



THE OPTIONS CLEARING
CORPORATION

January 14, 2010

VIA E-MAIL

Mr. David A. Stawick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

2010 JAN 14 PM 5 38
O.F.T.C.
OFFICE OF THE SECRETARIAT

Re: Rule Filing SR-OCC-2010-01 Rule Certification

Dear Mr. Stawick:

Attached is a copy of the above-referenced rule filing, which The Options Clearing Corporation ("OCC") is submitting pursuant to the self-certification procedures of Commission Regulation 40.6. This rule filing has been, or is concurrently being, submitted to the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (the "Exchange Act").

In conformity with the requirements of Regulation 40.6(a)(3), OCC states the following: The text of the rule is set forth at Item 1 of the enclosed filing. The date of implementation of the rule is when the proposed rule has been approved by the SEC. No substantive opposing views were expressed to OCC by governing board or committee members, clearing members of OCC, or market participants, that were not incorporated into the rule.

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



Mr. David A. Stawick
Page Two
January 14, 2010

Should you have any questions regarding this matter, please do not hesitate to contact the undersigned at (877) 562-3591.

Sincerely,

Bruce C. Kelber

Attachments

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

OCC-2010-01 cftc.ltr

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 Options Clearing Corporation (“OCC” or the “Corporation”) proposes to amend its By-Laws and Rules as set forth below. Material proposed to be added to OCC’s By-Laws and Rules as currently in effect is underlined. Material proposed to be deleted is enclosed in bold brackets.

THE OPTIONS CLEARING CORPORATION**BY-LAWS**

* * *

ARTICLE I**Definitions**

* * *

Definitions

SECTION 1. Unless the context requires otherwise (or except as otherwise specified in the By-Laws), the terms defined herein shall, for all purposes of these By-Laws and the Rules of the Corporation, have the meanings herein specified.

A.

(1) – (4) [No change]

Aggregate Exercise Price

(5) The term "aggregate exercise price" means the exercise price of an option contract multiplied by the number of units of the underlying security covered by the option contract; provided, however, that in the case of option contracts for which the exercise price is expressed as a multiple of the per-unit price, then for purposes of calculating the aggregate exercise price, the unit of trading shall also be modified so as to obtain the same aggregate exercise price as if the exercise price were expressed as a per-unit price.

(6) – (16) [No change]

B. [No change]**C.****Call**

(1) The term “call” means an option that provides the holder the right, in accordance with the terms and provisions of the By-Laws and Rules, to purchase from the Corporation the number of units of the underlying interest covered by the option at [a price per

unit equal to] the aggregate exercise price, or, in the case of a futures option, to enter into a long position in the underlying futures contract, upon the timely exercise of such option.

(2) – (35) [No change]

D. [No change]

E.

(1) – (17) [No change]

Exercise Price

(18) The term “exercise price” in respect of an option contract means the specified price per unit at which the underlying interest may be purchased (in the case of a call) or sold (in the case of a put) upon exercise of the option contract, provided that the exercise price for certain options may be expressed as a multiple of the per-unit price.

(19) – (23) [No change]

F. - O. [No change]

P.

(1) – (15) [No change]

Put

(16) The term “put” means an option that provides the holder the right, in accordance with the terms and provisions of the By-Laws and Rules, to sell to the Corporation the number of units of the underlying interest covered by the option, at [a price per unit equal to]the aggregate exercise price, or, in the case of a futures option, to enter into a short position in the underlying futures contract, upon the timely exercise of such option.

Q. – Z. [No change]

* * *

RULES

* * *

Chapter VIII

Exercise and Assignment

* * *

Expiration Date Exercise Procedure

RULE 805. (a) – (c) [No change]

(d) Each Clearing Member shall be deemed to have properly and irrevocably tendered to the Corporation, immediately prior to the expiration time for such option contracts on each expiration date, an exercise notice with respect to:

(1) each option contract listed in the Clearing Member's Expiration Exercise Report that the Clearing Member has instructed the Corporation to exercise in accordance with subparagraph (b) or (c), and

(2) every option contract of each series listed in the Clearing Member's Expiration Exercise Report that has an exercise price below (in the case of a call) or above (in the case of a put) the closing price of the underlying security by \$0.01 or more, unless the Clearing Member shall have duly instructed the Corporation, in accordance with subparagraph (b), to exercise none, or fewer than all, of the option contracts of such series carried in such account, provided that in the case of options with an exercise price expressed as a multiple of the per-unit price, in making the above calculations such multiple shall be applied to the closing price. If a Clearing Member desires that any such option contract not be exercised, it shall be the responsibility of the Clearing Member to give appropriate instructions to the Corporation in accordance with subparagraph (b).

* * *

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Board of Directors of OCC on December 8, 2009.

Questions regarding the proposed rule change should be addressed to Jean M. Cawley, Senior Vice President and Deputy General Counsel, at (312) 322-6269.

