



THE OPTIONS CLEARING
CORPORATION



SEC. OF THE SECRETARIAT

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May 15, 2008

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

Re: Rule Filing SR-OCC-2008-09 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.

JEAN M. CAWLEY

SENIOR VICE PRESIDENT AND DEPUTY GENERAL COUNSEL

ONE N. WACKER DRIVE, SUITE 500 CHICAGO, ILLINOIS 60606 TEL 312.322.6269 FAX 312.322.6280

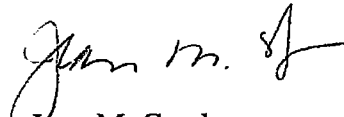
JCAWLEY@THEOCC.COM WWW.OPTIONSCLEARING.COM



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Should you have any questions regarding this matter, please do not hesitate to contact the undersigned at (312) 322-6269.

Sincerely,



Jean M. Cawley

Attachments

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

OCC-2008-09 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 in order to (i) eliminate foreign currencies and letters of credit denominated in a foreign currency as eligible forms of margin assets, and (ii) explicitly provide that the by-laws and rule provisions relating to physical delivery currency options will not be operative until further notice by OCC. The proposed changes reflect the recent de-listing of all physical delivery currency options by the Philadelphia Stock Exchange, Inc. Material proposed to be deleted from the by-laws and rules is enclosed in brackets. Material proposed to be added is marked by underlining.

THE OPTIONS CLEARING CORPORATION

BY-LAWS

ARTICLE XV

Foreign Currency Options

Introduction

**THE BY-LAWS IN THIS ARTICLE ARE INOPERATIVE UNTIL FURTHER
NOTICE BY THE CORPORATION.**

Remainder of the Introduction section is unchanged.

ARTICLE XXII

Cash-Settled Foreign Currency Options

Introduction

**THE BY-LAWS IN THIS ARTICLE ARE INOPERATIVE UNTIL FURTHER
NOTICE BY THE CORPORATION.**

Remainder of the Introduction section is unchanged.

RULES

Chapter VI

Form of Margin Assets

RULE 604. To satisfy the margin requirements determined under Rule 601, a Clearing Member may deposit margin assets with the Corporation in one or more of the forms specified in paragraphs (a) - (c) of this Rule 604.

(a) **Cash.** Clearing Members may deposit U.S. dollars[, any "trading currency" or any underlying currency] in accordance with procedures acceptable to the Corporation. [The Corporation shall convert the deposit of trading currency or underlying currency into a U.S. dollar equivalent for purposes of determining the Clearing Member's compliance with the Corporation's margin requirements.] Funds so deposited may from time to time be partially or wholly invested by the Corporation for its account in Government securities, and any interest or gain received or accrued on the investment of such funds shall belong to the Corporation.

(b) [unchanged]

(c) **Letters of Credit.** Clearing Members may deposit with the Corporation letters of credit denominated in U.S. dollars[, or in any foreign currency designated by the Corporation, and] issued by banks or trust companies approved by the Corporation for this purpose. Such letters of credit shall be in a form prescribed by the Corporation and shall meet the following criteria:

(1) Letters of credit [denominated in U.S. dollars] shall contain the unqualified commitment of the issuer to pay a specified sum of money to the Corporation within 60 minutes after receipt of a demand for payment that is made prior to 3:00 P.M. Central Time on a day prior to the expiration of the letter of credit when the issuer is open for business. If the Corporation makes a demand for payment [with respect to a U.S. dollar-denominated letter of credit] prior to the expiration of the letter of credit and either (i) after 3:00 P.M. Central Time or (ii) on a day when the issuer is not open for business, then the issuer shall pay the demanded sum

as soon as possible thereafter but in any event within 60 minutes after the earliest time when the issuer is next open for business.

[(2) Letters of credit denominated in a currency other than U.S. dollars shall contain the unqualified commitment of the issuer that it will, within 60 minutes after receipt of a demand for payment made prior to 3:00 P.M. local time on a day when the issuer is open for business at the office to which such demand is properly made, either: (i) effect payment of a specified sum of the designated currency to the Corporation or (ii) transmit to the Corporation the issuer's binding promise to effect such payment as soon as possible and in any event prior to the close of business on the business day next following the day on which such binding promise is due. Such letters of credit shall also contain the issuer's unqualified commitment that, if the Corporation makes a demand for payment after 3:00 P.M. local time or on a day when the issuer is not open for business at the office to which such demand is properly made, then the issuer will pay the demanded sum or transmit such binding promise as soon as possible thereafter but in any event within 60 minutes after the earliest time when such office is next open for business.]

