

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 19b-4

Proposed Rule Change
by

THE OPTIONS CLEARING CORPORATION

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

Item 1. Text of the Proposed Rule Change

The Options Clearing Corporation (“OCC” or the “Corporation”) proposes to amend its By-Laws and Rules as set forth below to accommodate changes in the method of holding certain securities pledged by clearing members to satisfy their margin and clearing fund obligations.

The text of the proposed amendments to OCC’s By-Laws and Rules is set forth below. Material proposed to be added to OCC’s By-Laws and Rules as currently in effect is underlined and material proposed to be deleted is enclosed in bold brackets.

THE OPTIONS CLEARING CORPORATION**BY-LAWS**

* * *

ARTICLE VIII**Clearing Fund****Maintenance and Purpose of the Clearing Fund**

SECTION 1. (a) [no change]

(b) Without limiting any other rights granted herein, each Clearing Member grants to the Corporation a general lien on all cash, Government securities and other property of the Clearing Member contributed to the Clearing Fund (and any proceeds thereof) as security for any obligation of the Clearing Member to the Corporation including, without limitation, any obligation to satisfy a proportionate charge pursuant to Section 5 of this Article VIII.

* * *

Form of Contributions

SECTION 3. (a) Contributions to the Clearing Fund shall be in cash or in Government securities. Government securities shall be valued at (1) 99.5% of the current market value for maturities less than one year; (2) 98% of the current market value for maturities between one and five years; (3) 96.5% of the current market value for maturities between five

and ten years; and (4) 95% of the current market value for maturities in excess of ten years. For the purposes of this Section, the current market value of Government securities shall be determined by the Corporation at such intervals as the Membership/Risk Committee shall from time to time prescribe, but not less often than monthly, on the basis of the quoted bid price therefor supplied by a source designated by the Corporation. Contributions of Government securities shall be deposited by the Clearing Member in an account of the Corporation in an approved depository in the name of the Corporation or by such other method as the Corporation may from time to time approve. [A contribution of Government securities may be evidenced by (i) the delivery to the Corporation of a depository receipt issued by an approved depository in a form prescribed by the Corporation or (ii) receipt by the Corporation of confirmation satisfactory to it that the securities have been pledged to the Corporation through an EDP Pledge System with the same legal effect as if a depository receipt were filed in accordance with clause (i) hereof.] Any interest or gain received or accrued on such securities shall belong to the contributing Clearing Member, and any interest on, or proceeds from the maturity of, such securities received by the Corporation shall be credited by the Corporation to an account of the Clearing Member on the records of the Corporation.

(b) Notwithstanding any other provision of this Section 3 of Article VIII, in determining the U.S. dollar amount of clearing fund credit to be given to any foreign currency or asset denominated in a foreign currency, the Corporation may use such exchange rates and apply such "haircuts" as it deems appropriate for its protection.

...Interpretations and Policies:

.01 [No change]

.02 Securities deposited in an account of the Corporation in an approved depository in the name of the Corporation shall be credited to the Clearing Member's "clearing fund account," which shall be a securities account maintained on the records of the Corporation in the name of such Clearing Member, and the Corporation shall be the Clearing Member's securities intermediary with respect to such securities for purposes of Articles 8 and 9 of the Uniform Commercial Code. So long as any such securities and any proceeds thereof are so credited to the Clearing Member's clearing fund account, the Corporation shall have a general lien on and perfected security interest in and "control" over such securities and proceeds for purposes of Articles 8 and 9 of the Uniform Commercial Code.

.03 For a transition period specified by the Corporation, contributions of Government securities may be made in an account at an approved depository in the name of the Clearing Member and pledged to the Corporation provided that such a contribution shall not be effective until the Corporation receives confirmation satisfactory to it that the securities have been so pledged through an EDP Pledge System.

* * *

RULES

* * *

Chapter VI**Margins**

* * *

Form of Margin Assets

RULE 604. To satisfy the margin requirements determined under Rule 601, a Clearing Member may deposit margin assets with the Corporation in the forms specified in paragraphs (a) - (c) of this Rule 604.

