

# MURPHY & McGONIGLE

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October 7, 2015

**VIA COURIER AND FAX**

Mr. Brent J. Fields  
Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-1090

Re: Susquehanna International Group, LLP *et al.* Motion for Oral Argument and  
Supporting Brief

Dear Mr. Fields:

Susquehanna International Group, LLP, and its affiliated and related entities, hereby file the enclosed Motion for Oral Argument and supporting brief. The original and three copies are enclosed.

The enclosed Motion and supporting brief have been served by facsimile on each party of the proceeding in accordance with 17 C.F.R. § 201.150, and as reflected in the Certificate of Service attached.

Very truly yours,



Joseph C. Lombard  
*Counsel for Susquehanna International  
Group, LLP*

Enclosures

Cc: Division of Trading and Markets (*by facsimile, w/ encl.*)  
Petitioners and OCC (*by facsimile, w/ encl.*)

**CERTIFICATE OF SERVICE**

I, Joseph C. Lombard, counsel for Susquehanna International Group, LLP, hereby certify that on October 7, 2015, I served copies of the attached Motion for Oral Argument and supporting brief by way of facsimile and Federal Express on the parties and sent the original and three copies by way of facsimile and hand delivery to the Secretary at the following addresses:

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Dated: October 7, 2015



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Joseph C. Lombard

**Before the  
SECURITIES AND EXCHANGE COMMISSION**

|   |   |                         |
|---|---|-------------------------|
| In the Matter of the Petitions of:                  | ) | File No. SR-OCC-2015-02 |
|   | ) |                         |
| BATS Global Markets, Inc.                           | ) |                         |
| BOX Options Exchange LLC                            | ) |                         |
| KCG Holdings, Inc.                                  | ) |                         |
| Miami International Securities Exchange,<br>LLC and | ) |                         |
| Susquehanna International Group, LLP                | ) |                         |
|   | ) |                         |
|   | ) |                         |

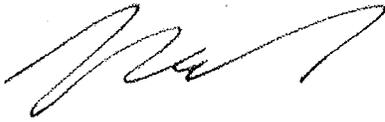
**MOTION FOR ORAL ARGUMENT  
IN CONNECTION WITH THE COMMISSION'S REVIEW  
OF THE STAFF'S ORDER APPROVING OCC'S CAPITAL PLAN**

Pursuant to Rule 451<sup>1</sup> of the Rules of Practice, Petitioner Susquehanna International Group, LLP, and its affiliated and related entities (collectively, "SIG"), respectfully move for oral argument in connection with the Commission's review of the Division of Trading and Markets' March 6, 2015 Order (the "Approval Order") approving, pursuant to delegated authority, a capital plan (the "Plan") proposed by the Options Clearing Corporation ("OCC").<sup>2</sup> The grounds for granting SIG's motion are set forth in detail in SIG's supporting memorandum, submitted herewith. Among other things, the motion should be granted because oral argument would significantly aid the Commission's decisional process in reviewing the Approval Order.

<sup>1</sup> 17 CFR § 201.451.

<sup>2</sup> Securities Exchange Act Release No. 74452 (March 6, 2015), 80 FR 13058 (March 12, 2015) (SR-OCC-2015-02).

Respectfully submitted,



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Dated: October 7, 2015

**Before the  
SECURITIES AND EXCHANGE COMMISSION**

|   |   |                         |
|---|---|-------------------------|
| In the Matter of the Petitions of:                  | ) |                         |
|   | ) | File No. SR-OCC-2015-02 |
| BATS Global Markets, Inc.                           | ) |                         |
| BOX Options Exchange LLC                            | ) |                         |
| KCG Holdings, Inc.                                  | ) |                         |
| Miami International Securities Exchange,<br>LLC and | ) |                         |
| Susquehanna International Group, LLP                | ) |                         |
|   | ) |                         |
|   | ) |                         |

**MEMORANDUM IN SUPPORT OF MOTION FOR ORAL ARGUMENT  
IN CONNECTION WITH THE COMMISSION'S REVIEW  
OF THE STAFF'S ORDER APPROVING OCC'S CAPITAL PLAN**

Petitioner Susquehanna International Group, LLP, and its affiliated and related entities (collectively, "SIG"), respectfully submits this memorandum in support of its motion pursuant to Rule 451<sup>1</sup> of the Rules of Practice for oral argument in connection with the Commission's review of the Division of Trading and Markets' March 6, 2015 Order (the "Approval Order") approving, pursuant to delegated authority, a capital plan (the "Plan") proposed by the Options Clearing Corporation ("OCC").<sup>2</sup> The motion should be granted because oral argument would significantly aid the Commission's "decisional process" in reviewing the Approval Order.

Under Rule 451 of the Rules of Practice, the Commission "may order oral argument with respect to any matter," and oral argument is proper when "the presentation of facts and legal arguments in the briefs and record and the decisional process would be significantly aided by

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<sup>1</sup> 17 CFR § 201.451.

<sup>2</sup> Securities Exchange Act Release No. 74452 (March 6, 2015), 80 FR 13058 (March 12, 2015) (SR-OCC-2015-02).

oral argument.”<sup>3</sup> Since the proposed Plan became public in January 2015, it has been the subject of widespread and intense factual disputes relating to, among other things, the assumptions underlying OCC’s proposed capital targets, OCC’s actual financial condition, the apparently conflicted Board process under which the Plan was approved, and the availability of alternative plans that were less costly to OCC but rejected by one or more of the five exchange owners who stand to receive outsized returns from the Plan’s implementation.

As SIG and other petitioners have explained in their submissions to the Commission, the Plan’s implementation would represent a radical change in the financial operations of OCC, a monopoly that is the sole provider of essential clearing services for U.S. options exchanges. For more than 40 years, OCC served as a low cost utility acting for the benefit of its members and the public. But if the Plan is implemented, OCC would shift to a for-profit enterprise acting on behalf of the exchange owners who seek to exploit its monopoly power. Accordingly, SIG has presented multiple submissions explaining how the Plan’s approval would be inconsistent with the public interest and various provisions of the Exchange Act.

Since SIG and other petitioners submitted their petitions for review of the Approval Order more than six month ago, the parties have collectively filed more than 120 pages of additional briefing and submissions to address the numerous complex factual and legal disputes referred to above. In considering whether to reverse, affirm, or modify the Approval Order, the Commission will be aided in its review process by oral argument addressing these various fact-specific issues.

Contemporaneously with this motion, all of the petitioners joined in a separate motion for an order (i) referring this matter to a hearing officer for the taking of additional evidence, and (ii)

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<sup>3</sup> 17 CFR § 201.451.

directing discovery in advance of the hearing. That motion identifies numerous fundamental questions about the Plan that remain unanswered, and includes more than a dozen discovery requests for documents and deposition testimony in advance of the evidentiary hearing. If the evidentiary hearing takes place and discovery is conducted in advance of the hearing, oral argument addressing the discovery, evidence adduced at the evidentiary hearing, evidentiary findings, and their significance would be invaluable to the Commission's review. If, however, the Commission were to deny SIG's request for an evidentiary hearing and discovery in advance of that hearing, oral argument would still be critically important to address the multiple factual issues that remain in dispute on the current record. In either event, oral argument would aid the Commission's decisional process, and should be granted.

Respectfully submitted,



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