLV and USO options, investors would have greater flexibility for trading and hedging the underlying ETFs or hedging market exposure[12] through establishing appropriate options positions tailored to meet their investment, trading and risk profiles.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the "Act"),[13] in general, and furthers the objectives of Section 6(b)(5) of the Act,[14] in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest. This would be achieved by establishing $0.50 strike intervals for SLV and USO options so that traders, market participants, and investors in general may have greater flexibility for trading and hedging the underlying ETFs or hedging market exposure through establishing appropriate options positions tailored to meet their investment, trading and risk profiles.

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forward whereby consecutive months are listed for the current year and the next five years, and in addition, the June and December contract months are listed beyond the sixth year. Additional months will be added on an annual basis after the December contract expires, so that an additional June and December contract would be added nine years forward, and the consecutive months in the sixth calendar year will be filled in.

11 Per the NYMEX website, http://www.cmegroup.com/product-codeslisting/nymex-market.html, options on silver futures are listed for the first three months at strike price intervals of $.05. An additional ten strike prices will be listed at $.25 increments above and below the highest and lowest five-cent increment, respectively, beginning with the strike price evenly divisible by $.25. For all other trading months, strike prices are at an interval of $.05, $.10, and $.25 per specified parameters.

12 A trader or investor may, for example, use a commodity-oriented ETF such as the SLV Trust or USO Fund to counter-balance (hedge) an equity or ETF position that tends to move inversely to the price movement of SLV or USO.

13 15 U.S.C. 78f(b).

14 15 U.S.C. 78f(b)(5).

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

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

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The proposed rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6) thereunder.

The Exchange asserts that the proposed rule change (i) will not significantly affect the protection of investors or the public interest, (ii) will not impose any significant burden on competition, and (iii) by its terms, will not become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest. Additionally, the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of the filing, or such shorter time as designated by the Commission.

The Exchange believes that establishing $0.50 strike intervals for SLV and USO options will allow traders, market participants, and investors in general to have greater flexibility for trading and hedging the underlying ETFs or hedging market exposure through establishing appropriate options positions tailored to meet their investment, trading and risk profiles.

The Exchange respectfully requests a waiver from the 30-day delayed operative date. Granting this waiver would permit the Exchange's proposed rule change to become effective and operative upon filing with the Commission, pursuant to Section 19(b)(3)(A) of the Act[15] and Rule 19b-4(f)(6)[16] thereunder. The Exchange notes that the proposed rule change is substantially similar to a PHLX

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15 15 U.S.C. 78s(b)(3)(A).

16 17 CFR 240.19b-4(f)(6).

proposal that was recently published in the Federal Register.[17] In this regard, waiver of the operative delay would avoid unnecessarily delaying the benefit to investors that the proposed rule change would provide. Waiver of the operative delay would also permit the Exchange to effectively compete with other options exchanges that have received approval for proposals similar to the Exchange's.

The Exchange believes that this proposal is "non-controversial" for the reasons stated above as well as because it is based on approved rules of another options exchange.[18] For the foregoing reasons, this rule filing qualifies for immediate effectiveness as a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4.[19] At any time within 60 days of the filing of the 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.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is based on Commentary .05(a)(iv) to PHLX Rule 1012.[20]

9. Exhibits

Exhibit 1 - Form of Notice of Proposed Rule Change for Publication in the Federal Register

Exhibit 5 - Text of Proposed Change

[17] *See* Securities Exchange Act Release No. 66285 (February 1, 2012) (Order Approving SR-PHLX-2011-175).

[18] *See, e.g.*, Commentary .05(a)(iv) to PHLX Rule 1012.

[19] 17 CFR 240.19b-4(f)(6).

[20] *See supra* note 17.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSEAMEX-2012-09)

[Date]

Self-Regulatory Organizations; NYSE Amex LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Commentary .05 to NYSE Amex Options Rule 903 to Allow Trading of Options on iShares® Silver Trust[1] and United States Oil Fund at $0.50 Strike Price Intervals Where the Strike Price is Less than $75

Pursuant to Section 19(b)(1)[2] of the Securities Exchange Act of 1934 (the "Act")[3] and Rule 19b-4 thereunder,[4] notice is hereby given that on February 6, 2012, NYSE Amex LLC (the "Exchange" or "NYSE Amex") 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 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 amend Commentary .05 to NYSE Amex Options Rule 903 to allow trading of options on iShares® Silver Trust[5] and United States Oil Fund at $0.50 strike price intervals where the strike price is less than $75. The text of the proposed

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1 "iShares®" is a registered trademark BlackRock Institutional Trust Company, N.A.

