

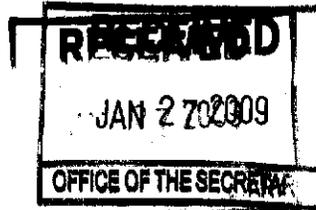
ES/27830

SR-OCC-2008-26 #1

QUADRISERV



529 Fifth Avenue, 14th Floor
New York, NY 10017



January 14, 2009

VIA FEDERAL EXPRESS

Ms. Elizabeth M. Murphy
Secretary
U.S. Securities & Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Dear Ms. Murphy:

I write on behalf of Quadrivers, Inc. ("Quadrivers") regarding the amendments proposed by The Options Clearing Corporation ("OCC") in File Number SR-OCC-2008-20 on December 22, 2008 (the "Proposal"). Quadrivers strongly urges the Securities and Exchange Commission ("SEC" or the "Commission") to approve the Proposal.

Quadrivers, through its wholly owned subsidiary, Automated Equity Finance Markets, Inc., owns and operates an electronic trading system for loaning and borrowing equity securities.¹ We anticipate that this securities lending platform, called AQSTM, will launch in the first quarter of 2009 and will be regulated by both the Financial Industry Regulatory Authority and the Commission.

For approximately two years, Quadrivers and the OCC have been in discussions regarding the possibility of the OCC providing clearing services for securities lending effected through AQS. The culmination of this cooperative effort is the proposed by-law and rule changes described in the Proposal. If and when the SEC approves the OCC's filing, AQS, as a Loan Market,² will utilize the clearing services of the OCC. Clearance through the OCC will provide AAA-credit intermediation by the world's largest equity

¹ Investors in Quadrivers, Inc., either through direct investment or an affiliate, include Bessemer Venture Partners, Merrill Lynch, Renaissance Technologies, and Susquehanna International Group.

² Proposed OCC By-Law Article I, Section 1(L)(5) would define "Loan Market" to mean "an electronic platform included in the Corporation's Market Loan Program that supports securities lending and borrowing transactions by matching lenders and borrowers based on loan terms that each party is willing to accept."

Ms. Elizabeth M. Murphy

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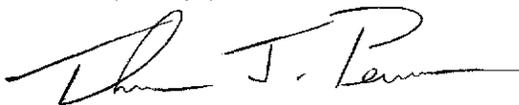
derivatives clearing organization. At the same time, however, we note that the OCC's capabilities will not be exclusive to AQS and may also be used by AQS competitors that are Loan Markets.

Quadrivers enthusiastically supports the OCC's filing because we believe that the proposed amendments will facilitate a significant advancement in the securities lending market. The AQS marketplace will improve the quality of markets for public investors by, among other things, enhancing the transparency and efficiency of the securities lending process and reducing systemic risk. Specifically, AQS will provide a centralized credit, transaction, and information utility to the securities lending industry. Through AQS, securities lenders will be able to: (1) interact directly with all eligible borrowers at publicly disclosed prices; and (2) verify that they have transacted at the prevailing market price, facilitating best execution measurement. Borrowers of securities will benefit from the AQS marketplace by having equal, anonymous access to the entire universe of lenders.

Moreover, the AQS marketplace will help address many of the challenges that recently have faced the securities industry, including an increased focus on short selling. Quadrivers supports the Commission's efforts to curb abusive short selling, and we believe that the AQS system will help address the Commission's concerns by providing a transparent, auditable platform for securities lending.

We appreciate the opportunity to provide comments. If you have any questions, please do not hesitate to contact either Gregory DePetris at (212-905-5224) or myself at (212-905-5225).

Very truly yours,



Thomas J. Perna
Chairman & CEO

cc: ✓ The Honorable Christopher Cox, Chairman
The Honorable Kathleen L. Casey, Commissioner
The Honorable Elisse B. Walter, Commissioner
The Honorable Luis A. Aguilar, Commissioner
The Honorable Troy A. Paredes, Commissioner