



**THE FOUNDATION  
FOR SECURE  
MARKETS**

#52194

**DATE:** March 29, 2023

**SUBJECT:** DISTRIBUTION OF THE MARCH 2023 OPTION DISCLOSURE DOCUMENT

As originally announced on February 28, 2023 in OCC Information Memo #52052, OCC submitted to the SEC a new version of the options disclosure document entitled *Characteristics and Risks of Standardized Options* (also known as the “ODD”). The new version contains new language to (i) accommodate cash-settled flexibly structured options on certain fund shares that meet specified criteria as defined in the rules of the options market, (ii) provide additional details on the fungibility of flexibly structured options with standardized options, and (iii) address a scenario where an underlying security price may not be available and the resulting implications for cash-settled flexibly structured options on certain fund shares. Additionally, the March 2023 ODD updates language describing when trading in a.m. settled index options may not occur in relation to an option expiration date and, in unusual circumstances, due to market closures.

**This notice confirms that the March 2023 ODD will be eligible for distribution commencing March 30, 2023.** The March 2023 ODD will be published on the OCC website [here](#) on March 30, 2023.

ONCE EFFECTIVE, THE NEW VERSION OF THE ODD MUST BE DISTRIBUTED TO CUSTOMERS IN ACCORDANCE WITH THE RULES OF YOUR FIRM'S DESIGNATED OPTIONS EXAMINING AUTHORITY REGARDING DELIVERY, INCLUDING DELIVERY BY ELECTRONIC MEANS. ANY QUESTIONS REGARDING SUCH RULES SHOULD BE ADDRESSED TO YOUR FIRM'S DESIGNATED OPTIONS EXAMINING AUTHORITY. Electronic delivery of the ODD is permissible if the requirements for electronic delivery as established by the SEC are met. Broker-dealers may wish to consider SEC guidance on electronic delivery as provided in the Federal Register, including but not limited to 60 FR 53458, 61 FR 24644, and 65 FR 25843. Broker-dealers should consult with their Legal and Compliance resources to determine the appropriate means of delivery of the ODD to investors. The pdf of the March 2023 ODD will be available on the OCC website once the document is effective.

Commencing on March 30, 2023, for those firms who will purchase printed versions of the March 2023 ODD, Clearing Members and their correspondents may place orders by [clicking here](#). You will be redirected to a third-party website to order.

Additionally, in response to previous requests from firms, OCC will make available a print-ready PDF version of the ODD upon request so that firms who wish to print the ODD through their own printing services may do so. Commencing March 30, 2023, Clearing Members may contact their Clearing Member Representative to request the printer ready version of the ODD, and other firms may contact [InvestorServices@theocc.com](mailto:InvestorServices@theocc.com) to request the printer ready version of the ODD.

OCC makes no recommendation as to whether broker-dealers should choose to print the ODD using their own printing services to fulfill their ODD distribution obligation to investors. By using the print-ready PDF version to print paper copies of the ODD for investors, a firm accepts sole and exclusive responsibility for ensuring that paper copies exactly replicate the copy of the ODD that would otherwise be provided by the printing facility used by OCC, including with respect to legibility. Any firm receiving the printer version is prohibited from selling it and any copies made therefrom.

Clearing Members and market participants are reminded that new versions of the ODD may be issued at various times as necessary to address new products or industry changes.

COPIES OF THIS INFORMATION MEMORANDUM SHOULD BE IMMEDIATELY CIRCULATED TO YOUR OPTIONS MANAGERS AND CORRESPONDENTS.