

Frank J. Larocca, C.P.A.  
Senior Vice President  
Chief Financial Officer and Treasurer

August 29, 2012

**VIA ELECTRONIC MAIL**

David A. Stawick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, DC 20581

**Re: Rule Filing SR-OCC-2012-13 Rule Certification**

Dear Secretary Stawick:

Enclosed is a copy of the above-referenced rule filing, which The Options Clearing Corporation (“OCC”) is submitting pursuant to the self-certification procedures of Commodity Futures Trading Commission (the “CFTC” or “Commission”) Regulation 40.6. The date of implementation of the rule is the later of 10 business days following receipt of the rule filing by the CFTC hereof 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. The text of the amended rule filing is set forth at Item 1 of the enclosed filing.

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 correct an administrative oversight in SR-OCC-2012-10 which was designed to terminate OCC’s pledge program (“Program”). Rule filing SR-OCC-2012-10 did not show that the entire text of Rule 614 was being deleted even though that was the intention of the rule filing. Accordingly, through this rule filing, SR-OCC-2012-13, OCC has shown the remainder of the text of Rule 614 as deleted.

Deletions are indicated by bold brackets.

**Opposing Views**

No opposing views were expressed related to the rule amendments.

David Stawick  
August 29, 2012  
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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,

A handwritten signature in black ink that reads "Stephen Szarmack". The signature is written in a cursive style with a large, looped "S" and "Z".

Stephen Szarmack

Enclosure

cc: CFTC Central Region (w/ enclosure)  
525 West Monroe Street, Suite 1100  
Chicago, IL 60661

**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” or the “Corporation”) proposes to amend its By-Laws and Rules as set forth below for the purpose of correcting an administrative oversight relating to rule filing SR-OCC-2012-10, a rule filing intended to eliminate OCC’s pledge program rule in its entirety. Due to the administrative oversight, the entire text of Rule 614 was not shown as deleted. The remainder of Rule 614 that should have been deleted in the original rule filing (SR-OCC-2012-10), is deleted here. 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**

\* \* \*

**RULES**

\* \* \*

**CHAPTER VI****Margins****[Pledge Program]<sup>1</sup>**

**RULE 614. Reserved [(5) If, by reason of the netting pursuant to the Rules of settlement obligations with respect to exercised Treasury securities option contracts or foreign currency option contracts, a Clearing Member that exercised a Pledged Option is not obligated either to deliver or receive the underlying security or currency in settlement, the Corporation shall, in lieu of causing such security or currency to be bought in or sold out, promptly deposit into the Pledgee's Deposit Account an amount equal to the product of the unit of trading and (a) in the case of a call exercise, the excess of the marking price of the underlying security or currency (as**

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<sup>1</sup> The title of Rule 614, “Pledge Program” was removed from OCC’s Rules in filing SR-OCC-2012-10 but is shown here by way of reference with respect to the correction of the referenced administrative oversight.

defined in the By-Laws) over the exercise price, or (b) in the case of a put exercise, the excess of the exercise price over the marking price of the underlying security or currency. If, on the business day preceding the Report Day, the Clearing Member exercised pledged and unpledged options on a particular Treasury security or foreign currency, any netting of settlement obligations pursuant to the Rules shall be deemed for the purposes of this subparagraph to have eliminated settlement obligations, first, as to unpledged options, and then as to pledged options among Pledgeses in descending numerical order.

(6) Each Pledgee shall return to the Corporation the amount (if any) by which the deposits made into its Deposit Account pursuant to subparagraphs (i)(2) through (i)(5) exceed the Pledgee's claim against the Clearing Member.

(7) Notwithstanding the provisions of subparagraphs (i)(1) through (i)(6), if all Pledgeses entitled to receive Overpledged Value Amount payments from a Clearing Member notify the Corporation that they are waiving their right to receive all or a specified portion of such payments, the Corporation shall determine in its sole discretion whether, after giving effect to the Pledgeses' waiver, the Corporation should nonetheless suspend the Clearing Member pursuant to Chapter XI of the Rules. If the Corporation determines to suspend the Clearing Member, then the procedures set forth in subparagraphs (i)(1) through (i)(6) above shall be followed. If the Corporation determines not to suspend the Clearing Member, then the Clearing Member shall not be required to pay that portion of the Overpledged Value Amount as to which the Pledgeses waived their rights, and the Corporation shall have no obligation to the Pledgeses with respect to such portion of the Overpledged Value Amount.

