

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-62094; File No. SR-OCC-2010-07)

May 13, 2010

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of Proposed Rule Change Relating to Clearing Options on the CBOE Gold ETF Volatility Index

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934,¹ notice is hereby given that on April 26, 2010, The Options Clearing Corporation (“OCC”) filed with the Securities and Exchange 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 the Substance of the Proposed Rule Change

The proposed rule change would allow OCC to add an interpretation following the introduction in Article XVII of OCC’s By-Laws to clarify that OCC will clear and treat as securities options any option contracts on the CBOE Gold ETF Volatility Index.

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.

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).

The purpose of the proposed rule change is to make clear that options on the CBOE Gold ETF Volatility Index, which is an index that measures the implied volatility of options on the SPDR Gold Trust, which is an exchange-traded fund designed to reflect the performance of gold bullion. To accomplish this purpose, OCC is proposing to add an interpretation following the introduction in Article XVII of OCC's By-Laws, clarifying that OCC will clear and treat as securities options any option contracts on the CBOE Gold ETF Volatility Index.² On May 30, 2008, the Commission approved rule filing SR-OCC-2008-07, which added a similar interpretation with respect to the treatment and clearing of options on shares of the SPDR Gold Trust.³ On December 4, 2008, the Commission approved rule filings SR-OCC-2008-13 and SR-OCC-2008-14, which extended similar treatment to options on iShares® COMEX Gold Shares and iShares® Silver Shares.⁴ On February 25, 2010, the Commission approved rule filing SR-OCC-2009-20, which extended similar treatment to options and security futures on ETFS Physical Swiss Gold Shares and ETFS Physical Silver Shares.⁵

In its capacity as a “derivatives clearing organization” registered as such with the CFTC, OCC is filing this proposed rule change for prior approval by the CFTC pursuant to provisions of the Commodity Exchange Act (“CEA”) in order to foreclose any potential liability under the CEA based on an argument that the clearing by OCC of such options as securities options constitutes a violation of the CEA.

² The specific language of the proposed interpretation can be found on OCC's Web site at http://www.theocc.com/publications/rules/proposed_changes/proposed_changes.jspU.

³ Securities Exchange Act Release No. 57895, 73 FR 32066 (June 5, 2008).

⁴ Securities Exchange Act Release No. 59054, 73 FR 75159 (Dec. 10, 2008). These filings also provided that futures on the exchange-traded funds in question would be cleared and treated as security futures.

⁵ Securities Exchange Act Release No. 61591, 75 FR 9979 (Mar. 4, 2010).

OCC states that the proposed interpretation of OCC's By-Laws is consistent with the purposes and requirements of Section 17A of the Act⁶ because it is designed to promote the prompt and accurate clearance and settlement of transactions in securities options, to foster cooperation and coordination with persons engaged in the clearance and settlement of such transactions, to remove impediments to and perfect the mechanism of a national system for the prompt and accurate clearance and settlement of such transactions, and, in general, to protect investors and the public interest. It does so by reducing the likelihood of a dispute as to OCC's treatment of options based on the CBOE Gold ETF Volatility Index. The proposed rule change is not inconsistent with the By-Laws and Rules of OCC.

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

OCC has not solicited or received written comments relating to the proposed rule change. OCC will notify the Commission of any written comments it receives.

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

Within thirty-five days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to ninety days of such date 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 the proposed rule change, or

⁶ 15 U.S.C. 78q-1.

- (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-comments@sec.gov. Please include File No. SR-OCC-2010-07 on the subject line.

Paper comments:

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

All submissions should refer to File No. SR-OCC-2010-07. 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 Web site 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

filing also will be available for inspection and copying at OCC's principal office and on OCC's Web site at <http://www.theocc.com/publications/rules/proposed_changes/proposed_changes.jsp>. 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 submission should refer to File No. SR-OCC-2010-07 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

Elizabeth M. Murphy
Secretary

⁷ 17 CFR 200.30-3(a)(12).