



July 29, 2016

VIA CFTC PORTAL

Mr. Christopher Kirkpatrick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Rule Filing SR-OCC-2016-008 Rule Certification

Dear Secretary Kirkpatrick:

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 revise OCC’s Schedule of Fees to more adequately cover the expenses incurred by OCC to operate the Program, including costs associated with ongoing and anticipated operational and risk management enhancements to the Program. The revised fee schedule would become effective on October 1, 2016, or such later date as OCC may announce via Information Memo.

The Program began in 1993 as a tool for participants to use borrowed and loaned securities to reduce OCC margin requirements by reflecting the actual risks of their inter-market hedged positions. When the Program began, OCC implemented a risk management infrastructure based on the Program’s scale and complexity. Over time, OCC’s Clearing

Members have discovered that the Program can provide valuable risk management and capital efficiency solutions. Specifically, the credit risk of a given stock loan transaction in the Program is significantly lower than a bilaterally executed stock loan as a result of OCC's novation and guarantee of stock loans in the Program, and Clearing Members' stock loans in the Program are netted against their other positions held at OCC. These factors have caused significant increases in both the scale of the Program and the resulting risk management demands. As a result of the increased operational and risk management demands of the Program, and in light of OCC's heightened responsibilities as a designated Systemically Important Financial Market Utility, OCC is considering a number of enhancements to its operational and risk management systems and processes, which require both process redesign and increased operating expenses. These enhanced systems and processes would include:

- The capture and validation of trades prior to facilitating settlement;
- A new position accounting system to support expanded guarantee of contract terms such as rebate rate and term;
- An automated trade correction mechanism;
- Automated systems to support re-matching upon the default of a participant lending and borrowing the same security; and,
- Automation of the default management process for any unmatched positions and limitation of the close-out period.

Taking these enhancements into account, OCC analyzed its pricing for the Program, which has not been updated since 2009, against the Program's annual revenue as well as Program expenses assessed against OCC by the Depository Trust Company ("DTC") and determined that current pricing would not reflect the expenses incurred by OCC to make the Program more robust and sustainable given its increased scope and risk managements demands.

OCC arrived at the fee schedule presented herein by determining pricing for the Program that: (1) covers OCC's costs in running the Program, including the transaction fees charged to OCC by DTC; (2) account for costs incurred by OCC to make the operational and risk management enhancements required to make the Program more robust and sustainable; and, (3) better reflects the value the Program provides participants, particularly to borrowers, by providing for a centrally cleared and risk managed stock loan clearing solution. As a result of the aforementioned analysis, OCC proposes to revise its Schedule of Fees¹ by adding a monthly 0.4 basis point annualized charge for borrowers on average daily notional outstanding balances in addition to the current \$1 clearing fee for both lenders and borrowers, which would be retained under the proposed fee change.²

¹ These changes are also reflected in Exhibit 5.

² OCC notes that the proposed fee increase is designed to help defray increased expenses to OCC from the development and implementation of the ongoing and anticipated operational and risk management enhancements discussed above. Moreover, OCC will continue to monitor Program revenue and expenses in order to determine if further revisions to OCC's Schedule of Fees are required so that revenue is commensurate with

OCC does not believe that its current pricing schedule reflects the value that the Program provides to its participants, particularly to borrowers using the Program. Securities lending transactions are typically driven by the need for borrowers to obtain specific securities. Lenders, in comparison, do not have a specific need to lend their securities and the price of a given stock loan transaction in part compensates the lender for the borrower's credit risk. As a result, it is common for the borrower to pay all ancillary fees related to a given stock loan transaction. Moreover, while borrowers and lenders both benefit from the risk management and capital efficiencies gained by clearing stock loan transactions through the Program, on balance, the capital efficiencies for borrowers are greater. Furthermore, the implementation of the aforementioned operational and risk management enhancements would provide for a more robust and sustainable Program, and as a result, OCC hopes to be able to build on this foundation in the future to attract a broader market of securities borrowers and lenders to the Program, particularly securities lenders, which would potentially lead to borrowers in the Program receiving better loan rates because there would be a greater amount of willing lenders.

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:

Public Information. OCC believes that by implementing the proposed rule change to modify its Schedule of Fees and by publishing the modified fee schedule on its web site and making it publicly available, it therefore provides clearing members with sufficient information to allow them to identify and evaluate the costs associated with OCC's services.

