

Options Clearing Corp.

Major Rating Factors

Strengths:

- Effective monopoly on clearing security options and futures
- Mutualization of risk among the membership; strong support from the capital markets
- Strong risk management function; highly effective margining procedures
- Ample financial sources; \$3 billion clearing fund

Weaknesses:

- High degree of operating leverage
- Financial performance dependent on option trading volumes
- High degree of operational risk
- Increasing concentration of member base

Rationale

The counterparty credit rating on Options Clearing Corp. (OCC) reflects Standard & Poor's Ratings Services' assessment of its critical role in the U.S. capital markets as the exclusive clearinghouse for derivatives traded on SEC-regulated exchanges. Further underlying the rating are OCC's members' mutual incentives to protect the organization from settlement losses, its conservative financial and procedural safeguards, and its substantial and readily available financial resources. However, in our opinion, OCC's business model exhibits a high degree of operating leverage and operational risk. Ongoing consolidation among financial institutions has decreased the number of clearing members and also contributed to further concentration of trading volume among the largest members. As a result, diversification and granularity of OCC's clearing member base continue to decrease. The rating applies to OCC's obligations to clearing members and not to clearing members' option obligations to customers.

Counterparty Credit Rating

AAA/Stable/—

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OCC's risk profile is determined by its role as central counterparty to all clearing members and the guarantee it provides in that process. The clearinghouse's principal risk is an event of clearing member default and the potential market risk from any open positions of such clearing member. Also, because of the large number of transactions processed every day and the resulting need for flawless execution and exceptional technology and back office operations, we consider operational risk to be very high. In addition, because revenues are variable and dependent on trading volume, while expenses are generally fixed, there is a high degree of operating leverage.

We also note that although OCC has a large number of clearing members (118), the ongoing consolidation process in the industry means that some very large clearing members have emerged with correspondingly high shares of trading volumes, open interest, and, as such, clearing risk to OCC.

Standard & Poor's considers OCC's enterprise risk management to be strong. The clearinghouse manages clearing risk through what we consider as a comprehensive set of financial safeguards including rigorous admission standards and clearing member surveillance activities, the collection of high-quality collateral, and mutualization of risk among its financially strong clearing members in the form of a clearing fund and the power to assess members for funds to cover losses of a defaulting clearing member. In line with the nature of OCC's business, operational risk is high but receives appropriate attention and resources and is well managed, in our view.

During the course of a highly volatile 2008 and 2009, OCC continued to issue more intraday margin calls than usual, most of which were covered by excess collateral held. The events since September 2008 have shown that OCC's margining methodology appears to react quickly enough to increased volatility to provide the company with sufficient collateral to keep any uncovered (by margin collateral) exposure at negligible levels.

Chicago-based OCC is the sole issuer and settling agent for all stock options, equity index options, and single-stock futures listed on U.S. exchanges. OCC has an effective monopoly so it can concentrate its resources on supporting market integrity. In this capacity, OCC strives to maintain a proper balance between market liquidity and the safety of the clearing mechanism, while also promoting operating efficiencies for its participants. Therefore, OCC has strong support from its members and the financial community at large.

Outlook

The stable outlook incorporates the substantial financial safeguards that protect OCC from counterparty risks even during times of significant market volatility. The clearing organization's robust risk management techniques proved their mettle following the events of Sept. 11, 2001, the stock market's sharp fall-off during the summer of 2002, and most recently during the extreme stock market volatility and fall-off following September 2008. The ratings would be subject to change if the financial safeguards were materially weakened or in case of a marked deterioration of the quality of OCC's clearing membership base.

Profile

Founded in 1973, OCC is a stand-alone clearinghouse that issues and clears options on common stocks, indices, currencies, and interest rate composites listed on seven participating exchanges of which five are owners. OCC cleared 3,625 million options and futures contracts during 2009, an increase of

about 1% from the previous year. About 93% of the contracts cleared were individual stock options and 7% were equity index options and futures contracts.

There is only moderate concentration in trading volumes, as the seven participating exchanges list derivative instruments on more than 3,700 underlying instruments. In 2009, Standard & Poor's Depository Receipts, C, S&P 500, NASDAQ-100 ETF, and BAC contracts accounted for 9.6%, 5.9%, 4.3%, 4.1%, and 3.3% of trading volume, respectively. No other stock or index contract accounts for more than 3% of trading volume. The top 31 contracts represented about 50% of total trading volume in 2009.

