Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 30

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2026 - * 006
Amendment No. (req. for Amendments *)

Filing by Options Clearing Corporation

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * ☑ Amendment * ☐ Withdrawal ☐

Section 19(b)(2) * ☐ Section 19(b)(3)(A) * ☑ Section 19(b)(3)(B) * ☐

Pilot ☐

Extension of Time Period for Commission Action * ☐

Date Expires *

Rule

☐ 19b-4(f)(1) ☑ 19b-4(f)(4)
☐ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ☐ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * ☐ Section 806(e)(2) * ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposed Rule Change by The Options Clearing Corporation Concerning the Synthetic Futures Model

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * [redacted] Last Name * [redacted]

Title * [redacted]

E-mail * rulefilings@theocc.com

Telephone * [redacted] Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Options Clearing Corporation has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 07/08/2026

By [redacted]
(Name *)

(Title *) [redacted]

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

[redacted] Digitally signed by [redacted] Date: 2026.07.08 11:19:52 -05'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

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SR-OCC-2026-006 19b-4 - Synthetic I

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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SR-OCC-2026-006 Exhibit 1A - Synth

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

☐ Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

☐ Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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SR-OCC-2026-006 Confidential Exhib

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 19b-4

Proposed Rule Change
by

THE OPTIONS CLEARING CORPORATION

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

Item 1. Text of the Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act"),[1] and Rule 19b-4 thereunder,[2] The Options Clearing Corporation ("OCC") is filing with the Securities and Exchange Commission ("Commission") a proposed rule change to expand the use of an existing OCC margin model used to margin certain futures products that OCC clears in its capacity as a derivatives clearing organization ("DCO") registered with the Commodity Futures Trading Commission ("CFTC").

OCC provided proposed changes to its STANS Methodology Description as confidential Exhibit 5 to File No. SR-OCC-2026-006. Material proposed to be added to the STANS Methodology Description as currently in effect is underlined and material proposed to be deleted is marked with strikethrough text. All capitalized terms not defined herein have the same meaning as set forth in the OCC By-Laws and Rules.[3]

Item 2. Procedures of the Self-Regulatory Organization

The proposed changes were approved for filing with the Commission by the Board of Directors at a meeting held on July 16, 2025.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its capacity as a DCO registered with the CFTC, OCC clears certain futures products on behalf of CFTC-registered designated contract markets ("DCMs"). In its role as a DCO, OCC guarantees the performance of its Clearing Members by becoming the buyer to every seller

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 OCC's By-Laws and Rules can be found on OCC's public website: https://www.theocc.com/Company-Information/Documents-and-Archives/By-Laws-and-Rules.

and the seller to every buyer, thereby guaranteeing performance of the futures contracts regardless of the potential default of one of its Clearing Members. OCC manages its financial risk exposure to its Clearing Members through financial safeguards, including the collection of margin collateral from Clearing Members designed to, among other things, address the market risk associated with a Clearing Member's positions during the period of time OCC has determined it would take to liquidate those positions.

To calculate Clearing Member margin requirements, OCC has developed models within its proprietary margin methodology, the System for Theoretical Analysis and Numerical Simulations ("STANS"). With respect to futures products, one of those models is OCC's Synthetic Futures Model, which OCC uses to model settlement prices for certain futures products. Originally developed to margin futures on Cboe's Volatility Index ("VIX"),[4] OCC has since extended the Synthetic Futures Model to other futures products cleared by OCC. The Synthetic Futures Model generates prices and correlations using risk factors that are based on observed futures prices (i.e., the "synthetic" futures contract[5]), as opposed to using the underlying itself. Accordingly, this model is more appropriate for pricing futures products where the underlying contract is not traded and, as such, cannot be valued using the cost-of-carry relationship applied to traded contracts.[6] This approach enables the model to account for variations in futures volatility across the term structure. The Synthetic Futures component within STANS is used for futures products where it is crucial to explicitly capture the dynamics of

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4 See Exchange Act Release No. 85873 (May 16, 2019), 84 FR 23620 (May 22, 2019) (SR-OCC-2019-002). OCC now models VIX price returns using the Volatility Index Futures Model, implemented in 2022. See Exchange Act Release No. 95319 (July 19, 2022), 87 FR 44167 (July 25, 2022) (SR-OCC-2022-001).

5 A "synthetic" futures time series, for the intended purposes of OCC, relates to a uniform substitute for a time series of daily settlement prices for actual futures contracts, which persists over many expiration cycles and thus can be used as a basis for econometric analysis.

6 Exchange Act Release No. 85873, supra note 4, at 23621.

various tenors of a product, such as futures on volatility indices, futures on interest rates, and futures on crude oil.

The Cboe Futures Exchange ("CFE") now intends to list two new futures products on indices whose value measures the total return of the 50 best performing stocks and the 50 lowest performing stocks, respectively, included in the Cboe U.S. Large-Mid Cap 100 Equal Weighted Index ("Lead & Lag Futures"). This proposed rule change would allow OCC to use its Synthetic Futures Model to support CFE's Lead & Lag Futures and other futures that a DCM may list in the future with similar dynamics for which OCC's Quantitative Risk Management business unit ("QRM") determines the Synthetic Futures Model is appropriate.

