

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-73599; File No. SR-OC-2014-05)

November 14, 2014

Self-Regulatory Organizations; OneChicago, LLC; Notice of Filing of Proposed Rule Change to Expand the Trading Hours for Bilateral Block Trades and Bilateral EFP Trades

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (the “Act”)<sup>1</sup>, notice is hereby given that on October 23, 2014, OneChicago, LLC (“OneChicago,” “OCX,” or the “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change 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. OneChicago has also filed this rule change with the Commodity Futures Trading Commission (“CFTC”). OneChicago filed a written certification with the CFTC under Section 5c(c) of the Commodity Exchange Act (“CEA”) on October 23, 2014.

I. Self-Regulatory Organization’s Description of the Proposed Rule Change

OCX is proposing to expand its Trading Hours for bilateral block trades and bilateral Exchange of Future for Physical (“EFP”) trades. Currently, bilateral block trades and bilateral EFP trades are permitted to be reported to the Exchange beginning at 8:00 AM Central Time (“CT”) until 4:00 PM CT. Under the proposed change, market participants will be permitted to report these bilateral trades beginning at 7:00 AM CT. The closing time for reporting bilateral block trades and bilateral EFP trades will remain unchanged at 4:00 PM CT.

The text of the proposed rule change is attached as Exhibit 4 to the filing submitted by the Exchange but is not attached to the published notice of the filing.

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<sup>1</sup> 15 U.S.C. 78s(b)(7).

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

In its filing with the Commission, OneChicago 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

1. Purpose

The purpose of OneChicago's filing is to update its Trading Hours by expanding the reporting time for bilateral block and bilateral EFP trades. Currently, bilateral trades may be reported to OneChicago beginning at 8:00 AM CT and concluding at 4:00 PM CT. This reporting period opens thirty minutes earlier—and closes one hour later—than the standard market hours, which are 8:30 AM – 3:00 PM CT (3:15 PM for futures overlaying ETFs).

By expanding the bilateral trade reporting hours, OneChicago will allow market participants to utilize liquidity in the pre-market period when hedging their bilateral block trades, and also to generally increase the hours for reporting a bilateral EFP. Since the Exchange Rules require the reporting of bilateral trades within a certain timeframe, market participants cannot execute the underlying security portion of their block and EFP trades before permissible reporting hours. With the proposed change, market participants will be able to execute and timely report bilateral trades that involved underlying security executions that occurred as early as 7:00 AM CT.

## 2. Statutory Basis

OneChicago believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>2</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>3</sup> in particular, in that it is designed to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and remove impediments to and perfect the mechanism of a free and open market and national market system. OneChicago believes that expanding the bilateral trade reporting hours removes an impediment to trading that OneChicago market participants currently experience. By restricting bilateral trade reporting to an 8:00 AM CT opening time, market participants are currently unable to report bilateral trades executed before that time.

### B. Self-Regulatory Organization's Statement on Burden on Competition

OneChicago does not believe that the proposed rule change will impose any impact, or impose any burden, on competition not necessary or appropriate in furtherance of the purposes of the Act. The rule change simply expands the trading hours for bilateral trades and does not impose any new burdens on any market participants. The Exchange believes that the proposed rule change is equitable and not unfairly discriminatory because all of the amended rules apply equally to all market participants.

### C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

## III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The rule change will become operative on November 10, 2014.

At any time within 60 days of the date of effectiveness of the proposed rule change, the

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<sup>2</sup> 15 U.S.C. 78f(b).

<sup>3</sup> 15 U.S.C. 78(f)(b)(5).

Commission, after consultation with the CFTC, may summarily abrogate the proposed rule change and require that the proposed rule change be refiled in accordance with the provisions of Section 19(b)(1) of the Act.<sup>4</sup>

#### 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-OC-2014-05 on the subject line.

##### Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-OC-2014-05. 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 website (<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

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<sup>4</sup> 15 U.S.C. 78s(b)(1).

that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices of the Exchange. 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-OC-2014-05, and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>5</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>5</sup> 17 CFR 200.30-3(a)(12).