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

File No.* SR - 2013 - * 04
Amendment No. (req. for Amendments *)

Filing by International Securities Exchange

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)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) ☐

Section 806(e)(2) ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

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

Proposed Rule Change to Amend the Exchange’s Obvious and Catastrophic Error Rule

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 action.

First Name * Samir
Last Name * Patel
Title * Assistant General Counsel
E-mail * spatel@ise.com
Telephone * (212) 897-0352
Fax

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.

Date 01/08/2013
By Michael Simon
(Name *)

(Title *)
Secretary

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.

Michael Simon, msimon@ise.com

Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information * 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 * 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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies 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, security-based swap submission, or advance notice 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 the Proposed Rule Change

(a) The International Securities Exchange, LLC (the "Exchange" or the "ISE") proposes to amend ISE Rule 720, Obvious and Catastrophic Errors, to address obvious and catastrophic errors involving complex orders. The text of the proposed rule change is attached as Exhibit 5.

(b) Inapplicable.

(c) Inapplicable.

2. Procedures of the Self-Regulatory Organization

The Exchange's Board of Directors approved this proposed rule change on November 15, 2012. This action constitutes the requisite approval under the Exchange's Certificate of Formation, Operating Agreement and Constitution.

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

(a) Purpose – The purpose of this proposed rule change is to amend ISE Rule 720 regarding Obvious and Catastrophic Errors to mitigate the risk to parties using complex orders, where part or all of a complex order traded at an erroneous price. Specifically, this proposed rule change addresses situations where one component (or leg) of a complex order is deemed an obvious (or catastrophic) error but the other component(s) is (are) not.

Complex orders are orders involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, for the same account, in a ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00) and for the purpose of executing a particular investment strategy.[1] With this proposed rule change, the Exchange is proposing to amend Rule 720 to address complex orders that have at least one leg that trades at an erroneous price. Rule 720 is the Exchange’s rule that governs obvious and catastrophic errors in options. Most options exchanges have similar but not identical rules; this proposal would adopt a new process of determining how to deal with obvious/catastrophic errors when a complex order trades with another complex order on the Exchange.

Rule 720 provides a framework for reviewing the price of a transaction to determine whether that price was an “obvious error”[2] pursuant to objective standards. When a Member believes it received one or more executions at an erroneous price, that Member may notify designated members of the Exchange’s market control center

1 See ISE Rule 722(a)(1).

2 This proposed rule change also covers catastrophic errors.

("Market Control") within the prescribed timeframe so Market Control can determine whether the Member participated in a transaction that was the result of an obvious or catastrophic error.[3] Such an error will be deemed to have occurred when the execution price of a transaction is higher or lower than the theoretical price for a series by a certain amount depending on the type of option. Market Control use one of two criteria when determining the theoretical price of an options execution, which is enumerated in ISE Rule 720(a)(3). The theoretical price is then compared to an obvious/catastrophic error chart within Rule 720(a). If the transaction price meets this threshold, the transaction may be adjusted or nullified.

This proposed rule change would permit all legs of a complex order execution to be nullified when one leg can be nullified under Rule 720, only if the execution was a complex order versus a complex order.[4] This occurs when a complex order executes against another complex order. For example, assume a customer trades a call spread at a net price of $0.50 by buying the January 50 calls at $3.00 and selling the January 55 calls at $2.50. If the January 50 calls should have been trading at $7.00 and thus meet the obvious error threshold in Rule 720, then the entire complex trade will be nullified only if the January 50 and 55 calls traded as a complex order against another complex order, rather than as two separate trades. Currently, once the trade involving the January 50 calls is nullified, both parties are stuck with a transaction in the January 55 calls, which was not intended by either. This proposed rule change, therefore, provides an important benefit to both parties of a complex order, i.e., nullification of all the components of a complex order that traded with another complex order, because neither party intended to end up with just one component of a complex order. With this proposed rule change, a complex order execution where part or all of a complex order traded at an erroneous price would be nullified, not adjusted. The Exchange believes that if any one leg of a complex order is adjusted to a price other than its stated price, the trade no longer serves its purpose because complex orders are intended to serve a particular trading strategy but only if the order is executed at its stated price.

