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December 2, 2021

**By Email**

Vanessa Countryman, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090  
secretarys-office@sec.gov

Re: In the Matter of the Application for Review of Lek Securities Corporation  
Administrative Proceeding No. 3-20665 (Filed Nov. 18, 2021)

Dear Ms. Countryman:

We are counsel to The Options Clearing Corporation (“OCC”), a clearing agency registered with the Securities and Exchange Commission (“SEC” or the “Commission”) under Section 17A of the Securities Exchange Act of 1934 (the “Exchange Act”) that provides central counterparty clearing services and that is a self-regulatory organization (“SRO”) subject to Section 19 of the Exchange Act. We write in response to the “application” purportedly made pursuant to Rule 19d-3 of the Exchange Act by Lek Securities Corporation (“Lek Securities”), an OCC Clearing Member, for review of certain actions taken by OCC, dated November 18, 2021 (the “Filing”).

As explained in the Filing, OCC imposed two protective measures on Lek Securities as an OCC clearing member, effective October 18, 2021, due to recent and ongoing developments related to Lek Securities’ liquidity risk, operational risk, and regulatory risk profiles. First, pursuant to OCC Rules 601 and 609, OCC made Lek Securities’ additional margin charge 50% to mitigate exposures observed in OCC’s sufficiency and adequacy stress test shortfalls as those apply to Lek Securities. Second, pursuant to OCC Rule 306, OCC required Lek Securities to provide daily end-of-day liquidity sources and uses reporting covering all available bank lines of credit, parent lines of credit, securities financing, unencumbered cash-on-hand, etc. OCC took this action after determining that Lek Securities’ liquidity risks had increased because of changes in its lines of credit, that its operational risks had increased because of actions by National Securities Clearing Corporation and The Depository Trust Company regarding Lek Securities’ membership in those clearing agencies (including implementation of risk controls on Lek Securities), and that its regulatory risks had increased because of FINRA’s preliminary determination to recommend formal disciplinary action in connection with Lek’s Securities’

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parent line of credit. As a result, OCC evaluated (and continues to evaluate) the risks posed by Lek Securities to OCC, other Clearing Members, and the public, consistent with OCC's obligations under the Exchange Act as an SEC registered clearing agency.

As Lek Securities admits in its Filing, OCC has authority under its rules to implement protective measures “under circumstances that would protect the interests and financial positions of Clearing Members, the Corporation and the public” and “can adjust its margin requirement calculation as it deems necessary and appropriate.” App'n at 2. Indeed, these protective measures are risk management controls within OCC's discretion that it must regularly evaluate and adjust as appropriate to protect Clearing Members, OCC, and the public from risks related to the clearance and settlement of securities transactions. These risk management controls, which have been approved by the SEC through the rule filing process under Section 19(b) of the Exchange Act, grant OCC the authority to respond to and manage risks posed to it and the national system for clearance and settlement of securities transactions pursuant to OCC's obligations under Section 17A of the Exchange Act and SEC Rule 17Ad-22 thereunder. The protective measures applied to Lek Securities do not constitute any form of disciplinary action, denial of membership or participation, or prohibition or limitation on access to services by OCC contemplated by Section 19(d) of the Exchange Act and Rule 19d-3 thereunder. Accordingly, no notice of any such action has been made by OCC under Rule 19d-1 of the Exchange Act. And because OCC has not taken any such action, there is no proceeding or record for purposes of Rule 420(e) of the SEC's Rules of Practice.

The actions complained of by Lek Securities in its Filing are not reviewable under Section 19(d) and Rule 19d-3. Thus, the Filing is invalid and should be rejected.<sup>1</sup>

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<sup>1</sup> Lek Securities' request for a stay at the end of its Filing is likewise invalid. Even if the Filing were valid and reviewable, Lek Securities' one-sentence request for a stay is both procedurally improper and substantively baseless. Rule 401(d)(1) provides that “[a] *motion* for a stay of an action by a [SRO] . . . may be made . . . at the time an application is filed.” And under Rule 401(a), “[a] request for a stay *shall* be made by written motion, filed pursuant to [Rule 154],” which in turn mandates that “a motion shall be in writing . . . and shall be accompanied by a written brief of the points and authorities relied upon.” Lek Securities failed to file a motion or a written brief of points and authorities. Indeed, its Filing contains just one sentence requesting a stay and makes no attempt to address the four factors the Commission considers when deciding a motion for a stay. *See Windsor Street Capital, L.P.*, Exchange Act Release No. 83340, 2018 WL 2426502, at \*3 (May 29, 2018). As a result, Lek Securities has not carried its burden of establishing that this “extraordinary remedy” is warranted here. *See Mark E. Laccetti*, Exchange Act Release No. 79138, 2016 WL 6137057, at \*2 & n.10 (Oct. 21, 2016); *Lek Securities Corp.*, Exchange Act Release No. 93653, File No. 3-20643 (Nov. 23, 2021) (concluding that Lek Securities failed to carry its burden to show that a stay was warranted and noting that, as here, Lek Securities “d[id] not mention the final two factors in its request for a stay”).

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Sincerely,

/s/ David S. Petron

David S. Petron

cc (via email):

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**CERTIFICATE OF SERVICE**

I hereby certify that on December 2, 2021, I caused a true and correct copy of the foregoing to be electronically filed using the Commission's Electronic Filings in Administrative Proceedings (eFAP) system. I further certify that I caused a true and correct copy of the foregoing to be served by electronic mail on the following:

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