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April 25, 2023

VIA E-Mail to: rule-comments@sec.gov

Ms. Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Proposed Rule Change by The Options Clearing Corporation Concerning Clearing Member Cybersecurity Obligations (File No. SR-2023-03; SEC Release. No. 34-97225)

Dear Ms. Countryman,

The Securities Industry and Financial Markets Association ("SIFMA")[1] appreciates the opportunity to comment on the above-referenced Options Clearing Corporation ("OCC") proposed rule change concerning Clearing Member Cybersecurity Obligations ("OCC Cyber Rule").[2] SIFMA members take cybersecurity responsibilities very seriously and have some of the most robust cyber protection and response procedures of any industry.

The OCC Cyber Rule should be delayed at least until the SEC finalizes all the currently proposed cybersecurity rulemaking to ensure that investors are protected from cyber threats and unnecessary additional burdens are not placed on OCC clearing members.[3]

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1 SIFMA is the leading trade association for broker-dealers, investment banks, and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly 1 million employees, we advocate on legislation, regulation, and business policy affecting retail and institutional investors, equity and fixed income markets, and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association ("GFMA"). For more information, visit http://www.sifma.org.

2 Proposed Rule Change by The Options Clearing Corporation Concerning Clearing Member Cybersecurity Obligations (Release. No. 34-97225) (April 5, 2023)(available at https://www.theocc.com/getmedia/54bd8b51-4e9d-4344-bf8b-91a36263eea1/sr_occ_2023_003.pdf)

3 See Exchange Act Release No. 97141 (March 15, 2022)(available at https://www.sec.gov/rules/proposed/2023/34-97141.pdf); Exchange Act Release No. 97142 (March 15, 2022) (available at https://www.sec.gov/rules/proposed/2023/34-97142.pdf); Exchange Act Release 97143 (March 15, 2023)(available at https://www.sec.gov/rules/proposed/2023/34-97142.pdf; Exchange Act Release no. 97144 (March 15, 2023)(available at

Further the comment period should be extended to July 15th to allow sufficient time to review and analyze the proposal alongside the SEC's proposed rules as well as other cybersecurity incident notification requirements.

1. **The OCC Cyber Rules should not be approved because they interconnect with, and may conflict with, four other SEC proposed rules governing cybersecurity and privacy.**

The SEC should delay approving the OCC Cyber Rule until the SEC finishes its own rulemaking on cybersecurity including at least four significant proposed rules that would impact nearly every type of SEC-registered entity including broker-dealers, investment advisers, investment funds, public companies, transfer agents, municipal securities dealers, security-based swap dealers, and others. The proposed amendments to Regulation S-P and Rule 10 were only just proposed in March with comments not due until June 5th. Given the complexity and interconnectedness of all these pending SEC rules, as well as requirements imposed by other federal financial regulators and state laws, the time is not right for new OCC cybersecurity requirements. As such, the SEC should not approve the OCC Cyber Rule.

2. **The comment period should be extended to July 15th to allow sufficient time to analyze the proposals alongside the SEC's own proposed cybersecurity rules.**

Further, the OCC Cyber Rules were published on April 5th with a 21-day comment deadline. This is not sufficient time because the comment period completely overlaps with the SEC's recently proposed amendments to Regulation S-P, Rule 10, and Regulation SCI totaling more than 1000 pages. At a minimum, the comment period for this proposal should be extended by at least a month following the June 5th comment deadline for the SEC's proposals. Most OCC members are focused on analyzing those complex proposals and trying to better understand how those proposals will interconnect with each other. Only once these intersections are better understood will it be possible for both OCC members and SEC staff to determine how the OCC Cyber Rule may be impacted and whether it is even necessary to achieve the OCC's goals. As such, SIFMA recommends the deadline for comments on this proposal should be extended to at least July 14, 2023.

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https://www.sec.gov/rules/proposed/2023/33-11167.pdf); Exchange Act Release No. 94382 (March 9, 2022)(available at https://www.sec.gov/rules/proposed/2022/33-11038.pdf).

SIFMA appreciates the opportunity to provide feedback on the OCC Cyber Rule and would be pleased to discuss these comments in greater detail. If you have any questions or would like to schedule a meeting, please contact me at mmacgregor@sifma.org.

Sincerely,

Melissa MacGregor

Melissa MacGregor
Managing Director, Deputy General Counsel & Corporate Secretary