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.

expenses and the services provided. Any subsequent changes to OCC's Schedule of Fees would be the subject of a subsequent proposed rule change filed with the CFTC.

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,



Scott Kalish

Assistant Secretary

Enclosure

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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 purpose of this proposed rule change by The Options Clearing Corporation (“OCC”) is to revise OCC’s Schedule of Fees effective October 1, 2016, or such later date as OCC may announce to its Clearing Members via Information Memo, to implement a change of fees in conjunction with enhancements to OCC’s Stock Loan Program (“Program”). OCC’s Schedule of Fees is attached hereto as Exhibit 5. Material proposed to be added to OCC’s Schedule of Fees as currently in effect is underlined and material proposed to be deleted is enclosed in bold brackets. Capitalized terms not defined herein have the same meaning as set forth in OCC’s By-Laws and Rules.

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 July 20, 2016.

Questions should be addressed to Justin Byrne, Vice President, Regulatory Filings, at (202) 971-7238.

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 revise OCC’s Schedule of Fees to more adequately cover the expenses incurred by OCC to operate the Program, including costs associated with ongoing and anticipated operational and risk management enhancements to the Program. The revised fee schedule would become effective on October 1, 2016, or such later date as OCC may announce via Information Memo.

The Program began in 1993 as a tool for participants to use borrowed and loaned securities to reduce OCC margin requirements by reflecting the actual risks of their inter-market

hedged positions. When the Program began, OCC implemented a risk management infrastructure based on the Program's scale and complexity. Over time, OCC's Clearing Members have discovered that the Program can provide valuable risk management and capital efficiency solutions. Specifically, the credit risk of a given stock loan transaction in the Program is significantly lower than a bilaterally executed stock loan as a result of OCC's novation and guarantee of stock loans in the Program, and Clearing Members' stock loans in the Program are netted against their other positions held at OCC. These factors have caused significant increases in both the scale of the Program and the resulting risk management demands. As a result of the increased operational and risk management demands of the Program, and in light of OCC's heightened responsibilities as a designated Systemically Important Financial Market Utility, OCC is considering a number of enhancements to its operational and risk management systems and processes, which require both process redesign and increased operating expenses. These enhanced systems and processes would include:

- The capture and validation of trades prior to facilitating settlement;
- A new position accounting system to support expanded guarantee of contract terms such as rebate rate and term;
- An automated trade correction mechanism;
- Automated systems to support re-matching upon the default of a participant lending and borrowing the same security; and,
- Automation of the default management process for any unmatched positions and limitation of the close-out period.

Taking these enhancements into account, OCC analyzed its pricing for the Program, which has not been updated since 2009, against the Program's annual revenue as well as the

Program's expenses assessed against OCC by the Depository Trust Company ("DTC") and determined that current pricing would not reflect the expenses incurred by OCC to make the Program more robust and sustainable given its increased scope and risk managements demands.

OCC arrived at the fee schedule presented herein by determining pricing for the Program that: (1) covers OCC's costs in running the Program, including the transaction fees charged to OCC by DTC; (2) account for costs incurred by OCC to make the operational and risk management enhancements required to make the Program more robust and sustainable; and, (3) better reflects the value the Program provides participants, particularly to borrowers, by providing for a centrally cleared and risk managed stock loan clearing solution. As a result of the aforementioned analysis, OCC proposes to revise its Schedule of Fees¹ by adding a monthly 0.4 basis point annualized charge for borrowers on average daily notional outstanding balances in addition to the current \$1 clearing fee for both lenders and borrowers, which would be retained under the proposed fee change.²

OCC does not believe that its current pricing schedule reflects the value that the Program provides to its participants, particularly to borrowers using the Program. Securities lending transactions are typically driven by the need for borrowers to obtain specific securities. Lenders, in comparison, do not have a specific need to lend their securities and the price of a given stock loan transaction in part compensates the lender for the borrower's credit risk. As a result, it is

¹ These changes are also reflected in Exhibit 5.

² OCC notes that the proposed fee increase is designed to help defray increased expenses to OCC from the development and implementation of the ongoing and anticipated operational and risk management enhancements discussed above. Moreover, OCC would continue to monitor Program revenue and expenses in order to determine if further revisions to OCC's Schedule of Fees are required so that revenue is commensurate with expenses and the services provided. Any subsequent changes to OCC's Schedule of Fees would be the subject of a subsequent proposed rule change filed with the Commission.

common for the borrower to pay all ancillary fees related to a given stock loan transaction. Moreover, while borrowers and lenders both benefit from the risk management and capital efficiencies gained by clearing stock loan transactions through the Program, on balance, the capital efficiencies for borrowers are greater. Furthermore, the implementation of the aforementioned operational and risk management enhancements would provide for a more robust and sustainable Program, and as a result, OCC hopes to be able to build on this foundation in the future to attract a broader market of securities borrowers and lenders to the Program, particularly securities lenders, which would potentially lead to borrowers in the Program receiving better loan rates because there would a greater amount of willing lenders.