This proposal does not address complex orders that do not trade against other complex orders. This proposal is intended to mitigate risk for parties of a complex order where a complex order traded with another complex order at an erroneous price. By creating uniformity for all trades that are "complex to complex," parties will have less trading risk because all of the components will be nullified under this proposed rule change.

The Exchange believes that the proposed rule change is reasonable and objective, and would serve to enhance the application of the Exchange's Obvious and Catastrophic Error rule by extending it to erroneous executions in complex orders. The purpose of this proposed rule change is to align the Exchange's rule with rules currently in place at other

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[3] See ISE Rules 720(b)(1) and 720(d)(1).

[4] See proposed ISE Rule 720, Supplementary Material .06.

exchanges that address erroneous executions in complex orders.[5] The proposed rule change will provide members with similar opportunities for trade nullification that are available on PHLX which also has a rule in place to address obvious and catastrophic errors involving executions in complex orders.

(b) Basis – The Exchange believes that this proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Exchange Act")[6] in general, and furthers the objectives of Section 6(b)(5) of the Exchange Act[7] in particular, in that it is designed to promote just and equitable principles of trade, and to remove impediments to and 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 understands that, in approving proposals related to adjusting and nullifying option trades involving obvious and catastrophic errors, the Commission has focused on the need for specificity and objectivity with respect to exchange determinations and processes for reviewing such determinations.[8] In this regard, the Exchange believes that the proposed rule change provides specific and objective procedures for determining whether a trade should be nullified. The Exchange believes the proposed rule change will improve the obvious error process for complex orders that trade with another complex order. Recognition that a trade is part of a complex order should help add more certainty to the obvious/catastrophic error process and reduce the risk to parties trading complex orders on the Exchange because neither party to a complex order expects or intends to end up with just a piece of a complex order.

The Exchange also believes that the proposed rule change would benefit investors and market participants that are members of multiple exchanges by more closely aligning the Exchange's rules with respect to obvious and catastrophic errors involving executions in complex orders with those of other exchanges. In this respect, the proposed rule change helps foster certainty for market participants trading on multiple exchanges. Accordingly, the Exchange believes that the increased specificity resulting from the proposed rule change, combined with the continued objective nature of the Exchange's process for rendering and reviewing trade nullification determinations, is consistent with prior guidance from the Commission, is consistent with the Exchange Act and is consistent with the maintenance of a fair and orderly market and the protection of investors and the public interest.

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5 See, for example, NASDAQ OMX PHLX LLC ("PHLX") Rule 1092(c)(v).

6 15 U.S.C. 78f(b).

7 15 U.S.C. 78f(b)(5).

8 See Securities Exchange Act Release No. 54228 (July 27, 2006), 71 FR 44066 (August 3, 2006) (SR-ISE-2006-14).

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 not necessary or appropriate in furtherance of the purposes of the Act, but rather this proposal will promote competition as it is designed to improve the treatment of complex orders where part or all of a complex order is traded at an erroneous price.

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

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

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)

(a) The proposed rule change has taken effect upon filing pursuant to Section 19(b)(3)(A) of the Act.[9]

(b) This proposed rule change does not significantly affect the protection of investors or the public interest, does not impose any significant burden on competition, and, by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. 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 filing the proposed rule change as required by Rule 19b-4(f)(6).[10] This proposed rule change serves the same purpose as PHLX Rule 1092(c)(v), which also addresses situations where one component (or leg) of a complex order is deemed an obvious (or catastrophic) error but the other component(s) is (are) not. 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 of the Act.

The Exchange requests that the Commission waive the 30 day period for this filing to become operative so that it may become effective and operative upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act and rule 19(b)(4)(f)(6) thereunder. Waiver of the operative delay period is consistent with the protection of

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[9] 15 U.S.C. 78s(b)(3)(A).

