

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-51732; File No. SR-OC-2005-01)

May 24, 2005

Self-Regulatory Organization; OneChicago, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to EFP Transaction Reporting Procedures

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-7 under the Act,² notice is hereby given that on May 9, 2005, OneChicago, LLC (“OneChicago” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons. On May 6, 2005, OneChicago filed the proposed rule change with the Commodity Futures Trading Commission (“CFTC”), together with a written certification under Section 5c(c) of the Commodity Exchange Act³ in which OneChicago indicated that the effective date of the proposed rule change would be May 9, 2005.

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

OneChicago proposes to amend its policy regarding the reporting of exchange of futures for physical (“EFP”) transactions. The text of the proposed rule change is available at the principal office of the Exchange and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(7).

² 17 CFR 240.19b-7.

³ 7 U.S.C. 7a-2(c).

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 Exchange 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 Exchange 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

OneChicago proposes to amend its current EFP Transactions: Guidelines and Reporting Procedures ("Procedures") to permit Exchange members to report their proprietary EFP transactions, to permit authorized parties to report EFP transactions on a form and in a manner approved by OneChicago, and to make other non-substantive changes. The proposed rule change would permit OneChicago members with a reporting ID to report proprietary EFP transactions to OneChicago. In order to facilitate this amendment, the proposed rule change would also permit OneChicago members to directly contact OneChicago to request a reporting ID. The granting of a reporting ID would be at the discretion of OneChicago. Currently, only persons authorized by a clearing member firm may report EFP transactions. OneChicago believes that it would be more efficient to permit Exchange members that enter into EFP transactions for their proprietary account(s) to report those transactions to the Exchange.

The proposed rule change would also permit authorized parties to submit an EFP Transaction Report in a form and manner approved by OneChicago. Under the current Procedures, the parties to an EFP transaction must deliver OneChicago's EFP Transaction Report. OneChicago believes that the proposed rule change would permit flexibility to

accommodate new types and forms for reporting EFP transactions. Finally, the proposed rule change would also make other conforming and non-substantive changes.⁴

2. Statutory Basis

OneChicago believes that the proposed rule change is consistent with Section 6(b) of the Act⁵ in general, and Section 6(b)(5) of the Act⁶ in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and to protect investors and the public interest by amending the reporting requirements.

OneChicago believes that expanding persons who are eligible to report EFP transactions to those members who are conducting EFP transactions for their proprietary account(s) promotes just and equitable principles of trade and prevents fraudulent and manipulative acts. Furthermore, OneChicago believes that the proposed rule change also promotes just and equitable principles of trade by permitting flexibility for the changing trading environment by permitting reporting parties to submit an Exchange approved EFP Transaction Report in a manner authorized by the Exchange.

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

OneChicago does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, because the proposed rule change only clarifies reporting requirements for EFP transactions.

⁴ Since the proposed rule change would permit reporting parties to submit an EFP Transaction Report in a manner approved by the Exchange, the Exchange proposes to delete the language requiring reporting parties to e-mail or fax the EFP Transaction Report. Furthermore, the Exchange proposes to make other non-substantive changes by adding the word "of" in the first sentence of the Procedures and adding "to OneChicago" to Procedure No. 2.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

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

Written comments were neither solicited nor received with respect to the proposed rule change.

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

The proposed rule change became effective on May 9, 2005. Within 60 days of the date of effectiveness of the proposed rule change, the 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.⁷

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 SR-OC-2005-01 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609.

All submissions should refer to File Number SR-OC-2005-01. 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

⁷ 15 U.S.C. 78s(b)(1).

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, 450 Fifth Street, NW, Washington, DC 20549-0609. Copies of such filing also will be available for inspection and copying at the principal office of OneChicago. 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-2005-01 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.⁸

Margaret H. McFarland
Deputy Secretary

⁸ 17 CFR 200.30-3(a)(75).