



January 23, 2015

**VIA ELECTRONIC MAIL**

Melissa Jurgens  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, DC 20581

**Re: Rule Filing SR-OCC-2015-04 Rule Certification**

Dear Secretary Jurgens:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Commodity Futures Trading Commission Regulation (“CFTC”) 40.6, enclosed is a copy of the above-referenced rule filing submitted by The Options Clearing Corporation (“OCC”). The date of implementation of the rule is at least 10 business days following receipt of the rule filing by the CFTC or the date the proposed rule is approved by the Securities and Exchange Commission (the “SEC”) or otherwise becomes effective under the Securities Exchange Act of 1934 (the “Exchange Act”). This rule filing has been, or is concurrently being, submitted to the SEC under the Exchange Act.

In conformity with the requirements of Regulation 40.6(a)(7), OCC states the following:

**Explanation and Analysis**

The purpose of this proposed rule change is to expand the number of OCC officers with the authority to summarily suspend a clearing member. Currently, OCC Rule 1102 provides that only OCC’s Board of Directors (“Board”) and its Executive Chairman may summarily suspend a clearing member. OCC believes that, given the time sensitive nature of managing a clearing member default, it is prudent risk management to expand the number of officers with the authority to summarily suspend a clearing member so that OCC may begin its default management process and, in turn, take protective action as soon as possible.

Pursuant to OCC Rule 1102, OCC’s Board and Executive Chairman have the authority to summarily suspend a clearing member. As set forth in Interpretation and Policy .01 of Rule 1102, such action constitutes a “default” with respect to the clearing member. OCC’s ability to timely and effectively begin its clearing member default management process serves a key role in protecting OCC, non-defaulting clearing members and the public from potential

consequential damage(s) that may be caused by the default of a clearing member. In order to provide OCC with the necessary tools to manage a clearing member default, Chapter XI of OCC's Rules provides OCC with the authority to take certain protective action(s) once a clearing member has been summarily suspended (and declared to be in default).<sup>1</sup> While OCC believes that the authority provided to it in Chapter XI of its Rules is sufficiently robust to manage a clearing member default, OCC may not exercise such authority unless and until a clearing member has been summarily suspended by either the Board or the Executive Chairman.

In order to provide greater assurance that OCC would be able to timely and effectively manage a clearing member default, OCC is proposing to amend OCC Rule 1102 in order to expand the list of officers who may summarily suspend a clearing member to include OCC's President or a designee of the Executive Chairman, or President of the rank of Senior Vice President or higher (each a "Designed Officer").<sup>2</sup> OCC believes that the proposed change will provide it with additional operational flexibility because more individuals would be able to timely summarily suspend a clearing member and thereby allow OCC to exercise its authority to manage a clearing member default. OCC's clearing member default management process is designed to protect OCC, non-defaulting clearing members and the public from the defaulting clearing member without materially impacting financial markets.<sup>3</sup> By providing additional officers with the authority to summarily suspend a clearing member, and thereby allow OCC to begin its default management processes, there would be greater assurance that OCC would timely take action(s) necessary to protect itself, non-defaulting clearing members and the public from a defaulting clearing member. OCC is also proposing to amend Rule 1102 to require notification to the Board as soon as practicable should a Designated Officer summarily suspend a clearing member.<sup>4</sup> The addition of such a requirement would ensure that the Board is timely informed of activities at OCC.

Furthermore, OCC proposes to make conforming amendments consistent with the above to Article VI, Section 25 of its By-Laws and OCC Rule 707, which concern the summary suspension of clearing members that participate in OCC's cross-margining programs. Specifically, Article VI, Section of OCC's By-Laws and OCC Rule 707 will be amended to explicitly state that the Board of Directors or a Designated Officer may summarily suspend a clearing member based on a cross-margining related default.

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<sup>1</sup> For example, OCC Rule 1106(a) provides OCC with significant flexibility with respect actions it may take in order to close out a defaulting clearing member's open long positions.

<sup>2</sup> OCC's proposal is similar to the summary suspension process employed by the National Securities Clearing Corporation ("NSCC"). See NSCC Rule 46, Section 3.