2 15 U.S.C.78s(b)(1).

3 15 U.S.C. 78a.

4 17 CFR 240.19b-4.

5 "iShares®" is a registered trademark BlackRock Institutional Trust Company, N.A.

rule change is available at the Exchange, the Commission's Public Reference Room, and www.nyse.com.

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 those 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 parts of such statements.

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

1. Purpose

The purpose of this filing is to amend Commentary .05 of Rule 903 to allow

trading of options on iShares® Silver Trust ("SLV" or "SLV Trust") and United States Oil Fund ("USO" or "USO Fund") at $0.50 strike price intervals where the strike price is less than $75.

The Underlying ETFs

Two popular exchange traded funds ("ETFs"), which are known on the Exchange as Exchange-Traded Fund Shares, underlie SLV and USO options.[6] SLV and USO options are currently traded on several exchanges.[7]

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6 As of July 31, 2011, the average daily volume ("ADV") over the previous three calendar months was 60,087,539 for SLV and 13,881,380 for USO.

7 These exchanges include, in addition to NYSEAmex: NYSEArca ("Arca"), BATS Global Markets ("BATS"), Boston Options Exchange ("BOX"), Chicago Board Options Exchange ("CBOE"), C2 Options Exchange ("C2"), International

The iShares® Silver Trust is a grantor trust that is designed to provide a vehicle for investors to own interests in silver. The purpose of the SLV Trust is to own silver transferred to the trust in exchange for shares that are issued by the trust. Each of such shares represents a fractional undivided beneficial interest in the net assets of the SLV Trust. The objective of the SLV Trust is for the value of the iShares® to reflect, at any given time, the price of silver owned by the trust at that time.

The United States Oil Fund is a domestic exchange traded security designed to track the movements of light, sweet crude oil that is known as West Texas Intermediate. The investment objective of the USO Fund is for the changes in percentage terms of its units' net asset value to reflect the changes in percentage terms of the spot price of light, sweet crude oil delivered to Cushing, Oklahoma, as measured by the changes in the price of the futures contract for light, sweet crude oil traded on the New York Mercantile Exchange (the "NYMEX"), less USO's expenses.

The ETFs underlying SLV and USO options, which are listed on NYSE Arca, are not affected or changed by this filing.

<u>The Proposal</u>

Commentary .05 of Rule 903 currently states that the interval of strike prices of series of options on Exchange-Traded Fund Shares will be $1 or greater where the strike price is $200 or less and $5 or greater where the strike price is more than $200. This is similar to the applicable ETF option interval standards of other options markets.[8]

Securities Exchange (“ISE”), NASDAQ OMX PHLX (“PHLX”) and NASDAQ Options Exchange (“NOM”).

8 *See, e.g.*, CBOE Rule 5.5 Interpretation and Policy .08; and NOM Chapter IV Section 6, Supplementary Material .01 to Section 6.

The Commission has recently approved a CBOE proposal to allow $0.50 strike price intervals for options on certain ETFs and individual equity securities on which CBOE would calculate volatility (known as "volatility options").[9] The Exchange is, in this filing, proposing $0.50 strike price intervals for options on ETFs similarly to what CBOE proposed in respect of volatility options. The Exchange notes that its $0.50 strike price interval proposal is, however, limited in several respects. First, the proposed $0.50 intervals are limited to only one type of underlying instrument, namely Exchange-Traded Fund Shares. Second, the $0.50 intervals are proposed for two option products, namely iShares® Silver Trust and United States Oil Fund. And third, the intervals are limited to strike prices that are less than $75.

Other than options in $0.50 strike price intervals approved for CBOE as noted, options on ETFs or Exchange Trades Fund Shares trade at $1 intervals where the strike price is below $200. As demonstrated in this filing, however, this $1 strike price interval is no longer always appropriate, and in fact may be counter-productive and more costly, for ETF option traders and investors that are trying to achieve optimum trading, hedging, and investing objectives.