(8) Clearing Members shall not be obligated to make Overpledged Value Amount payments in respect of positions in a cleared security pledged to a commodity clearing organization; provided, however, that if the commodity clearing organization advises the Corporation, prior to 10:00 A.M. Central Time (11:00 A.M. Eastern Time) on a Report Day, that there has been a default on an obligation secured by a Pledged Cleared Security, the Corporation shall promptly demand that the pledgor Clearing Member pay to the Corporation the Overpledged Value Amount for any positions in a cleared security pledged to such commodity clearing organization that were exercised or sold on the preceding business day. Promptly upon receipt thereof from the Clearing Member, the Corporation shall pay over such Overpledged Value Amount to the Pledgee. If the Clearing Member shall fail to pay such Overpledged Value Amount within one hour after demand by the Corporation, the procedures set forth in subparagraphs (i)(1) through (i)(6) shall apply.

(j) Pledge Activity Reports. In addition to any other reports furnished by the Corporation, the Corporation shall make available to the Clearing Member and the Pledgee at or before 9:00 A.M. Central Time (10:00 A.M. Eastern Time) daily, for each business day for which the Corporation has identified a pledge of a cleared security, reports indicating the Clearing Member's activity with respect to such Pledged Cleared Securities. The failure of a Clearing Member or a Pledgee to advise the Corporation by telephone or in person on the business day on which a report is received of any item thereon requiring changes for any reason whatsoever shall constitute a waiver of the Clearing Member's or the Pledgee's right to have such item changed.

(k) **Other Pledges Prohibited.** Except as provided in this Rule 614, a Clearing Member shall not pledge any option positions to anyone other than the Corporation.

(l) **Termination of Pledge Arrangement.** Termination of the pledge arrangement as between a Clearing Member and any one Pledgee shall not affect the lien of such Pledgee on any Pledged Cleared Security as of the date of termination. The pledge arrangement shall terminate as of (i) the termination date specified in a prior written notice submitted by the Clearing Member, the Pledgee or the Corporation to the other parties or (ii) the date that the Clearing Member's status as a Clearing Member of the Corporation is suspended. In the event of termination pursuant to subparagraph (l)(i), the Pledged Cleared Securities pledged to such Pledgee as of the effective date of such termination shall be disposed of in such manner as the Clearing Member and the Pledgee shall agree upon or, failing such agreement, shall be transferred to the account of another Clearing Member as the Pledgee shall direct. In the event of termination pursuant to subparagraph (l)(ii), the Corporation shall liquidate all Pledged Cleared Securities in accordance with the By-Laws and Rules. In either event, the proceeds of any liquidation of Pledged Cleared Securities shall be paid in accordance with the following priorities: first, to the party bearing the costs of liquidation (including any legal expenses incurred in connection with the enforcement of the Pledgee's or the Corporation's rights with respect to the Pledged Cleared Securities), to the extent of such costs; second, to the Pledgee, to the extent of the claims secured by the Pledged Cleared Securities; third, to the Corporation, to the extent of its claim against the Clearing Member; and fourth, to the Clearing Member or its representative.

(m) **Effect of Pledge; No Guarantee by Corporation.** The Corporation shall have no obligation in respect of any pledge pursuant to this Rule except as provided in the By-Laws and the Rules. The Corporation does not guarantee payment of any amounts owing by the Clearing Member, nor does the Corporation give any warranty as to the value (if any) of the cleared security being pledged or as to the validity, perfection, or priority (except, in each instance, as against the Corporation) of any security interest resulting from a pledge pursuant to this Rule. By its participation in the Pledge Program pursuant to this Rule, each Pledgee represents and warrants that it has conducted its own individual inquiry into the legal classification of any security interest resulting from pledges pursuant to this Rule.

(n) **Corporation Not Liable for Complying with Liquidation Notice.** The Corporation will not be liable to a Clearing Member for complying with a Liquidation Notice, even if the Clearing Member notifies the Corporation that the Pledgee is not legally entitled to issue the Liquidation Notice, unless the Corporation complied with the Liquidation Notice after it was served with an injunction, restraining order, or other legal process enjoining it from doing so, issued by a court of competent jurisdiction, and the Corporation had a reasonable opportunity to act on the injunction, restraining order or other legal process.

(o) **Indemnification of the Corporation.** A Clearing Member that pledges a cleared security shall indemnify and hold the Corporation harmless from any claim, liability or expenses, including attorneys' fees, which may arise or be asserted as a result of any action taken by the Corporation, or any failure to act by the Corporation, relating to such pledge; provided, however, that this

paragraph (o) shall not apply to actions taken by the Corporation, or failures to act by the Corporation, which are contrary to the provisions of this Rule 614, nor shall it apply to errors made by the Corporation, unless such errors were caused by erroneous instructions received by the Corporation from the Clearing Member or the Pledgee or by the failure of the Corporation to receive appropriate instructions from the Clearing Member or the Pledgee.

(p) No Actions Contrary to Law. Notwithstanding any other provision of Rule 614, the Corporation shall not be obligated to take any action that it believes would violate any law or any order entered by a court or Government agency.

(q) All pledged property in a Designated Account will be treated as financial assets under Article 8 of the Illinois Uniform Commercial Code.

