

THE SECURITIES ACT) Order No. 5575
)
Section 20(1)) January 4, 2008

The Options Clearing Corporation

WHEREAS:

(A) The Options Clearing Corporation (the "Applicant" or "OCC") has applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 20(1) of The Securities Act (Manitoba) (the "Act") that trades by Manitoba registered dealers (each a "Manitoba Dealer") for the accounts of Manitoba residents (the "Manitoba Residents") in exchange-traded options and futures cleared by the Applicant shall not be subject to section 37 of the Act.

(B) The Applicant has represented that:

1. In the United States, OCC operates under the jurisdiction of both the Securities and Exchange Commission ("SEC") and the Commodity Futures Trading Commission ("CFTC"). Under the SEC's jurisdiction, OCC clears transactions in put and call options on common stocks and other equity issues, stock and volatility indices, foreign currencies and interest rates, as well as futures on single equity issues and narrow-based stock indices. As a registered derivatives clearing organization under CFTC jurisdiction, OCC clears transactions in commodity futures (i.e., futures other than security futures) and is qualified to clear options on commodity futures.

2. OCC currently clears the following products:

- (i) Options on equity securities (including exchange-traded funds);
- (ii) Stock index options;
- (iii) Volatility index options;
- (iv) Foreign currency options;
- (v) Interest rate options;
- (vi) Single stock futures;
- (vii) Narrow-based stock index futures;
- (viii) Volatility and variance index futures;
- (ix) Interest rate futures; and
- (x) Gas at the pump futures.

3. OCC has approximately 120 clearing members representing the largest U.S. broker-dealers, futures commission merchants and non-U.S. securities firms, including a small number of Canadian firms.

4. OCC does not have any direct contact with Canadian clients of Canadian securities firms for which it provides clearing services.

5. Manitoba Residents have access, through Manitoba Dealers, to all of the products that OCC clears.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the orders requested.

IT IS ORDERED:

1. **THAT** pursuant to section 20 of the Act the Applicant is exempt from the application of section 37 of the Act with respect to any options cleared by OCC and that currently trade or may in the future trade on a U.S. exchange.

2. **THAT** the fee for this order is \$650.00.

BY ORDER OF THE COMMISSION

Deputy Director – Legal