

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-65053; File No. SR-OC-2011-01)

August 8, 2011

Self-Regulatory Organizations; OneChicago, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Allow for Four Decimal Point Pricing for Block and Exchange for Physical (“EFPs”) Trades

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-7 under the Act,² notice is hereby given that on August 2, 2011, OneChicago, LLC (“OneChicago” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons. OneChicago also has filed this proposed rule change with the Commodity Futures Trading Commission (“CFTC”). On July 26, 2011, OneChicago filed a written certification with the CFTC under Section 5c(c) of the Commodity Exchange Act (“CEA”).³

I. Self-Regulatory Organization’s Description of the Proposed Rule Change

OneChicago is proposing to allow block trades and the futures component of EFP trades to be traded/priced in four decimals points. Regular trades (non-block or non EFP) will continue to trade in only two decimal points. The text of the proposed rule change is available on the Exchange’s website at <http://www.onechicago.com>, at the principal office of the Exchange, at the Commission’s Public Reference Room, and at the Commission’s website at <http://www.sec.gov>.

¹ 15 U.S.C. 78s(b)(7).

² 17 CFR 240.19b-7.

³ 7 U.S.C. 7a-2(c).

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

In its filing with the Commission, OneChicago 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. OneChicago 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

OneChicago is proposing to allow block trades and the futures component of EFP trades to be priced in four decimals points. The additional precision will aid in aligning these generally larger sized trades with the appropriate implied interest rate desired by the trade participants. The current two decimal pricing forces block transactions to be split into multiple transactions to arrive at the futures price that achieves the desired financing rate. This change will reduce the need to split block transactions. The change for EFPs will support reflecting the already four decimal point EFP price in the futures prices as opposed to the current practice of forcing it to be reflected in the stock price.

Market participants and system providers will need to modify their technologies to accommodate the additional decimals points for block trades and EFPs.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act, in particular, in that it is designed to foster

⁴ 15 U.S.C. 78f(b).

cooperation and coordination with persons facilitating transactions in securities, and remove impediments to and perfect the mechanism of a free and open market and national market system. The proposed rule would foster cooperation with market participants by allowing them to align large-sized trades with their desired interest rate. Moreover, the proposed rule would alleviate the need to split transactions, thereby removing an impediment to and perfecting the mechanism of a free and open market.

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

OneChicago does not believe that the proposed rule change will have an impact on competition.

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

Comments on the OneChicago proposed rule change have not been solicited and none have been received.

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

The proposed rule change will be effective upon filing and operational on August 15, 2011. At any time within 60 days of the date of effectiveness of the proposed rule change, the Commission, after consultation with the CFTC, may summarily abrogate the proposed rule change and require that the proposed rule change be refiled in accordance with the provisions of Section 19(b)(7) of the Act.⁵

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:

⁵ 15 U.S.C. 78s(b)(7).

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 Number SR-OC-2011-01 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-OC-2011-01. 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 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 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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-OC-2011-01 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.⁶

Elizabeth M. Murphy
Secretary

⁶ 17 CFR 200.30-3(a)(73).