

Second SubmissionTHE OPTIONS CLEARING
CORPORATIONRECEIVED
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2004 MAR -1 PM 12: 52

February 20, 2004

VIA FEDERAL EXPRESS

Jean A. Webb
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Rule Filing SR-OCC-2004-01 Rule Certification

Dear Secretary Webb:

Enclosed is a copy of the above-referenced rule filing, which The Options Clearing Corporation ("OCC") is submitting pursuant to the self-certification procedures of Commission Regulation 40.6. This rule filing has been, or is concurrently being, submitted to the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (the "Exchange Act").

In conformity with the requirements of Regulation 40.6(a)(3), OCC states the following: The text of the rule is set forth at Item 1 of the enclosed filing. The date of implementation of the rule is the date the proposed rule is approved by the SEC or otherwise becomes effective under the Exchange Act. Item 5 of the enclosed filing sets forth a description of any written comments on the rule filing, including any such comments expressing opposing views that were not incorporated into the proposed rule.

OCC hereby certifies that the rule set forth at Item 1 of the enclosed filing complies with the Commodity Exchange Act and the Commission's regulations thereunder.

JEAN M. CAWLEY

FIRST VICE PRESIDENT AND DEPUTY GENERAL COUNSEL

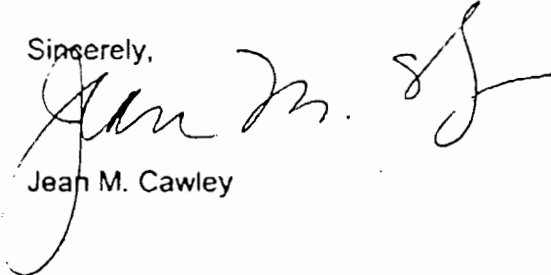
ONE N WACKER DRIVE, SUITE 600 CHICAGO ILLINOIS 60606 TEL 312 322 6249 FAX 312 322 6280

JCAWLEY@THEOCC.COM WWW.OPTIONSCLEARING.COM

- 2 -

Should you have any questions regarding this matter, please do not hesitate to contact the undersigned at (312) 322-6269.

Sincerely,

A handwritten signature in black ink, appearing to read "Jean M. Cawley". The signature is fluid and cursive, with a large initial "J" and "M".

Jean M. Cawley

Enclosure

cc: CFTC Central Region (w/ enclosure)
525 West Monroe Street, Suite 1100
Chicago, IL 60661
Attn: Frank Zimmerle

Jerry W. Carpenter
Assistant Director (SEC)

2004-01cftc.ltr



File No. SR-OCC-2004-01

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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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

Effective April 1, 2004, The Options Clearing Corporation (“OCC”) proposes to reduce its clearing fees for securities option contracts as described in Item 3 below.

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Board of Directors of OCC at a meeting held on January 27, 2004.

Questions regarding the proposed rule change should be addressed to Jean M. Cawley, First 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 principal purpose of this rule change is to reduce OCC’s clearing fees for securities option contracts, effective April 1, 2004, as follows:

Contracts Per Trade	Current Per Contract Per Trade Fee	April 1, 2004 Contract Per Trade Fee
0 – 500	\$0.09	\$0.0825
501 – 1,000	\$0.07	\$0.0675
1,001 – 2,000	\$0.06	\$0.0575
> 2,000	\$110.00 (capped)	\$110.00 (capped)

In addition to the foregoing, OCC will expand the definition of “market maker scratch trade.” Market maker scratch trades currently are defined by OCC as the same day purchase and sale of identical option contracts in the same quantity and price by a market maker on a single exchange. Such trades are subject to a reduced clearing fee of \$.02 per contract in

recognition of a market maker's obligation to continuously maintain a fair and orderly market, which often may result in near simultaneous breakeven purchase and sale transactions. Effective April 1, 2004, OCC will modify its definition of a market maker scratch trade to remove the condition that the purchase and sale transactions take place on a single exchange. As a result of this definitional change, a greater number of contracts will be eligible for clearance at the \$.02 per contract rate.

OCC believes that the foregoing changes will financially benefit clearing members without adversely affecting OCC's ability to meet its expenses and maintain an acceptable level of retained earnings. Attached as Exhibit A is a revised Schedule of Fees, effective April 1, 2004, reflecting the above-described fee change.

