SECURITIES AND EXCHANGE COMMISSION

March 24, 2022

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Extension of Review Period of Advance Notice Concerning The Options Clearing Corporation’s Margin Methodology for Incorporating Variations in Implied Volatility


\(^1\) 12 U.S.C. 5465(e)(1).


\(^3\) 15 U.S.C. 78a et seq.


Commission received a comment regarding the changes proposed in the Advance Notice.\(^6\)

Section 806(e)(1)(G) of the Clearing Supervision Act provides that OCC may implement the changes if it has not received an objection to the proposed changes within 60 days of the later of (i) the date that the Commission receives the Advance Notice or (ii) the date that any additional information requested by the Commission is received,\(^7\) unless extended as described below.

Pursuant to Section 806(e)(1)(H) of the Clearing Supervision Act, the Commission may extend the review period of an advance notice for an additional 60 days, if the changes proposed in the advance notice raise novel or complex issues, subject to the Commission providing the clearing agency with prompt written notice of the extension.\(^8\)

Here, as the Commission has not requested any additional information, the date that is 60 days after OCC filed the Advance Notice with the Commission is March 25, 2022. However, the Commission finds the issues raised by the Advance Notice complex because OCC proposes to change three models within its margin methodology, in part, to build the foundation for a single, consistent framework to model equity volatility

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\(^6\) Since the proposal contained in the Advance Notice was also filed as a proposed rule change, all public comments received on the proposal are considered regardless of whether the comments are submitted on the Proposed Rule Change or the Advance Notice. Comments on the Proposed Rule Change are available at https://www.sec.gov/comments/sr-occ-2022-001/srocc2022001.htm.

\(^7\) 12 U.S.C. 5465(e)(1)(G).

products in margin and stress testing.\textsuperscript{9} Therefore, the Commission finds it appropriate to extend the review period of the Advance Notice for an additional 60 days under Section 806(e)(1)(H) of the Clearing Supervision Act.\textsuperscript{10}

Accordingly, the Commission, pursuant to Section 806(e)(1)(H) of the Clearing Supervision Act,\textsuperscript{11} extends the review period for an additional 60 days so that the Commission shall have until May 24, 2022 to issue an objection or non-objection to advance notice SR-OCC-2022-801.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.\textsuperscript{12}

J. Matthew DeLesDernier
Assistant Secretary

\textsuperscript{9} See Notice of Filing, 87 Fed. Reg. 8063.
\textsuperscript{10} 12 U.S.C. 5465(e)(1)(H).
\textsuperscript{11} Id.
\textsuperscript{12} 17 CFR 200.30-3(a)(94).