



**THE FOUNDATION
FOR SECURE
MARKETS**

#47577

DATE: September 14, 2020

SUBJECT: OCC RULES

OCC is publishing a new version of OCC's Rules on its website. The new version of the Rules has been edited to conform the text of the Rules to the text as filed with the Securities and Exchange Commission ("SEC") in instances where typographical errors caused the version posted on OCC's website to diverge from the text as filed with the SEC. No changes to the text as filed with or approved by the SEC are intended. A chart showing the corrections and the filing number for the proposed rule change reflecting the corrections is attached as Appendix A to this information memo.

If you have any questions regarding this information memo, please contact the Member Services Help Desk at the following numbers: 800-544-6091 or 800-621-6072. Within Canada, please call 800-424-7320. Clearing members may also e-mail OCC at memberservices@theocc.com.

Exhibit A

Citation	Correction	Filing Reflecting Correction
R. 301 amendment history	<i>Amended October 8, 1976; September 11, 1979; June 17, 1982; August 9, 1986; July 22, 1987</i>	SR-OCC-86-18
R. 302 amendment history	<i>Amended October 8, 1976; September 11, 1979; June 17, 1982; August 9, 1986; July 22, 1987</i>	SR-OCC-86-18
R. 304 amendment history	<i>Amended November 8, 1976; September 11, 1979; December 4, 1981; August 9, 1986; July 22, 1987</i>	SR-OCC-86-18
R. 305 amendment history	<i>Adopted September 11, 1979. Amended June 17, 1982; July 16, 1985; May 19, 1989; January 7, 1991 . . .</i>	SR-OCC-83-22; SR-OCC-89-3
R. 306 amendment history	<i>Amended February 15, 1977; September 11, 1979; June 6, 1985; August 9, 1986; July 22, 1987</i>	SR-OCC-86-18
R. 308 amendment history	<i>Amended October 8, 1976; September 11, 1979; February 2, 1983; August 9, 1986; July 22, 1987</i>	SR-OCC-86-18
R. 309 I&P .02	. . . . Should the Risk Committee's determination result in the modification or reversal of the action taken by the Chief Executive Officer , Chief Operating Officer, or any delegate of such officer who is a Designated Officer, any acts taken by the Corporation or the Clearing Member prior to such modification or reversal shall not be invalidated nor shall any rights of any person arising out of such acts be affected.	SR-OCC-2018-015
R. 309 amendment history	<i>Amended July 16, 1985; May 19, 1989; January 7, 1991; July 15, 1993; December 10, 1997; June 9, 2004; July 19, 2006; May 1, 2007; March 20, 2008; August 12, 2008; March 6, 2014; April March 28, 2014; September 16, 2016; April 26, 2017; February 15, 2019.</i>	SR-OCC-83-22; SR-OCC-89-3; SR-OCC-2014-06
R. 401 amendment history	<i>Amended September 20, 1982; August 28, 1985; August 21, 1987; April 11, 1989; October 26, 1989; October 28, 1991; December 23, 1994; August 26, 1996; September 24, 1997; March 3, 1999; August 20, 2001; October 16, 2001; May 16, 2002; October 16, 2002; October 28, 2002; March 25, 2004; June 9, 2004; March 9, 2005; December 19, 2006; November 27, 2007; March 20, 2009; June 7, 2011; December 14, 2012; May 24, 2018; May 6, 2019; June 3, 2020.</i>	SR-OCC-2002-25
R. 407(b)	. . . . If the matching -confirmed trade information includes a CMTA Customer Identifier and an IB Identifier and each such identifier matches a CMTA Customer Identifier and an IB Identifier registered for purposes of the CMTA arrangement between the Carrying Clearing Member and the Executing Clearing Member, the Corporation shall transfer the confirmed trade to the Carrying Clearing Member. . . .	SR-OCC-2012-14
R. 504(a)	RULE 504 – Non-Guaranteed Settlement Service	SR-OCC-2010-17