* * *

The proposed rule change is consistent with Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), because it benefits clearing members by reducing clearing fees and allocates such fees among clearing members in a fair and equitable manner.

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

OCC does not believe that the proposed rule change would impose any burden 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 have been received.

Item 6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A) of the Exchange Act and Rule 19b-4(f)(2) thereunder, the proposed rule change is effective upon filing inasmuch as it pertains to changing a fee imposed on clearing members.

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

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

Item 9. **Exhibits**

Exhibit 1. Completed Notice of Proposed Rule Change for publication in
the Federal Register.

Exhibit A. Revised Schedule of Fees, effective April 1, 2004

SIGNATURES

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

THE OPTIONS CLEARING CORPORATION

By: _____

William H. Navin
Executive Vice President and
General Counsel

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-OCC-2004-01)

SELF-REGULATORY ORGANIZATION

Proposed Rule Change By
The Options Clearing Corporation

Relating to Reducing Clearing
Fees for Securities Option Contracts

Comments requested within ____ days
after the date of this publication.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C.

1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, 2004, 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 Substance of the Proposed Rule Change**

The proposed rule change will reduce clearing fees for securities option contracts as set forth herein, effective April 1, 2004.

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 principal purpose of this rule change is to reduce OCC's clearing fees for securities option contracts, effective April 1, 2004, as follows:

Contracts Per Trade	Current Per Contract Per Trade Fee	April 1, 2004 Contract Per Trade Fee
0 – 500	\$0.09	\$0.0825
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per contract rate.

OCC believes that the foregoing changes will financially benefit clearing members without adversely affecting OCC's ability to meet its expenses and maintain an acceptable level of retained earnings. Attached as Exhibit A is a revised Schedule of Fees, effective April 1, 2004, reflecting the above-described fee change.

* * *

The proposed rule change is consistent with Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act") because it benefits clearing members by reducing clearing fees and allocates such fees among clearing members in a fair and equitable manner.

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 will become effective April 1, 2004 pursuant to Section 19(b)(3)(A) of the Exchange Act and Rule 19b-4(f)(2) thereunder. At any time within 60 days of the filing of this proposed rule change, the Commission may summarily abrogate such rule change 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 Exchange Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. 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, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by _____.

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

Secretary

Dated: _____

02 04 Fee Filing

THE OPTIONS CLEARING CORPORATION

SCHEDULE OF FEES – APRIL 2004

CLEARING MEMBER CLEARING

<p>Clearing Fees</p> <p>Trades with contracts of</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">1 - 500</td> <td style="text-align: right;">\$.0825</td> </tr> <tr> <td style="padding-left: 20px;">501 - 1,000</td> <td style="text-align: right;">\$.0675</td> </tr> <tr> <td style="padding-left: 20px;">1,001 - 2,000</td> <td style="text-align: right;">\$.0575</td> </tr> <tr> <td style="padding-left: 20px;">greater than 2,000</td> <td style="text-align: right;">\$110.00 per trade</td> </tr> </table> <p>New Products</p> <p>First calendar month traded \$.00</p> <p>Second calendar month traded:</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Cleared trades w/contracts of 1 – 4,400</td> <td style="text-align: right;">\$.025</td> </tr> <tr> <td style="padding-left: 40px;">Greater than 4,400</td> <td style="text-align: right;">\$110.00</td> </tr> </table> <p>Third calendar month traded:</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Cleared trades w/contracts of 1 – 2,200</td> <td style="text-align: right;">\$.05</td> </tr> <tr> <td style="padding-left: 40px;">Greater than 2,200</td> <td style="text-align: right;">\$110.00 per trade</td> </tr> </table> <p>Fourth calendar month traded reverts to clearing fees specified above</p>	1 - 500	\$.0825	501 - 1,000	\$.0675	1,001 - 2,000	\$.0575	greater than 2,000	\$110.00 per trade	Cleared trades w/contracts of 1 – 4,400	\$.025	Greater than 4,400	\$110.00	Cleared trades w/contracts of 1 – 2,200	\$.05	Greater than 2,200	\$110.00 per trade	<p>Market Maker/Specialist Scratch per side \$.02</p> <p>Minimum Monthly Clearing Fee \$ 200.00</p> <p>Exercise Fee – per line item on exercise notice \$ 1.00</p> <p style="text-align: center;"><u>MEMBERSHIP</u></p> <p>New Clearing Member Qualification Fee \$4,000.00</p> <p style="text-align: center;"><u>STAMPS</u></p> <p>Clearing Member Authorization Stamp \$ 23.00 per stamp</p>
1 - 500	\$.0825																
501 - 1,000	\$.0675																
1,001 - 2,000	\$.0575																
greater than 2,000	\$110.00 per trade																
Cleared trades w/contracts of 1 – 4,400	\$.025																
Greater than 4,400	\$110.00																
Cleared trades w/contracts of 1 – 2,200	\$.05																
Greater than 2,200	\$110.00 per trade																