As it is a self-regulating agency, all of OCC's by-laws and rules and any changes thereto must first be approved by the SEC. The SEC gives the clearinghouse the powers to discipline, fine, restrict the business of, and even expel members who violate clearinghouse or SEC rules.

OCC is equally owned by five participating exchanges: the NYSE Alternext US LLC (formerly Amex); the Chicago Board Options Exchange (CBOE); the International Securities Exchange (ISE); the NASDAQ OMX PHLX (formerly Philadelphia Stock Exchange); and NYSE Arc (formerly the Pacific Exchange). In February 2004, the Boston Options Exchange (BOX) joined as a participating exchange followed by NASDAQ Stock Market, LLC in 2008. Unlike the five initial member exchanges described above who are shareholders in OCC, new participating exchanges such as BOX and NASDAQ Stock Market are holders of a promissory note.

OCC is also the clearing agent for the following futures exchanges: CBOE Futures Exchange, OneChicago LLC, (OCX), and NASD OMX. OCX is a joint venture between the CBOE, the Chicago Mercantile Exchange (CME), and the Chicago Board of Trade. OCX lists single-stock futures, as well as futures on narrow-based equity indices and exchange-traded funds. The CME maintains an associate clearinghouse agreement with OCC to facilitate the clearance of trades originating through the CME. OCC does not provide a guarantee for trades cleared through CME and does not collect margin or clearing fund deposits from the cross-town commodity exchange. The CBOE Futures Exchange lists regular commodity futures.

Growth opportunities for OCC are limited, as most major futures exchanges have their own clearinghouse. In light of most recent industry efforts to reduce operational risk, complexity, and systemic risk arising from a large number of over-the-counter (OTC) derivatives transactions, we expect that OCC will try to leverage off its expertise and resources in the area of equity derivatives and will try to compete for such clearing business. Unless inclusion of that clearing business adds to a further, significant concentration in a few, select counterparties, we believe that OCC appears to be well positioned to manage and handle the risk from an operational and systems perspective.

Further potential growth could come from new start-up exchanges without their own clearinghouse and which, for competitive reasons, are reluctant to clear through exchange-owned clearinghouses; international exchanges without presence in North America who need OCC as processor; or products where OCC has a competitive edge (pricing and risk management). For example, OCC has entered a clearing relationship with NYSE Liffe, the U.S. futures exchange of NYSE Euronext, an agreement with QUADRISERV for a centralized securities lending marketplace where OCC provides clearinghouse services and acts as the central counterparty for all securities lending transactions, and finally an agreement with ELX Electronic Liquidity Exchange, a fully electronic futures exchange formed by 12 financial institutions whereby OCC provides clearing, risk management, and delivery (settlement) services for ELX.

Risk Management

OCC's risk profile is determined by its role as central counterparty to all clearing members and the guarantee it provides in that process. The clearinghouse's principal risk is an event of clearing member default and the potential market risk from any open positions of such clearing member. Also, because of the large number of transactions processed every day and the resulting need for flawless execution and exceptional technology and back office operations, we consider operational risk to be very high.

Standard & Poor's considers OCC's enterprise risk management to be strong. Clearing risk is managed through a comprehensive set of financial safeguards including strict membership rules, the collection of high-quality collateral, and mutualization of risk among its financially strong clearing members. OCC's financial safeguards functioned very well and as expected during the times of extreme volatility in 2008 and 2009. Increases in volatility translated promptly into correspondingly higher margin requirements, on a risk-adjusted basis. In line with the nature of OCC's business, operational risk is high but receives appropriate attention and resources and is well managed, in our opinion.

Standard & Poor's believes that OCC's clearing risk is well managed and that the financial safeguards provide a reasonable level of protection without tying up too much liquidity, as evidenced during the market dislocations of the latter half of 2008.

Operational risk: Well-established redundancy and disaster recovery processes

As a processor of thousands of transactions daily, OCC is exposed to a high degree of operational risk. The company must meet the demands of its members and the trading community at large, which demands exceptional technology and back office operations. Reliability, availability, scalability, security, and constant innovation are only a few of the challenges.

