

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-56386; File No. SR-OCC-2007-09)

September 11, 2007

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Clearing Fee Reduction

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on August 2, 2007, 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. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change would reduce certain OCC clearing fees.

II. Self-Regulatory Organization'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 such statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

¹ 15 U.S.C. 78s(b)(1).

² The Commission has modified parts of these statements.

The purpose of this rule change is to make additional fee reductions. First, OCC is further reducing its currently discounted standard clearing fee schedule, as described in the following chart.³

Contracts/Trade	Current Permanent Standard Fee Schedule, Effective May 1, 2007	Discounted Standard Fee Schedule, Effective May 1, 2007	Discounted Standard Fee Schedule, Effective September 1, 2007
1-500	\$0.05/contract	\$0.035/contract	\$0.02/contract
501-1,000	\$0.04/contract	\$0.028/contract	\$0.016/contract
1,001-2,000	\$0.03/contract	\$0.021/contract	\$15.00 (capped)
>2,000	\$55.00 (capped)	\$35.00 (capped)	\$15.00 (capped)

Second, OCC is halving the standard market maker scratch fee to one cent per side. The discounted clearing fees and market-maker scratch fees will be effective from September 1 through December 31, 2007. Third, OCC is converting the CBOE Futures Exchange (“CFE”) to its standard rebate-eligible fee schedule, effective September 1, 2007. As a result, clearing fees charged for CFE transactions will be reduced. The outdated alternative fee schedule offered to futures markets also will be eliminated.

The reductions in OCC’s clearing fees reflect the strong contract volume experienced by OCC this year to date. OCC believes that these fee changes will financially benefit clearing members and other market participants without adversely affecting OCC’s ability to meet its expenses and maintain an acceptable level of retained earnings.

³ The standard fee schedule currently applies to (i) securities options, (ii) security futures where at least one side of the trade is cleared by an OCC Clearing Member, and (iii) commodity futures traded on the Philadelphia Board of Trade.

The proposed rule change is consistent with Section 17A of the Act because it benefits clearing members and other market participants by reducing and discounting clearing fees and allocating them in a fair and equitable manner. The proposed rule change is not inconsistent with the existing rules of OCC, including any other rules proposed to be amended.

(B) Self-Regulatory Organization's Statement on Burden on Competition

OCC does not believe that the proposed rule change would impose any burden on competition.

(C) Self-Regulatory Organization'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

Because the foregoing rule change changes fees charged clearing members by OCC, it has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act⁴ and Rule 19b-4(f)(2)⁵ thereunder. At any time within sixty days of the filing of the proposed rule change, the Commission may summarily abrogate 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.

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

⁴ 15 U.S.C. 78s(b)(3)(A)(ii).

⁵ 17 CFR 240.19b-4(f)(2).

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-OCC-2007-09 on the subject line.

Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-OCC-2007-09. 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 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 Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 am and 3:00

pm. Copies of such filing also will be available for inspection and copying at the principal office of OCC. 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-OCC-2007-09 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

Florence E. Harmon
Deputy Secretary