B. Statutory Basis

OCC believes that the proposed rule change concerning a change to OCC's clearing fees is consistent with Section 17A(b)(3)(D)³ of the Securities Exchange Act of 1934, as amended ("Act"), because the proposed fee schedule provides for the equitable allocation of reasonable fees among its Clearing Members. OCC believes the proposed fee change is reasonable because it is designed to cover the costs incurred by OCC to implement operational and risk management enhancements designed to make the Program more robust and sustainable, particularly given the increased scale and risk management demands of the Program, and the increased revenue from the fee change is anticipated to help offset the increased expenses incurred by OCC to make such enhancements. These enhancements would strengthen the Program's operational resiliency and risk management capabilities, potentially enabling the introduction of further enhancements that would allow the Program to service a broader market of participants, which in turn would provide economic benefits and lower risk for both borrowers and lenders. Moreover, OCC

³ 17 U.S.C. 78q-1(b)(3)(D).

believes that the proposed fee schedule would provide for an equitable allocation of clearing fees to users of the Program. Specifically, OCC would retain the \$1 new loan transaction clearing fee for both lenders and borrowers, and the proposed fee change would impose an additional monthly 0.4 basis point annualized charge for borrowers based on average daily notional outstanding balances to more appropriately allocate costs of the Program to those users benefiting most from the Program. The proposed fee change would therefore better align Program fees with the industry, in which is it common practice for borrowers to bear additional costs associated with stock loan transactions. The proposed rule change is not inconsistent with the existing rules of OCC, including any other 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 have any impact or impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.⁴ Although this proposed rule change would assess an additional fee against borrowers utilizing the Program that is not assessed against lenders, as explained above, OCC believes that the proposed rule change appropriately aligns how fees are assessed with the economic and risk management benefits of the Program, and enables OCC to provide a more robust Program that would expand its user base and benefit borrowers. Also, the proposed fee changes would not disadvantage or favor any particular borrower or lender utilizing the Program in relationship to another borrower or lender, respectively, because the proposed clearing fees apply equally to all users of the Program. Accordingly, OCC does not believe that the proposed rule change would have any impact or impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

⁴ 15 U.S.C. 78q-1(b)(3)(I).

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 specified in Section 19(b)(2) of the Act.⁵

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)

Pursuant to Section 19(b)(3)(A)(ii)⁶ of the Act, and Rule 19b-4(f)(2) thereunder,⁷ the proposed rule change is filed for immediate effectiveness as it constitutes a change in fees charged to OCC Clearing Members. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.⁸

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.

⁵ 15 U.S.C. 78s(b)(2).

⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

⁷ 17 CFR 240.19b-4(f)(2).

⁸ Notwithstanding its immediate effectiveness, implementation of this rule change will be delayed until this change is deemed certified under CFTC Regulation §40.6.

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.

Exhibit 5. Proposed changes to OCC Schedule of Fees, effective October 1, 2016.

SIGNATURES

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

THE OPTIONS CLEARING CORPORATION

By:



Scott Kalish
Assistant Secretary

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-[_____]; File No. SR-OCC-2016-008)

July 29, 2016

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Revise The Options Clearing Corporation's Schedule of Fees

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 29, 2016, 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. OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)(ii)³ of the Act and Rule 19b-4(f)(2)⁴ thereunder so that the proposal was effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the rule change from interested persons.

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

The purpose of this proposed rule change by OCC is to revise OCC's Schedule of Fees effective October 1, 2016, or such later date as OCC may announce to its Clearing Members via Information Memo, to implement a change of fees in conjunction with enhancements to OCC's Stock Loan Program ("Program").

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

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 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 revise OCC's Schedule of Fees to more adequately cover the expenses incurred by OCC to operate the Program, including costs associated with ongoing and anticipated operational and risk management enhancements to the Program. The revised fee schedule would become effective on October 1, 2016, or such later date as OCC may announce via Information Memo.