A. Purpose

Background

On May 16, 2019, the Commission approved a proposed rule change by OCC to enhance its margin model to simulate price returns for VIX futures[7] and allow for more appropriate modeling of the risk attributes of such products. The proposed methodology enhancements included (1) introducing synthetic futures into the process for daily re-estimation of prices and correlations for VIX and (2) an enhanced statistical distribution for modeling price returns for synthetic futures. Prior to that change, OCC modeled the futures settlement prices for VIX futures in STANS based on the index underlying the futures contract. This approach was subject to several limitations, including that, among other things, (i) the underlying (i.e., the index), is not a traded contract and, therefore, cannot be replicated by static portfolios of traded contracts; and (ii) the term structure of the futures market cannot be modeled using the underlying index.[8]

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7 Id.

8 Id. at n. 7 ("Similar to a stock index (e.g., SPX), a Volatility Index does not have an expiration. By contrast, there may be a variety of futures contracts with varying expiry dates on any one Volatility Index. For

Due to the limitations of modeling the term structure, the model used for VIX prior to the change could under-margin positions in certain trading strategies that involve spreads between delivery dates.[9]

To address these limitations, the Synthetic Futures Model generates prices and correlations using risk factors that are based on observed futures prices (i.e., the synthetic futures contract[10]), as opposed to using the underlying index itself. This allows the model to capture differences in volatility of futures across the term structure. Such differences in volatility are exhibited for futures products whose underlying deliverable is linked to a different tenor of a market observable risk factor. These risk factors are then used in the generation of Monte Carlo scenarios for the futures by using volatility and correlations obtained from the existing simulation models in STANS.

OCC has since expanded use of the Synthetic Futures Model to other futures products. On July 10, 2020, OCC filed a proposed rule change to expand the use of the Synthetic Futures Model to CFE's AMERIBOR Futures.[11] On September 30, 2020, OCC filed another proposed rule change to further expand the use of the Synthetic Futures Model to Treasury yield index futures.[12] On April 29, 2021, OCC filed another proposed rule change to extend the use of the

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example, the VIX does not have an expiration date, but market participants may trade VIX futures that expire on different dates.").

9 *See* Exchange Act Release No. 85873, at 23621, supra note 4. ("[B]ecause of the term structure of the futures market, futures on a volatility index are less volatile and may have a lower probability of extreme price movements than the underlying index itself. Additionally, due to the limitations of modeling the term structure, the current model may under-margin positions in certain strategies that Clearing Members may deploy that involve spreads between delivery dates.").

10 See supra note 5.

11 See Exchange Act Release No. 89392 (July 24, 2020), 85 FR 45938, at n. 13 (July 30, 2020) (SR-OCC-2020-007). ("AMERIBOR Futures are futures on the American Interbank Offered Rate disseminated by the American Financial Exchange, LLC, which is a transactions-based interest rate benchmark that represents market-based borrowing costs.").

12 See Exchange Act Release No. 90139 (Oct. 8, 2020), 85 FR 65886 (Oct. 16, 2020) (SR-OCC-2020-012).

Synthetic Futures Model to futures linked to crude oil.[13]

The Synthetic Futures Model would allow OCC to facilitate innovative futures products where the underlying assets are not actively traded contracts. In situations where the term structure of the futures market cannot be determined by referencing the underlying asset, this model employs risk factors derived from synthetic futures contracts to generate prices.

Proposed Changes

OCC now proposes to expand the use of the Synthetic Futures Model to additional futures products that may be listed by DCMs, provided the model is suitable for accurately representing the dynamics across the various tenors of these products. Specifically, OCC proposes revising its STANS Margins Methodology to clarify the intended scope and use of its Synthetic Futures Model to measure the risk of these futures within STANS. Under the proposed rule change, OCC also proposes removing any historical lists of in-scope products from its STANS Methodology Description of the Synthetic Futures Model. This is appropriate since some of the listed futures products no longer trade (i.e., crude oil futures), while others now use a different model (i.e., VIX futures). As outlined in the STANS Methodology Description, OCC would implement the model specifically for futures products where it is crucial to explicitly capture the dynamics of various tenors of the product. OCC believes that the Synthetic Futures Model would provide more appropriate margin coverage[14] for these futures products than other

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13 See Exchange Act Release No. 91833 (May 10, 2021), 86 FR 26586 (May 14, 2021) (SR-OCC-2021-005).

14 OCC provided, as confidential Exhibit 3A to File No. SR-OCC-2026-006, diagnostic testing to evaluate the expected shortfall and coverage levels produced by the Synthetic Futures Model using returns derived from the underlying lead and lag indices of the futures contracts. The L/S expected shortfall coverage rates are both 99.45% for the lead index, and 98.89% and 100% for the lag index.

models in OCC's inventory.[15]

Under the existing STANS Methodology Description, the Synthetic Futures Model would be used to construct a synthetic series of futures based on the daily historical returns of the contracts with approximately the same tenor as traded futures. The traded futures contracts would be mapped to the simulated return scenarios of the corresponding synthetics to produce theoretical prices. When market data is unavailable to construct the synthetic time-series of futures, such as the launch of new products or where the underlying is untraded or not investible (i.e., the product cannot be replicated by static portfolios of traded contracts such as an index), proxy data from similar products or statistical methods would be used instead to calibrate the model parameters.[16] OCC would reassess the underlying assumptions and statistical method used to generate the proxy data for these futures products once three months of market data are accumulated, and quarterly thereafter. Market data will completely replace the proxy data once OCC has sufficient time series to meet the minimum data requirements for calibration and estimation under the STANS Methodology.