<sup>3</sup> A description of OCC's default management process is located at: <http://www.theocc.com/risk-management/default-rules/>

<sup>4</sup> OCC staff will notify the Board within two hours of the summary suspension.

Except for the changes described above, no other changes are proposed to OCC's suspension or default management processes as set forth in the Rules, including a clearing member's right to appeal a summary suspension in accordance with OCC Rule 1110.

OCC reviewed the derivatives clearing organization ("DCO") core principles ("Core Principles") as set forth in the Act. During this review, OCC identified the following Core Principles as potentially being impacted:

**Default Rules and Procedures.** OCC believes that by implementing the proposed rule change it will be better able to manage the risks associated with discharging its responsibilities as a DCO as set forth in the DCO Core Principles because, by allowing a Designated Officer to summarily suspend a clearing member, it will be better able to take timely action to contain losses and liquidity pressures as well as continue to meet its other obligation in the event of a clearing member default. In addition, by filing this proposed rule change OCC will more clearly state, and provide the public with knowledge of, the default procedures of OCC.

#### Opposing Views

No opposing views were expressed related to the rule amendments.

#### Notice of Pending Rule Certification

OCC hereby certifies that notice of this rule filing has been given to Clearing Members of OCC in compliance with Regulation 40.6(a)(2) by posting a copy of the submission on OCC's website concurrently with the filing of this submission.

#### Certification

OCC hereby certifies that the rule set forth at Item 1 of the enclosed filing complies with the Act and the CFTC's regulations thereunder.

Should you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,



Stephen Szarmack  
Vice President and Associate General Counsel

Enclosure

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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Form 19b-4

Proposed Rule Change  
by

**THE OPTIONS CLEARING CORPORATION**

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

**Item 1. Text of the Proposed Rule Change**

The Options Clearing Corporation (“OCC”) proposes to amend its By-Laws and Rules to expand the officers who may declare that a clearing member is summarily suspended from OCC. Material proposed to be added to OCC’s By-Laws and Rules as currently in effect is underlined and material proposed to be deleted is enclosed in bold brackets.

**THE OPTIONS CLEARING CORPORATION**

**BY-LAWS**

\* \* \*

**ARTICLE VI**

**Clearance of Confirmed Trades**

\* \* \*

**Internal Cross-Margining for Non-Proprietary Market Professionals**

SECTION 25. (a) –(f) [no change]

(g) The Board of Directors or a Designated Officer (as defined in Rule 1102) of the Corporation may summarily suspend a Clearing Member if such Clearing Member is in default in the payment of funds or any other obligation in respect of an internal non-proprietary cross-margining account. In the case of an internal non-proprietary cross-margining account maintained by a Pair of Affiliated Clearing Members, if the Agent Member fails to meet any margin or settlement obligation to the Corporation in respect of such account, the Corporation may demand immediate payment or performance from its affiliated Clearing Member. If such obligation is not met, the Corporation may suspend such affiliated Clearing Member. Upon the suspension [by the Corporation] of a Clearing Member of a Pair of Affiliated Clearing Members, the Corporation shall have the right to liquidate the cleared contracts in the internal non-proprietary cross-margining account, and any margin deposited in respect of the internal non-proprietary cross-margining account, and shall deposit any proceeds of such liquidation in an Internal Non-Proprietary Cross-Margining Liquidating Settlement Account as provided for in Chapter XI of the Rules.

\* \* \*

**RULES**

\* \* \*

**CHAPTER VII****Cross-Margining with Participating CCOs**

\* \* \*

**Close-Out of OCC X-M Accounts**

RULE 707. (a) The Board of Directors or a Designated Officer (as defined in Rule 1102) of the Corporation may summarily suspend a Clearing Member if such Clearing Member or its affiliated CCO Clearing Member is in default in the payment of funds or any other obligation in respect of sets of X-M accounts. The OCC X-M accounts of a Clearing Member may be liquidated by the Corporation at the request of a Carrying CCO whether or not the Corporation suspends, or is permitted under the Rules to suspend, such Clearing Member. Upon the suspension [by the Corporation] of a Joint Clearing Member or the OCC Clearing Member of a Pair of Affiliated Clearing Members, or upon receiving notice from a Carrying CCO of the suspension by such Carrying CCO in accordance with its rules of a Joint Clearing Member or an affiliated CCO Clearing Member, the Corporation shall have the right to liquidate the Contracts in the OCC X-M accounts, and any margin deposited in respect of the sets of X-M accounts, in accordance with the applicable Participating CCO Agreement, and shall deposit any proceeds of such liquidation in accounts (the "Proprietary X-M Liquidating Account" and the "Non-Proprietary X-M Liquidating Account") provided for therein. Funds in the Proprietary X-M Liquidating Account and the Non-Proprietary X-M Liquidating Account shall be utilized as described in such Agreement.