[2[3)] [All]Letters of credit[, whether denominated in U.S. dollars or foreign currency,] shall expire at 11:59 P.M. (local time of the issuer) on any date that the Corporation has specified as one of the permissible expiration dates for letters of credit.

[3[4)] All letters of credit[, whether denominated in U.S. dollars or foreign currency,] shall be irrevocable.

Remainder of paragraph (c) is unchanged.

(d) [unchanged]

(e) Notwithstanding any other provision of this Rule 604, in determining the U.S. dollar amount of the margin credit to be given to [any foreign currency or] any asset denominated in a foreign currency, the Corporation may use such exchange rates and apply such "haircuts" as it deems appropriate for its protection.

(f) [unchanged]

...Interpretations and Policies:

.01 - .02 [unchanged]

.03 Any letter of credit issued by a Non-U.S. institution [and denominated in U.S. dollars] must be payable at a Federal or State Branch or Agency thereof.

.04 - .07 [unchanged]

.08 A letter of credit may be issued by a Non-U.S. branch of a U.S. institution provided it otherwise conforms with this rule and the Interpretations and Policies hereunder and[, if denominated in U.S. dollars,] is payable at a U.S. office of such institution.

[.09 Any letter of credit denominated in a foreign currency must be payable at such location or locations as the Corporation may specify.]

Interpretations and Policies .10 - .13 are renumbered .09 - .12, but otherwise are unchanged.

CHAPTER XVI

Foreign Currency Options

Introduction

THE RULES IN THIS CHAPTER ARE INOPERATIVE UNTIL FURTHER NOTICE BY THE CORPORATION.

Remainder of the Introduction section is unchanged.

CHAPTER XXI

Cross-Rate Foreign Currency Options

Introduction

THE RULES IN THIS CHAPTER ARE INOPERATIVE UNTIL FURTHER NOTICE BY THE CORPORATION.

Remainder of the Introduction section is unchanged.

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Board of Directors of OCC at a meeting held on February 29, 2008.

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 primary purpose of this rule change is to eliminate, as eligible forms of margin assets, foreign currency and letters of credit denominated in a foreign currency.

Background

The Philadelphia Stock Exchange, Inc. ("Phlx") has delisted all physical delivery foreign currency and cross-rate foreign currency options (collectively, "currency options"), and has advised OCC that it does not presently plan to list contracts requiring foreign currency delivery. To support premium and exercise settlement for such currency options (as applicable), OCC has maintained bank accounts in various countries which also have been used from time to time to hold margin deposits in foreign currencies. With the delisting of physical delivery currency options, these accounts are no longer needed for operational reasons. Few clearing members have deposited foreign currencies as margin with OCC and only in *de minimis* amounts, and no such deposits are currently held by OCC. In light of the limited and infrequent use of this margin asset class by clearing members, OCC has determined to close its foreign currency accounts for cost saving purposes. Closing these accounts means that OCC will no

longer have the operational capability to accept foreign currency for margin purposes, and accordingly, OCC proposes to modify its rules to delete this asset class. Letters of credit denominated in a foreign currency have never been posted with OCC by clearing members and their acceptance will be eliminated as well.

Rule Changes

To eliminate these forms of margin assets OCC would amend Rule 604 as described below. Specifically, references to deposits of foreign currencies would be deleted from paragraph (a), which relates to cash margin deposits. References to letters of credit denominated in a foreign currency would be deleted from paragraph (c). Other technical, conforming changes would be made to paragraph (c) to reflect such deletion. Because amended paragraph (c) would specify that letters of credit are to be denominated in U.S. Dollars, specific references to U.S. dollar denominated letters of credit would be removed from Interpretations and Policies .03 and .08 under Rule 604. Interpretation and Policy .09 would be deleted in its entirety as it solely relates to deposits of letters of credit denominated in a foreign currency.

For rule transparency purposes, OCC also proposes to insert a notice at the beginning of the by-law articles and rule chapters that relate to physical delivery currency options (i.e., Articles XV and XXI and Chapters XVI and XXII) to inform readers that such provisions are inoperative until further notice by OCC.

* * *

The proposed change is consistent with Section 17A of the Securities Exchange

Act of 1934, as amended (the "Exchange Act"), because it removes the eligibility of asset classes for margin purposes that either are not currently used, or have never been used, by clearing members in order to reduce OCC's operating costs. 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 impose any 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 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)

Not applicable.

Item 8. Proposed Rule Change Based on Rule of Another Self-Regulatory Organization or of the Commission

Not applicable.

Item 9. Exhibits

Exhibit 1. Completed Notice of Proposed Rule Change for publication in the Federal Register.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, 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: William H. Navin
William H. Navin
Executive Vice President and
General Counsel