Proposed Rule Change by Philadelphia Stock Exchange

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

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Pilot: Extension of Time Period for Commission Action

Date Expires:

Description

Provide a brief description of the proposed rule change (limit 250 characters).

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.

<table>
<thead>
<tr>
<th>First Name</th>
<th>Last Name</th>
<th>Title</th>
<th>E-mail</th>
<th>Telephone</th>
<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Richard</td>
<td>Rudolph</td>
<td>Vice President and Counsel</td>
<td><a href="mailto:Richard.Rudolph@phlx.com">Richard.Rudolph@phlx.com</a></td>
<td>(215) 496-5074</td>
<td>(215) 496-6729</td>
</tr>
</tbody>
</table>

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: 10/01/2007

By: Richard S. Rudolph, Vice President and Counsel

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.

Richard Rudolph,
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**

The Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")\(^1\) and Rule 19b-4 thereunder,\(^2\) proposes to amend Exchange Rule 1066, Certain Types of Orders Defined, to re-define the term "synthetic option," and to amend Exchange Rule 1083(c) to change the definition of "Complex Trade" as it relates to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage (the "Linkage Plan").

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The amended text of the proposed rule change indicating any additions to or deletions from the immediately preceding filing is attached hereto as Exhibit 4. The text of the proposed rule change is set forth below.

Brackets indicate deletions; underlining indicates new text.

**Certain Types of Orders Defined**

**Rule 1066.** (a) – (f) No change.

(g) Synthetic Option. A synthetic option order is an order to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock ("convertible security") coupled with either (i) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of units of the underlying stock or convertible security or the number of units of the underlying stock or convertible security necessary to create a delta neutral position, or (ii) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price, expiration date, and each representing the same number of units of stock as, and on the opposite side of the market from, the stock or convertible security portion of the order.

[option contracts AND buy or sell the underlying stock or Exchange-Traded Fund Share in an amount that would offset (on a one-for-one basis) the option position. For example:

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(1) Buy-write: an example of a buy-write is an order to sell one call and buy 100 shares of the underlying stock or Exchange-Traded Fund Share.

(2) Synthetic put: an example of a synthetic put is an order to buy one call and sell 100 shares of the underlying stock or Exchange-Traded Fund Share.

(3) Synthetic call: an example of a synthetic call is an order to buy (or sell) one put and buy (or sell) 100 shares of the underlying stock or Exchange-Traded Fund Share.

Commentary: No change.

Intermarket Linkage

Rule 1083. Definitions

The following terms shall have the meaning specified in this Rule solely for the purpose of Rules 1083 through 1087:

(a) – (b) No change.

(c) “Complex Trade” means:

(i) the execution of an order in an options series in conjunction with the execution of one or more related orders(s) in different options series in the same underlying security occurring at or near the same time in a ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.0) and for the purpose of executing a particular investment strategy [and for an equivalent number of contracts, provided that the number of contracts of the legs of a spread, straddle, or combination order may differ by a permissible ratio. The permissible ratio for this purpose is any ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00).] ; or

(ii) the execution of a stock-option order (“synthetic option order”) to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock (“convertible security”) coupled with the purchase or sale of option contract(s) on the opposite side of the market representing either (A) the same number of units of the underlying stock or convertible security, or (B) the number of units of the underlying stock or convertible security necessary to create a delta neutral position, but in no case in a ratio greater than eight (8) option contracts per unit of trading of the underlying stock or convertible security established for that series by the Clearing Corporation.

(d) – (u) No change
2. Procedures of the Self-Regulatory Organization

The Exchange’s Executive Committee, pursuant to delegated authority, approved the proposal for filing with the Securities and Exchange Commission (“SEC” or “Commission”) on May 16, 2007.

Questions and comments on the proposed rule change may be directed to Richard S. Rudolph, Vice President and Counsel, at (215) 496-5074, or Edith Hallahan, Senior Vice President and Deputy General Counsel, at (215) 496-5179.

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

a. Purpose

The purpose of the proposed rule change is first to amend Rule 1066(g) by adopting a new definition of “synthetic option order” to address strategies for synthetic option orders that often require a delta neutral position among the various components of the synthetic option order instead of the current requirement that such components offset one another on a one-for-one basis. The proposed definition is consistent with the definition of “stock-option order” adopted by other U.S. options exchanges.\(^3\) A further purpose of the proposed rule change is to add a certain type of synthetic option order (as described more fully below) to the definition of “Complex Trade” in Exchange Rule 1083 so that such an order that resulted in a Trade-Through\(^4\) would qualify for an

\(^3\) See, e. g., International Securities Exchange, Inc. (“ISE”) Rule 722(a)(5)(i).