Going forward, OCC's Financial Risk Management ("FRM") Department would determine to employ the Synthetic Futures Model for futures products consistent with OCC's existing Model Risk Management ("MRM") Policy,[17] which provides that FRM reviews new

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15 For example, OCC also maintains a "Generic Futures Model," which is a simple model based on the cost of carry. Certain futures products cannot be priced using the cost-of-carry relationship because the underlying (i.e., the index) does not trade.

16 For example, when OCC began to clear Small Crude Oil futures, it used proxy data constructed from similar tenor ICE WTI futures. See Exchange Act Release No. 91833, supra note 13, 86 FR at 26587 n.13. For the Lead-Lag Futures, the returns would be simulated using a statistical approach based on the assumptions that: (i) for front-month futures contracts, as times approaches the maturity, the futures price moves in tandem with and eventually converges to the price of the corresponding underlying index; and (ii) any non-front month futures may be priced by expectation of future underlying index move and a risk premium.

17 See, e.g., Exchange Act Release No. 82473 (Jan. 9, 2018), 83 FR 2271, 2272 (Jan. 16, 2018) (discussing the MRM Policy's section on Risk Model implementations with respect to new products). OCC has

products in accordance with its Risk Methodology Development & Implementation Procedure to determine whether or not a new Risk Model[18] is required or if the use of an existing Risk Model is fit for purposes.[19] OCC believes FRM is the appropriate decisionmaker for making such model selection determinations because the Quantitative Risk Management ("QRM") business unit within FRM is responsible for, among other things, developing Risk Models such as the Synthetic Futures Model and monitoring the use and performance of such Risk Models according to relevant procedures. The MRM Policy further provides that FRM recommends approval to the Model Risk Working Group ("MRWG")[20] subsequent to effective challenge and approval by OCC's second-line Model Risk Management business unit.[21]

Specifically, QRM reviews all new products proposed to be listed by participant exchanges, including new futures contracts proposed to be listed by DCMs for which OCC provides clearance and settlement services. As part of this review process, QRM determines whether a current model in OCC's model inventory is appropriate for the product. For example, certain models in OCC's model inventory are specific to particular types of underlying interests,

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subsequently amended the MRM Policy, including, in relevant part, to update the names of relevant procedures. See, e.g., Exchange Act Release No. 97484 (May 11, 2023), 88 FR 31549, 31551-52 (May 17, 2023) (SR-OCC-2023-004) (discussing changes associated with the Risk Methodology Development and Implementation Procedure).

18 To manage credit and liquidity risk arising from its relationship with its members, OCC uses quantitative methods to make estimates, forecasts, and projections in the context of its credit risk models, margin system and related models, and liquidity risk models (each a "Risk Model"). See Exchange Act Release No. 97763 (June 20, 2023), 88 FR 41453, 41453 (June 26, 2023) (SR-OCC-2023-004)

19 OCC filed its existing Model Risk Management Policy and Risk Methodology Development & Implementation Procedure as confidential Exhibits 3B and 3C to File No. SR-OCC-2026-006, respectively.

20 The MRWG is a cross-function working group that assists OCC's Management Committee in overseeing and governing OCC's model-related risk issues.

21 See Exchange Act Release No. 82473, supra note 17, 83 FR at 2272 (discussing MRWG approval after review by OCC's Model Validation Group ("MVG")). OCC's Model Risk Management unit was formerly known as MVG. See Exchange Act Release No.95842 (Sept. 20, 2022), 87 FR 58409, 58419 (Sept. 26, 2022) (SR-OCC-2022-010) (proposing conforming changes to OCC's risk management policies regarding the name of OCC's Model Risk Management business unit).

such as OCC's S&P 500 Implied Volatility Simulation Model.[22] QRM makes such model selections for new products based on the consistency of the product specifications with the application of the STANS Methodology Description and QRM's determination of the appropriateness of the model's margin treatment for the product. To the extent that any changes to the STANS Methodology Description would be required, or if clearance of the product using existing models would materially affect the nature or level of risk presented by OCC, OCC would file such changes with the Commission following approval of such changes by OCC's Risk Committee in accordance with the existing MRM Policy.[23]

B. Statutory Basis

OCC believes the proposed rule change is consistent with Section 17A of the Exchange Act[24] and Rule 17ad-22(e)(6)[25] thereunder applicable to OCC. Section 17A(b)(3)(F) of the Act[26] requires, in part, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible. The proposed rule change would make minor changes to OCC's Margins Methodology so that the Synthetic Futures Model can be used to model price returns for certain futures products. OCC believes the Synthetic Futures Model may provide better margin coverage

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22 See Exchange Act Release No. 95319, supra note 4, 87 FR at 44168 (July 25, 2022) (SR-OCC-2022-001) (discussing STANS Methodology Description changes to implement a new model for incorporating variations in implied volatility within STANS for products based on the S&P 500 Index).

