

C.F.T.C.  
OFFICE OF THE SECRETARIAT



2010 OCT 4 PM 3 45 THE OPTIONS CLEARING  
CORPORATION

October 4, 2010

**VIA E-MAIL**

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

**Re: Rule Filing SR-OCC-2010-17 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

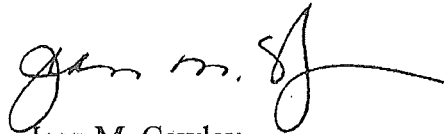
JCAWLEY@THEOCC.COM WWW.OPTIONSCLEARING.COM



Mr. David A. Stawick  
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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-2010-17 cftc.ltr

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**

As set forth below, The Options Clearing Corporation (“OCC” or the “Corporation”) proposes to amend its By-Laws and Rules (collectively, “Rules”) in order to provide a new service for clearing members who are parties to a Clearing Member Trade Assignment (“CMTA”) arrangement. Clearing members electing to participate in the new service would authorize OCC to facilitate, on a non-guaranteed basis, settlement of commissions and fees relating to position transfers effected between the clearing members pursuant to their CMTA arrangement. Material proposed to be added to the Rules as currently in effect is underlined and material proposed to be deleted is bracketed.

**THE OPTIONS CLEARING CORPORATION**

**BY-LAWS**

**ARTICLE I**

**SECTION 1.**

A. – B. [unchanged]

C.

(1) – (17) [unchanged]

**CMTA Agreement**

(18) The term “CMTA Agreement” means an an [written] agreement between a Carrying Clearing Member and an Executing Clearing Member regarding their respective responsibilities in connection with their CMTA arrangement.

(19) – (36) [unchanged]

D. – Z. [unchanged]

\* \* \*

## RULES

\* \* \*

### CHAPTER IV

#### Trade Reporting and Matching

\* \* \*

#### Clearing Member Trade Assignment (“CMTA”)

**RULE 403.** (a) (1) Clearing Members that are parties to a CMTA arrangement shall register their arrangement with the Corporation and provide such information regarding the arrangement as the Corporation shall require. The registration of a CMTA arrangement shall be effective when the Clearing Members have supplied to the Corporation matching information regarding the arrangement. Such registration shall: (i) constitute notice to the Corporation that the Executing Clearing Member has been authorized by the Carrying Clearing Member to direct the transfer of Exchange transactions to a designated account or accounts of the Carrying Clearing Member; (ii) constitute the continuing representation and warranty of each Clearing Member to the Corporation that they have [executed and retained in their files] entered into a CMTA Agreement which, if the Corporation has specified an approved form, [that] is in substantially the form approved by the Corporation; and (iii) remain in effect until terminated as specified herein. A Clearing Member that is a party to a CMTA arrangement involving CMTA Customers shall also register with the Corporation each CMTA Customer Identifier and each IB Identifier that has been assigned for purposes of such CMTA arrangement, and shall promptly update such registrations to the extent a CMTA Customer Identifier or an IB Identifier is modified or deleted; provided that the identifiers have been approved by the other Clearing Member to the CMTA arrangement before the identifiers are submitted to the Corporation for registration. Registration of such identifiers, including any modifications or deletions thereto, shall be effective when the Corporation’s systems have accepted such registration or updated identifier information. The Corporation may reject the registration a particular CMTA Customer Identifier or IB Identifier in the event an assigned identifier is already registered with the Corporation.

(2) In addition to the foregoing registrations, Clearing Members that are parties to a CMTA arrangement may elect to authorize the Corporation to settle fees and commissions owed by the Carrying Clearing Member to the Executing Clearing Member in respect of transfers

effected pursuant to that arrangement. Clearing Members making such election shall specifically register that aspect of their CMTA arrangement with the Corporation. Such registration shall authorize (i) the Executing Clearing Member to enter into the Corporation's systems fee and commission information with respect to transfers effected pursuant to the CMTA arrangement between the Clearing Members, subject to such system checks as may be established by the Corporation from time to time, and (ii) the Corporation to calculate and settle, in accordance with the applicable provisions of Rule 504, the aggregate of such entered amounts on the next following business day without any further authorization or consent of the Carrying Clearing Member. Registration of this aspect of the Clearing Members' CMTA arrangement shall be effective when the Corporation's systems have accepted such registration. Any entries made pursuant to such registration shall be solely for fees and commissions related to transfers effected pursuant to the Clearing Members' CMTA arrangement and for no other purposes.