\(^4\) “Trade-Through” means a transaction in an options series at a price that is inferior to the National Best Bid or Offer (“NBBO”), but shall not include a transaction that occurs at a price that is one minimum quoting increment inferior to the NBBO provided a Linkage Order is contemporaneously sent to each Participant Exchange disseminating the NBBO for the full size of the Participant Exchange's bid (offer) that represents the NBBO. See Exchange Rule 1083(t).
exception to Trade-Through and Satisfaction Order\textsuperscript{5} liability under the Exchange’s Rules and for purposes of the Linkage Plan.

The purpose of this Amendment No. 2, which supercedes the previously filed proposed rule change in its entirety, is to conform the Exchange’s rule text to the text proposed by the other Linkage Plan Participants,\textsuperscript{6} and to revise the definition of “synthetic option order.”

**Synthetic Option Order**

Currently, Rule 1066(g), Synthetic Option, defines a synthetic option order as an order to buy or sell a stated number of option contracts and buy or sell the underlying stock or Exchange-Traded Fund Share in an amount that would offset (on a one-for-one basis) the option position.

The proposed rule change would re-define “synthetic option order” to mean an order to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock ("convertible security") coupled with either (i) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of units of the underlying stock or convertible security or the number of units of the underlying stock or convertible security necessary to create a delta neutral position; or (ii) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price, expiration date, and each representing the

\textsuperscript{5} A Satisfaction Order is an order sent through the Linkage to notify a member of another Participant Exchange of a Trade-Through and to seek satisfaction of the liability arising from that Trade-Through. \textsuperscript{See} Exchange Rule 1083(k)(iii).

same number of units of stock as, and on the opposite side of the market from, the stock or convertible security portion of the order.

Complex Trade

The proposal would also amend the definition of “Complex Trade” for purposes of the Linkage Plan, which provides an exception to Trade-Through and Satisfaction Order liability when the transaction that caused the Trade-Through was the result of a “Complex Trade.”

Specifically, the Exchange proposes first to modify the portion of the definition of “Complex Trade” that deals with ratio spreads to mean the execution of an order in an options series in conjunction with the execution of one or more related orders(s) in different options series in the same underlying security occurring at or near the same time in a ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.0) and for the purpose of executing a particular investment strategy.

Secondly, the Exchange proposes to include a certain limited type of synthetic option order in the definition of Complex Trade, to afford an exception from Trade-Through liability in the case of the execution of a synthetic option order to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock (“convertible security”) coupled with the purchase or sale of option contract(s) on the opposite side of the market representing either (A) the same number of units of the underlying stock or convertible security; or (B) the number of units of the underlying stock or convertible security; or (B) the number of units of the underlying stock or convertible security.

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7 See Exchange Rule 1085(b)(7). The Exchange notes that the other participants in the Linkage Plan have filed proposed rule changes to adopt the same definition of “Complex Trade.”

8 The proposed text to Exchange Rule 1083(c)(ii) refers to “stock-option orders” as synonymous with “synthetic option orders” in order to be consistent with the definitions proposed by the other Linkage Plan Participants.
stock or convertible security necessary to create a delta neutral position, but in no case in a ratio greater than eight (8) option contracts per unit of trading of the underlying stock or convertible security established for that series by the Clearing Corporation.

The Exchange believes that the proposed rule change should provide consistency in the Exchange’s rules with rules proposed by the other Linkage Plan participants.

b. **Statutory Basis**

The Exchange believes that its proposal is consistent with Section 6(b) of the Act\(^9\) in general, and furthers the objectives of Section 6(b)(5) of the Act\(^10\) in particular, in that it is designed 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, by modernizing the Exchange’s rules.

4. **Self-Regulatory Organization’s Statement on Burden on Competition**

The Phlx believes that the proposed rule change will not impose any burden on competition 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**

No written comments were either solicited or received.

6. **Extension of Time Period for Commission Action**

The Exchange does not consent to an extension of the time period for Commission action.

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

Not applicable.

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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Exhibits

1. Notice of proposed rule for publication in the Federal Register.

4. The amended text of the proposed rule change indicating any additions to or deletions from the immediately preceding filing.
Exhibit 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-Phlx-2007-40)

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to the Definition of “Complex Trade”

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹, and Rule 19b-4² thereunder, notice is hereby given that on ______________________ 2007, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Phlx. 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 Phlx, pursuant to Section 19(b)(1) of the Act³ and Rule 19b-4 thereunder,⁴ proposes to amend Exchange Rule 1066, Certain Types of Orders Defined, to re-define the term “synthetic option,” and to amend Exchange Rule 1083(c) to change the definition of “Complex Trade” as it relates to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage (the “Linkage Plan”).