The Exchange believes that reducing these strike price intervals would make excellent economic sense, would allow better tailored investing and hedging

[9] *See* Securities Exchange Act Release No. 64189 (April 5, 2011), 76 FR 20066 (April 11, 2011)(SR-CBOE-008)(order granting approval of $0.50 and $1 strike price intervals for certain volatility options where the strike prices are less than $75 and between $75 and $150, respectively). Other Exchanges have submitted similar immediately effective proposals. See Securities Exchange Act Release Nos. 64325 (April 22, 2011), 76 FR 23632 (April 27, 2011)(SR-NYSEAmex-2011-26); 64324 (April 22, 2011), 76 FR 23849 (April 28, 2011)(SR-NYSEArca-2011-19); 64359 (April 28, 2011), 76 FR 25390 (May 4, 2011)(SR-ISE-2011-27); and 64589 (June 2, 2011), 76 FR 33387 (June 8, 2011)(SR-Phlx-2011-74).

opportunities, and would potentially enable traders and investors to save money.

The number of low-priced strike interval options have increased significantly over the last decade, such that now there are approximately 935 equity options and 225 ETF options listed at $1 strike price intervals.[10]

There are also, in addition to the newly enabled CBOE $0.50 strike price options, approximately 5 options listed at $0.50 strike price intervals pursuant to the $0.50 Strike Program.[11] Clearly, however, this is no longer sufficient in the current volatile and economically challenging environment. Traders and investors are requesting more low-priced interval ETF options so that they may better tailor investing and hedging strategies and opportunities.[12]

By way of example, if an investor wants to gain exposure to the silver market or hedge his position, he may invest in options on the iShares® Silver Trust (SLV). Today an investor must choose a strike price that might lack the precision he is looking for in order to gain or reduce exposure to the silver market. Thus, an investor executing a covered call strategy may be looking to sell calls on SLV. Assume the investor's SLV cost basis is $38.35. The nearest out-of- the-money strike call is the 39.00 strike, which is 1.69 % out of the money. If the 38.50 strike were available, however, the investor could sell calls in a strike price only .39% out-of-the-money, thus offering 1.29% additional risk protection. To an investor writing covered calls on an equity position, this extra

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10 Figures were based on July 2011 data using symbols with a 2011 expiration date.

11 The noted $0.50 intervals were established per the $0.50 Program found in Commentary .13 of Rule 903. The $0.50 Program has inherent price limitations that make it unsuitable for SLV and USO options.

12 The Exchange is not aware of any material market surveillance issues arising because of the $0.50 or $1.00 the strike price intervals.

protection could be significant on an annual basis.

With United States Oil Fund (USO), a similar lack of precision exists at the current strike prices. For an investor looking to purchase out-of-the-money put protection against a USO purchase of $31.65, the investor must choose the 31.00 strike, which is 2.05% out-of-the-money. If the 31.50 strike were available, the investor could avail himself of a superior strike price that is only .47% out of the money, thus offering 1.58% additional protection. The smaller strike price offers an increased amount of downside protection to the investor at a more precisely factored cost for the hedging opportunity.

Moreover, an investor may want to execute an investment or hedging strategy whereby the investor would close one position and open another through use of a complex order. Implementing $0.50 strike intervals would, again, offer more precision and an opportunity to improve returns and/or risk protection. Thus, using the previous SLV example, the investor who purchased SLV at $38.35 and sold the $38.50 call might later wish to purchase a call to close the original position and roll into a new position as the stock moves away from the original strike price. By offering $0.50 strike prices, the investor may be able to again avail himself of a better return or hedging opportunity.

The Exchange also believes that with the increase in inter-market trading and hedging,[13] the ability to offer potentially similarly-situated products at more similar strike intervals gains importance. Thus, options on futures underlying USO and SLV are traded at $0.50 and lower strike price intervals. Options on USO futures listed for trading on the NYMEX have $0.50 strike price intervals.[14] And options on silver futures listed on

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[13] Particularly between options markets and futures markets that also trade options on futures.

[14] Per the NYMEX website, http://www.cmegroup.com/product-

NYMEX have strike price intervals as low as \$0.05.[15] The Exchange is not, in this filing, proposing to go to sub-\$0.50 strike price intervals but is proposing reasonable, requested, and needed \$0.50 intervals only where the strike price of the underlying is less than \$75.