**...Interpretations and Policies:**

**.01** Pledgees should consult with counsel as to the legal requirements for perfecting security interests in cleared securities. See Interpretation .02 to Article VI, Section 9 of the By-Laws.]

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

The proposed rule change was approved by OCC's Board of Directors at a meeting held on May 22, 2012.

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**

The purpose of this proposed rule change is to correct an administrative oversight in rule filing SR-OCC-2012-10, a rule filing intended to eliminate OCC's pledge program in its entirety.

In SR-OCC-2012-10, OCC proposed to eliminate its pledge program, which was primarily contained within OCC Rule 614, "Pledge Program." The Commission approved SR-

OCC-2012-10, on August 22, 2012. OCC subsequently learned that it inadvertently made an administrative oversight in Item 1 of SR-OCC-2012-10 and did not include the entire text of Rule 614 as “material proposed to be deleted.”

OCC now proposes to eliminate the remaining language of Rule 614 which was intended to be deleted in SR-OCC-2012-10.

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The proposed change to OCC’s Rules are consistent with the purposes and requirements of Section 17A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), because they will allow OCC to remove a rarely used operational function and focus its resources on core clearing operations. Moreover, OCC believes that elimination of the Program will not materially affect clearing members given its limited and infrequent use. The proposed rule change is not inconsistent with any rules of OCC, including any 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 any material 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 specified in Section 19(b)(2) of the Act.

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

Pursuant to Section 19(b)(3)(A) and Rule 19b-4(f)(1), the proposed rule change is filed for immediate effectiveness inasmuch as it constitutes a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule. Notwithstanding the foregoing, implementation of this rule change will be delayed until this rule change is deemed certified under CFTC Regulation §40.6.

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

The proposed rule change is not based on a rule change of another self-regulatory organization.

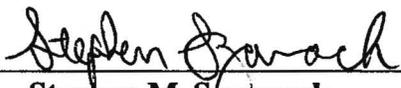
**Item 9.      Exhibits**

Exhibit 1      Completed notice of the 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 duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

**THE OPTIONS CLEARING CORPORATION**

By:  \_\_\_\_\_  
**Stephen M. Szarmack**  
**Vice President and**  
**Associate General Counsel**

**EXHIBIT 1**

**SECURITIES AND EXCHANGE COMMISSION**

(Release No. 34-\_\_\_\_\_ ; File No. SR-OCC-2012-13

**SELF-REGULATORY ORGANIZATION**

Proposed Rule Change By  
The Options Clearing Corporation

Relating to OCC's Pledge Program

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Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on \_\_\_\_\_, 2012, The Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The proposed rule change is to correct an administrative oversight in rule filing SR-OCC-2012-10, a rule filing intended to eliminate OCC's pledge program in its entirety.

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

In its filing with the Commission, the self-regulatory organization 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. The self-regulatory organization has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

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

The purpose of this proposed rule change is to correct an administrative oversight in rule filing SR-OCC-2012-10, a rule filing intended to eliminate OCC's pledge program in its entirety.

In SR-OCC-2012-10, OCC proposed to eliminate its pledge program, which was primarily contained within OCC Rule 614, "Pledge Program." The Commission approved SR-OCC-2012-10, on August 22, 2012. OCC subsequently learned that it inadvertently made an administrative oversight in Item 1 of SR-OCC-2012-10 and did not include the entire text of Rule 614 as "material proposed to be deleted."

OCC now proposes to eliminate the remaining language of Rule 614 which was intended to be deleted in SR-OCC-2012-10.

\* \* \*

The proposed change to OCC's Rules are consistent with the purposes and requirements of Section 17A of the Securities Exchange Act of 1934, as amended (the

“Exchange Act”), because they will allow OCC to remove a rarely used operational function and focus its resources on core clearing operations. Moreover, OCC believes that elimination of the Program will not materially affect clearing members given its limited and infrequent use. The proposed rule change is not inconsistent with any rules of OCC, including any proposed to be amended.

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

OCC does not believe that the proposed rule change would impose any burden on competition.

**C. 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.

**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) of the Act and paragraph (f) of Rule 19b-4 thereunder. Notwithstanding the foregoing, OCC will delay implementation of the rule change until it is deemed certified under CFTC Regulation §40.6. At any time within 60 days of the filing of the proposed rule change, the Commission 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

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-2012-13 on the subject line.

*Paper Comments:*

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

All submissions should refer to File Number SR-OCC-2012-13. 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 Web site (<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 inspection and copying in the Commission's Public Reference Section, 100F Fifth Street, N.E., Washington, D.C. 20549-1090. Copies of such filing will also be available for

inspection and copying at the principal office of the above-mentioned self-regulatory organization. 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-2012-13 in the caption above and should be submitted on or before [insert date 21 days from publication in the Federal Register.] \_\_\_\_\_.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

Secretary

Dated: \_\_\_\_\_