



8011-01p
SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-74679; File No. SR-OC-2015-01)

April 8, 2015

Self-Regulatory Organizations; OneChicago, LLC; Notice of Filing of Proposed Rule Change Relating to Ownership and Control Reports

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (the “Act”)¹, notice is hereby given that on March 31, 2015, OneChicago, LLC (“OneChicago,” “OCX,” or the “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change 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. OneChicago has also filed this rule change with the Commodity Futures Trading Commission (“CFTC”). OneChicago filed a written certification with the CFTC under Section 5c(c) of the Commodity Exchange Act (“CEA”) on March 19, 2015.

I. Self-Regulatory Organization’s Description of the Proposed Rule Change

OneChicago is proposing to insert into its Rulebook new OCX Rule 516 and concurrently issue Notice to Members (“NTM”) 2015-7. New OCX Rule 516 codifies the requirement that Clearing Members submit to the Exchange account information related to reportable positions in OneChicago Contracts. OneChicago currently requires position-based reporting, but has not previously codified this requirement in the OCX Rulebook.²

¹ 15 U.S.C. 78s(b)(7).

² See OCX NTM 2010-12.

Additionally, OneChicago is concurrently issuing NTM 2015-7. The NTM informs market participants that OneChicago is adopting new OCX Rule 516. Additionally, the NTM explains to market participants that OCX will require Clearing Members to submit CFTC Form 102A and 102B data in the format required by the CFTC's Ownership and Control Reports ("OCR") Final Rule.³

The text of the proposed rule change is attached as Exhibit 4 to the filing submitted by the Exchange but is not attached to the published notice of the filing.

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

In its filing with the Commission, OneChicago 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

1. Purpose

New OCX Rule 516

OneChicago is proposing to amend the OCX Rulebook to insert new OCX Rule 516. OCX Rule 516 will require Clearing Members to submit to the Exchange account information related to reportable positions in OneChicago Contracts. OneChicago currently requires such reporting, but has not previously codified this requirement in the OCX Rulebook. OneChicago believes that by codifying this requirement in the OCX Rulebook, market participants will have

³ CFTC, Ownership and Control Reports, Forms 102/102S/40/40S and 71; Final Rule 78 FR 69178 (Nov. 18, 2013).

more certainty regarding their regulatory requirements. New OCX Rule 516 requires the submission of the account information in a form and manner prescribed by the Exchange. Accordingly, OCX is concurrently issuing NTM 2015-7, which requires the submission of the account information in the format required by the CFTC's OCR final rule.

Electronic Submission of Form 102A and Form 102B Data

On November 18, 2013, the CFTC adopted new rules and related forms to enhance its identification of futures and swap market participants. The OCR Final Rule expanded upon the CFTC's pre-existing position and transaction reporting programs by requiring the electronic submission of trader identification and market participant data on certain forms.

Previously, market participants made these reports to the CFTC via paper forms, now referred to as "legacy" forms. Designated Contract Markets ("DCMs") like OneChicago also required the submission of these legacy forms. The reporting programs allowed DCMs to conduct their self-regulatory obligations effectively, as the forms contain account information relating to market participants with reportable positions. Currently, OneChicago requires Clearing Members to submit a legacy Form 102 when an account of that Clearing Member has a reportable position of two hundred contracts in any contract.

OneChicago's NTM 2015-7 will require Clearing Members to make two changes to their reporting program. First, Clearing Members will be required to submit their reports electronically in the format required by the CFTC. Second, in addition to submitting Form 102A when a Clearing Member's customer has a reportable position, Clearing Members will be required to submit Form 102B when a customer exceeds the volume threshold of fifty contracts in any contract.

The NTM then provides instructions for firms to submit their Form 102A and 102B data electronically. For Form 102A, the NTM requires that Clearing Members submit the data when a customer has a two hundred contract position in any contract, which is currently the reportable threshold. The NTM requires the submission by 9:00 a.m. Central Time (“CT”) on the business day following the date on which the account becomes reportable. The implementation date for the electronic Form 102A data will be December 30, 2015.⁴

For Form 102B, the NTM requires that Clearing Members submit the data when a customer has exceeded fifty contracts traded in any contract during a single trading day. The NTM requires the submission by 9:00 a.m. CT on the business day following the date on which the account becomes reportable. The implementation date for the electronic Form 102B data will also be December 30, 2015.

Amendments to OCX Rules 905 and 1005

OCX Rules 905 and 1005 provide the template for the Form of Specifications Supplement for each OneChicago Contract. Specifically, Rule 905 provides the template for Single Stock Futures, whereas Rule 1005 provides the template for Stock Index Futures. Both of these templates are being updated to allow for a reportable trading volume level to accommodate the new volume threshold reporting requirement.

2. Statutory Basis

OneChicago believes that the proposed rule change is consistent with Section 6(b) of the

⁴ On February 10, 2015, the CFTC issued a No-Action letter regarding the OCR Final Rule. The No-Action letter granted no-action relief from the requirement to report New Forms 102A and 102B until September 30, 2015. See CFTC Letter No. 15-03, dated February 10, 2015. OneChicago is establishing a compliance date for Forms 102A and 102B that is 120 days after the OCR Final Rule effective date to allow market participants sufficient time to make necessary changes to their systems to support electronic transmission of the data.

Act,⁵ in general, and furthers the objectives of Section 6(b)(5)⁶ and 6(b)(7)⁷ in particular in that it is designed:

- to prevent fraudulent and manipulative acts and practices,
- to promote just and equitable principles of trade,
- to foster cooperation and coordination with persons engaged in facilitating transactions in securities,
- to remove impediments to and perfect the mechanism of a free and open market and a national market system, and in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change will strengthen its ability to carry out its responsibilities as a self-regulatory organization. OneChicago must receive the information that Clearing Members provide to the CFTC under the new OCR Rule in order to carry out OneChicago's market surveillance program. Additionally, OneChicago's proposed addition of new OCX Rule 516 will further help the Exchange carry out its self-regulatory duties, as it will expressly codify the requirement that firms submit the relevant account data to the Exchange. The Form 102A data will allow the Exchange to continue to identify accounts that acquire reportable positions. Similarly, the Form 102B data will allow the Exchange to identify accounts that cross the volume threshold level intraday. OneChicago did not previously have access to this volume threshold account data, and Form 102B will now allow the Exchange to identify more market participants engaged in trading OneChicago products.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78f(b)(7).

B. Self-Regulatory Organization's Statement on Burden on Competition

OneChicago does not believe that the rule change and associated NTM will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, in that the rule change and associated NTM enhances OneChicago's market surveillance program. The Exchange believes that the proposed rule change and associated NTM are equitable and not unfairly discriminatory because they would apply equally to all Clearing Members.

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

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The rule amendment and NTM will become operative on April 6, 2015.

At any time within 60 days of the date of effectiveness of the proposed rule change, the Commission, after consultation with the CFTC, may summarily abrogate the proposed rule change and require that the proposed rule change be refiled in accordance with the provisions of Section 19(b)(1) of the Act.⁸

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-OC-2015-01 on the subject line.

⁸ 15 U.S.C. 78s(b)(1).

Paper comments:

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

All submissions should refer to File Number SR-OC-2015-01. 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 website (<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 website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices of the Exchange. 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-OC-2015-01, 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.⁹

Brent J. Fields
Secretary

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⁹ 17 CFR 200.30-3(a)(73).