23 For example, following such a QRM review, OCC filed a proposed rule change to modify the STANS Methodology Description's discussion of the Variance Futures Model based on changes to the product specifications for a re-listing of CFE's variance futures product. See Exchange Act Release No. 100528 (July 15, 2024), 89 FR 58836 (July 19, 2024) (SR-OCC-2024-008).

24 15 U.S.C. 78q-1.

25 17 CFR 240.17ad-22(e)(6).

26 15 U.S.C. 78q-1(b)(3)(F).

for these products than other margin models maintained by OCC. OCC uses the margin it collects from a defaulting Clearing Member to protect other Clearing Members from losses and ensure that OCC is able to continue the prompt and accurate clearance and settlement of its cleared products. Moreover, OCC believes that accurate calculation of margin requirements is necessary to help OCC manage the risk of a Clearing Member default without recourse to the assets of non-defaulting Clearing Members, which supports the safeguarding of securities and funds in OCC's custody or control. OCC therefore believes that the proposed rule change is designed to promote the prompt and accurate clearance and settlement of derivative transactions in accordance with Section 17A(b)(3)(F) of the Act.[27]

Exchange Act Rules 17ad-22(e)(6)(i), (iii), and (v)[28] further require that a covered clearing agency establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, among other things: (1) considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market; (2) calculates margin sufficient to cover its potential future exposure to participants in the interval between the last margin collection and the close out of positions following a participant default; and (3) uses an appropriate method for measuring credit exposure that accounts for relevant product risk factors and portfolio effects across products. OCC believes that using the Synthetic Futures Model for certain futures products would produce margin levels commensurate with the risks and particular attributes of the products in question, generate margin requirements to cover OCC's potential future exposure to its participants, and

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27 Id.

28 17 CFR 240.17ad-22(e)(6)(i), (iii), and (v).

appropriately consider relevant product risk factors for these futures products. In this way, OCC believes the proposed rule change is consistent with the requirements of Rules 17ad-22(e)(6)(i), (iii), and (v).[29]

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Act[30] requires that the rules of a clearing agency not impose any burden on competition, not necessary or appropriate in furtherance of the purposes of the Act. OCC does not believe that the proposed rule changes would have any impact or impose a burden on competition. The Synthetic Futures Model would be used to model returns for certain futures products for all Clearing Members upon the launch of new products. OCC does not believe that the proposed rule change would unfairly inhibit access to OCC's services or disadvantage or favor any particular participant in relationship to another participant. Accordingly, OCC does not believe that the proposed rule change would have any impact or impose a burden on competition.

Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Written comments were not and are not intended to be solicited with respect to the proposed change and none have been received.

Item 6. Extension of Time Period for Commission Action

Not applicable.

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29 *Id.*

30 15 U.S.C. 78q-1(b)(3)(I).

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

Pursuant to Section 19(b)(3)(A)(i)[31] of the Exchange Act, and Rule 19b-4(f)(4)(ii) thereunder,[32] the proposed rule change is filed for immediate effectiveness because it effects a change in an existing service of a registered clearing agency that (i) primarily affects the clearing operations of the clearing agency with respect to products that are not securities, including futures that are not security futures, and (ii) does not significantly affect any securities clearing operations of the clearing agency or any rights or obligations of the clearing agency with respect to securities clearing or persons using such securities-clearing service. The proposed rule change would enhance OCC's existing futures clearing services by extending the scope of its Synthetic Futures Model to certain futures products subject to the exclusive jurisdiction of the CFTC. Accordingly, the Synthetic Futures Model would only be available for use for futures cleared by OCC that are not security futures. Moreover, OCC expects that these futures would account for a small part of OCC's overall clearing activity, given the newness of the product and the size of OCC's futures business as a share of OCC's total cleared products. It is therefore anticipated that the proposed rule change would not significantly affect the operation of OCC's Clearing Fund, which is designed to support all of OCC's clearing activities in securities and futures products. Thus, it is anticipated that the proposed rule change would not significantly affect the securities clearing operations of OCC or any rights or obligations of OCC with respect to securities clearing or of persons using such securities clearing services.

At any time within 60 days of the filing of the proposed rule change, the SEC summarily may temporarily suspend such rule change if it appears to the SEC that such action is necessary

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31 15 U.S.C. 78s(b)(3)(A)(i).

32 17 CFR 240.19b-4(f)(4)(ii).

or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Exchange Act. Notwithstanding its immediate effectiveness, implementation of the rule changes will be delayed until they are deemed certified under CFTC Regulation § 40.6.[33]

Item 8. Advance Notice Based on Rule of Another Self-Regulatory Organization or of the Commission

Not applicable.

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Exchange Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

Exhibit 1A. Completed Notice of Proposed Rule Filing for publication in the Federal Register.

Exhibit 3A. Confidential data and analysis with respect to the proposed modeling of Lead & Lag Futures using the Synthetic Futures Model, including risk-factor level diagnostic analysis.

Exhibit 3B. Model Risk Management Policy.

Exhibit 3C. Risk Methodology Development and Implementation Procedure.