The Program began in 1993 as a tool for participants to use borrowed and loaned securities to reduce OCC margin requirements by reflecting the actual risks of their inter-market hedged positions. When the Program began, OCC implemented a risk management infrastructure based on the Program's scale and complexity. Over time, OCC's Clearing Members have discovered that the Program can provide valuable risk management and capital efficiency solutions. Specifically, the credit risk of a given stock loan transaction in the Program is significantly lower than a bilaterally executed stock loan as a result of OCC's novation and guarantee of stock loans in the Program, and Clearing Members' stock loans in the Program are netted against their other positions held at OCC. These factors have caused significant increases

in both the scale of the Program and the resulting risk management demands. As a result of the increased operational and risk management demands of the Program, and in light of OCC's heightened responsibilities as a designated Systemically Important Financial Market Utility, OCC is considering a number of enhancements to its operational and risk management systems and processes, which require both process redesign and increased operating expenses. These enhanced systems and processes would include:

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Taking these enhancements into account, OCC analyzed its pricing for the Program, which has not been updated since 2009, against the Program's annual revenue as well as the Program's expenses assessed against OCC by the Depository Trust Company ("DTC") and determined that current pricing would not reflect the expenses incurred by OCC to make the Program more robust and sustainable given its increased scope and risk managements demands.

OCC arrived at the fee schedule presented herein by determining pricing for the Program that: (1) covers OCC's costs in running the Program, including the transaction fees charged to OCC by DTC; (2) account for costs incurred by OCC to make the operational and risk management enhancements required to make the Program more robust and sustainable; and, (3)

better reflects the value the Program provides participants, particularly to borrowers, by providing for a centrally cleared and risk managed stock loan clearing solution. As a result of the aforementioned analysis, OCC proposes to revise its Schedule of Fees⁵ by adding a monthly 0.4 basis point annualized charge for borrowers on average daily notional outstanding balances in addition to the current \$1 clearing fee for both lenders and borrowers, which would be retained under the proposed fee change.⁶

OCC does not believe that its current pricing schedule reflects the value that the Program provides to its participants, particularly to borrowers using the Program. Securities lending transactions are typically driven by the need for borrowers to obtain specific securities. Lenders, in comparison, do not have a specific need to lend their securities and the price of a given stock loan transaction in part compensates the lender for the borrower's credit risk. As a result, it is common for the borrower to pay all ancillary fees related to a given stock loan transaction. Moreover, while borrowers and lenders both benefit from the risk management and capital efficiencies gained by clearing stock loan transactions through the Program, on balance, the capital efficiencies for borrowers are greater. Furthermore, the implementation of the aforementioned operational and risk management enhancements would provide for a more robust and sustainable Program, and as a result, OCC hopes to be able to build on this foundation in the future to attract a broader market of securities borrowers and lenders to the Program, particularly

⁵ These changes are also reflected in Exhibit 5.

⁶ OCC notes that the proposed fee increase is designed to help defray increased expenses to OCC from the development and implementation of the ongoing and anticipated operational and risk management enhancements discussed above. Moreover, OCC would continue to monitor Program revenue and expenses in order to determine if further revisions to OCC's Schedule of Fees are required so that revenue is commensurate with expenses and the services provided. Any subsequent changes to OCC's Schedule of Fees would be the subject of a subsequent proposed rule change filed with the Commission.

securities lenders, which would potentially lead to borrowers in the Program receiving better loan rates because there would a greater amount of willing lenders.

2. Statutory Basis

OCC believes that the proposed rule change concerning a change to OCC's clearing fees is consistent with Section 17A(b)(3)(D)⁷ of the Act, because the proposed fee schedule provides for the equitable allocation of reasonable fees among its Clearing Members. OCC believes the proposed fee change is reasonable because it is designed to cover the costs incurred by OCC to implement operational and risk management enhancements designed to make the Program more robust and sustainable, particularly given the increased scale and risk management demands of the Program, and the increased revenue from the fee change is anticipated to help offset the increased expenses incurred by OCC to make such enhancements. These enhancements would strengthen the Program's operational resiliency and risk management capabilities, potentially enabling the introduction of further enhancements that would allow the Program to service a broader market of participants, which in turn would provide economic benefits and lower risk for both borrowers and lenders. Moreover, OCC believes that the proposed fee schedule would provide for an equitable allocation of clearing fees to users of the Program. Specifically, OCC would retain the \$1 new loan transaction clearing fee for both lenders and borrowers, and the proposed fee change would impose an additional monthly 0.4 basis point annualized charge for borrowers based on average daily notional outstanding balances to more appropriately allocate costs of the Program to those users benefiting most from the Program. The proposed fee change would therefore better align Program fees with the industry, in which is it common practice for borrowers to bear additional costs associated with stock loan transactions. The proposed rule

⁷ 17 U.S.C. 78q-1(b)(3)(D).

change is not inconsistent with the existing rules of OCC, including any other rules proposed to be amended.