(a) [No change]

(b) *Securities*. The types of securities specified in subparagraphs (1) - (4) of this paragraph (b) may be deposited with the Corporation in the manner specified for each.

(1) *Government Securities*. Clearing Members may deposit, as hereinafter provided, Government securities which are free from any limitation as to negotiability. Government securities shall be valued for margin purposes at 99.5% of the current market value for maturities of up to one year; 98% of the current market value for maturities in excess of one year through five years; 96.5% of the current market value for maturities in excess of five years through ten years; and 95% of the current market value for maturities in excess of ten years. Government securities deposited pursuant hereto shall be deposited by the Clearing Member in an account of the Corporation in an approved depository in the name of the Corporation or by such other method as the Corporation may from time to time approve. [shall be deposited by the Clearing Member in an approved depository either in the name of the Corporation or under irrevocable arrangements (i) permitting such securities to be promptly sold by or upon the order of the Corporation and the proceeds to be paid over to the Corporation for the account of the Clearing Member without notice and (ii) requiring the Clearing Member to pay all fees and expenses incident to the ownership or sale of such securities or the arrangement with the depository. The margin shall be deemed to be deposited with the Corporation at the time the Corporation is furnished with the depository's receipt for such deposit or at the time the Corporation receives confirmation satisfactory to it that such securities have been pledged to the Corporation through an EDP Pledge System.] All interest or gain received or accrued on such Government securities prior to any sale or negotiation thereof shall belong to the depositing Clearing Member, and any interest on, or proceeds from the maturity of, such Government securities received by the Corporation shall be credited by the Corporation to the account of the Clearing Member in respect of which the deposit was made. Current market value shall be determined by the Corporation at such intervals as the Membership/Risk Committee shall from time to time prescribe, but not less often than daily on the basis of the quoted bid prices therefor supplied by a source designated by the Corporation.

(2) *GSE Debt Securities*. Clearing Members may deposit, as hereinafter provided, GSE debt securities which are free from any limitation as to negotiability. GSE debt securities shall be valued for margin purposes at (1) 99% of the current market value for maturities of up to one year; (2) 97% of the current market value for maturities in excess of one year through five

years; (3) 95% of the current market value for maturities in excess of five years through ten years; and (4) 93% of the current market value for maturities in excess of ten years. Such GSE debt securities deposited pursuant hereto shall be deposited by the Clearing Member in an account of the Corporation in an approved depository in the name of the Corporation or by such other method as the Corporation may from time to time approve. [shall be deposited by the Clearing Member in an approved depository either in the name of the Corporation or under irrevocable arrangements (i) permitting such securities to be promptly sold by or upon the order of the Corporation and the proceeds to be paid over to the Corporation for the account of the Clearing Member without notice and (ii) requiring the Clearing Member to pay all fees and expenses incident to the ownership or sale of such securities or the arrangement with the depository. The margin shall be deemed to be deposited with the Corporation at the time the Corporation is furnished with the depository's receipt for such deposit or at the time the Corporation receives confirmation satisfactory to it that such securities have been pledged to the Corporation through an EDP Pledge System.] All interest or gain received or accrued on such GSE debt securities prior to any sale or negotiation thereof shall belong to the depositing Clearing Member, and any interest on, or proceeds from the maturity of, such Government securities received by the Corporation shall be credited by the Corporation to the account of such Clearing Member in respect of which the deposit was made. Current market value shall be determined by the Corporation at such intervals as the Membership/Risk Committee shall from time to time prescribe, but not less often than daily on the basis of the quoted bid prices therefor supplied by a source designated by the Corporation.

(3) – (5) [No change]

(c) – (d) [No change]

(e) Notwithstanding any other provision of this Rule 604, in determining the U.S. dollar amount of the margin credit to be given to any foreign currency or asset denominated in a foreign currency, the Corporation may use such exchange rates and apply such “haircuts” as it deems appropriate for its protection.

(f) [No change]

...Interpretations and Policies:

.01 - .13 [No change]

.14 For a transition period specified by the Corporation, deposits of Government securities pursuant to Rule 604(b)(1) or deposits of GSE debt securities pursuant to Rule 604(b)(2) may be made in an account at an approved depository in the name of the Clearing Member and pledged to the Corporation provided that such a deposit shall not be effective until the Corporation receives confirmation satisfactory to it that the securities have been so pledged through an EDP Pledge System.