Exhibit 5. Changes to the STANS Methodology Description.

Exhibits 3A, 3B, 3C and 5 are omitted and filed separately with the Commission in connection with a request for confidential treatment pursuant to 17 CFR 240.24b-2.

[33] 17 CFR 40.6.

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-[_____]; File No. SR-OCC-2026-006

[July __, 2026]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by The Options Clearing Corporation Concerning the Synthetic Futures Model.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act"),[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on July 8, 2026, The Options Clearing Corporation ("OCC" or "Corporation") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by OCC. OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)[3] of the Act and paragraph (f) or Rule 19b-4[4] thereunder, such that the proposed rule change was immediately effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

This proposed rule change would expand the use of an existing OCC margin model used to margin certain futures products that OCC clears in its capacity as a

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 15 U.S.C. 78s(b)(3)(A).

4 17 CFR 240.19b-4(f).

derivatives clearing organization ("DCO") registered with the Commodity Futures Trading Commission ("CFTC").

OCC provided proposed changes to its STANS Methodology Description as confidential Exhibit 5 to File No. SR-OCC-2026-006. Material proposed to be added to the STANS Methodology Description as currently in effect is underlined and material proposed to be deleted is marked with strikethrough text. All capitalized terms not defined herein have the same meaning as set forth in the OCC By-Laws and Rules.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, OCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its capacity as a DCO registered with the CFTC, OCC clears certain futures products on behalf of CFTC-registered designated contract markets ("DCMs"). In its role as a DCO, OCC guarantees the performance of its Clearing Members by becoming the buyer to every seller and the seller to every buyer, thereby guaranteeing performance of the futures contracts regardless of the potential default of one of its Clearing Members. OCC manages its financial risk exposure to its Clearing Members through financial safeguards, including the collection of margin collateral from Clearing Members designed to, among other things, address the market risk associated with a Clearing

Member's positions during the period of time OCC has determined it would take to liquidate those positions.

To calculate Clearing Member margin requirements, OCC has developed models within its proprietary margin methodology, the System for Theoretical Analysis and Numerical Simulations ("STANS"). With respect to futures products, one of those models is OCC's Synthetic Futures Model, which OCC uses to model settlement prices for certain futures products. Originally developed to margin futures on Cboe's Volatility Index ("VIX"),[5] OCC has since extended the Synthetic Futures Model to other futures products cleared by OCC. The Synthetic Futures Model generates prices and correlations using risk factors that are based on observed futures prices (i.e., the "synthetic" futures contract[6]), as opposed to using the underlying itself. Accordingly, this model is more appropriate for pricing futures products where the underlying contract is not traded and, as such, cannot be valued using the cost-of-carry relationship applied to traded contracts.[7] This approach enables the model to account for variations in futures volatility across the term structure. The Synthetic Futures component within STANS is used for futures products where it is crucial to explicitly capture the dynamics of various tenors of a product, such as futures on volatility indices, futures on interest rates, and futures on crude oil.

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5 See Exchange Act Release No. 85873 (May 16, 2019), 84 FR 23620 (May 22, 2019) (SR-OCC-2019-002). OCC now models VIX price returns using the Volatility Index Futures Model, implemented in 2022. See Exchange Act Release No. 95319 (July 19, 2022), 87 FR 44167 (July 25, 2022) (SR-OCC-2022-001).

6 A "synthetic" futures time series, for the intended purposes of OCC, relates to a uniform substitute for a time series of daily settlement prices for actual futures contracts, which persists over many expiration cycles and thus can be used as a basis for econometric analysis.

7 Exchange Act Release No. 85873, supra note 5, at 23621.

The Cboe Futures Exchange ("CFE") now intends to list two new futures products on indices whose value measures the total return of the 50 best performing stocks and the 50 lowest performing stocks, respectively, included in the Cboe U.S. Large-Mid Cap 100 Equal Weighted Index ("Lead & Lag Futures"). This proposed rule change would allow OCC to use its Synthetic Futures Model to support CFE's Lead & Lag Futures and other futures that a DCM may list in the future with similar dynamics for which OCC's Quantitative Risk Management business unit ("QRM") determines the Synthetic Futures Model is appropriate.

1. Purpose

Background

On May 16, 2019, the Commission approved a proposed rule change by OCC to enhance its margin model to simulate price returns for VIX futures[8] and allow for more appropriate modeling of the risk attributes of such products. The proposed methodology enhancements included (1) introducing synthetic futures into the process for daily re-estimation of prices and correlations for VIX and (2) an enhanced statistical distribution for modeling price returns for synthetic futures. Prior to that change, OCC modeled the futures settlement prices for VIX futures in STANS based on the index underlying the futures contract. This approach was subject to several limitations, including that, among other things, (i) the underlying (i.e., the index), is not a traded contract and, therefore, cannot be replicated by static portfolios of traded contracts; and (ii) the term structure of the futures market cannot be modeled using the underlying index.[9] Due to the limitations

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8 Id.