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

The purpose of this rule change is to revise OCC's By-Laws and Rules to accommodate options for which the premium and exercise price are expressed on other than a per unit basis. NYSE Amex LLC ("NYSE Amex") is proposing to trade physically-settled

options on exchange-traded funds (“ETFs”) with a unit of trading of 1000 shares (“Grand Options”) rather than the standard unit of trading of 100 shares.

When NYSE Amex previously introduced ETF options with a unit of trading of 1000, NYSE Amex followed the usual convention of quoting premiums and exercise prices as per-share amounts. The extended premium and aggregate exercise price were then calculated in the usual way, *i.e.*, by multiplying the per-share amount (premium or exercise price) by the unit of trading (1000). In NYSE Amex’s experience, this approach caused investor confusion because investors in some cases failed to realize that they were trading large-sized options until premiums equal to ten times the expected amount were debited from their accounts. To address these concerns, NYSE Amex intends to modify the standard method of stating premiums and exercise prices for Grand Options by multiplying the per-share amount by 10. Extended premiums and exercise prices for such contracts would then be calculated by multiplying by 100 rather than the actual unit of trading of 1000. NYSE Amex believes that, by increasing the size of the stated premiums and exercise prices by a factor of 10, the larger size of these options will be more apparent to investors.

To accommodate options for which the premium and exercise price are expressed as a multiple of the per-share amount, OCC proposes to make minor technical amendments to a few definitions in its By-Laws, as well as to its rule governing expiration date exercise procedures.

* * *

The proposed changes to OCC’s By-Laws and 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 would promote the prompt and accurate clearance and

settlement of Grand Options and protect investors by reducing the likelihood of investor confusion, and because they would permit Grand Options to be traded, cleared and settled in the same basic manner as other currently available options, subject to the same rules and procedures that have been successfully used by OCC to clear and settle other options. The proposed rule change is not inconsistent with OCC's existing rules, including those 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 burden on competition.

Item 5. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

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.

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

OCC is filing this rule change for immediate effectiveness pursuant to Section 19(b)(3) of the Exchange Act and Rule 19b-4(f)(1) thereunder. Pursuant to Rule 19b-4(f)(1), a rule change may take effect upon filing with the Commission if it constitutes “a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.” OCC already has rules governing options on ETFs, and its rules already accommodate options with a non-standard unit of trading. The proposed changes merely clarify the application of these rules to options such as Grand Options for which the Exchange intends to express premiums and exercise prices as a multiple of the per-unit basis price. Accordingly, the proposed changes constitute an interpretation of the existing rules governing options on ETFs.

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.

SIGNATURE

Pursuant to the requirements of the Exchange Act, 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:  _____

Bruce Kelber
Vice President
Associate General Counsel

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-OCC-2010-01

SELF-REGULATORY ORGANIZATION

Proposed Rule Change By
The Options Clearing Corporation

Relating To Options For Which The
Premium And Exercise Price Are Expressed
As A Multiple Of The Per-Share Amount.

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 _____, 2010, 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 the Substance of the Proposed Rule Change**

The proposed rule change would revise OCC's By-Laws and Rules to accommodate options for which the premium and exercise price are expressed on other than a per unit basis.

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 rule change is to revise OCC's By-Laws and Rules to accommodate options for which the premium and exercise price are expressed on other than a per unit basis. NYSE Amex LLC ("NYSE Amex") is proposing to trade physically-settled options on exchange-traded funds ("ETFs") with a unit of trading of 1000 shares ("Grand Options") rather than the standard unit of trading of 100 shares.

When NYSE Amex previously introduced ETF options with a unit of trading of 1000, NYSE Amex followed the usual convention of quoting premiums and exercise prices as per-share amounts. The extended premium and aggregate exercise price were then calculated in the usual way, *i.e.*, by multiplying the per-share amount (premium or exercise price) by the unit of trading (1000). In NYSE Amex's experience, this approach caused investor confusion because investors in some cases failed to realize that they were trading large-sized options until premiums equal to ten times the expected amount were debited from their accounts. To address these concerns, NYSE Amex intends to modify the standard method of stating premiums and exercise prices for Grand Options by multiplying the per-share amount by 10. Extended premiums and exercise prices for such contracts would then be calculated by multiplying by 100

rather than the actual unit of trading of 1000. NYSE Amex believes that, by increasing the size of the stated premiums and exercise prices by a factor of 10, the larger size of these options will be more apparent to investors.

To accommodate options for which the premium and exercise price are expressed as a multiple of the per-share amount, OCC proposes to make minor technical amendments to a few definitions in its By-Laws, as well as to its rule governing expiration date exercise procedures.

* * *

The proposed changes to OCC's By-Laws and 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 would promote the prompt and accurate clearance and settlement of Grand Options and protect investors by reducing the likelihood of investor confusion, and because they would permit Grand Options to be traded, cleared and settled in the same basic manner as other currently available options, subject to the same rules and procedures that have been successfully used by OCC to clear and settle other options. The proposed rule change is not inconsistent with OCC's existing rules, including those 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. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule 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. Please include File Number 2010-01 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-2010-01. 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-2010-01 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: _____