

2. Pursuant to 39 U.S.C. 505, Curtis E. Kidd is appointed to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

3. Comments are due no later than September 8, 2014.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

**Ruth Ann Abrams**,  
Acting Secretary.

[FR Doc. 2014-21105 Filed 9-4-14; 8:45 am]

**BILLING CODE 7710-FW-P**

## POSTAL SERVICE

### Product Change—First-Class Package Service Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Effective Date:* September 5, 2014.

**FOR FURTHER INFORMATION CONTACT:** Elizabeth A. Reed, 202-268-3179.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 28, 2014, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add First-Class Package Service Contract 37 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2014-42, CP2014-75.

**Stanley F. Mires**,

Attorney, Federal Requirements.

[FR Doc. 2014-21196 Filed 9-4-14; 8:45 am]

**BILLING CODE 7710-12-P**

## POSTAL SERVICE

### Product Change—Priority Mail Express Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Effective date:* September 5, 2014.

**FOR FURTHER INFORMATION CONTACT:** Elizabeth A. Reed, 202-268-3179.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 28, 2014, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add Priority Mail Express Contract 19 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2014-41, CP2014-74.

**Stanley F. Mires**,

Attorney, Federal Requirements.

[FR Doc. 2014-21199 Filed 9-4-14; 8:45 am]

**BILLING CODE 7710-12-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-72949; File No. SR-Phlx-2014-46]

### Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Order Granting Approval of Proposed Rule Change, as Modified by Amendment No. 1, Relating to SPY and DIA Options

August 29, 2014.

#### I. Introduction

On July 9, 2014, NASDAQ OMX PHLX LLC (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (“Act”),<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> a proposed rule change to allow \$1 or greater strike price intervals for options on the SPDR® S&P 500® Exchange Traded Fund (“SPY”) and the SPDR® Dow Jones® Industrial Average Exchange Traded Fund (“DIA”) for strike prices above \$200. On July 22, 2014, the Exchange filed Amendment No. 1 to the proposal. The proposed rule change, as modified by Amendment No. 1, was published for comment in the **Federal Register** on July 30, 2014.<sup>4</sup> The Commission received three comment letters on the proposal.<sup>5</sup> This order

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> See Securities Exchange Act Release No. 72664 (July 24, 2014), 79 FR 44231 (“Notice”).

<sup>5</sup> See letters to Elizabeth M. Murphy, Secretary, Commission, from Joseph Burtnick, dated July 28, 2014; Michael, dated August 26, 2014; and Colin J. Gerrard, dated August 28, 2014. All three commenters supported the approval of the proposal because it would enhance market participation in SPY options.

approves the proposed rule change, as modified by Amendment No. 1.

#### II. Description of the Proposed Rule Change

Under current Phlx Rule 1012 (Series of Options Open for Trading), the interval of strike prices of series of options on Exchange Traded Fund (“ETF”) Shares is \$1 or greater where the strike price is \$200 or less and \$5 or greater where the strike price is more than \$200.<sup>6</sup> The Exchange proposes to narrow those strike intervals by amending Commentary .05(a)(iv)(C) to Rule 1012 to allow trading of SPY and DIA options in \$1 strike intervals where the strike price is above \$200.

With regard to the impact of the proposal on system capacity, the Exchange states that it has analyzed its capacity and represents that it and the Options Price Reporting Authority (“OPRA”) have the necessary systems capacity to handle any potential additional traffic associated with this proposed rule change.<sup>7</sup> In addition, the Exchange states that it believes that its members will not experience a capacity issue as a result of this proposal.<sup>8</sup> Furthermore, the Exchange states that it does not believe the proposed rule change will cause fragmentation of liquidity.<sup>9</sup>

#### III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>10</sup> In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>11</sup> which requires, among other things, that the rules of a national securities exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, 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. The Commission believes that the proposed change may provide the investing public and other market participants more flexibility to closely tailor their investment and

<sup>6</sup> See Commentary .05(a)(iv)(A) to Rule 1012.

<sup>7</sup> See Notice, *supra* note 4, at 44232.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> In approving the proposed rule change, the Commission has considered its impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>11</sup> 15 U.S.C. 78f(b)(5).