[10] 17 CFR 240.19b-4(f)(6).

investors and the public interest in that the proposed rule change will offer Exchange members the same potential for relief that is available at other options exchanges for certain obvious and catastrophic errors involving complex orders.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may 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 Exchange Act.

(c) Inapplicable.

(d) Inapplicable.

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

The proposed rule change is identical to PHLX Rule 1092(c)(v).

9. Exhibits

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

Exhibit 5 – Text of the Proposed Rule Change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-ISE-2013-04)

[Date]

Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Exchange's Obvious and Catastrophic Error Rule

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 January 8, 2013, the International Securities Exchange, LLC (the "Exchange" or the "ISE") 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 Exchange. 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 ISE Rule 720, Obvious and Catastrophic Errors, to address obvious and catastrophic errors involving complex orders. The text of the proposed rule change is available on the Exchange's Web site www.ise.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

2 17 CFR 240.19b-4.

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 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 purpose of this proposed rule change is to amend ISE Rule 720 regarding Obvious and Catastrophic Errors to mitigate the risk to parties using complex orders, where part or all of a complex order traded at an erroneous price. Specifically, this proposed rule change addresses situations where one component (or leg) of a complex order is deemed an obvious (or catastrophic) error but the other component(s) is (are) not.

Complex orders are orders involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, for the same account, in a ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00) and for the purpose of executing a particular investment strategy.[3] With this proposed rule change, the Exchange is proposing to amend Rule 720 to address complex orders that have at least one leg that trades at an erroneous price. Rule 720 is the Exchange's rule that governs obvious and catastrophic errors in options. Most options exchanges have similar but not identical rules; this proposal would adopt a new process of determining

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[3] See ISE Rule 722(a)(1).

how to deal with obvious/catastrophic errors when a complex order trades with another complex order on the Exchange.

Rule 720 provides a framework for reviewing the price of a transaction to determine whether that price was an "obvious error"[4] pursuant to objective standards. When a Member believes it received one or more executions at an erroneous price, that Member may notify designated members of the Exchange's market control center ("Market Control") within the prescribed timeframe so Market Control can determine whether the Member participated in a transaction that was the result of an obvious or catastrophic error.[5] Such an error will be deemed to have occurred when the execution price of a transaction is higher or lower than the theoretical price for a series by a certain amount depending on the type of option. Market Control use one of two criteria when determining the theoretical price of an options execution, which is enumerated in ISE Rule 720(a)(3). The theoretical price is then compared to an obvious/catastrophic error chart within Rule 720(a). If the transaction price meets this threshold, the transaction may be adjusted or nullified.

This proposed rule change would permit all legs of a complex order execution to be nullified when one leg can be nullified under Rule 720, only if the execution was a complex order versus a complex order.[6] This occurs when a complex order executes against another complex order. For example, assume a customer trades a call spread at a net price of $0.50 by buying the January 50 calls at $3.00 and selling the January 55 calls at $2.50. If the January 50 calls should have been trading at $7.00 and thus meet the

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4 This proposed rule change also covers catastrophic errors.

5 See ISE Rules 720(b)(1) and 720(d)(1).

6 See proposed ISE Rule 720, Supplementary Material .06.

obvious error threshold in Rule 720, then the entire complex trade will be nullified only if the January 50 and 55 calls traded as a complex order against another complex order, rather than as two separate trades. Currently, once the trade involving the January 50 calls is nullified, both parties are stuck with a transaction in the January 55 calls, which was not intended by either. This proposed rule change, therefore, provides an important benefit to both parties of a complex order, i.e., nullification of all the components of a complex order that traded with another complex order, because neither party intended to end up with just one component of a complex order. With this proposed rule change, a complex order execution where part or all of a complex order traded at an erroneous price would be nullified, not adjusted. The Exchange believes that if any one leg of a complex order is adjusted to a price other than its stated price, the trade no longer serves its purpose because complex orders are intended to serve a particular trading strategy but only if the order is executed at its stated price.

