

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104089; File No. SR-OCC-2025-014]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by The Options Clearing Corporation Concerning Amendments to OCC’s By-Laws and Rules to Remove the Numerical Designation of Paragraphs in those Articles of the By-Laws and Sections of the Rules that List Definitions, in Favor of Maintaining the Paragraphs in Alphabetical Order.

September 26, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 the (“Exchange Act” or “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on September 18, 2025 the Options Clearing Corporation (“OCC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by OCC. OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)³ of the Act and paragraph (f) or Rule 19b-4⁴ thereunder, such that the proposed rule change was immediately effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f).

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

This proposed rule change would amend OCC’s By-Laws and Rules to remove the numerical designation of the paragraphs in those Articles of the By-Laws and Sections of the Rules that list definitions, in favor of maintaining the paragraphs in alphabetical order.

OCC filed proposed amendments to OCC’s current By-Laws and Rules as Exhibit 5A and 5B to File No. SR-OCC-2025-014, respectively. However, OCC has received approval for proposed rule changes with future implementation dates that touch on the sections proposed to be amended here.⁵ OCC proposes to amend such approved, but not yet implemented, rules to ensure consistency following implementation. Pending amendments to OCC’s By-Laws and Rules that were approved by the Commission in File Nos. SR-OCC-2024-011 and SR-OCC-2024-013 in connection with the upcoming launch of OCC’s new clearance and settlement system, Ovation, are filed as Exhibits 5C and 5D to File No. SR-OCC-2025-014, respectively. OCC filed as Exhibit 5E to File No. SR-OCC-2025-014 amendments to the Default Management Policy (the “Policy”). Material proposed to be added is marked by underlining, and material proposed to be deleted is marked with strikethrough text. All terms with initial capitalization that are not otherwise defined herein have the same meaning as set forth in the By-Laws and Rules.⁶

⁵ See Securities Exchange Act Release Nos. 101754 (Nov. 26, 2024), 89 FR 95878 (Dec. 3, 2024) (SR-OCC-2024-011); 101621 (Nov. 14, 2024), 89 FR 991825 (Nov. 20, 2024) (SR-OCC-2024-013).

⁶ OCC’s By-Laws and Rules can be found on OCC’s public website: <https://www.theocc.com/Company-Information/Documents-and-Archives/By-Laws-and-Rules>.

II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, OCC 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. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

(A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Proposed Change

As a self-regulatory organization (“SRO”) that is registered as a covered clearing agency (“CCA”) under the Securities Exchange Act of 1934 (“Exchange Act”), as amended,⁷ and a derivatives clearing organization (“DCO”) under the Commodity Exchange Act,⁸ OCC is required to provide for a well-founded, clear, transparent, and enforceable legal basis for each aspect of its activities.⁹ OCC’s legal framework is inclusive of its By-Laws and Rules, which constitute a part of the terms and conditions of each cleared contract issued by OCC.¹⁰ Currently, the By-Laws and Rules contain definition sections that list defined terms in numerated paragraphs. OCC proposes to remove the paragraph numbering, which is unnecessary to locate or reference definitions in an alphabetized definitions section.

⁷ 15 U.S.C. § 78s.

⁸ 7 U.S.C. § 7a-1.

⁹ See 17 CFR 240.17ad-22(e)(1) (legal framework requirements applicable to OCC as a CCA); 17 CFR 39.27(b) (legal framework requirements applicable to OCC as a DCO).

¹⁰ See OCC By-Laws Art. VI, Section 10; OCC Rule 204(b)(3).