ANCILLARY SERVICES

TIER I

- For first clearing number:
- ENCORE, C/MACS and Hedge Access
 - MyOCC Access (Unlimited)
 - ECMI Platform Lease (1 PC)
 - Data Service (includes transmission to service bureau)
 - Report Bundle
 - Series File
 - Adjusted Position File
 - Open Interest File
 - Prices File
 - Special Settlement File
 - Hedge File
 - Monthly Reports on CD-ROM (2 copies)
 - Leased line charges are additional
- \$2,400 per month
- For each additional clearing number:
(Applies to TIERS I, II and III)
- MyOCC Access (Unlimited)
 - Data Service
 - Report Bundle
 - Adjusted Position File
 - Monthly Reports on CD-ROM (2 copies)
- \$950 per clearing number, per month

TIER II

- ENCORE, C/MACS and Hedge Access
 - MyOCC Access (Unlimited)
 - ECMI Platform Lease (1 PC)
 - Data Service
 - Report Bundle
 - Monthly Reports on CD-ROM (2 Copies)
 - Leased-line charges are additional
- \$1,950 per month

TIER III

- ENCORE, C/MACS and Hedge Access
 - MyOCC Access (Unlimited)
 - Monthly reports on CD ROM (2 Copies)
 - ECMI Platform Lease (1 PC)
- \$1,250 per month

TIER IV (Hedge Only)

- MyOCC Access (Unlimited – for Internet Reports)
- \$250 per month

LEASED LINE CHARGES

- | | |
|--------------------------------------|------------------------------|
| T1 line to a Midwest Destination | - \$2,500 per month per line |
| T1 line to an East Coast Destination | - \$3,500 per month per line |

T1 line to a West Coast Destination	- \$4,500 per month per line
56.0kb line to a Midwest Destination	- \$1,600 per month per line
56.0kb line to an East Coast Destination	- \$1,800 per month per line
56.0kb line to a West Coast Destination	- \$2,000 per month per line

Continued. . . .

THE OPTIONS CLEARING CORPORATION SCHEDULE OF FEES – APRIL 2004

CLEARING MEMBER/NON CLEARING MEMBER

PUBLICATIONS/BROCHURES

Disclosure Documents	\$.45
Prospectus	\$.15
Back Copies of Prospectus	\$ 4.00
“Understanding Stock Options” (quantities of 99 or less)	\$ 1.00
(quantities of 100 or more)	\$.90
“Taxes & Investing: A Guide for the Individual Investor” (quantities of 99 or less)	\$ 1.00
(quantities of 100 or more)	\$.90
“LEAPS® (Long-term Equity Anticipation Securities®) (quantities of 99 or less)	\$ 1.00
(quantities of 100 or more)	\$.90
OCC/ICC By-laws and Rules Updates can be obtained on a subscription basis for \$47.00 per year	\$ 47.00

THEORETICAL PROFIT AND LOSS VALUES

Computer Interface Monthly fee (per broker)	\$2,000.00
Month-end only (per class group for all class groups in the database (per broker) (approximately 2000-3000 class groups)	\$.10
Dial-up Access (via Theoretical Information Online System) per class group per day per broker (\$200.00 minimum and \$2,000.00 maximum per month per broker) “per broker” essentially means, per separate net capital calculation; does not mean that the charges apply to each market-maker/specialist whose positions are taken into account calculating a broker’s net capital	\$.10

NON-CLEARING MEMBER

SERIES INFORMATION

Non-Clearing Member Non-distribution	\$1,750.00
Distribution	\$3,000.00

PRICES INFORMATION

Non-Clearing Member

\$3,000.00

ALL FEES ARE SUBJECT TO CHANGE

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