The text of the proposed rule change is set forth below.

Brackets indicate deletions; underlining indicates new text.

**Certain Types of Orders Defined**

**Rule 1066.** (a) – (f) No change.

(g) Synthetic Option. A synthetic option order is an order to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock ("convertible security") coupled with either (i) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of units of the underlying stock or convertible security or the number of units of the underlying stock or convertible security necessary to create a delta neutral position, or (ii) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price, expiration date, and each representing the same number of units of stock as, and on the opposite side of the market from, the stock or convertible security portion of the order.

[option contracts AND buy or sell the underlying stock or Exchange-Traded Fund Share in an amount that would offset (on a one-for-one basis) the option position. For example:

(1) Buy-write: an example of a buy-write is an order to sell one call and buy 100 shares of the underlying stock or Exchange-Traded Fund Share.

(2) Synthetic put: an example of a synthetic put is an order to buy one call and sell 100 shares of the underlying stock or Exchange-Traded Fund Share.

(3) Synthetic call: an example of a synthetic call is an order to buy (or sell) one put and buy (or sell) 100 shares of the underlying stock or Exchange-Traded Fund Share.]

Commentary: No change.

**Intermarket Linkage**

**Rule 1083. Definitions**

The following terms shall have the meaning specified in this Rule solely for the purpose of Rules 1083 through 1087:

(a) – (b) No change.

(c) “Complex Trade” means:

(i) the execution of an order in an options series in conjunction with the execution of one or more related orders(s) in different options series in the same underlying security occurring at or near the same time in a ratio that is equal to or greater than
one-to-three (.333) and less than or equal to three-to-one (3.0) and for the purpose of executing a particular investment strategy [and for an equivalent number of contracts, provided that the number of contracts of the legs of a spread, straddle, or combination order may differ by a permissible ratio. The permissible ratio for this purpose is any ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.0).] ; or

(ii) the execution of a stock-option order (“synthetic option order”) to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock (“convertible security”) coupled with the purchase or sale of option contract(s) on the opposite side of the market representing either (A) the same number of units of the underlying stock or convertible security, or (B) the number of units of the underlying stock or convertible security necessary to create a delta neutral position, but in no case in a ratio greater than eight (8) option contracts per unit of trading of the underlying stock or convertible security established for that series by the Clearing Corporation.

(d) – (u) No change

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 Phlx 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 Phlx 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 the proposed rule change is first to amend Rule 1066(g) by adopting a new definition of “synthetic option order” to address strategies for synthetic option orders that often require a delta neutral position among the various components of the synthetic option order instead of the current requirement that such components offset one another on a one-for-one basis. The proposed definition is consistent with the
definition of “stock-option order” adopted by other U.S. options exchanges. A further purpose of the proposed rule change is to add a certain type of synthetic option order (as described more fully below) to the definition of “Complex Trade” in Exchange Rule 1083 so that such an order that resulted in a Trade-Through would qualify for an exception to Trade-Through and Satisfaction Order liability under the Exchange’s Rules and for purposes of the Linkage Plan.

The purpose of this Amendment No. 2, which supercedes the previously filed proposed rule change in its entirety, is to conform the Exchange’s rule text to the text proposed by the other Linkage Plan Participants, and to revise the definition of “synthetic option order.”

**Synthetic Option Order**

Currently, Rule 1066(g), Synthetic Option, defines a synthetic option order as an order to buy or sell a stated number of option contracts and buy or sell the underlying stock or Exchange-Traded Fund Share in an amount that would offset (on a one-for-one basis) the option position.

The proposed rule change would re-define “synthetic option order” to mean an order to buy or sell a stated number of units of an underlying stock or a security

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6 “Trade-Through” means a transaction in an options series at a price that is inferior to the National Best Bid or Offer (“NBBO”), but shall not include a transaction that occurs at a price that is one minimum quoting increment inferior to the NBBO provided a Linkage Order is contemporaneously sent to each Participant Exchange disseminating the NBBO for the full size of the Participant Exchange's bid (offer) that represents the NBBO. See Exchange Rule 1083(t).

7 A Satisfaction Order is an order sent through the Linkage to notify a member of another Participant Exchange of a Trade-Through and to seek satisfaction of the liability arising from that Trade-Through. See Exchange Rule 1083(k)(iii).

convertible into the underlying stock ("convertible security") coupled with either (i) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of units of the underlying stock or convertible security or the number of units of the underlying stock or convertible security necessary to create a delta neutral position; or (ii) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price, expiration date, and each representing the same number of units of stock as, and on the opposite side of the market from, the stock or convertible security portion of the order.

