

Exhibit 5b



OCC RULES

Underlined text indicates new text

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Double Underlined text indicates text moved from another location

THE OPTIONS CLEARING CORPORATION

RULES

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CHAPTER X CLEARING FUND CONTRIBUTIONS

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RULE 1006 – Purpose and Use of Clearing Fund

(a) *Conditions for Clearing Fund Use.* The Clearing Fund may be used for borrowings pursuant to the authority in Rule 1006(f). The Clearing Fund may also be used to make good losses or expenses suffered by the Corporation or losses suffered by the Clearing Fund resulting from borrowings pursuant to the authority in Rule 1006(f): (i) as a result of the failure of any Clearing Member to discharge duly any obligation on or arising from any confirmed trade accepted by the Corporation, (ii) as a result of the failure of any Clearing Member (including any Appointed Clearing Member) or of CDS to perform its obligations (including its obligations to the correspondent clearing corporation) under or arising from any exercised or assigned option contract or matured future or any other contract or obligation issued, undertaken, or guaranteed by the Corporation or in respect of which the Corporation is otherwise liable, (iii) as a result of the failure of any Clearing Member to perform any of its obligations to the Corporation in respect of the stock loan and borrow positions of such Clearing Member, (iv) in connection with any liquidation of a Clearing Member's open positions, (v) in connection with protective transactions effected for the account of the Corporation pursuant to Chapter XI of the Rules, (vi) as a result of the failure of any Clearing Member to make any other required payment or render any other required performance, or (vii) as a result of the failure of any bank, ~~or~~ securities or commodities clearing organization, or investment counterparty to perform its obligations to the Corporation for reasons specified in paragraph (c) of this Rule 1006. Notwithstanding the foregoing, in the event that the Corporation performs a Voluntary Tear-Up or a Partial Tear-Up pursuant to Rule 1111, the Clearing Fund may be used to provide compensation to non-defaulting Clearing Members and their customers as a means of re-allocating the losses, costs and fees imposed upon them as a result of such Voluntary Tear-Up or Partial Tear-Up, but only to the extent that such losses, costs and fees can be reasonably determined by the Corporation.

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(c) *Bank-~~or~~, Clearing Organization or Investment Counterparty Failures.* (i) If any bank, ~~or~~ securities or commodities clearing organization, or investment counterparty shall fail to perform any obligation to the Corporation when due because of its bankruptcy, insolvency, receivership, suspension of operations, or any similar event, and the Corporation shall sustain a loss (whether directly or as a trustee, custodian, or secured party) by reason thereof that is not recoverable out of the Clearing Fund pursuant to paragraph (b), the Corporation may, in its discretion, reimburse itself for such loss out of the Clearing Fund pursuant to this paragraph (c), and the amount of any

such reimbursement shall be charged proportionately against all Clearing Members' required contributions to the Clearing Fund as calculated at the time. Failure of an investment counterparty under this paragraph shall be limited to a failure with respect to cash invested under Rule 604(a) or Rule 1002(c).

(ii) With respect to any borrowing by the Corporation for liquidity needs for ~~same day~~ daily settlement pursuant to the authority in paragraph (f) of this Rule, whenever such amount is considered an actual loss pursuant to paragraph (f) the amount of any such loss shall be charged proportionately against all Clearing Members' required contributions to the Clearing Fund as calculated at the time.

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(f) *Borrowings.* (1) Conditions. The Corporation may take possession of cash or securities deposited by Clearing Members as contributions to the Clearing Fund and securities in which the Corporation has invested Clearing Fund cash contributions ~~to the Clearing Fund have been invested by the Corporation and use such assets to meet obligations, losses and/or liquidity needs arising from the circumstances described in (i) through (iii) below or to borrow or otherwise obtain funds through any means determined to be reasonable by the Chairman, Chief Executive Officer or the Chief Operating Officer of the Corporation in his discretion (including, without limitation, pledging such assets as security for loans and/or using such assets to effect repurchase, securities lending or other transactions)~~ if:

~~(i)~~ (A) the Corporation deems it necessary or advisable to borrow or otherwise obtain funds in order to meet obligations arising out of the default or suspension, or in anticipation of the potential default or suspension, of a Clearing Member or any action taken by the Corporation to address such an actual or potential default or suspension ~~connection therewith pursuant to Chapter XI of the Rules or otherwise;~~

~~(ii)~~ (B) the Corporation sustains a loss reimbursable out of the Clearing Fund pursuant to paragraph (c) but elects to borrow or otherwise obtain funds in lieu of immediately charging such loss to the Clearing Fund; or

~~(iii)~~ (C) the Corporation reasonably believes it necessary to borrow to meet its liquidity needs for ~~same day~~ daily settlement as a result of the failure of any bank, ~~or~~ securities or commodities clearing organization, or investment counterparty to achieve daily settlement to perform any obligation to the Corporation when due. Failure of an investment counterparty under this paragraph shall be limited to a failure with respect to cash invested under Rule 604(a) or Rule 1002(c).

(2) Use of Funds. (A) The Corporation may use funds it takes possession of under Rule 1006(f) to:

(i) meet obligations, losses or liquidity needs; or

(ii) borrow or otherwise obtain funds through any means determined to be reasonable at the

discretion of the Chairman, Chief Executive Officer or the Chief Operating Officer (including, without limitation, pledging such assets as security for loans and/or using such assets to effect repurchase, securities lending or other transactions). ~~To the extent the Corporation has borrowed or otherwise obtained funds using securities deposited by Clearing Members as contributions to the Clearing Fund or securities in which cash contributions to the Clearing Fund have been invested, the Corporation may refuse any Clearing Member substitution request regarding such securities.~~

(B) In the case of ~~any such~~ borrowing under conditions (1)(A) or (1)(C) ~~or transaction effected under the circumstances specified in clause (i) or clause (iii) above~~, the funds obtained will be used solely for the purposes described in conditions (1)(A) and (1)(C) ~~clause (i) or clause (iii)~~, as applicable.

(3) Term; Clearing Fund Charge. (A) The funds obtained by the Corporation ~~pursuant to this~~ under paragraph (f), irrespective of how such funds are applied, shall not be deemed to be charges against the Clearing Fund for a period not to exceed ~~thirty~~30 days, and, during said period, shall not affect the amount or timing of any charges otherwise required to be made against the Clearing Fund pursuant to this Chapter X.

(B) At the close of business on a Business Day, the Corporation shall consider the amount of Clearing Fund assets used to support the Corporation's obligations under the outstanding borrowing or transaction as an actual loss to the Clearing Fund and immediately allocate such loss in accordance with this Chapter X if:

~~If all or a part of any borrowing of cash from the Clearing Fund or any transaction effected by the Corporation pursuant to this paragraph (f) is thereafter determined by (i) on any Business Day, the Corporation determines, in its discretion, on any Business Day, all or part of any borrowing or transaction under paragraph (f) to represent~~ an actual loss to the Clearing Fund, a loss to the Corporation reimbursable out of the Clearing Fund; ~~;~~ or

~~(ii) all or a part of any such borrowing or transaction under Rule 1006(f) remains outstanding after thirty~~30 days (or on the first Business Day thereafter if the thirtieth calendar day is not a Business Day), ~~the Corporation, at the close of business of on such Business Day shall consider the amount of Clearing Fund assets used to support the Corporation's obligations under the outstanding borrowing or transaction as an actual loss to the Clearing Fund and immediately allocate such loss in accordance with this Chapter X.~~

(4) Substitution Requests. The Corporation may refuse any Clearing Member substitution request regarding securities contributed to the Clearing Fund that the Corporation has taken possession of under Rule 1006(f).