9 Id. at n. 7 ("Similar to a stock index (e.g., SPX), a Volatility Index does not have an expiration. By contrast, there may be a variety of futures contracts with varying expiry dates on any one

of modeling the term structure, the model used for VIX prior to the change could under-margin positions in certain trading strategies that involve spreads between delivery dates.[10]

To address these limitations, the Synthetic Futures Model generates prices and correlations using risk factors that are based on observed futures prices (i.e., the synthetic futures contract[11]), as opposed to using the underlying index itself. This allows the model to capture differences in volatility of futures across the term structure. Such differences in volatility are exhibited for futures products whose underlying deliverable is linked to a different tenor of a market observable risk factor. These risk factors are then used in the generation of Monte Carlo scenarios for the futures by using volatility and correlations obtained from the existing simulation models in STANS.

OCC has since expanded use of the Synthetic Futures Model to other futures products. On July 10, 2020, OCC filed a proposed rule change to expand the use of the Synthetic Futures Model to CFE's AMERIBOR Futures.[12] On September 30, 2020, OCC filed another proposed rule change to further expand the use of the Synthetic Futures Model to Treasury yield index futures.[13] On April 29, 2021, OCC filed another

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Volatility Index. For example, the VIX does not have an expiration date, but market participants may trade VIX futures that expire on different dates.").

10 *See* Exchange Act Release No. 85873, at 23621, supra note 5. ("[B]ecause of the term structure of the futures market, futures on a volatility index are less volatile and may have a lower probability of extreme price movements than the underlying index itself. Additionally, due to the limitations of modeling the term structure, the current model may under-margin positions in certain strategies that Clearing Members may deploy that involve spreads between delivery dates.").

11 See supra note 6.

12 See Exchange Act Release No. 89392 (July 24, 2020), 85 FR 45938, at n. 13 (July 30, 2020) (SR-OCC-2020-007). ("AMERIBOR Futures are futures on the American Interbank Offered Rate disseminated by the American Financial Exchange, LLC, which is a transactions-based interest rate benchmark that represents market-based borrowing costs.").

13 See Exchange Act Release No. 90139 (Oct. 8, 2020), 85 FR 65886 (Oct. 16, 2020) (SR-OCC-2020-012).

proposed rule change to extend the use of the Synthetic Futures Model to futures linked to crude oil.[14]

The Synthetic Futures Model would allow OCC to facilitate innovative futures products where the underlying assets are not actively traded contracts. In situations where the term structure of the futures market cannot be determined by referencing the underlying asset, this model employs risk factors derived from synthetic futures contracts to generate prices.

Proposed Changes

OCC now proposes to expand the use of the Synthetic Futures Model to additional futures products that may be listed by DCMs, provided the model is suitable for accurately representing the dynamics across the various tenors of these products. Specifically, OCC proposes revising its STANS Margins Methodology to clarify the intended scope and use of its Synthetic Futures Model to measure the risk of these futures within STANS. Under the proposed rule change, OCC also proposes removing any historical lists of in-scope products from its STANS Methodology Description of the Synthetic Futures Model. This is appropriate since some of the listed futures products no longer trade (i.e., crude oil futures), while others now use a different model (i.e., VIX futures). As outlined in the STANS Methodology Description, OCC would implement the model specifically for futures products where it is crucial to explicitly capture the dynamics of various tenors of the product. OCC believes that the Synthetic Futures

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[14] See Exchange Act Release No. 91833 (May 10, 2021), 86 FR 26586 (May 14, 2021) (SR-OCC-2021-005).

Model would provide more appropriate margin coverage[15] for these futures products than other models in OCC's inventory.[16]

Under the existing STANS Methodology Description, the Synthetic Futures Model would be used to construct a synthetic series of futures based on the daily historical returns of the contracts with approximately the same tenor as traded futures. The traded futures contracts would be mapped to the simulated return scenarios of the corresponding synthetics to produce theoretical prices. When market data is unavailable to construct the synthetic time-series of futures, such as the launch of new products or where the underlying is untraded or not investible (i.e., the product cannot be replicated by static portfolios of traded contracts such as an index), proxy data from similar products or statistical methods would be used instead to calibrate the model parameters.[17] OCC would reassess the underlying assumptions and statistical method used to generate the proxy data for these futures products once three months of market data are accumulated, and quarterly thereafter. Market data will completely replace the proxy data once OCC has sufficient time series to meet the minimum data requirements for calibration and estimation under the STANS Methodology.

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15 OCC provided, as confidential Exhibit 3A to File No. SR-OCC-2026-006, diagnostic testing to evaluate the expected shortfall and coverage levels produced by the Synthetic Futures Model using returns derived from the underlying lead and lag indices of the futures contracts. The L/S expected shortfall coverage rates are both 99.45% for the lead index, and 98.89% and 100% for the lag index.

16 For example, OCC also maintains a "Generic Futures Model," which is a simple model based on the cost of carry. Certain futures products cannot be priced using the cost-of-carry relationship because the underlying (i.e., the index) does not trade.

17 For example, when OCC began to clear Small Crude Oil futures, it used proxy data constructed from similar tenor ICE WTI futures. See Exchange Act Release No. 91833, supra note 14, 86 FR at 26587 n.13. For the Lead-Lag Futures, the returns would be simulated using a statistical approach based on the assumptions that: (i) for front-month futures contracts, as times approaches the maturity, the futures price moves in tandem with and eventually converges to the price of the corresponding underlying index; and (ii) any non-front month futures may be priced by expectation of future underlying index move and a risk premium.