OCC operates duplicate computing systems using multiple power sources and secure, leased communications lines between its primary data processing site and its local disaster recovery site. OCC's operations are highly scalable where, because of the added complexity and related risk management requirements, challenges occur through the introduction of new products rather than increased trading volumes. OCC handles multiples of its peak volumes with additional resources available within two hours to increase its transaction processing capacity significantly.

Two historical examples of operational risk events are the terrorist attacks of Sept. 11, 2001 and the east coast blackout on Aug. 14, 2003. OCC's operations were not directly affected by the terrorist attacks of Sept. 11, 2001, on the World Trade Center, although the clearinghouse did need to reconnect telecommunication links with the ASE and certain clearing members whose own operations were affected. Even under these extreme conditions, OCC collected all margin requirements on time. Similarly, the Aug. 14, 2003, east coast blackout did not directly affect OCC, but again, the clearinghouse collected all margin in a timely manner.

Limited clearinghouse risk

As a clearinghouse, OCC provides clearing services for financial transactions. When a market participant places an order that is filled on one of the exchanges, the exchange matches the two sides of the order and reports back to its executing members information confirming matched trades or highlighting unmatched trades. The matched order is sent to OCC, which issues a novated contract to the clearing members that represent each side of the contract. By issuing a novated contract, OCC becomes the buyer for every seller and the seller for every buyer.

The clearinghouse's principal risk is an event of clearing member default. Only then does OCC become exposed to market risk. At the time a member defaults, OCC's mandate is to limit the length of time it is exposed to market risk. To that end, the OCC tries to transfer all the positions and all deposited collateral of the defaulting member to other clearing members. If a transfer is not feasible, OCC closes out the defaulted member's positions in open market transactions using the margin collateral as the source of funds. In the eight instances of clearing member liquidations, all unbalanced positions were closed or rebalanced within the trading day.

To protect itself from such risks, the clearinghouse has established a number of financial safeguards, which take effect in the following order:

- Clearing member admission standards
- Margin requirements
- Clearing fund
- Assessment rights

Broad membership base minimizes credit risk

Membership in OCC is balanced between providing broad access, which diversifies risk, and maintaining high credit standards. With 118 clearing members at Jan. 31, 2010, OCC still has a sufficiently large membership base over which to spread clearing risk. We do note, however, that ongoing consolidation among financial institutions has decreased the number of clearing members (from 131 in 2001 to 118 currently) and also contributed to further significant concentration of trading volume among the largest members. Open interest is increasingly concentrated within a small group of clearing members that handle a large proportion of the trading volume. This concentration is mitigated by the fact that these clearing members are required to post higher margin (if risk is indeed higher) and OCC's general ability to offset against individual market-maker positions. This phenomenon is not unique to OCC and in fact, we still consider OCC's member base as one of the most granular and diversified compared with many other clearinghouses around the world.

The financial strength of the clearing members can be demonstrated by their collective capital, which totaled \$272 billion at Dec. 31, 2009. The members are predominantly U.S.-registered broker-dealers owned by domestic securities firms and a handful of major European banks and investment houses.

As its first line of defense and to assure high credit standards, OCC defines membership standards spanning initial membership qualification as well as the daily monitoring of existing members. The clearinghouse by-laws set admission standards for financial requirements, operational capability, and the management competence of clearing members. OCC staff conducts a rigorous on-site due diligence of all applicants who must then be recommended by the Membership/Risk Committee and be approved by the board of directors.

Clearing members are required to be U.S. broker-dealers and capitalized as listed in table 1.

Table 1

Options Clearing Corp. — Capital Requirements	
Initial required capital (mil. \$)	2.5
Minimum net capital (mil. \$)	2
Firms providing facilities management services	\$4 million + \$200,000 x number of firms >4 that it services

Actual net capital requirements might be higher depending on the clearing member's volume and type of trading activity.

Clearing members that do not have sophisticated operational capabilities have to operate through a facility-management agreement under which another approved clearing member handles back-office operations. The minimum capital requirement for clearing members providing facilities management services is \$4 million plus \$200,000 for each agreement greater than four that it services (see table 1).

During OCC's 37-year history, eight relatively small firms were liquidated following suspension by their designated examining authority. In only one case did liquidation result in a small loss to the OCC clearing fund.

OCC staff continually monitors the creditworthiness, positions outstanding, and potential risk exposures of its clearing members. Members having financial or operational difficulties or who have excessive position risks are placed on a Watch list. At the lowest Watch level, a clearing member might be assessed increased risk requirements (margin). At the highest Watch level, a clearing member might be restricted from booking additional business. Clearing members guarantee the performance and monitor the creditworthiness of their customers, including market makers.

