

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-61673; File No. SR-OCC-2010-02)

Self-Regulatory Organization; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Adjustment Increments Applicable to Stock Futures

March 8, 2010

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934,¹ notice is hereby given that on February 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. OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act² and Rule 19b-4(f)(4) thereunder³ so that the proposal was effective upon filing with the Commission. 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 will amend the definition of “adjustment increment” applicable to stock futures.

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

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78s(b)(3)(A)(iii).

³ 17 CFR 240.19b-4(f)(4).

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

The purpose of this rule change is to accommodate a request made by OneChicago LLC ("ONE") to refine the adjustment increment when stock futures are adjusted in response to corporate actions. Currently, the adjustment increment for stock futures is the minimum increment in settlement prices, which is one cent (\$.01). ONE desires to change the adjustment increment for stock futures to one hundredth of a cent (\$.0001). Daily settlement prices and trade prices would continue to be expressed in pennies on a per-contract basis. This change would affect any corporate action for which settlement prices are adjusted, including cash distributions.⁴

As an example of the intended change, suppose a futures contract settlement price needs to be adjusted to reflect a \$0.125 per share cash dividend. If the per-share settlement price is \$50.00, the adjusted settlement price would be $\$50.00 - \$0.125 = \$49.8750$. If the closing settlement price the following day is \$50.05, a mark-to-market of $\$50.05 - \$49.875 = \$0.1750$, or \$17.50 per contract, would result. Prior to the change, the adjusted settlement price of \$49.875 would have been rounded to \$49.88. The resulting next day mark-to-market would have been $\$50.05 - \$49.88 = \$0.17$, or \$17.00 per contract. In that case, \$0.50 in mark-to-market value would not have been accounted for.

OCC states that the proposed change is consistent with Section 17A of the Act⁵ because it

⁴ See OCC Article XII, Section 3(a), for a description of the general rules applicable to adjustments to stock futures.

⁵ 15 U.S.C. 78q-1.

facilitates the clearance and settlement of stock futures transactions by providing a more precise calculation of the impact of certain adjustments. OCC also states that the proposed rule change is not inconsistent with the existing rules of OCC including any other rules proposed to be amended.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act⁶ and Rule 19b-4(f)(4)⁷ thereunder because it effects a change in an existing service of a registered clearing agency that does not adversely affect the safeguarding of securities or funds in the custody or control of the clearing agency or for which it is responsible and does not significantly affect the respective rights or obligations of the clearing agency or persons using the service. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

⁶ 15 U.S.C. 78s(b)(3)(A)(iii).

⁷ 17 CFR 240.19b-4(f)(4).

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-2010-02 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-2010-02. 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 inspection and copying 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.jspU>. 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-2010-02 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.⁸

Florence E. Harmon
Deputy Secretary

⁸ 17 CFR 200.30-3(a)(12).