(b) [no change]

\* \* \*

**CHAPTER XI****Suspension of a Clearing Member**

\* \* \*

**Suspension**

RULE 1102. (a) The Board of Directors or a Designated Officer [the Executive Chairman] of the Corporation may summarily suspend any Clearing Member which: (i) has been and is expelled or suspended from any self-regulatory organization (as defined in Section 3(a) of the Securities Exchange Act of 1934, as amended, but not including the Municipal Securities Rulemaking Board, or as defined in the rules of the Commodity Futures Trading Commission); (ii) fails to make any delivery of cash, securities or other property to the Corporation in a timely

manner as required by the By-Laws or Rules; (iii) fails to make any delivery of funds or securities to another Clearing Member required pursuant to the By-Laws or Rules; (iv) fails to make any delivery of funds or securities to the correspondent clearing corporation in a timely manner, has appointed an Appointed Clearing Member to act on its behalf and such Appointed Clearing Member fails to make any delivery of funds or securities to the correspondent clearing corporation in a timely manner or effects settlement at the correspondent clearing corporation through an identifiable subaccount in an account of CDS at the correspondent clearing corporation and CDS fails to make any delivery of funds or securities to the correspondent clearing corporation in a timely manner; (v) is in such financial or operating difficulty that the Board of Directors or a Designated Officer [the Executive Chairman] of the Corporation determines and so notifies the appropriate regulatory agency for such Clearing Member (or, in the case of a Non-U.S. Clearing Member, the appropriate Non-U.S. Regulatory Agency) and the Securities and Exchange Commission or the Commodity Futures Trading Commission that suspension is necessary for the protection of the Corporation, other Clearing Members, or the general public; or (vi) in the case of a Non-U.S. Clearing Member, has been and is expelled or suspended by its Non-U.S. Regulatory Agency or any securities exchange or clearing organization of which it is a member. In addition, the Board of Directors or a Designated Officer of the Corporation may summarily suspend any Clearing Member in accordance with Rule 707 or Article VI, Section 25 of the By-Laws. In the event that any Clearing Member is suspended, the Corporation shall cease to act for it except as hereinafter specified. For purposes of this Rule 1102 as well as Rule 707 and Article VI, Section 25 of the By-Laws, a Designated Officer shall mean the Executive Chairman, the President or any delegate of such officer of the rank of Senior Vice President or higher. If the determination to summarily suspend a Clearing Member is made other than by the Board of Directors, then notice of the suspension must be given to the Board of Directors as soon as practicable.

(b) [no change]

*...Interpretations and Policies*

**.01** [no change]

**.02** The circumstances in which the Board of Directors or a Designated Officer [the Executive Chairman of the Corporation] may make a determination pursuant to Rule 1102(a)(v) may include a determination that the Clearing Member lacks (a) access to sufficient financial resources to meet obligations arising from clearing membership in extreme but plausible market conditions, as determined by the Corporation for purposes of this Rule, or (b) the ability to process expected volumes and values of transactions cleared by the Clearing Member within required time frames, including at peak times and on peak days; the ability to fulfill collateral, payment, and delivery obligations as required by the Corporation, and the ability to participate in applicable default management activities, including auctions, as may be required by the Corporation and in accordance with applicable laws and regulations.

\* \* \*

**Item 2. Procedures of the Self-Regulatory Organization**

The proposed rule change was approved for filing with the Commission by OCC's Board of Directors at a meeting held on December 9, 2014.

Questions regarding the proposed rule change should be addressed to Stephen Szarmack, Vice President and Associate General Counsel, at (312) 322-4802.