Risk requirement (margin): STANS

Option writers are required to deposit either the underlying security and/or acceptable collateral, otherwise known as margin, in approved banks or depositories for the benefit of OCC. Margin protects OCC against the possibility that daily option price changes, in the event of a clearing member default, would expose the clearinghouse to losses. OCC's policy is to maintain prudent, but not excessive, margins that would impair market liquidity. Margin payments to clearing agencies are protected by law from bankruptcy claw-back.

OCC employs its proprietary System for Theoretical Analysis and Numerical Simulations (STANS) to calculate each clearing member's margin requirement. The system was introduced on Aug. 4, 2006, and replaced the previous system (TIMS).

The total margin requirement consists of two parts: The net asset value (NAV) calculation or mark-to-market component, which is the cost to liquidate an option position at current market prices; and risk component, which provides a cushion to cover two-day market risk.

NAV is equal to the daily mark-to-market value of the option contract in which the option writer pays margin and the option buyer receives margin credit. In essence, NAV covers the credit risk of a clearing member default. The additional risk component of the total margin requirement accounts for the possibility of adverse price moves beyond the mark-to-market after a clearing member default and before OCC is able to liquidate the option (or futures) positions.

The additional risk component covers the market risk portion of the total margin requirement by means of dynamic expected shortfall risk measures. These measures are obtained from large-scale Monte Carlo implementation of a copula-based approach with heavy-tailed marginal distributions.

STANS simulates a set of 10,000 hypothetical market scenarios to produce a profit/loss distribution for the approximately 250 distinct clearing member portfolios. These simulated scenarios incorporate information extracted from the historical behavior of each individual security (risk factor) as well as its relationship to the behavior of other securities (risk factors). Scenarios are generated for more than 7,000 risk factors, including a broad range of individual equities, exchange-traded funds, stock indices, currencies, and commodity products. OCC uses a dynamic model to update volatilities on a daily basis. Dependence among risk factors is reflected in three ways: (1) the base case is historical copula-based dependence, estimated from the historical data, which is supplemented by stress test simulations of (2) perfectly correlated risk factors and (3) independent (zero correlated) scenarios for single stock risk factors. The portfolio margin (risk) requirement is a function of expected shortfall (ES) measures from different dependence structure simulations. The ES measure is the mean beyond the VAR cut-off level and reflects the expected tail loss.

The total margin requirement for a given portfolio is the sum of NAV and risk component as described above. As STANS is available to all clearing members, it allows them to measure, monitor, and manage the level of risk exposure of their portfolios.

OCC has set up a cross-margining arrangement with several U.S. futures exchanges. Under cross margining, a clearing member's index option position can be offset by a position in an index future or an option on an index future listed at one of the participating futures exchanges. The margin collateral is deposited in a bank account jointly held by both clearinghouses. Should OCC or the other clearinghouse suffer a loss liquidating a cross-margined account, the loss is to be shared between the two organizations.

Acceptable margin collateral consists of underlying securities, valued securities, letters of credit (LOCs), U.S. Treasury securities, government-sponsored debt, money market mutual funds, and cash. Index escrow receipts, which are baskets of stock that replicate major stock indices, are also held as collateral on short index call options. To provide a cushion against price fluctuations, common stocks are valued at market and undergo the 10,000 scenario risk analysis and preferred stocks are haircut at 30%. All U.S. Treasury bonds are haircut at a level that increases along with the maturity of the instrument. All non-cash collateral is marked-to-market on a daily basis.

OCC faces the risk of a margin shortfall if a clearing member defaults and the LOC-issuing bank is unable to honor its financial obligations. OCC and other U.S. clearinghouses have a uniform LOC form, which requires payment within 60 minutes. In the eight episodes of clearing member liquidation, an LOC was drawn only once and without difficulty.

The near breakdown of intra-bank lending and confidence in 2008 has tested at least some parts of the established processes and procedures in the chain of clearing and settlement. The means and tools available to OCC, such as LOCs for example, meant that in no case were OCC's financial position and integrity at risk.