* * *

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by OCC's Board of Directors at a meeting held on July 17, 2009.

Questions regarding the proposed rule change should be addressed to Jean M. Cawley, Senior Vice President and Deputy General Counsel, at (312) 322-6269.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The primary purpose of this proposed rule change is to revise OCC's By-Laws and Rules (collectively, the "Rules") to accommodate changes in OCC's method of holding certain securities pledged by clearing members to satisfy margin and clearing fund obligations. Among the securities that OCC's Clearing Members may deposit to satisfy margin and clearing fund obligations are securities issued by the United States or Canadian governments or securities issued by U.S. government-sponsored enterprises (collectively, "government securities"). Previously, OCC permitted clearing members to satisfy such obligations by pledging by means of a paper pledge agreement or an electronic pledge system of a depository approved by OCC. Instead of using these types of pledges of government securities, OCC intends to take direct control of government securities that clearing members pledge to satisfy their margin and clearing fund obligations and require that such pledged securities be held in an account in the name of OCC. The EDP Pledge System will be retained during a transition period designated by OCC. This change in the manner of holding margin and clearing fund deposits will enhance OCC's control of such securities and allow OCC to access such securities more efficiently. The respective rights of OCC and Clearing Members in the deposited securities are not intended to be affected by this change, which relates only to the mechanism through which the securities are

held. The proposed changes to the Rules are necessary to reflect the revised method of making margin and clearing fund deposits. The general lien granted under new paragraph (b) of Article VIII, Section 1, would replace the security interests created through the pledge mechanisms where securities are held directly in OCC's name. In order to preserve flexibility, the amended rule would allow OCC to specify a different method of accepting margin deposits if necessary to respond any unanticipated circumstances.

This rule change also provides clarification regarding how OCC will manage credits foreign currency toward clearing fund and margin requirements. While OCC does not presently accept foreign currency as contributions to the clearing fund or as margin deposits, it will receive and potentially could hold Canadian dollars received as interest on, or proceeds of, Canadian government securities, which are included in the definition of "government securities" in Article I of the By-Laws. When determining the U.S. dollar value of such foreign currency, OCC will conduct its valuations in the same way it has in the past valued margin deposits of assets denominated in a foreign currency; *i.e.*, by using such exchange rates and applying such "haircuts" as it deems appropriate. To reflect this policy, OCC has made a minor amendment to Rule 604(e) and added a provision similar to Rule 604(e) in Section 2 of Article VIII of the By-Laws.

* * *

The proposed changes to OCC's By-Laws and Rules are consistent with the purposes and requirements of Section 17A of the Securities Exchange Act of 1934, as amended, because they are designed to promote the prompt and accurate clearance and settlement of transactions in options and other derivatives cleared by OCC, and, in general, to protect investors and the public interest. They accomplish this purpose by enhancing OCC's control over

securities deposited by its members to satisfy margin and clearing fund obligations. The proposed rule change is not inconsistent with any rules of OCC, including any rules proposed to be amended.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

OCC does not believe that the proposed rule change would have any material adverse impact on competition.

Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were not and are not intended to be solicited with respect to the proposed rule change, and none has been received.

Item 6. Extension of Time Period for Commission Action

OCC does not consent to an extension of any time period for Commission action.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

OCC is filing the proposed rule change for immediate effectiveness pursuant to Section 19(b)(3) of the Exchange Act and Rule 19b-4(f)(4) thereunder because the proposed rule change effects a change in OCC's existing clearing service that does not (i) adversely affect the safeguarding of securities or funds in OCC's custody or control or for which OCC is responsible or (ii) significantly affect the respective rights or obligations of OCC or persons using the service. The change in the manner of holding margin and clearing fund deposits enhances OCC's control over securities without adversely affecting the rights of the depositing members.

Item 8. Proposed Rule Change Based on Rules of Another Regulatory Organization or of the Commission

The proposed rule change is not based on a rule change of another self-regulatory organization.