(b) – (i) [unchanged]

(j) Upon receipt of a termination notice in respect of a CMTA registration, the Corporation shall promptly notify the affected Clearing Members of the termination. A mutually agreed upon termination shall be effective when both Clearing Members thereto notify the Corporation that they have agreed to terminate their CMTA registration. A unilateral termination shall be effective at 8:00 a.m. Central Time (9:00 a.m. Eastern Time) on the business day immediately succeeding the business day on which notice of termination was given to the Corporation. In the event the terminated CMTA arrangement provided for the settlement of fees and commissions between the affected Clearing Members, the Corporation shall be authorized to effect settlement of such amounts for entries inputted into the Corporation's systems prior to the effective time of such termination.

(k) [unchanged]

*...Interpretation and Policies.* [unchanged]

\* \* \*

## Chapter V

### Daily Cash Settlements

\* \* \*

#### [Money-Only] Non-Guaranteed Settlement Service

**RULE 504.** (a) A Clearing Member may use the Corporation's [money-only] non-guaranteed settlement service to settle money differences arising in connection with cleared contracts or other transactions cleared by the Corporation, subject to such further limitations as may be described in procedures prescribed by the Corporation from time to time. The [money-only]

non-guaranteed settlement system shall be used solely for the purposes described herein [in the preceding sentence], and shall not be used for any other purpose.

(b) A Clearing Member may initiate a [money-only] non-guaranteed settlement by transmitting a [money-only] non-guaranteed settlement instruction (an "Instruction") to the recipient Clearing Member in accordance with the procedures established by the Corporation. Instructions transmitted on a particular business day must be approved on the same business day by such deadline as shall be specified by the Corporation from time to time. If the recipient Clearing Member does not approve the Instruction by such deadline, the Instruction shall be deemed null and void. If the Instruction is approved by the recipient Clearing Member by such deadline, the Corporation shall act as agent for each Clearing Member in effecting such [money-only] non-guaranteed settlement in accordance with this Rule [paragraphs (c) and (d)].

(c) Subject to [Rule 504(e)]the provisions of this Rule, on or before such deadline as shall be specified by the Corporation from time to time, the Corporation, as agent, shall pay to each Clearing Member that is a collecting Clearing Member in respect of Instructions approved in accordance with paragraph (b), any [money-only] non-guaranteed settlement amounts shown to be due from other Clearing Members in such Instructions.

(d) As provided in Rule 403 and notwithstanding any other provision of this Rule, the Corporation, as agent, shall be authorized to effect non-guaranteed settlement of fees and commissions owed by a Carrying Clearing Member to an Executing Clearing Member for transfers effected pursuant to their registered CMTA arrangement, provided that such registration authorizes the Corporation to effect such settlements. Aggregate amounts to be settled shall be calculated based on the entries made by the Executing Clearing Member into the Corporation's systems and the Corporation shall have no obligation to validate the correctness of such entries. Settlement of such amounts will be effected on the business day first succeeding the business day on which the Executing Clearing Member entered the applicable information into the Corporation's systems. No further authorization or consent of the Carrying Clearing Member shall be required in connection therewith and the Corporation shall have no role in resolving any disputes between the Carrying Clearing Member and the Executing Clearing Member regarding such settlements.

([d]e) The Corporation shall not be obligated to make payment to a Clearing Member pursuant to [Rule 504(d)] this Rule unless the Clearing Member has satisfied all payment obligations then owing to the Corporation. Any [money-only] non-guaranteed settlement amounts withheld by the Corporation as a result of a Clearing Member's failure to satisfy such obligations shall be retained by the Corporation and used to satisfy any such obligations.

([e]f) Anything else herein to the contrary notwithstanding, [money-only]non-guaranteed settlement payments are not guaranteed by the Corporation, and in facilitating [money-only]non-guaranteed settlements between Clearing Members pursuant to this Rule 504, the Corporation

shall act solely as agent for such Clearing Members, and shall have no obligation to pay or credit to any Clearing Member [money-only]non-guaranteed settlement amounts not theretofore collected from other Clearing Members. If a Clearing Member is suspended by the Corporation pursuant to Chapter XI, any pending Instructions initiated by or transmitted to such suspended Clearing Member shall be deemed null and void to the extent that such suspended Clearing Member is the paying Clearing Member. The Corporation shall have no obligation to effect settlement of fees and commissions as provided in Rule 403 if either the Executing Clearing Member or the Carrying Clearing Member has been suspended by the Corporation.

