

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-65870; File No. SR-OCC-2011-16)

December 2, 2011

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Allow for the Clearing of Real Estate Index Futures Contracts

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934,¹ notice is hereby given that on November 21, 2011, The Options Clearing Corporation (“OCC”) filed with the Securities and Exchange Commission the proposed rule change as described in Items I and II below, which items have been prepared primarily by OCC. OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act² and Rule 19b-4(f)(4) thereunder³ so that the proposal was effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The proposed rule change would accommodate certain cash-settled futures proposed to be traded by ELX Futures L.P. (“ELX”).

II. Self-Regulatory Organization’s Statement of 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.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78s(b)(3)(A)(iii).

³ 17 CFR 240.19b-4(f)(4).

OCC 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 Purpose of, and Statutory Basis for, the Proposed Rule Change

In its capacity as a derivatives clearing organization ("DCO"), registered as such under the Commodity Exchange Act (the "CEA"), OCC performs the clearing function for ELX and other futures exchanges. OCC's existing By-Laws and Rules already accommodate the clearing of cash-settled futures. However, a sentence is proposed to be added to Article XII, Section 2 of OCC's By-Laws to more explicitly describe the rights and obligations of buyers and sellers of cash-settled futures, such as the Agricultural Futures and the Interest Rate Futures. An addition to OCC Rule 1301(e) is also proposed to allow OCC to recover the costs that it would incur in the event of a Clearing Member's failure to satisfy a non-U.S. Dollar settlement obligation, such as the cost of purchasing the non-U.S. Dollar currency.

All of the Euro Interest Rate Futures will be settled in Euros. OCC already clears futures contracts that are settled in Euros, and management believes that the facilities and procedures established in connection with the settlement of the existing Euro-settled futures will generally be sufficient to permit the clearing and settlement of the Euro Interest Rate Futures.⁴ ELX intends to use, as a final settlement price for each Interest Rate Future, the published settlement price of the corresponding contract on Eurex.

ELX plans to use as a final settlement price for each Agricultural Future, the published settlement price of the corresponding contract on the Chicago Board of Trade.

⁴ File No. SR-OCC-2010-18, Securities Exchange Act Release No. 63222 (November 1, 2010), 75 FR 68390 (November 5, 2010).

OCC performs the clearing function for ELX pursuant to the Clearing Agreement. Pursuant to the terms of the Clearing Agreement, OCC has agreed to clear the specific types of contracts enumerated therein and may agree to clear additional types through the execution by both parties of a new “Schedule C” to the Clearing Agreement. A copy of three proposed new Schedule Cs providing for the clearance of Agricultural Futures, Euribor Futures and German Interest Rate Futures, respectively, which are attached to File SR-OCC-2011-16 as Exhibits 5A, 5B and 5C.

OCC believes that the proposed changes to its By-Laws are consistent with the purposes and requirements of Section 17A of the Securities Exchange Act of 1934, as amended (“Exchange Act”), because they are designed to permit OCC to perform clearing services for products that are subject to the jurisdiction of the CFTC without adversely affecting OCC’s obligations with respect to the prompt and accurate clearance and settlement of securities transactions or the protection of investors and the public interest. The proposed rule change is not inconsistent with any rules of OCC, including any rules proposed to be amended.

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

OCC does not believe that the proposed rule change will have any impact or impose any burden on competition.

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

OCC has not solicited or received written comments relating to the proposed rule change.

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)(iii) of

the Act⁵ and Rule 19b-4(f)(4)⁶ and became effective on filing. 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.

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 No. SR-OCC-2011-16 on the subject line.

Paper comments:

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

All submissions should refer to File No. SR-OCC-2011-16. 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 (<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

⁵ Supra note 2.

⁶ Supra note 3.

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 website viewing and printing 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 filings also will be available for inspection and copying at OCC's principal office and OCC's website (http://www.theocc.com/components/docs/legal/rules_and_bylaws/sr_occ_11_16.pdf). 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 No. SR-OCC-2011-16 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.⁷

Kevin M. O'Neill
Deputy Secretary

⁷ 17 CFR 200.30-3(a)(12).