Clearing fund

The size of the clearing fund is a direct function of the risks in clearing members' positions. The clearing fund is based on clearing member margin requirements, which in turn are based on the size and volatilities of clearing member positions. Only cash and U.S. government securities (in other words, no LOCs) can be used to meet clearing members' obligations to the clearing fund.

Clearing fund contributions are 6% of average (NAV plus risk) margin requirement with a minimum aggregate clearing fund of \$1 billion, subject to a cap of 7% of average margin requirement. On Dec. 31, 2009, the OCC clearing fund totaled \$3 billion.

The total size of the clearing fund depends on the average daily total margin requirements during the preceding calendar month. Clearing members have to make up any shortfall in their clearing fund deposits within the first three to five days of the new month. This methodology does leave potential for a short-term gap between actual and required clearing fund deposits, especially if volumes or volatilities have increased.

A clearing member's minimum contribution to the clearing fund is \$150,000. The minimum contribution for execution-only members is \$150,000 plus \$15 times the average daily executed volume for the preceding calendar month.

The clearing fund has been used once: to close out the positions of H.B. Shaine the day after the 1987 stock market meltdown. The amount tapped was small, but was needed because of the turbulence of the market.

We understand that OCC is currently evaluating possible changes to the methodology of clearing fund requirements to align it with the concepts used under the new margining system STANS.

Power of assessment

Under OCC's rules, clearing members have agreed in advance to pay an amount of up to their original clearing deposit to replenish the clearing fund if a default were to deplete it. In a given default situation, OCC can make further assessments against clearing members, but they can withdraw from the clearinghouse after closing out their positions.

Although this is a very powerful tool and factors positively in our ratings on OCC, this financial safeguard is a contingent call and not held in cash, which is of lower quality than highly liquid collateral in hand. However, this form of mutualization of risk provides an element of self policing as theoretically, at this point, all clearing members are liable for a defaulted clearing member's losses. The value of this financial safeguard is a direct function of the combined health and financial strength of the clearing members as measured by their excess capital.

Well-Established Procedural Safeguards

OCC's payment schedules are short in order to minimize the amount of time before a default can be declared. Margin calls are made at 6:30 a.m. and have to be met by 9:00 a.m. Payment instructions are sent directly to the clearing members' banks, which then inform OCC if the money is already in the account or if the bank will finance the margin on behalf of the clearing member.

OCC establishes all its payment schedules so that it receives any payments due from paying clearing members an hour before it pays any credits to receiving clearing members. When customers buy options, the premium is paid to OCC an hour before it pays premium to option writers.

OCC keeps three groups of accounts—customer, market makers, and proprietary accounts—separated to prevent the inappropriate use of margin collateral. In addition, the long positions in one customer's account are not allowed to be used as a risk offset for positions in another customer's account. This procedure increases the margin requirement and protects the clearing member and its customers from the default of another customer.

Intraday margin calls are a key way to limit risk during periods of market turbulence. OCC rules authorize the clearinghouse to require additional collateral to protect OCC, other clearing members, or the general public, typically when extreme market moves lead to significant unrealized portfolio losses. Intraday collateral calls are currently made when unrealized losses exceed 50% of total risk charges.

It is not uncommon for OCC to issue intraday margin calls. In fact, during the course of 2009, but especially during the second half of 2008, OCC issued more intraday margin calls than usual, most of which could be covered by excess collateral held. OCC's margining methodology reacted quickly enough to the increased volatility to provide the company with sufficient collateral to keep any uncovered (by margin collateral) exposure during 2009 and 2008 at negligible levels.

Liquidity

In the case of member default or liquidation, OCC rules require that it convert margin assets to cash to transfer, close out, or repurchase positions. The clearinghouse views the clearing fund as one source of liquidity should margin assets take too long to monetize. OCC also maintains various lines of credit with a group of domestic and foreign banks of about \$1.280 billion as of Dec. 31, 2009. OCC has never tapped these lines. No borrowings were outstanding under this facility as of Dec. 31, 2009.

Financial Performance: Highly Scalable, High Degree Of Operating Leverage

Profitability is not a major ratings factor as OCC operates as a utility for its members, focusing on cost recovery rather than on maximizing profit. There is a high degree of operating leverage because revenues are variable, highly unpredictable, and dependent on the volume of options activity, and expenses are generally fixed. The clearinghouse also faces the cost of technology improvements, introducing new products, and expanding services to its members. As a mutual service organization, however, OCC has tremendous flexibility to reduce rebates, and if need be, raise clearing fees. Bottom-line profitability after refunding clearing members historically has been, and is likely to remain, flat.

