

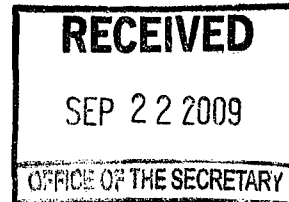


JEFFREY S. DAVIS
VICE PRESIDENT & DEPUTY GENERAL COUNSEL

September 22, 2009

Via overnight mail and facsimile to (202) 772-9324

Elizabeth Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549



Re: Petition for Review of Action Pursuant to Delegated Authority
Release No. 34-60584; File No. SR-ISE-2009-35

Dear Ms. Murphy:

On August 28, 2009, the Division of Trading and Markets approved the above-captioned proposed rule change of the International Securities Exchange ("ISE") acting pursuant to a grant of authority delegated to it by the Commission (17 CFR 200.30-3(a)(12)). On September 4, 2009, the Chicago Board Options Exchange, Incorporated ("CBOE"), submitted written notice of CBOE's intention to petition for review of the approval pursuant to Rule 430(b)(1) of the SEC Rules of Practice. In that letter, CBOE stated its intent to separately file a petition for review in accordance with SEC Rule 430(b)(2). CBOE filed its Petition for Review on September 14, 2009.

NASDAQ OMX PHLX, Inc. ("PHLX") supports additional review of ISE's proposed rule change. The approval order states that "the Exchange's proposal would represent a change in certain long-held principles in the options markets because it would permit the execution of a cross order without requiring exposure or customer priority." PHLX believes that a change to long-held principles designed to protect public customers should be taken only after thorough review, particularly where the proposed rule change would diminish transparency and order interaction in a manner not thoroughly discussed in the original proposal.

Accordingly, PHLX urges the Commission to thoroughly review the proposed ISE rule change and all filed comments and then grant the Petition for Review. In the event the Commission does grant the Petition for Review, PHLX intends to participate by submitting a formal comment letter addressing the merits of the proposal and the justification for changing the long-held principles at issue. While PHLX supports a thorough review of the ISE proposal, expeditious review and prompt resolution of this matter will benefit investors.

Respectfully submitted,

Jeffrey S. Davis