



**THE FOUNDATION  
FOR SECURE  
MARKETS**

#49428

**DATE: OCTOBER 19, 2021**

**SUBJECT: SUBMISSION OF RESTATED VERSION OF THE OPTIONS  
DISCLOSURE DOCUMENT WITH SUPPLEMENTAL MATERIAL  
\*UPDATE AND REMINDER\***

As previously announced on September 30, 2021 in OCC Information Memo #49332, OCC submitted to the SEC a restatement of the options disclosure document entitled *Characteristics and Risks of Standardized Options* (also known as the “ODD”). The restated version (the “Restated ODD”) incorporates all prior supplements into the 1994 text of the ODD and updates certain existing language in the ODD. Additionally, the Restated ODD contains supplemental material to accommodate the introduction of a third type of implied volatility option with an exercise settlement value that is calculated differently from other existing implied volatility options.

**The Restated ODD is not yet definitive under SEC regulations and therefore not yet eligible to be furnished to customers. It is anticipated that the Restated ODD will be eligible for distribution on Friday, October 29, 2021. OCC will publish a subsequent information memo on the date that the Restated ODD will become definitive under SEC regulations to confirm that distribution may commence. Once effective, the Restated ODD will supersede and replace the current ODD, and the prior version of the ODD should no longer be distributed.**

ONCE EFFECTIVE, THE RESTATED 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 method of delivery of the ODD to investors. The pdf of the Restated ODD will be available on the OCC website once the document may be distributed, **anticipated to be October 29, 2021.**

For those firms that intend to purchase printed versions of the Restated ODD to distribute to customers, pre-orders may be placed directly to OCC at [accountsreceivable@theooc.com](mailto:accountsreceivable@theooc.com). Orders will not be fulfilled until it is permissible to distribute the Restated ODD. Firms should be aware that additional time will be required for the initial printing of the Restated ODD since the document cannot be printed before it is eligible for distribution.

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