

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-71090; File No. SR-OCC-2013-22)

December 17, 2013

Self-Regulatory Organizations; Options Clearing Corporation; Notice of Filing of Proposed Rule Change to Make a Non-Material Housekeeping Rule Change so that OCC's Membership Qualifications Accurately Reflect Current Operational Practices

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that, on December 6, 2013, 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 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 purpose of this proposed rule change is to make a non-material "housekeeping" change to OCC's membership standards so that such standards better reflect current operational practices.

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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

(i) Purpose

The purpose of this proposed rule change is to make a non-material “housekeeping” change to OCC’s membership standards so that such standards better reflect current operational practices. Prior to electronic trading, clearing members were required to have the operational capacity to manually compare trades and reconcile unconfirmed and advisory trades, in accordance with applicable exchange rules and procedures, on a timely and efficient basis so that financial markets, and specifically clearing operations, functioned in a prompt and accurate manner. Accordingly, Article V, Section 1, Interpretations and Policies .02(b) of OCC’s By-Laws required clearing member applicants to have such operational capacity as a condition to admission as a clearing member. However, due to industry-wide implementation of electronic systems and processes, manual trade comparison and reconciliation by clearing members no longer occurs. Accordingly, OCC’s membership requirement mandating that clearing members have the capacity to manually compare and reconcile trades is no longer required. Also, OCC only receives matched trades from exchanges and exchange rules and procedures regarding manual trade comparison and reconciliation are obsolete. Therefore, OCC proposes to remove its membership requirement concerning a clearing members’ operational capacity to manually compare trades and reconcile unconfirmed and advisory trades on a timely and efficient basis as it is no longer applicable.

(ii) Statutory Basis

OCC believes that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act³ because it helps foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions as well as removes impediments to and perfects the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions. The proposed change will update OCC's By-Laws to better reflect the current operational and technological environment of OCC and its clearing members by removing a legacy membership requirement. The proposed rule change is not inconsistent with any rules of OCC, including those proposed to be amended.

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

OCC does not believe that the proposed rule change would impact, or impose a burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.⁴ The proposed change, which will apply to all clearing members, is housekeeping in nature and will better align OCC's membership requirements with both its own as well as its clearing members' current operational practices. Accordingly, the proposed change will reduce unnecessary administrative burdens on its clearing members, including any such burdens that may impact competition.

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

Written comments on the proposed rule change were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

³ 15 U.S.C. 78q-1(b)(3)(F).

⁴ 15 U.S.C. 78q-1(b)(3)(I).

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove the proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

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-comment@sec.gov. Please include File Number SR-OCC-2013-22 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 Number SR-OCC- 2013-22. 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 of submission. 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 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 Section located at 100 F Street, NE, Washington DC 20549-1090 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of OCC and on OCC's website at http://www.theocc.com/components/docs/legal/rules_and_bylaws/sr_occ_2013_22.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 Number SR-OCC-2013-22 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.⁵

Kevin M. O'Neill
Deputy Secretary

⁵ 17 CFR 200.30-3(a)(12).