OCC believes that removing the numbering will enable the more efficient maintenance of the By-Laws and Rules.¹¹ OCC often has multiple and sometimes overlapping proposed changes pending with the Commission at the same time in which OCC proposes to add or delete such definitions. Moreover, certain changes may be subject to delayed implementation for a period during which system changes may be required, such as the approved rule changes that OCC filed in connection with the implementation of Ovation, File Nos. SR-OCC-2024-011 and SR-OCC-2024-013, for which implementation is delayed until that system goes live. Removing the numbering would help to avoid situations in which the resulting re-number from one proposed change may conflict with the numbering in another proposed rule change. In addition, this proposed change is consistent with changes that the Commission recently made to the definition section for the Standards for Covered Clearing Agencies, Exchange Act Rule 17ad-22(a),¹² to remove paragraph numbering in favor of an alphabetized list.¹³

In connection with the removal of the paragraph numbering, OCC would also amend cross-references to those definitions that reference the paragraph numbering in the

¹¹ Definitions in the By-Laws are found at Article I, Section 1; Article XIII, Section 1; Article XIV, Section 1; Article XV, Section 1; Article XVI, Section 1; Article XVII, Section 1; Article XXI, Section 1; Article XXIA, Section 1; Article XXII, Section 1; Article XXIV, Section 1; and Article XXVI, Section 1. Definitions the Rules are found at Rule 101.

¹² 17 C.F.R. 240.17ad-22(a).

¹³ See Standards for Covered Clearing agencies for U.S. Treasury Securities and Application of the Broker-Dealer Customer Protection Rule With Respect to U.S. Treasury Securities, Exchange Act Release No. 99149 (Dec. 13, 2023), 89 FR 2714, 2829 (Jan. 16, 2024) (S7-23-22).

By-Laws,¹⁴ and other rule-filed documents.¹⁵ Specifically, OCC would replace such numerical cross-references with a reference to the term as defined in the applicable definition section. In addition, OCC would standardize the way each definition is introduced by replacing instances of “shall mean” in the By-Laws and Rules with “means” within the definition sections to improve clarity and remove any ambiguity. OCC would also add new definitions for the “Securities Exchange Act” and the “Commodity Exchange Act” to establish a consistent meaning for these terms within OCC’s the By-Laws and Rules. OCC proposes global changes throughout the By-Laws and Rules to apply these new defined terms.¹⁶ Separately, OCC proposes to standardize the use of abbreviated defined terms for the “SEC” and the “CFTC”¹⁷ to improve clarity and consistency of the By-Laws and Rules. OCC would also remove the definition of the term “statutory disqualification” from the By-Laws because that term is defined in greater detail in the existing Rules and is not used elsewhere in the By-Laws following the

¹⁴ OCC proposes to delete cross references to paragraph numbers throughout the By-Laws including from: (i) the definition of “Related person” in Article I, Section 1 of the By-Laws, (ii) the parenthetical found at the end of Article XIII, Section 3, (iii) the definition of “Expiration Time” in Article XV, Section 1 (iv) the definition of “Series of Options” in Article XVII, Section 1, and (v) Article XVII Section 5(a).

¹⁵ The Default Management Policy includes footnote with a cross-reference to the definition of “Designated Officer” from Article I, Section 1 of the By-Laws that will be deleted accordingly.

¹⁶ See OCC By-Laws Article I, Section 1 (“Appropriate Regulatory Agency”, “Designated Examining Authority”, “Fund Share”, “Futures Customer”, “International Market”, “Limited Cross-Guaranty Agreement”, “Market-Maker”, “Non-Customer” “Rules”, “Security Future”, “Security Futures Market”, “Statutory Rules”); Article VI, Sections 3, 25; Article VIIA, Sections 1, 5; Article VIIB, Sections 1, 5; OCC Rules 101 (“Non-U.S. Securities Firm”, “Regulatory Organization”, “Statutory Disqualification”); 201, 204, 301; 302; 405; 604; 1102; 1202; 1203.

¹⁷ See OCC By-Laws Article I, Section 1 (“Affiliate”, “Commodity Futures”, “Commodity Option”, “Designated Examining Authority”, “Futures Customer”, “Futures Market”, “JBO Participant”, “Proprietary Market-Maker; Proprietary Market-Maker Account”, “Proprietary Market Professional”, “Statutory Rules”); Article III, Sections 6A, 15; Article VI, Sections 3, 18, 24, 25, 27; Article VIIA, Sections 1, 5; Article VIIB, Sections 1, 5; Article XII, Section 6; OCC Rules 101 (“Non-U.S. Securities Firm”, “Regulatory Organization”); 201; 301; 305; 306A; 601; 604; 609A; 905; 1102; 1202; 1203; 1301A; 2202; 2202A.

consolidation of provisions governing membership under the Rules.¹⁸ Removing the definition of that term in the By-Laws would prevent ambiguity about which definition applies. The changes also include some minor and non-substantive revisions and corrections. Collectively, these proposed changes are technical in nature and do not modify or alter the substance of OCC's By-Laws and Rules; instead, they are designed to improve the clarity of OCC's By-Laws and Rule by ensuring greater internal consistency and reducing ambiguity throughout the rule text.