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

A. Purpose

The purpose of this proposed rule change is to expand the number of OCC officers with the authority to summarily suspend a clearing member. Currently, OCC Rule 1102 provides that only OCC's Board of Directors ("Board") and its Executive Chairman may summarily suspend a clearing member. OCC believes that, given the time sensitive nature of managing a clearing member default, it is prudent risk management to expand the number of officers with the authority to summarily suspend a clearing member so that OCC may begin its default management process and, in turn, take protective action as soon as possible.

Pursuant to OCC Rule 1102, OCC's Board and Executive Chairman have the authority to summarily suspend a clearing member. As set forth in Interpretation and Policy .01 of Rule 1102, such action constitutes a "default" with respect to the clearing member. OCC's ability to timely and effectively begin its clearing member default management process serves a key role in protecting OCC, non-defaulting clearing members and the public from potential consequential damage(s) that may be caused by the default of a clearing member. In order to provide OCC with the necessary tools to manage a clearing member default, Chapter XI of

OCC's Rules provides OCC with the authority to take certain protective action(s) once a clearing member has been summarily suspended (and declared to be in default).<sup>1</sup> While OCC believes that the authority provided to it in Chapter XI of its Rules is sufficiently robust to manage a clearing member default, OCC may not exercise such authority unless and until a clearing member has been summarily suspended by either the Board or the Executive Chairman.

In order to provide greater assurance that OCC would be able to timely and effectively manage a clearing member default, OCC is proposing to amend OCC Rule 1102 in order to expand the list of officers who may summarily suspend a clearing member to include OCC's President or a designee of the Executive Chairman, or President of the rank of Senior Vice President or higher (each a "Designed Officer").<sup>2</sup> OCC believes that the proposed change will provide it with additional operational flexibility because more individuals would be able to timely summarily suspend a clearing member and thereby allow OCC to exercise its authority to manage a clearing member default. OCC's clearing member default management process is designed to protect OCC, non-defaulting clearing members and the public from the defaulting clearing member without materially impacting financial markets.<sup>3</sup> By providing additional officers with the authority to summarily suspend a clearing member, and thereby allow OCC to begin its default management processes, there would be greater assurance that OCC would timely take action(s) necessary to protect itself, non-defaulting clearing members and the public

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<sup>1</sup> For example, OCC Rule 1106(a) provides OCC with significant flexibility with respect actions it may take in order to close out a defaulting clearing member's open long positions.

<sup>2</sup> OCC's proposal is similar to the summary suspension process employed by the National Securities Clearing Corporation ("NSCC"). *See* NSCC Rule 46, Section 3.

<sup>3</sup> A description of OCC's default management process is located at:  
<http://www.theocc.com/risk-management/default-rules/>

from a defaulting clearing member. OCC is also proposing to amend Rule 1102 to require notification to the Board as soon as practicable should a Designated Officer summarily suspend a clearing member.<sup>4</sup> The addition of such a requirement would ensure that the Board is timely informed of activities at OCC.

Furthermore, OCC proposes to make conforming amendments consistent with the above to Article VI, Section 25 of its By-Laws and OCC Rule 707, which concern the summary suspension of clearing members that participate in OCC's cross-margining programs. Specifically, Article VI, Section of OCC's By-Laws and OCC Rule 707 will be amended to explicitly state that the Board of Directors or a Designated Officer may summarily suspend a clearing member based on a cross-margining related default.

Except for the changes described above, no other changes are proposed to OCC's suspension or default management processes as set forth in the Rules, including a clearing member's right to appeal a summary suspension in accordance with OCC Rule 1110.

B. Statutory Basis

OCC believes the proposed rule change is consistent with Section 17A(b)(3)(F) of the Securities Exchange Act of 1934, as amended (the "Act") because the proposed rule change is intended to safeguard the securities and funds which are in the custody and control of OCC.<sup>5</sup> As described above, by expanding the list of officers with the authority to summarily suspend a clearing member to include Designated Officers, OCC would better ensure that it timely begins its clearing member default management processes. Such process safeguards the securities and funds which are in the custody or control of OCC, or for which it is responsible, because it

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<sup>4</sup> OCC staff will notify the Board within two hours of the summary suspension.

