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2005 DEC 12 PM 4: 05

SR-OCC-2004-20; Amendment No. 2

Date Submitted: December 12, 2005

OFC. OF THE SECRETARIAT

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PARTIAL AMENDMENT

The Options Clearing Corporation ("OCC") hereby submits this partial amendment, constituting Amendment No. 2, to its rule filing SR-OCC-2004-20, filed on November 15, 2004, in which OCC proposed to amend its by-laws and rules to reflect the implementation of a new risk management methodology, STANS. This partial amendment, which is being filed at the Commission's request, amends Interpretation and Policy .01 to Rule 1001, effective upon implementation of the STANS methodology, to specify 6%, rather than 5%, as the minimum percentage of the average aggregate margin requirement used to determine the size of OCC's clearing fund. The Commission asked OCC to raise the minimum percentage used to determine the clearing fund's size in connection with its approval of this rule filing because OCC estimated that overall margin requirements will be reduced when STANS is implemented. OCC has advised the Commission that it plans to reevaluate its clearing fund methodology following STANS' implementation.

THE OPTIONS CLEARING CORPORATION

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Rules

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Chapter X

Clearing Fund Contributions

Rule 1001. [unchanged]

...Interpretations and Policies:

.01 The Board of Directors of the Corporation has prescribed that, at the present time, the percentage amount referred to in paragraphs (a) and (b) of this Rule 1001 shall be not less than [5]6% and not greater than 7% of the average daily aggregate margin requirement with respect to stock option contracts, BOUNDS and stock loan and borrow positions, and non-equity securities option contracts, basket stock loan and borrow positions, respectively. In the event that a percentage amount of [5]6% produces a Clearing Fund of less than \$1 billion dollars, then the percentage amount shall be increased until a percentage amount of 7% or a Clearing Fund of \$1 billion is reached

.02 [unchanged]