

# OneChicago ✕

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C.F.T.C.  
OFFICE OF THE SECRETARIAT  
2009 NOV 6 PM 4 08

November 6, 2009

Mr. David Stawick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

Re: OCX Rule 414 - Security Futures Products Rule Submission and Rule Certification

Dear Mr. Stawick:

On behalf of OneChicago, LLC ("OCX" or "Exchange"), and pursuant to section 5c(c)(1) of the Commodity Exchange Act, as amended (the "Act"), and section 41.24 of the regulations promulgated by the Commission under the Act, submitted herewith is a rule amendment to **OCX Rule 414 - Position Limits and Position Accountability**, to remove one representation that is required in an application for an exemption from the Exchange's position limits for hedging purposes.

Presently **Rule 414(c) iii** requires that when a Clearing Member, Exchange Member or Access Person makes an application for an exemption from position limits for hedging purposes, that application must include:

[a] representation that such Clearing Member, Exchange Member or Access Person has complied with any applicable federal requirement relating to hedging transactions and has obtained any necessary approvals from the Commission.

In reviewing this representation in connection with certain recent exemption applications, we noticed that there are no such *federal requirements relating to hedging transactions* and further *there are no necessary approvals that are granted by the Commission*. We believe this language was erroneously included in the Rule in 2001 and have received confirmation of this fact from the Commission's staff. Accordingly we are amending our

Rules to remove this representation entirely and are renumbering the remainder of this subsection. We believe that this will conform the Rules to the statutes and regulations.

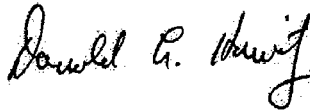
The proposed rule changes are included as Attachment A. Any deletions are marked by a strikethrough (~~xxx~~) and additions are underlined (     ).

This Rule amendment will be effective on November 9, 2009.

There are no opposing views that are not incorporated into this rule amendment.

On behalf of OCX, I hereby certify that the amendment complies with the Act and the regulations promulgated thereunder.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald L. Horwitz". The signature is written in a cursive, slightly slanted style.

Donald L. Horwitz  
Managing Director and General Counsel

Encl: Attachment A

ATTACHMENT A

(c) Any application for an exemption from position limits for hedging purposes must be made by the Clearing Member, Exchange Member or Access Person wishing to enter into the transaction or wishing to take the position at issue, to the Exchange in such form as the Exchange may from time to time prescribe. Without limiting the generality of the foregoing, any such application must include the following:

(i) A representation that such transaction or position constitutes a qualified hedge transaction;

(ii) A representation that such transaction or position is necessary or advisable as an integral part of the business of such Clearing Member, Exchange Member or Access Person, which representation shall also include a description of such business;

~~(iii) A representation that such Clearing Member, Exchange Member or Access Person has complied with any applicable federal requirement relating to hedging transactions and has obtained any necessary approvals from the Commission;~~

~~(iii)~~—A schedule of the maximum number of Contracts, long and short, that such Clearing Member, Exchange Member or Access Person intends to enter into for hedging purposes;

(iv) An agreement that such Clearing Member, Exchange Member or Access Person will comply with any additional limits on its trading as the Exchange may from time to time impose; and

(v) An agreement by such Clearing Member, Exchange Member or Access Person to promptly submit a supplemental statement explaining any change in circumstances that may affect the nature of its positions.

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