By establishing \$0.50 strike intervals for SLV and USO options, investors would have greater flexibility for trading and hedging the underlying ETFs or hedging market exposure[16] through establishing appropriate options positions tailored to meet their investment, trading and risk profiles.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the "Act"),[17] in general, and furthers the objectives of Section 6(b)(5) of the Act,[18] in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles

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codeslisting/nymex-market.html, options on crude oil futures are listed nine years forward whereby consecutive months are listed for the current year and the next five years, and in addition, the June and December contract months are listed beyond the sixth year. Additional months will be added on an annual basis after the December contract expires, so that an additional June and December contract would be added nine years forward, and the consecutive months in the sixth calendar year will be filled in.

15 Per the NYMEX website, http://www.cmegroup.com/product-codeslisting/nymex-market.html, options on silver futures are listed for the first three months at strike price intervals of \$.05. An additional ten strike prices will be listed at \$.25 increments above and below the highest and lowest five-cent increment, respectively, beginning with the strike price evenly divisible by \$.25. For all other trading months, strike prices are at an interval of \$.05, \$.10, and \$.25 per specified parameters.

16 A trader or investor may, for example, use a commodity-oriented ETF such as the SLV Trust or USO Fund to counter-balance (hedge) an equity or ETF position that tends to move inversely to the price movement of SLV or USO.

17 15 U.S.C. 78f(b).

18 15 U.S.C. 78f(b)(5).

of trade, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest. This would be achieved by establishing $0.50 strike intervals for SLV and USO options so that traders, market participants, and investors in general may have greater flexibility for trading and hedging the underlying ETFs or hedging market exposure through establishing appropriate options positions tailored to meet their investment, trading and risk profiles.

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

The Exchange does not believe that the proposed rule change will 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

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[19] and Rule 19b-4(f)(6) thereunder.[20] Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the

[19] 15 U.S.C. 78s(b)(3)(A)(iii).

[20] 17 CFR 240.19b-4(f)(6).

Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)[21] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),[22] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing.

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.

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 e-mail to rule-comments@sec.gov. Please include File Number SR-

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21 17 CFR 240.19b-4(f)(6).

22 17 CFR 240.19b-4(f)(6)(iii).

NYSEAMEX-2012-09 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-NYSEAMEX-2012-09. 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 inspection and copying in the Commission's Public Reference Section, 100 F Street, NE, Washington, DC 20549-1090. Copies of the filing will also be available for inspection and copying at the NYSE's principal office and on its Internet Web site at www.nyse.com. 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-NYSEAMEX-2012-09 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[23]

Florence E. Harmon
Deputy Secretary

[23] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined;
Deleted text is in [brackets]

Rules of NYSE Amex, LLC

* * * *

Trading of Options Contracts

Section 1. General Rules Relating to Options

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Rule 903. Series of Options Open for Trading

(a)– (h) No Change

Commentary .01 - .04 No Change

.05 (a) The interval between strike prices of series of options on individual stocks may be (a) $2.50 or greater where the strike price is $25 or less, provided however, that the Exchange may not list $2.50 intervals below $50 (e.g. $12.50, $17.50) for any class included within the $1 Strike Price Program, as detailed below in Commentary .07, if the addition of $2.50 intervals would cause the class to have strike price intervals that are $0.50 apart; (b) $5 or greater where the strike price is greater than $25 but less than $200; or (c) $10 or greater where the strike price is greater than or equal to $200. For series of options on Exchange-Traded Fund Shares that satisfy the criteria set forth in Commentary .06 to Rule 915, Options on Index-Linked Securities (or ETNs), and options on Trust Issued Receipts, including Holding Company Depositary Receipts (HOLDRs), the interval of strike prices may be $1 or greater where the strike price is $200 or less or $5 or greater where the strike price is over $200. Exceptions to the strike price intervals above are set forth in Commentaries .07 and .08 below.

(b) The interval of strike prices of series of options on iShares Silver Trust (SLV) and the United States Oil Fund (USO) Exchange-Traded Fund Shares will be $.50 or greater where the strike price is less than $75.

.06 - .14 No Change

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