Citation	Correction	Filing Reflecting Correction
R. 505	The Board of Directors, Executive Chairman, Chief Executive Officer, or Chief Operating Officer of the Corporation shall be authorized to extend, to the close of the Federal Reserve Banks' Fedwire Funds Service on a settlement day, any or all times at which the Corporation is obligated to pay a settlement amount to Clearing Members as set forth in the By-Laws, Rules or procedures of the Corporation upon <u>if</u> a determination <u>is made</u> that an emergency or force majeure condition exists which would make such extension necessary or advisable for the protection of the Corporation or is otherwise in the public interest.	SR-OCC-2011-05
R. 601(c)	<i>Margin Requirement Calculation -- Accounts Other Than Customers' Accounts</i> and <i>Firm Non-Lien Accounts</i> <u>and Segregated Futures Accounts</u>	SR-OCC-2014-13
R. 604(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 <u>or</u> asset denominated in a foreign currency, the Corporation may use such exchange rates and apply such "haircuts" as it deems appropriate for its protection.	SR-OCC-2010-10
R. 604 amendment history	<i>Amended June 1, 1975; June 8, 1976; August 2, 1976; September 27, 1977; February 4, 1981; May 17, 1982; August 20, 1982; January 12, 1983; September 23, 1983; June 30, 1983; January 13, 1984; February 15, 1984; June 7, 1984; April 18, 1985; January 3, 1986; April 30, 1986; April 22, 1988; August 21, 1989; January 7, 1991; August 22, 1991; September 6, 1991; November 7, 1991; January 12, 1994; April 11, 1994; November 1, 1994; October 28, 1996; December 3, 1996; December 31, 1996; May 20, 1997; September 25, 1997; October 23, 1998; August 30, 1999; August 20, 2001; September 25, 2001; November 6, 2001; April 12, 2002; May 16, 2002; November 26, 2002; March 31, 2003; March 9, 2004; April 4, 2005; November 9, 2005; December 5, 2005; February 15, 2006; July 19, 2006; <u>September 28, 2007</u>; December 7, 2007; July 15, 2008; November 19, 2008; April 29, 2009; October 23, 2009; November 17, 2009; January 26, 2010; July 1, 2010; January 3, 2012; April 25, 2012; March 6, 2014; March 13, 2014; May 21, 2014; July 11, 2014; October 31, 2014; May 7, 2015; June 17, 2016; October 13, 2016; February 15, 2019; June 29, 2020.</i>	SR-OCC-2007-11
R. 606	The Corporation may apply in satisfaction of any margin deficit any credit balance in favor of the Clearing Member shown on his Daily Position Report to be applicable to trades that settle on the business day of such margin deficit; provided, however, that any such balance arising in a segregated futures account may not be applied in satisfaction of any margin deficit arising in any account other than a segregated futures <u>account</u> .	SR-OCC-2004-02