<sup>5</sup> 15 U.S.C. 78q-1(b)(3)(F).

protects OCC, non-defaulting clearing members and the public from the defaulting clearing member. OCC does not believe that the proposed rule change is inconsistent with any rules of OCC, including any rules proposed to be amended.

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

OCC does not believe that the proposed rule change would impose a burden on competition.<sup>6</sup> OCC believes the proposed rule change would not unfairly inhibit access to OCC's services or disadvantage or favor any particular user in relationship to another user because the proposed rule change only concerns the officers with the authority to summarily suspend a clearing member. The proposed rule change does not affect the conditions under which OCC may summarily suspend a clearing member, or OCC's rights with respect to a suspended clearing member.

For the foregoing reasons, OCC believes that the proposed rule change is in the public interest, would be consistent with the requirements of the Act applicable to clearing agencies, and would not impose a burden on competition.

**Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others**

Written comments were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

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

OCC does not consent to an extension of the time period for Commission action on the proposed rule change.

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<sup>6</sup> 15 U.S.C. 78-q1(b)(3)(I).

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

Not applicable.

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

Not applicable.

**Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act**

Not applicable.

**Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act**

Not applicable.

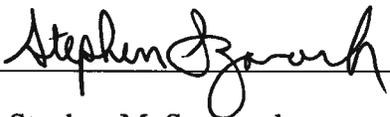
**Item 11. Exhibits**

Exhibit 1A. Completed Notice of Proposed Rule Change for publication in the Federal Register.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, The Options Clearing Corporation has caused this filing to be signed on its behalf by the undersigned hereunto duly authorized.

**THE OPTIONS CLEARING CORPORATION**

By:  \_\_\_\_\_

Stephen M. Szarmack  
Vice President and Associate General  
Counsel

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-[\_\_\_\_\_]; File No. SR-OCC-2015-04)

January 23, 2015

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of a Proposed Rule Change to Expand the Officers Who May Declare That a Clearing Member is Summarily Suspended

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder<sup>2</sup> notice is hereby given that on January 23, 2015, The Options Clearing Corporation (“OCC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared primarily by OCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

OCC proposes to amend its Rules to permit OCC to expand the officers who may declare that a clearing member is summarily suspended from OCC.

II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, OCC 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

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

<sup>2</sup> 17 CFR 240.19b-4.

below. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this proposed rule change is to expand the number of OCC officers with the authority to summarily suspend a clearing member. Currently, OCC Rule 1102 provides that only OCC's Board of Directors ("Board") and its Executive Chairman may summarily suspend a clearing member. OCC believes that, given the time sensitive nature of managing a clearing member default, it is prudent risk management to expand the number of officers with the authority to summarily suspend a clearing member so that OCC may begin its default management process and, in turn, take protective action as soon as possible.

Pursuant to OCC Rule 1102, OCC's Board and Executive Chairman have the authority to summarily suspend a clearing member. As set forth in Interpretation and Policy .01 of Rule 1102, such action constitutes a "default" with respect to the clearing member. OCC's ability to timely and effectively begin its clearing member default management process serves a key role in protecting OCC, non-defaulting clearing members and the public from potential consequential damage(s) that may be caused by the default of a clearing member. In order to provide OCC with the necessary tools to manage a clearing member default, Chapter XI of OCC's Rules provides OCC with the authority to take certain protective action(s) once a clearing member has been summarily suspended (and declared to be in default).<sup>3</sup> While OCC believes

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<sup>3</sup> For example, OCC Rule 1106(a) provides OCC with significant flexibility with respect to actions it may take in order to close out a defaulting clearing member's open long positions.

that the authority provided to it in Chapter XI of its Rules is sufficiently robust to manage a clearing member default, OCC may not exercise such authority unless and until a clearing member has been summarily suspended by either the Board or the Executive Chairman.

