



REGULATORY INFORMATION CIRCULAR

Circular number:	ISE 2013-21 ISE Gemini 2013-20	Contact:	Joseph Ferraro Associate General Counsel
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Subject: Notice of Proposed ISE Rule Change

ISE Gemini Rules 2009, which incorporates International Securities Exchange Rules 2009 by reference, detail Terms of Index Option. The purpose of this Regulatory Information Circular is to inform Members of a proposed rule change, SR-ISE-2013-42, submitted by the International Securities Exchange, LLC (“ISE”) to amend its rules to provide for the listing and trading of options on the Nations VolDex index (“VolDex”), a new index that measures changes in implied volatility of the SPDR® S&P® Exchange Traded Fund.

In the August 2, 2013 *Federal Register*, the Securities and Exchange Commission (“SEC”) published the VolDex filing for comment.¹ Options on the VolDex index will be cash-settled and will have European-style exercise provisions. In addition to regular options, the Exchange proposes to also list long-term options on the VolDex index. The VolDex index is calculated using published real-time bid/ask quotes of SPY options. The VolDex index represents annualized implied volatility and is quoted in percentage points.

The VolDex filing amends parts of ISE Rules 2001, 2004 and 2009, which rules are incorporated by reference into rules of the Topaz Exchange, LLC d/b/a/ ISE Gemini.

¹ <http://www.gpo.gov/fdsys/pkg/FR-2013-08-02/pdf/2013-18592.pdf>