



July 6, 2018

Brent Fields
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Exchange Act Release No. 83406, SR-OCC-2018-008 (the “Proposal”)

Dear Mr. Fields:

Cboe Global Markets, Inc. (“Cboe”) appreciates the opportunity to comment in support of the Proposal. Cboe operates four registered national securities exchanges in the U.S. for the trading of equity options, including the largest U.S. Options exchange, and accounts for nearly 40% of cleared option volume in the U.S. As such, Cboe is acutely interested in the operations of the Options Clearing Corporation (“OCC”), the only U.S. clearinghouse for listed options.

As noted in the Proposal, OCC is proposing changes to its Clearing Fund Methodology Policy (“Policy”) and to adopt a new stress testing methodology. Cboe agrees with OCC that these changes will enhance and improve OCC’s resiliency and will benefit the options industry as a whole, by providing a more prudential risk management system that would sufficiently cover even extreme market conditions without unnecessarily impeding the operations of options market participants.

The Proposal, if approved, would allow OCC to make a variety of improvements to its risk models, and allow OCC to assess the sufficiency of its Clearing Fund over a more comprehensive range of historical and hypothetical stress testing scenarios. The Proposal also includes the adoption of a “Cover 2 Standard” that would ensure that the size of the Clearing Fund is sufficient to protect OCC against losses from the simultaneous default of its two largest Clearing Members under “extreme, but plausible” market conditions.

Cboe believes these changes help to correct certain shortcomings of the current model while continuing to ensure that OCC is appropriately funded in the event of default scenarios by focusing more on enhanced risk drivers and stress measures that are calculated daily. Accordingly, Cboe is supportive of and encourages the Commission to approve the Proposal.

Mr. Brent Fields
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Cboe appreciates the opportunity to comment in support of the Proposal and welcomes the opportunity to provide the Commission with any additional information that it might find useful or to further discuss any of the issues raised herein.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Concannon". The signature is fluid and cursive, with the first name "Chris" and last name "Concannon" clearly distinguishable.

Chris Concannon
President and COO