In order to provide greater assurance that OCC would be able to timely and effectively manage a clearing member default, OCC is proposing to amend OCC Rule 1102 in order to expand the list of officers who may summarily suspend a clearing member to include OCC's President or a designee of the Executive Chairman, or President of the rank of Senior Vice President or higher (each a "Designed Officer").<sup>4</sup> OCC believes that the proposed change will provide it with additional operational flexibility because more individuals would be able to timely summarily suspend a clearing member and thereby allow OCC to exercise its authority to manage a clearing member default. OCC's clearing member default management process is designed to protect OCC, non-defaulting clearing members and the public from the defaulting clearing member without materially impacting financial markets.<sup>5</sup> By providing additional officers with the authority to summarily suspend a clearing member, and thereby allow OCC to begin its default management processes, there would be greater assurance that OCC would timely take action(s) necessary to protect itself, non-defaulting clearing members and the public from a defaulting clearing member. OCC is also proposing to amend Rule 1102 to require notification to the Board as soon as practicable should a Designated Officer summarily suspend a

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<sup>4</sup> OCC's proposal is similar to the summary suspension process employed by the National Securities Clearing Corporation ("NSCC"). *See* NSCC Rule 46, Section 3.

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<http://www.theocc.com/risk-management/default-rules/>

clearing member.<sup>6</sup> The addition of such a requirement would ensure that the Board is timely informed of activities at OCC.

Furthermore, OCC proposes to make conforming amendments consistent with the above to Article VI, Section 25 of its By-Laws and OCC Rule 707, which concern the summary suspension of clearing members that participate in OCC's cross-margining programs. Specifically, Article VI, Section of OCC's By-Laws and OCC Rule 707 will be amended to explicitly state that the Board of Directors or a Designated Officer may summarily suspend a clearing member based on a cross-margining related default.

Except for the changes described above, no other changes are proposed to OCC's suspension or default management processes as set forth in the Rules, including a clearing member's right to appeal a summary suspension in accordance with OCC Rule 1110.

2. Statutory Basis

OCC believes the proposed rule change is consistent with Section 17A(b)(3)(F) of the Securities Exchange Act of 1934, as amended (the "Act") because the proposed rule change is intended to safeguard the securities and funds which are in the custody and control of OCC.<sup>7</sup> As described above, by expanding the list of officers with the authority to summarily suspend a clearing member to include Designated Officers, OCC would better ensure that it timely begins its clearing member default management processes. Such process safeguards the securities and funds which are in the custody or control of OCC, or for which it is responsible, because it protects OCC, non-defaulting clearing members and the public from the defaulting clearing

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<sup>6</sup> OCC staff will notify the Board within two hours of the summary suspension.

<sup>7</sup> 15 U.S.C. 78q-1(b)(3)(F).

member. OCC does not believe that the proposed rule change is inconsistent with any rules of OCC, including any rules proposed to be amended.

(B) Clearing Agency's Statement on Burden on Competition

OCC does not believe that the proposed rule change would impose a burden on competition.<sup>8</sup> OCC believes the proposed rule change would not unfairly inhibit access to OCC's services or disadvantage or favor any particular user in relationship to another user because the proposed rule change only concerns the officers with the authority to summarily suspend a clearing member. The proposed rule change does not affect the conditions under which OCC may summarily suspend a clearing member, or OCC's rights with respect to a suspended clearing member.

For the foregoing reasons, OCC believes that the proposed rule change is in the public interest, would be consistent with the requirements of the Act applicable to clearing agencies, and would not impose a burden on competition.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Written comments on the proposed rule change were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer

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<sup>8</sup> 15 U.S.C. 78-q1(b)(3)(I).

period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove the 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](mailto:rule-comments@sec.gov). Please include File Number SR-OCC-2015-04 on the subject line.

##### Paper Comments:

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

All submissions should refer to File Number SR-OCC-2015-04. 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 website (<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 website viewing and printing in the Commission's Public Reference Section, 100 F Street, N.E., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of OCC and on OCC's website at

[http://www.theocc.com/components/docs/legal/rules\\_and\\_bylaws/sr\\_occ\\_15\\_04.pdf](http://www.theocc.com/components/docs/legal/rules_and_bylaws/sr_occ_15_04.pdf)

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-OCC-2015-04 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission by the Division of Trading and Markets, pursuant to delegated Authority.<sup>9</sup>

Kevin M. O'Neill  
Deputy Secretary

Action as set forth recommended herein  
APPROVED pursuant to authority delegated by  
the Commission under Public Law 87-592.  
For: Division of Trading and Markets

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

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<sup>9</sup> 17 CFR 200.30-3(a)(12).