

RECEIVED
C.F.T.C.

2005 JAN 18 PM 2: 27

January 11, 2005

Jerry W. Carpenter
Assistant Director
Division of Market Regulation
Mail Stop 5-1
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549

Re: The Options Clearing Corporation
Amendment No. 2 to File SR-OCC-2002-16

Dear Jerry:

The Options Clearing Corporation ("OCC") is hereby amending its pending rule Filing No. SR-OCC-2002-16. That filing proposes an amendment to Rule 611(c) of OCC's Rules under which OCC Clearing Members would be permitted to "unsegregate" long options positions are one leg of a spread in which the other leg is a position in a futures contract. Rule 611(c) already allows Clearing Members to unsegregate long options positions which are part of a spread where the other leg of the spread is a short options position.

In the penultimate paragraph of Item 3 of Filing No. 2002-16, OCC requested that the Commission, in approving the rule change, make an express determination that a clearing member who gives an instruction to unsegregate long options positions under Rule 611(c), as amended, would not be in violation of the hypothecation rules or Rule 15c3-3. This amendment removes this paragraph from Filing No. 2002-16. Instead, OCC is concurrently requesting, under separate cover, no-action relief under which Clearing Members unsegregating long options positions which are part of a spread, where the other leg of the spread is a futures position, would not be deemed to be in violation of these rules.

Please call me at (312) 322-6269 if you have any questions or comments regarding either the original or proposed change or the proposed amendment.

Very truly yours,

Jean M. Cawley
First Vice President and
Deputy General Counsel