This proposal does not address complex orders that do not trade against other complex orders. This proposal is intended to mitigate risk for parties of a complex order where a complex order traded with another complex order at an erroneous price. By creating uniformity for all trades that are "complex to complex," parties will have less trading risk because all of the components will be nullified under this proposed rule change.

The Exchange believes that the proposed rule change is reasonable and objective, and would serve to enhance the application of the Exchange's Obvious and Catastrophic Error rule by extending it to erroneous executions in complex orders. The purpose of this proposed rule change is to align the Exchange's rule with rules currently in place at other exchanges that address erroneous executions in complex orders.[7] The proposed rule change will provide members with similar opportunities for trade nullification that are available on PHLX which also has a rule in place to address obvious and catastrophic errors involving executions in complex orders.

2. Basis

The Exchange believes that this proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Exchange Act")[8] in general, and furthers the objectives of Section 6(b)(5) of the Exchange Act[9] in particular, in that it is designed to promote just and equitable principles of trade, and to remove impediments to and 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 understands that, in approving proposals related to adjusting and nullifying option trades involving obvious and catastrophic errors, the Commission has focused on the need for specificity and objectivity with respect to exchange determinations and processes for reviewing such determinations.[10] In this regard, the Exchange believes that the proposed rule change provides specific and objective procedures for determining whether a trade should be nullified. The Exchange believes the proposed rule change will improve the obvious error process for complex orders that trade with another complex order. Recognition that a trade is part of a complex order should help add more certainty to the obvious/catastrophic error process and reduce the

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[7] See, for example, NASDAQ OMX PHLX LLC ("PHLX") Rule 1092(c)(v).

[8] 15 U.S.C. 78f(b).

[9] 15 U.S.C. 78f(b)(5).

risk to parties trading complex orders on the Exchange because neither party to a complex order expects or intends to end up with just a piece of a complex order.

The Exchange also believes that the proposed rule change would benefit investors and market participants that are members of multiple exchanges by more closely aligning the Exchange's rules with respect to obvious and catastrophic errors involving executions in complex orders with those of other exchanges. In this respect, the proposed rule change helps foster certainty for market participants trading on multiple exchanges. Accordingly, the Exchange believes that the increased specificity resulting from the proposed rule change, combined with the continued objective nature of the Exchange's process for rendering and reviewing trade nullification determinations, is consistent with prior guidance from the Commission, is consistent with the Exchange Act and is consistent with the maintenance of a fair and orderly market and the protection of investors and the public interest.

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 not necessary or appropriate in furtherance of the purposes of the Act, but rather this proposal will promote competition as it is designed to improve the treatment of complex orders where part or all of a complex order is traded at an erroneous price.

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[10] See Securities Exchange Act Release No. 54228 (July 27, 2006), 71 FR 44066 (August 3, 2006) (SR-ISE-2006-14).

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

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

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

Because the foregoing proposed rule change does not significantly affect the protection of investors or the public interest, does not impose any significant burden on competition, and, by its terms, does not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)[11] of the Act and Rule 19b-4(f)(6)[12] thereunder. 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 filing the proposed rule change.

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.

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:

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[11] 15 U.S.C. 78s(b)(3)(A).

[12] 17 CFR 240.19b-4(f)(6).

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 No. SR-ISE-2013-04 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-ISE-2013-04. 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 Commissions 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 Room. Copies of such filing also will be available for inspection and copying at the principal office of the ISE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-ISE-2013-04 and should be submitted by [insert date 21 days from the date of publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[13]

Secretary

13 17 CFR 200.30-3(a)(12).

Exhibit 5
Text of the Proposed Rule Change
Underlining indicates additions; [brackets] indicate deletions.

Rule 720. Obvious and Catastrophic Errors

* * *

Supplementary Material to Rule 720

.01 - .05 No Change.

.06 [Reserved.] Complex Order Executions. If both parties to a trade that is one component of a complex order execution are parties to all of the trades that together comprise the execution of a complex order at a single net debit or credit, then if one of those component trades can be nullified under this Rule 720, all component trades that were part of the same complex order shall be nullified as well.

.07 - .08 No Change.

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