Going forward, OCC's Financial Risk Management ("FRM") Department would determine to employ the Synthetic Futures Model for futures products consistent with OCC's existing Model Risk Management ("MRM") Policy,[18] which provides that FRM reviews new products in accordance with its Risk Methodology Development & Implementation Procedure to determine whether or not a new Risk Model[19] is required or if the use of an existing Risk Model is fit for purposes.[20] OCC believes FRM is the appropriate decisionmaker for making such model selection determinations because the Quantitative Risk Management ("QRM") business unit within FRM is responsible for, among other things, developing Risk Models such as the Synthetic Futures Model and monitoring the use and performance of such Risk Models according to relevant procedures. The MRM Policy further provides that FRM recommends approval to the Model Risk Working Group ("MRWG")[21] subsequent to effective challenge and approval by OCC's second-line Model Risk Management business unit.[22]

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18 See, e.g., Exchange Act Release No. 82473 (Jan. 9, 2018), 83 FR 2271, 2272 (Jan. 16, 2018) (discussing the MRM Policy's section on Risk Model implementations with respect to new products). OCC has subsequently amended the MRM Policy, including, in relevant part, to update the names of relevant procedures. See, e.g., Exchange Act Release No. 97484 (May 11, 2023), 88 FR 31549, 31551-52 (May 17, 2023) (SR-OCC-2023-004) (discussing changes associated with the Risk Methodology Development and Implementation Procedure).

19 To manage credit and liquidity risk arising from its relationship with its members, OCC uses quantitative methods to make estimates, forecasts, and projections in the context of its credit risk models, margin system and related models, and liquidity risk models (each a "Risk Model"). See Exchange Act Release No. 97763 (June 20, 2023), 88 FR 41453, 41453 (June 26, 2023) (SR-OCC-2023-004)

20 OCC filed its existing Model Risk Management Policy and Risk Methodology Development & Implementation Procedure as confidential Exhibits 3B and 3C to File No. SR-OCC-2026-006, respectively.

21 The MRWG is a cross-function working group that assists OCC's Management Committee in overseeing and governing OCC's model-related risk issues.

22 See Exchange Act Release No. 82473, supra note 18, 83 FR at 2272 (discussing MRWG approval after review by OCC's Model Validation Group ("MVG")). OCC's Model Risk Management unit was formerly known as MVG. See Exchange Act Release No.95842 (Sept. 20, 2022), 87 FR 58409, 58419 (Sept. 26, 2022) (SR-OCC-2022-010) (proposing conforming changes to OCC's risk management policies regarding the name of OCC's Model Risk Management business unit).

Specifically, QRM reviews all new products proposed to be listed by participant exchanges, including new futures contracts proposed to be listed by DCMs for which OCC provides clearance and settlement services. As part of this review process, QRM determines whether a current model in OCC's model inventory is appropriate for the product. For example, certain models in OCC's model inventory are specific to particular types of underlying interests, such as OCC's S&P 500 Implied Volatility Simulation Model.[23] QRM makes such model selections for new products based on the consistency of the product specifications with the application of the STANS Methodology Description and QRM's determination of the appropriateness of the model's margin treatment for the product. To the extent that any changes to the STANS Methodology Description would be required, or if clearance of the product using existing models would materially affect the nature or level of risk presented by OCC, OCC would file such changes with the Commission following approval of such changes by OCC's Risk Committee in accordance with the existing MRM Policy.[24]

2. Statutory Basis

OCC believes the proposed rule change is consistent with Section 17A of the Exchange Act[25] and Rule 17ad-22(e)(6)[26] thereunder applicable to OCC. Section

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23 See Exchange Act Release No. 95319, supra note 5, 87 FR at 44168 (July 25, 2022) (SR-OCC-2022-001) (discussing STANS Methodology Description changes to implement a new model for incorporating variations in implied volatility within STANS for products based on the S&P 500 Index).

24 For example, following such a QRM review, OCC filed a proposed rule change to modify the STANS Methodology Description's discussion of the Variance Futures Model based on changes to the product specifications for a re-listing of CFE's variance futures product. See Exchange Act Release No. 100528 (July 15, 2024), 89 FR 58836 (July 19, 2024) (SR-OCC-2024-008).

25 15 U.S.C. 78q-1.

26 17 CFR 240.17ad-22(e)(6).

17A(b)(3)(F) of the Act[27] requires, in part, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible. The proposed rule change would make minor changes to OCC's Margins Methodology so that the Synthetic Futures Model can be used to model price returns for certain futures products. OCC believes the Synthetic Futures Model may provide better margin coverage for these products than other margin models maintained by OCC. OCC uses the margin it collects from a defaulting Clearing Member to protect other Clearing Members from losses and ensure that OCC is able to continue the prompt and accurate clearance and settlement of its cleared products. Moreover, OCC believes that accurate calculation of margin requirements is necessary to help OCC manage the risk of a Clearing Member default without recourse to the assets of non-defaulting Clearing Members, which supports the safeguarding of securities and funds in OCC's custody or control. OCC therefore believes that the proposed rule change is designed to promote the prompt and accurate clearance and settlement of derivative transactions in accordance with Section 17A(b)(3)(F) of the Act.[28]

Exchange Act Rules 17ad-22(e)(6)(i), (iii), and (v)[29] further require that a covered clearing agency establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, among other things: (1) considers, and

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27 15 U.S.C. 78q-1(b)(3)(F).