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

OCC does not believe that the proposed rule change would have any impact or impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.⁸ Although this proposed rule change would assess an additional fee against borrowers utilizing the Program that is not assessed against lenders, as explained above, OCC believes that the proposed rule change appropriately aligns how fees are assessed with the economic and risk management benefits of the Program, and enables OCC to provide a more robust Program that will expand its user base and benefit borrowers. Also, the proposed fee changes would not disadvantage or favor any particular borrower or lender utilizing the Program in relationship to another borrower or lender, respectively, because the proposed clearing fees apply equally to all users of the Program. Accordingly, OCC does not believe that the proposed rule change would have any impact or impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

(C) Clearing Agency'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.

⁸ 15 U.S.C. 78q-1(b)(3)(I).

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁹ and Rule 19b-4(f)(2) thereunder.¹⁰ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

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-OCC-2016-008 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-OCC-2016-008. 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

⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁰ 17 CFR 240.19b-4(f)(2).

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 Room, 100 F Street, NE, 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_16_008.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-2016-008 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.¹¹

Robert W. Errett
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: _____

¹¹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

**THE OPTIONS CLEARING CORPORATION
SCHEDULE OF FEES – [MAY] OCTOBER 2016**

CLEARING MEMBER

CLEARING

Clearing Fees

Trades with contracts of:
1 – 1370 \$.041
Greater than 1370 \$ 55.00/trade

New Products

Unless otherwise agreed to by OCC and the applicable exchange, from the first day of listing through the end of the following calendar month: \$ 0.00

Linkage per side* \$ 0.02

Minimum Monthly Clearing Fee \$ 200.00

Exercise Fee – per line item on exercise notice \$ 1.00

MEMBERSHIP

New Clearing Member Qualification Fee \$ 4,000.00

Stock and Market Loan Program Transaction Fees
Per transaction assessed against each lender and borrower \$ 1.00

Stock and Market Loan Program Borrower Fees
Monthly annualized charge on average daily notional outstanding balance 0.4 basis point

STAMPS

Clearing Member Authorization Stamp \$ 23.00 per stamp

* A Linkage transaction that includes more than 2,750 contracts will be charged a flat fee of \$55.00 per trade per side.

ANCILLARY SERVICES

TIER I

- ENCORE Access
- MyOCC Access
- Data Service – proprietary position and trade data (includes transmission to service bureau)
- Report Bundle
- Series File
- Special Settlement File
- Open Interest File
- Prices File
- Stock Loan File
- Theoretical Profit and Loss Values
- Leased line charges are additional \$ 1,500.00 per month

TIER II

- ENCORE Access
- MyOCC Access
- Data Service – proprietary position and trade data (includes transmission to service bureau)
- Report Bundle
- Leased line charges are additional \$ 1,000.00 per month

TIER III

- ENCORE Access
- MyOCC Access \$ 650.00 per month

Additional Clearing Member:

No Charge

TIER IV (Stock Loan Only)

- ENCORE Access
- MyOCC Access \$ 300.00 per month

LEASED LINE SERVICES

T1 line to a Midwest Destination	\$1,000.00 per month, per line
T1 line to an East Coast Destination	\$1,500.00 per month, per line
T1 line to a West Coast Destination	\$2,000.00 per month, per line

CLEARING MEMBER/NON-CLEARING MEMBERPUBLICATIONS/BROCHURES

Disclosure Documents	\$.45
OCC/ICC By-Laws and Rules	\$	47.00

(Updates can be obtained on a subscription basis for \$47.00 per year.)

NON-CLEARING MEMBERSERIES INFORMATION

Non-Clearing Member

Non-Distribution	\$1,750.00 per month
Distribution	\$3,000.00 per month
Real Time Data	\$250.00 per month (in addition to fees listed above)

PRICES INFORMATION

Non-Clearing Member	\$3,000.00 per month
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THEORETICAL PROFIT AND LOSS VALUES*

Non-Clearing Member	\$1,000.00 per month
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