(g) Non-guaranteed settlement processing will not be performed until the settlements described in Rule 502 and in Rule 605 have been completed. If the Corporation deems it advisable not to process non-guaranteed settlements on any business day, the Corporation will inform Clearing Members with pending settlements of its determination and of the business day on which non-guaranteed settlement processing will be resumed.

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**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 July 27, 2010.

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 the proposed rule change is to provide a new service for clearing members that are parties to a Clearing Member Trade Assignment ("CMTA") arrangement. Clearing members electing to participate in the new service would authorize OCC to facilitate, on a non-guaranteed basis, settlement of commissions and fees<sup>1</sup> relating to position transfers effected between the clearing members pursuant to their CMTA arrangement. This service is

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<sup>1</sup> Fees would include, for example, exchange, clearing and other fees related to the transaction.



being offered in response to a request made by OCC's Roundtable.<sup>2</sup>

### Background

CMTA is the process by which an authorized executing clearing member directs the transfer of an exchange transaction to a designated account of a carrying clearing member. To correct mis-clears and other bona fide processing errors, an executing clearing member also may transfer to a carrying clearing member as a part of their CMTA arrangement positions that resulted from transactions that were directly cleared into an account of an executing clearing member but intended for give-up to the carrying clearing member. Currently, fees and commissions that are owed by the carrying clearing member to the executing clearing member in respect of these transfers are tracked and billed bilaterally between the firms. This process has long been considered inefficient, resulting in increased collection times and reconciliation problems for the firms involved. At the request of the Roundtable, OCC has developed a centralized solution to reduce certain of these inefficiencies. OCC therefore proposes to modify its systems and rules to provide for the non-guaranteed settlement of fees and commissions associated with position transfers effected pursuant to registered CMTA arrangements.

### Rule Changes

OCC proposes to add system functionality to support the calculation and non-guaranteed settlement of fees and commissions based on entries made by the executing clearing

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<sup>2</sup>The OCC Roundtable is an OCC sponsored advisory group comprised of representatives from OCC's participant exchanges, OCC, a cross-section of OCC clearing members, and industry service bureaus. The Roundtable considers operational improvements that may be made to increase efficiencies and lower costs in the options industry. As a separate, but related matter, the Roundtable also asked OCC to eliminate the requirement that clearing members to a CMTA arrangement represent they have entered into a "written" agreement when registering their arrangement in order to support their ability to enter into agreements electronically.

member. Firms desiring to make use of this functionality will be required to re-register their CMTA arrangement, specifically authorizing OCC to make such settlements without any further authorization from the carrying clearing member. Accordingly, OCC is proposing to amend Rule 403, relating to CMTA processing, to provide that clearing members electing to use this new service must register that aspect of their CMTA arrangement with OCC. Such registration, when accepted by OCC's systems, would authorize an executing clearing member to make entries into OCC's systems with respect to fees and commissions, subject to any system checks imposed by OCC.<sup>3</sup> Such registration further would authorize OCC to settle on a non-guaranteed basis the total of such amounts on the business day next following the date the entries were made without any further authorization from the carrying clearing member. If the clearing members terminated their CMTA arrangement, OCC would be authorized to settle any fee and commission amounts entered prior to the effective time of such termination as determined in accordance with Rule 403.

Settlement of fees and commissions will be done on a non-guaranteed basis pursuant to changes being made to Rule 504. Rule 504 currently provides for OCC's money-only settlement service (proposed to be re-named "non-guaranteed settlement service") through which clearing members may specifically authorize OCC to effect non-guaranteed settlements of monies owed between two firms relating to transactions cleared by OCC. A new provision is

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<sup>3</sup> For commissions, OCC's systems will be configured to permit clearing members to specify either a particular commission rate or a flat commission rate, provided that no commission rate could exceed \$9.99/contract and no flat rate could exceed \$50,000 per entry. For fees, OCC's systems will be configured to permit clearing members to input any combination of fees subject to a \$50,000 cap per transaction. Use of this service by registered clearing members remains optional: i.e., OCC's systems will not require registered firms to input fee and commission information in order to effect a CMTA-related transfer.