Citation	Correction	Filing Reflecting Correction
R. 610(a)	<p>In lieu of depositing margin in respect of certain options carried in a short position for the account of a customer (including any Market Maker that is not a proprietary Market Maker), a Clearing Member or an approved custodian may deposit eligible collateral in respect of certain<u>such</u> option contracts included in a short position, in each case as specified herein<u>in this Rule 610</u>, and further described in Rules 610A, 610B and 610C, as applicable. Each such deposit shall be referred to as a “deposit in lieu of margin.” The types of deposits in lieu of margin permitted by the Corporation are “specific deposits” and “escrow deposits.” Specific deposits may be either “member specific deposits,” which are provided for in Rule 610A, or “third-party specific deposits,” which are provided for in Rule 610B. Escrow deposits are provided for in Rule 610C. All deposits in lieu of margin are also subject to this Rule 610. Specific deposits are limited to stock call option contracts, and only the underlying securities may be deposited in respect of such options<u>contracts</u>. Escrow deposits may be made in respect of stock and index put options and index call options. Escrow deposits in respect of stock and index puts shall consist of cash or U.S. Government securities, or any combination thereof, and escrow deposits in respect of index calls shall consist of cash, U.S. Government securities or any securities that would be eligible for deposit as margin under Rule 604(b)(4).</p>	SR-OCC-2016-009
R. 610(b)	<p>Deposits in lieu of margin may be made only in respect of certain specified option contracts held by the Clearing Member in a short position <u>as specified in paragraph (a) of this Rule 610</u>. A deposit in lieu of margin may be made only when the deposited collateral is either: <u>(i)</u> carried by the Clearing Member for the account of the same customer for whom the short option position is carried, or <u>(ii)</u> in the custody of an approved custodian making the deposit <u>that</u> is acting on behalf of such customer. . . .</p>	SR-OCC-2016-009
R. 610(c)	<p>In the event that a stock call option contract with respect to which a specific deposit has been made is adjusted to require delivery of property different from, or in addition to, the security underlying such contract, such specific deposit shall be disregarded except to the extent that the deposited security is deliverable upon exercise, provided that if the adjustment requires the delivery of securities other than the securities included in the deposit, the deposit shall be disregarded in its entirety, and provided further that the deposit shall be disregarded in its entirety. Further, and provided further that the <u>specific</u> deposit shall not cover any obligation to deliver cash.</p>	SR-OCC-2016-009
R. 610(f)	<p>In the event any short position for which a deposit in lieu of margin has been made is closed out by a closing purchase transaction or transferred to an account of another Clearing Member, or in the event that settlement is made in respect of an exercise notice assigned to such position, the Clearing Member that carried such position shall promptly request the withdrawal of such deposit, but <u>unless</u> <u>Unless</u> and until such deposit is withdrawn from the account, the Corporation shall be entitled, upon the assignment of an exercise notice in respect of any option contract of the same series and included in a short position in the same account as the one for which the deposit was made, or upon the closing out of any such option contract by the Corporation pursuant to Rule 610C(h):</p>	SR-OCC-2016-009

Citation	Correction	Filing Reflecting Correction
R. 803	. . . . Subject to the provisions of the By-Laws, exercise notices accepted by the Corporation shall be assigned at or before 8:00 A.M. Central Time (9:00 A.M. Eastern Time) on the following business day. Assignments shall be dated and effective as of the date the applicable exercise notices were accepted by the Corporation. A Clearing Member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Corporation, and, if applicable, a Clearing Member submitting an exercise notice shall (subject to the provisions of Rule 901) be notified of the identity of the Assigned Clearing Member; through the transmission of Delivery Advices or as soon as practicable after such notice is assigned by the Corporation.	SR-OCC-2012-14
R. 805 I&P .03	The exercise procedures set forth in Rule 805 shall apply to the exercise of flexibly structured equity options, quarterly equity options, monthly equity options, weekly equity options and short term equity options, except that the time when the Corporation makes an Expiration Exercise Report available pursuant to paragraph (a) of Rule 805, and the time specified by the Corporation as the deadline for the submission of exercise instructions pursuant to paragraph (b) of Rule 805 for such options, may be different from the corresponding times that apply to standard <u>options</u> .	SR-OCC-2010-16
R. 903(b)	The the Chief Executive Officer, Chief Operating Officer or delegate of such officer may extend or postpone the time for delivery whenever, in such person's opinion, such action is required in the public interest or to meet unusual conditions.	SR-OCC-2018-015
R. 1102	<u>(a)</u> The Board of Directors or a Designated Officer of the Corporation may summarily suspend any Clearing Member which:	SR-OCC-86-10
R. 1106 I&P .01 & .02	<p>.01 <u>Reserved.</u></p> <p><u>.02</u> See Interpretation and Policy .02 following Rule 1104 for a description of the private auction process by which OCC may close out a suspended Clearing Member's open positions in cleared contracts generally. See Rule 1106(e)(2) for a description of the alternative private auction process by which OCC may close out a suspended Clearing Member's open positions in OTC options, related positions and margin assets in certain circumstances.</p> <p>.02 See Interpretation and Policy .02 following Rule 1104 for a description of the private auction process by which OCC may close out a suspended Clearing Member's open positions in cleared contracts generally.</p>	SR-OCC-2012-14
R. 1106 amendment history	<p><i>Amended June 1, 1975; January 28, 1976; September 30, 1977; February 3, 1978; June 5, 1979; April 18, 1980; July 19, 1983; October 21, 1983; September 21, 1988; August 17, 1989; September 26, 1989; January 7, 1991; March 1, 1991; November 26, 1991; January 28, 1994; January 31, 1994; April 7, 1994; August 26, 1996; December 10, 1997; March 29, 1999; May 31, 2001; August 20, 2001; May 16, 2002; March 9, 2004; October 8, 2004; December 17, 2004; July 14, 2005; February 15, 2006; September 26, 2006; January 16, 2008; March 20, 2009; October 28, 2011; December 9, 2011; August 23, 2012; August 27, 2012; December 14, 2012; March 6, 2014; September 16, 2016; October 13, 2016; April 26, 2017; <u>September 1, 2018; February 15, 2019.</u></i></p>	SR-OCC-2018-008