Complex Trade

The proposal would also amend the definition of “Complex Trade” for purposes of the Linkage Plan, which provides an exception to Trade-Through and Satisfaction Order liability when the transaction that caused the Trade-Through was the result of a “Complex Trade”.

Specifically, the Exchange proposes first to modify the portion of the definition of “Complex Trade” that deals with ratio spreads to mean the execution of an order in an options series in conjunction with the execution of one or more related orders(s) in different options series in the same underlying security occurring at or near the same time in a ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.0) and for the purpose of executing a particular investment strategy.

Secondly, the Exchange proposes to include a certain limited type of synthetic option order in the definition of Complex Trade, to afford an exception from Trade-

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9 See Exchange Rule 1085(b)(7). The Exchange notes that the other participants in the Linkage Plan have filed proposed rule changes to adopt the same definition of “Complex Trade.”
Through liability in the case of the execution of a synthetic option order\textsuperscript{10} to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock (“convertible security”) coupled with the purchase or sale of option contract(s) on the opposite side of the market representing either (A) the same number of units of the underlying stock or convertible security; or (B) the number of units of the underlying stock or convertible security necessary to create a delta neutral position, but in no case in a ratio greater than eight (8) option contracts per unit of trading of the underlying stock or convertible security established for that series by the Clearing Corporation.

The Exchange believes that the proposed rule change should provide consistency in the Exchange’s rules with rules proposed by the other Linkage Plan participants.

2. **Statutory Basis**

The Exchange believes that its proposal is consistent with Section 6(b) of the Act\textsuperscript{11} in general, and furthers the objectives of Section 6(b)(5) of the Act\textsuperscript{12} in particular, in that it is designed 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, by modernizing the Exchange’s rules.

\textsuperscript{10} The proposed text to Exchange Rule 1083(c)(ii) refers to “stock-option orders” as synonymous with “synthetic option orders” in order to be consistent with the definitions proposed by the other Linkage Plan Participants.

\textsuperscript{11} 15 U.S.C. 78f(b).

\textsuperscript{12} 15 U.S.C. 78f(b)(5).
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.

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

No written comments were either solicited or received.

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

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which Phlx consents, the Commission shall: (a) by order approve such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be disapproved.

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-Phlx-2007-40 on the subject line.
Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-Phlx-2007-40. 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 Room. Copies of the filing also will be available for inspection and copying at the principal office of the Phlx. 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-Phlx-2007-40 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.\textsuperscript{13}

Nancy M. Morris
Secretary

\textsuperscript{13} 17 CFR 200.30-3(a)(12).
Certain Types of Orders Defined

Rule 1066. (a) – (f) No change.

(g) Synthetic Option. A synthetic option order is an order to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock (“convertible security”) coupled with either [: (A)] (i) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of units of the underlying stock or convertible security[,] or [(B)] the number of units of the underlying stock or convertible security necessary to create a delta neutral position[,] or (ii) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price, and each representing the same number of stock as, and on the opposite side of the market from, the stock or convertible security portion of the order. [but in no case in a ratio greater than 8 option contracts per unit of trading of the underlying stock or convertible security established for that series by the Clearing Corporation.]

[option contracts AND buy or sell the underlying stock or Exchange-Traded Fund Share in an amount that would offset (on a one-for-one basis) the option position. For example:

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(2) Synthetic put: an example of a synthetic put is an order to buy one call and sell 100 shares of the underlying stock or Exchange-Traded Fund Share.

(3) Synthetic call: an example of a synthetic call is an order to buy (or sell) one put and buy (or sell) 100 shares of the underlying stock or Exchange-Traded Fund Share.]

Commentary: No change.

Intermarket Linkage

Rule 1083. Definitions

The following terms shall have the meaning specified in this Rule solely for the purpose of Rules 1083 through 1087:

(a) – (b) No change.

(c) “Complex Trade” means:
(i) the execution of an order in an options series in conjunction with the execution of one or more related orders(s) in different options series in the same underlying security occurring at or near the same time in a ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.0) for the purpose of executing a particular investment strategy [and for an equivalent number of contracts, provided that the number of contracts of the legs of a spread, straddle, or combination order may differ by a permissible ratio. The permissible ratio for this purpose is any ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00).]; or

(ii) the execution of a[n] stock-option order (“synthetic option order”) to buy or sell a stated number of units of an underlying stock or a security convertible into the underlying stock (“convertible security”) coupled with [either: (A)] the purchase or sale of option contract(s) on the opposite side of the market representing either (A) the same number of units of the underlying stock or convertible security, or (B) the number of units of the underlying stock or convertible security necessary to create a delta neutral position, but in no case in a ratio greater than eight (8) option contracts per unit of trading of the underlying stock or convertible security established for that series by the Clearing Corporation.

(d) – (u) No change