Subject: PIM ISO Order

The SEC has approved an ISE rule change (SR-ISE-2014-49) adopting a new order type: PIM Intermarket Sweep Order ("PIM ISO"). This rule change is incorporated by reference into ISE Gemini.

PIM ISO is the transmission of two orders for crossing pursuant to Rule 723 without regard for better priced Protected Bids or Protected Offers[1] because the Member transmitting the PIM ISO to the Exchange[2] has, simultaneously with the routing of the PIM ISO:

- Routed one or more ISOs, as necessary, to execute against the fully displayed size(s) of any Protected Bid(s) or Protected Offer(s) that are superior to the starting PIM ISO auction price and;
- Has swept all interest in the Exchange's book priced better than the proposed auction starting price.

The Exchange will execute the PIM ISO in the same manner that it currently executes PIM orders, except that it will not protect better away prices. Instead, order flow providers will have the responsibility to simultaneously clear all better priced interest away when entering the PIM ISO order.

Note that any execution(s) resulting from ISO sweeps must accrue to the PIM ISO order, meaning that any execution(s) obtained from the ISO sweep must be passed on to the agency side of the PIM ISO order.

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[1] A Protected Bid and Protected Offer is a better bid and/or offer that is displayed on another Exchange
[2] ISE or ISE Gemini