Citation	Correction	Filing Reflecting Correction
R. 1107(a)	Unless the Corporation stipulates otherwise in a particular case, exercised option contracts to which a suspended Clearing Member is <u>a</u> party (either as the exercising Clearing Member or as the assigned Clearing Member) and matured, physically-settled futures to which such Clearing Member is a party shall be disposed of as follows:	SR-OCC-2001-07
R. 1107(a)(5)	. . . . All losses (including damages chargeable against <u>to</u> the suspended Clearing Member in the absence of a buy-in or sell-out) and gains resulting from the application of such procedures shall be paid from or credited to, as the case may be, the Liquidating Settlement Account of the suspended Clearing Member; provided, however, that (i) all such losses in a Market-Maker's account or a customers' lien account shall first be paid from such account to the extent there are funds available in such account and only the amount of any deficit therein shall be paid from the Liquidating Settlement Account; (ii) all such losses in a segregated futures account shall first be paid from the Segregated Liquidating Settlement Account to the extent permitted by applicable law and to the extent that there are funds available in such account, and only the amount of any deficit shall be paid from the Liquidating Settlement Account; and (iii) all such losses in an internal non-proprietary cross-margining account shall be first <u>be</u> paid from the Internal Non-Proprietary CrossMargining Liquidating Settlement Account to the extent permitted by applicable law and to the extent that there are funds available in such account, and only the amount of any deficit shall be paid from the Liquidating Settlement Account.	SR-OCC-2009-06
R. 1803(c)(1)	(1) all exercises effected by such Clearing Member with respect to cash-settled option contracts and accepted by the Corporation on the preceding business day (or, in the case of the business day following an expiration date, on such expiration date), and all exercises effected by other Index Clearing Members and accepted by the Corporation on such day with respect to cash-settled option contracts that were assigned by the Corporation to an account of such Clearing Member; <u>and</u>	SR-OCC-91-14
R. 2202A(b)	Upon receipt of information reported to the Corporation from the Depository showing a -completed stock loans <u>s</u> that purportedly originated through the Market Loan Program, the Corporation shall (subject to Rule 2210A) accept such stock loans as Market Loans, unless the Corporation determines that a stock loan is not in accordance with the By-Laws and Rules, or that one or both account numbers are invalid for Market Loans, or that the information provided by the Depository contains unresolved errors or omissions, in which case the Corporation shall reject such stock loan. . . .	SR-OCC-2008-20
R. 2205A	Prior to such time on each business day as the Corporation may from time to time establish, the Corporation shall make available to each Market Loan Clearing Member one or more reports listing all stock loan positions and stock borrow positions resulting from StockMarket Loans carried by the Clearing Member.	SR-OCC-2008-20
R. 2210A(b)	. . . . The suspended Clearing Member or its representative shall be notified as promptly as possible of any termination of stock loan and <u>stock</u> borrow positions pursuant to this Rule.	SR-OCC-2008-20
Ch. XXIII Intro.	The Rules in this Chapter are applicable only to cash-settled options where either the trading currency or <u>the</u> underlying security is a foreign currency (as defined in the By-Laws). . . .	SR-OCC-93-10