Implementation Timeframe

The changes in Exhibits 5A, 5B, and 5E would become effective upon OCC's receipt of all necessary regulatory approval. Notwithstanding the immediate effectiveness of those changes, OCC would not implement changes to the rule changes in Exhibits 5C and 5D that OCC filed in connection with the implementation of Ovation, until the implementation of the related changes approved in File Nos. SR-OCC-2024-011 and SR-OCC-2024-013.

2. Statutory Basis

OCC believes the proposed rule changes are consistent with Section 17A of the Exchange Act and the rules and regulations thereunder. Section 17A(b)(3)(F)¹⁹ of the Exchange Act requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities and derivatives transactions and protect investors and the public interest. By removing paragraph numbering and reorganizing the definitions sections in alphabetical order

¹⁸ See Exchange Act Release No. 97439 (May 5, 2023), 88 FR 30373, 30373 n.10 (May 11, 2023) (SR-OCC-2023-002).

¹⁹ 15 U.S.C. 78q-1(b)(3)(F).

throughout OCC's By-Laws and Rules, the proposed rule change facilitates the efficient administration of existing SRO rules that removes any potential confusion. For these reasons, the proposed changes are reasonably designed to promote the prompt and accurate clearance and settlement of securities transactions and to protect investors and the public interest in accordance with Section 17A(b)(3)(F) of the Act.²⁰

Rule 17ad-22(e)(1) requires OCC to establish, implement, maintain and enforce written policies and procedures reasonably designed to provide for a well-founded, clear, transparent and enforceable legal basis for each aspect of its activities in all relevant jurisdictions. As discussed above, the proposed rule change updates OCC By-Laws and Rules to remove unnecessary numbering used throughout the definition sections and make other minor non-substantive changes intended to improve the clarity and transparency of OCC's By-Laws and Rule. These changes would ensure that OCC's By-Laws and Rules continue to provide a well-founded, clear, transparent, and enforceable legal framework. For those reasons, OCC believes that the proposal is consistent with Rule 17ad-22(e)(1).

(B) Clearing Agency's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Exchange Act requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act. As discussed above, the proposed changes would remove unnecessary numbering by reorganizing the definition sections in alphabetical order and make non-substantive revisions and corrections. These proposed changes are technical in nature and would have no impact on the rights or obligations of Clearing Members or other participants in a way that would benefit or disadvantage any one

²⁰ Id.

participant over another. Accordingly, OCC does not believe that the proposed corrections to its By-Laws and Rules have any impact or would impose any burden on competition.

(C) Clearing Agency'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 Act²¹ and paragraph (f) of Rule 19b-4²² thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change 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.

The proposal shall not take effect until all regulatory actions required with respect to the proposal are completed.²³

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:

²¹ 15 U.S.C. 78s(b)(3)(A).

²² 17 CFR 240.19b-4(f).

²³ Notwithstanding its immediate effectiveness, implementation of this rule change will be delayed until this change is deemed certified under CFTC Regulation 40.6.

Electronic Comments:

- Use the Commission's internet comment form
(<https://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to *rule-comments@sec.gov*. Please include file number SR-OCC-2025-014 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-2025-014. 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 *(<https://www.sec.gov/rules/sro.shtml>)*. Copies of such filing will be available for inspection and copying at the principal office of OCC and on OCC's website at *<https://www.theocc.com/Company-Information/Documents-and-Archives/By-Laws-and-Rules>*. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

All submissions should refer to file number SR-OCC-2025-014 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁴

Sherry R. Haywood,
Assistant Secretary.

²⁴ 17 CFR 200.30-3(a)(12).