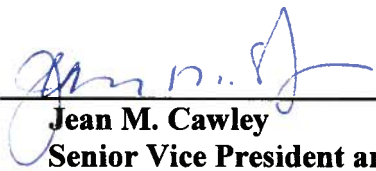
Item 9. Exhibits

Exhibit 1 Completed notice of the proposed rule change for publication in the Federal Register.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, The Options Clearing Corporation has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

THE OPTIONS CLEARING CORPORATION

By: 

Jean M. Cawley
Senior Vice President and
Deputy General Counsel

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-OCC-2010-10

SELF-REGULATORY ORGANIZATION

Proposed Rule Change By
The Options Clearing Corporation

Relating to the Method for
Holding Margin and Clearing
Fund Deposits

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, 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 by the self-regulatory organization. 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 amend OCC's By-Laws and Rules to accommodate changes in OCC's method of holding certain securities pledged by Clearing Members to satisfy margin and clearing fund obligations.

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

In its filing with the Commission, the self-regulatory organization 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. The self-regulatory organization 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 primary purpose of this proposed rule change is to revise OCC's By-Laws and Rules (collectively, the "Rules") to accommodate changes in OCC's method of holding certain securities pledged by clearing members to satisfy margin and clearing fund obligations. Among the securities that OCC's Clearing Members may deposit to satisfy margin and clearing fund obligations are securities issued by the United States or Canadian governments or securities issued by U.S. government-sponsored enterprises (collectively, "government securities"). Previously, OCC permitted clearing members to satisfy such obligations by pledging by means of a paper pledge agreement or an electronic pledge system of a depository approved by OCC. Instead of using these types of pledges of government securities, OCC intends to take direct control of government securities that clearing members pledge to satisfy their margin and clearing fund obligations and require that such pledged securities be held in an account in the name of OCC. The EDP Pledge System will be retained during a transition period designated by OCC. This change in the manner of holding margin and clearing fund deposits will enhance OCC's control of such securities and allow OCC to access such securities more efficiently. The respective rights of OCC and Clearing Members in the deposited securities are not intended to be

affected by this change, which relates only to the mechanism through which the securities are held. The proposed changes to the Rules are necessary to reflect the revised method of making margin and clearing fund deposits. The general lien granted under new paragraph (b) of Article VIII, Section 1, would replace the security interests created through the pledge mechanisms where securities are held directly in OCC's name. In order to preserve flexibility, the amended rule would allow OCC to specify a different method of accepting margin deposits if necessary to respond any unanticipated circumstances.

This rule change also provides clarification regarding how OCC will manage credits foreign currency toward clearing fund and margin requirements. While OCC does not presently accept foreign currency as contributions to the clearing fund or as margin deposits, it will receive and potentially could hold Canadian dollars received as interest on, or proceeds of, Canadian government securities, which are included in the definition of "government securities" in Article I of the By-Laws. When determining the U.S. dollar value of such foreign currency, OCC will conduct its valuations in the same way it has in the past valued margin deposits of assets denominated in a foreign currency; *i.e.*, by using such exchange rates and applying such "haircuts" as it deems appropriate. To reflect this policy, OCC has made a minor amendment to Rule 604(e) and added a provision similar to Rule 604(e) in Section 2 of Article VIII of the By-Laws.

* * *

The proposed changes to OCC's By-Laws and Rules are consistent with the purposes and requirements of Section 17A of the Securities Exchange Act of 1934, as amended, because they are designed to promote the prompt and accurate clearance and settlement of transactions in options and other derivatives cleared by OCC, and, in general, to protect investors

and the public interest. They accomplish this purpose by enhancing OCC's control over securities deposited by its members to satisfy margin and clearing fund obligations. The proposed rule change is not inconsistent with any rules of OCC, including any 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

Written comments were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

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) of the Act and paragraph (f) of Rule 19b-4 thereunder. 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.

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 Number SR-OCC-2010-10 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-OCC-2010-10. 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 Section, 100F Fifth Street, N.E., Washington, D.C. 20549-1090. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. 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-OCC-2010-10 in the caption above and should be submitted on or before [insert date 21 days from publication in the Federal Register.] _____.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

Secretary

Dated: _____