being added to Rule 504 in order to accommodate the settlement of fees and commissions pursuant to an effectively registered CMTA arrangement. The new provision would permit OCC, as agent, to calculate and effect settlement of the aggregate of such amounts based on entries made by the executing clearing member to the CMTA arrangement without any further consent of the carrying clearing member. OCC will have no obligation to verify the executing clearing member's entries and any disputes between the firms regarding such amounts need to be resolved between themselves. Settlements would occur the business day following the business day on which the executing clearing member inputs necessary information into OCC's systems. Like other settlements effected pursuant to Rule 504, these settlements would not be guaranteed by OCC. If a settlement draft for these amounts against a clearing member's bank account is not honored, OCC would have no obligation to effect any payment of commissions and fees to the executing clearing member. Likewise, OCC would have no obligation to effect these settlements if OCC suspended an executing or carrying clearing member.

Finally, OCC proposes to insert another new provision into Rule 504. First, the new provision would reflect OCC's current practice of not processing non-guaranteed settlements until settlements pursuant to Rule 502 (for premium, mark-to-market, and cash exercise and assignment settlement amounts) and 605 (margin deficits) have been completed. Second, it would also permit OCC to defer processing of non-guaranteed settlements on a business day. Affected clearing members would be notified of OCC's decision and of the business day non-guaranteed settlements would be resumed. This authority would provide OCC with flexibility to defer processing non-guaranteed settlements on a given business day in the

event a significant processing delay made such action advisable or appropriate.

\* \* \*

The proposed change is consistent with Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), because it would provide a centralized service to facilitate collection of fees and commissions relating to transfers between clearing members that are parties to a CMTA arrangement, thereby increasing the efficiency of the fee and commission collection process and reducing costs associated therewith. 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)**

OCC is filing the proposed rule change for immediate effectiveness pursuant to Section 19(b)(3) of the Exchange Act and Rule 19b-4(f)(4) thereunder on the basis that the proposed rule change effects a change in OCC's existing CMTA and non-guaranteed settlement services that does not (i) adversely affect the safeguarding of securities or funds in OCC's custody or control or for which OCC is responsible or (ii) significantly affect the respective rights or obligations of OCC or persons using the service. Notwithstanding that OCC is filing this rule change for immediate effectiveness, implementation will occur when the necessary system changes are installed, which is expected to occur in mid-October 2010.

**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**

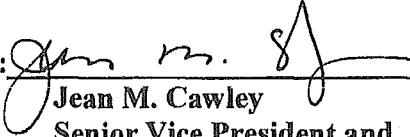
By:   
\_\_\_\_\_  
**Jean M. Cawley**  
**Senior Vice President and**  
**Deputy General Counsel**

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-\_\_\_\_\_ ; File No. SR-OCC-2010-17

SELF-REGULATORY ORGANIZATION

Proposed Rule Change By  
The Options Clearing Corporation

Relating to Clearing Member  
Trade Assignment (CMTA)

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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 \_\_\_\_\_, 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 provide a new service for clearing members that are parties to a Clearing Member Trade Assignment ("CMTA") arrangement.

**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 the proposed rule change is to provide a new service for clearing members that are parties to a Clearing Member Trade Assignment (“CMTA”) arrangement. Clearing members electing to participate in the new service would authorize OCC to facilitate, on a non-guaranteed basis, settlement of commissions and fees<sup>1</sup> relating to position transfers effected between the clearing members pursuant to their CMTA arrangement. This service is being offered in response to a request made by OCC’s Roundtable.<sup>2</sup>

**Background**

CMTA is the process by which an authorized executing clearing member directs the transfer of an exchange transaction to a designated account of a carrying clearing member. To correct mis-clears and other bona fide processing errors, an executing clearing member also may transfer to a carrying clearing member as a part of their CMTA arrangement positions that

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<sup>1</sup> Fees would include, for example, exchange, clearing and other fees related to the transaction.

<sup>2</sup> The OCC Roundtable is an OCC sponsored advisory group comprised of representatives from OCC’s participant exchanges, OCC, a cross-section of OCC clearing members, and industry service bureaus. The Roundtable considers operational improvements that may be made to increase efficiencies and lower costs in the options industry. As a separate, but related matter, the Roundtable also asked OCC to eliminate the requirement that clearing members to a CMTA arrangement represent they have entered into a “written” agreement when registering their arrangement in order to support their ability to enter into agreements electronically.



resulted from transactions that were directly cleared into an account of an executing clearing member but intended for give-up to the carrying clearing member. Currently, fees and commissions that are owed by the carrying clearing member to the executing clearing member in respect of these transfers are tracked and billed bilaterally between the firms. This process has long been considered inefficient, resulting in increased collection times and reconciliation problems for the firms involved. At the request of the Roundtable, OCC has developed a centralized solution to reduce certain of these inefficiencies. OCC therefore proposes to modify its systems and rules to provide for the non-guaranteed settlement of fees and commissions associated with position transfers effected pursuant to registered CMTA arrangements.