As a business, OCC is capable of very strong profitability, but a large part of the transaction fees it collects are refunded to clearing members. At Dec. 31, 2009, and Dec. 31, 2008, rebates equaled 61.5% and 64.4% of clearance fees, respectively.

OCC has a history of passing on revenues from strong clearing volume increases to its clearing members in the form of reduced clearing fees. The changes benefit clearing members and other market participants by further reducing trading cost and adding to a more efficient market. As its business is highly scalable, such fees changes do not adversely affect OCC's ability to meet its expenses and maintain acceptable levels of retained earnings.

Standard & Poor's does not look to OCC's own capital for protection, but rather at the financial safeguards and credit standards of clearing members. OCC pays no dividends on its common stock.

Table 2

Options Clearing Corp. Financial Statistics

	—Year ending Dec. 31—				
	2009	2008	2007	2006	2005
<i>Market Statistics</i>					
Volume (Mil. contracts)					

Table 2

Options Clearing Corp. Financial Statistics (cont.'d)					
Equity	3,369.9	3,288.8	2,600.2	1,852.1	1,374.5
Index	255.1	299.0	271.8	184.0	135.3
Currency	-	-	0.1	0.1	0.2
Total	3,625.0	3,587.7	2,872.0	2,036.2	1,510.0
Open interest (Mil. contracts) (Year end)	274.6	251.7	282.1	233.8	194.1
Approx. notional value (Bil. \$)	2,585	1,961	3,300	2,544	1,721
Approx. market value (Bil. \$)	122.8	189.5	178.0	79.4	58.1
Membership					
Number of members	118	114	115	116	122
Equity and sub. debt (Bil. \$)	272.3	266.8	260.7	218.9	197.7
Margin Collateral					
Margin requirements (Year end)(Mil. \$)	32,794	50,002	49,706	39,981	44,118
Margin collateral after haircuts	40,880	60,383	63,461	46,673	49,804
Collateral holdings (Year end)(% of total)					
Cash	6.6	15.2	2.8	0.9	0.4
Govt. securities	25.8	36.8	25.9	30.8	19.7
Letters of credit	9.3	13.7	18.3	12.4	11.6
Valued securities	58.2	34.3	53.0	55.9	68.3
Underlying securities (Mil. \$)	17,245	9,700	19,560	18,002	14,311
Escrow receipts (Mil. \$)	19,898	14,560	18,271	17,165	11,574
Total collateral (Mil. \$)	78,022	84,643	101,292	81,839	75,689
Equity contracts w/specific deposits (Mil.)	4.96	3.36	4.42	4.58	3.71
Index contracts w/specific deposits (Mil.)	0.17	0.20	0.16	0.14	0.12
Market value/Contract (\$)	447.19	752.63	631.00	339.57	299.39
Margin requirement/(Contracts less specifics) (\$)	121.68	201.48	179.14	174.56	231.92
Margin collateral/(Contracts less specifics) (\$)	151.67	243.31	228.71	203.78	261.81
Clearing Fund					
Total deposits (Year end) (Mil. \$)	2,967.5	5,685.7	4,648.3	2,917.8	2,440.3
Deposits/Contract (\$) (Year end)	10.80	22.59	16.48	12.48	12.57
Deposits/Margin req. (Year end) (%)	9.0	11.4	9.4	7.3	5.5
Performance (Mil. \$)					
Clearance fees	299.1	297.8	278.9	277.6	209.6
Other income	19.4	5.1	17.9	17.9	17.1
Expenses and taxes	134.5	111.1	117.4	124.1	119
Rebates or discounts	183.9	191.8	179.4	172.0	107.8
Net income	0	0	0	0	0
Rebates/Clearance fees (%)	61.5	64.4	64.3	61.7	51.4
Retained earnings (Year end)	45.2	46.3	48.3	49.2	49.3

Ratings Detail (As Of 12-Mar-2010)***Options Clearing Corp.**

Counterparty Credit Rating	AAA/Stable/—
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Counterparty Credit Ratings History

28-May-1997	AAA/Stable/—
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19-Jan-1993	AAA/—/—
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Sovereign Rating

United States of America	AAA/Stable/A-1+
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*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.

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