#### Rule Changes

OCC proposes to add system functionality to support the calculation and non-guaranteed settlement of fees and commissions based on entries made by the executing clearing member. Firms desiring to make use of this functionality will be required to re-register their CMTA arrangement, specifically authorizing OCC to make such settlements without any further authorization from the carrying clearing member. Accordingly, OCC is proposing to amend Rule 403, relating to CMTA processing, to provide that clearing members electing to use this new service must register that aspect of their CMTA arrangement with OCC. Such registration, when accepted by OCC's systems, would authorize an executing clearing member to make entries into OCC's systems with respect to fees and commissions, subject to any system checks imposed by OCC.<sup>3</sup> Such registration further would authorize OCC to settle on a non-guaranteed

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<sup>3</sup> For commissions, OCC's systems will be configured to permit clearing members to specify either a particular commission rate or a flat commission rate, provided that no commission rate could exceed \$9.99/contract and no flat rate could exceed \$50,000 per entry. For fees, OCC's systems will be configured to permit clearing members to input any combination of fees subject to a \$50,000 cap per transaction. Use of this service by registered clearing

basis the total of such amounts on the business day next following the date the entries were made without any further authorization from the carrying clearing member. If the clearing members terminated their CMTA arrangement, OCC would be authorized to settle any fee and commission amounts entered prior to the effective time of such termination as determined in accordance with Rule 403.

Settlement of fees and commissions will be done on a non-guaranteed basis pursuant to changes being made to Rule 504. Rule 504 currently provides for OCC's money-only settlement service (proposed to be re-named "non-guaranteed settlement service") through which clearing members may specifically authorize OCC to effect non-guaranteed settlements of monies owed between two firms relating to transactions cleared by OCC. A new provision is being added to Rule 504 in order to accommodate the settlement of fees and commissions pursuant to an effectively registered CMTA arrangement. The new provision would permit OCC, as agent, to calculate and effect settlement of the aggregate of such amounts based on entries made by the executing clearing member to the CMTA arrangement without any further consent of the carrying clearing member. OCC will have no obligation to verify the executing clearing member's entries and any disputes between the firms regarding such amounts need to be resolved between themselves. Settlements would occur the business day following the business day on which the executing clearing member inputs necessary information into OCC's systems. Like other settlements effected pursuant to Rule 504, these settlements would not be guaranteed by OCC. If a settlement draft for these amounts against a clearing member's bank account is not honored, OCC would have no obligation to effect any payment of commissions and fees to the

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members remains optional: i.e., OCC's systems will not require registered firms to input fee and commission information in order to effect a CMTA-related transfer.

executing clearing member. Likewise, OCC would have no obligation to effect these settlements if OCC suspended an executing or carrying clearing member.

Finally, OCC proposes to insert another new provision into Rule 504. First, the new provision would reflect OCC's current practice of not processing non-guaranteed settlements until settlements pursuant to Rule 502 (for premium, mark-to-market, and cash exercise and assignment settlement amounts) and 605 (margin deficits) have been completed. Second, it would also permit OCC to defer processing of non-guaranteed settlements on a business day. Affected clearing members would be notified of OCC's decision and of the business day non-guaranteed settlements would be resumed. This authority would provide OCC with flexibility to defer processing non-guaranteed settlements on a given business day in the event a significant processing delay made such action advisable or appropriate.

\* \* \*

The proposed change is consistent with Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), because it would provide a centralized service to facilitate collection of fees and commissions relating to transfers between clearing members that are parties to a CMTA arrangement, thereby increasing the efficiency of the fee and commission collection process and reducing costs associated therewith. The proposed rule change is not inconsistent with the existing rules of OCC, including any other rules 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](mailto:rule-comments@sec.gov). Please include File Number SR-OCC-2010-17 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-2010-17. 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-2010-17 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: \_\_\_\_\_