28 Id.

29 17 CFR 240.17ad-22(e)(6)(i), (iii), and (v).

produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market; (2) calculates margin sufficient to cover its potential future exposure to participants in the interval between the last margin collection and the close out of positions following a participant default; and (3) uses an appropriate method for measuring credit exposure that accounts for relevant product risk factors and portfolio effects across products. OCC believes that using the Synthetic Futures Model for certain futures products would produce margin levels commensurate with the risks and particular attributes of the products in question, generate margin requirements to cover OCC's potential future exposure to its participants, and appropriately consider relevant product risk factors for these futures products. In this way, OCC believes the proposed rule change is consistent with the requirements of Rules 17ad-22(e)(6)(i), (iii), and (v).[30]

(B) Clearing Agency's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Act[31] requires that the rules of a clearing agency not impose any burden on competition, not necessary or appropriate in furtherance of the purposes of the Act. OCC does not believe that the proposed rule changes would have any impact or impose a burden on competition. The Synthetic Futures Model would be used to model returns for certain futures products for all Clearing Members upon the launch of new products. OCC does not believe that the proposed rule change would unfairly inhibit access to OCC's services or disadvantage or favor any particular participant in relationship to another participant. Accordingly, OCC does not believe that the proposed rule change would have any impact or impose a burden on competition.

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30 *Id.*

31 15 U.S.C. 78q-1(b)(3)(I).

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Written comments were not and are not intended to be solicited with respect to the proposed change and none have been received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act[32] and paragraph (f) of Rule 19b-4[33] thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

The proposal shall not take effect until all regulatory actions required with respect to the proposal are completed.[34]

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-OCC-2026-006 on the subject line.

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32 15 U.S.C. 78s(b)(3)(A).

33 17 CFR 240.19b-4(f).

34 Notwithstanding its immediate effectiveness, implementation of this rule change will be delayed until this change is deemed certified under CFTC Regulation 40.6.

Paper Comments:

- Send paper comments in triplicate to Vanessa Countryman, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-OCC-2026-006. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (http://www.sec.gov/rules/sro.shtml). Copies of such filing will be available for inspection and copying at the principal office of OCC and on OCC's website at https://www.theocc.com/Company-Information/Documents-and-Archives/By-Laws-and-Rules.

Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

All submissions should refer to File Number SR-OCC-2026-006 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[35]

Secretary

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[35] 17 CFR 200.30-3(a)(12).

Exhibit 3

This Exhibit contains several electronic files embedded in this cover page for filing efficiency, as identified below. OCC has omitted the embedded files pursuant to 17 CFR 240.24b-2. OCC has separately filed and requested confidential treatment of the cover page containing the embedded files as protected from public disclosure by Exemptions 4 and 8 of the Freedom of Information Act ("FOIA"), 5 U.S.C. 552(b)(4), (b)(8), and 15 U.S.C. 78x(e) because the information they contain concerns (i) OCC's trade secrets and commercial information not customarily released to the public and is, and always has been, treated as the private information of OCC, the release of which is likely to cause foreseeable harm to OCC's commercial or financial interests; and (ii) the supervision of OCC, a financial institution regulated by the Commission. OCC believes the Form 19b-4 Information and Exhibit 1A provides a clear and adequate description of the relevant substance of the embedded files to facilitate meaningful public comment.

Embedded File: **[Redacted Pursuant to Rule 24b-2]**

- Exhibit 3A. Confidential data and analysis with respect to the proposed modeling of Lead & Lag Futures using the Synthetic Futures Model, including risk-factor level diagnostic analysis; 1 page.

Embedded File: **[Redacted Pursuant to Rule 24b-2]**

- Exhibit 3B. Model Risk Management Policy; 6 pages.

Embedded File: **[Redacted Pursuant to Rule 24b-2]**

- Exhibit 3C. Risk Methodology Development and Implementation Procedure; 8 pages.

Exhibit 5

This Exhibit contains one electronic file embedded in this cover page for filing efficiency, as identified below. OCC has omitted the embedded file pursuant to 17 CFR 240.24b-2. OCC has separately filed and requested confidential treatment of the cover page containing the embedded file as protected from public disclosure by Exemptions 4 and 8 of the Freedom of Information Act ("FOIA"), 5 U.S.C. 552(b)(4), (b)(8), and 15 U.S.C. 78x(e) because the information it contains concerns (i) OCC's trade secrets and commercial information not customarily released to the public and is, and always has been, treated as the private information of OCC, the release of which is likely to cause foreseeable harm to OCC's commercial or financial interests; and (ii) the supervision of OCC, a financial institution regulated by the Commission. OCC believes the Form 19b-4 Information and Exhibit 1A provide a clear and adequate description of the relevant substance of the embedded file to facilitate meaningful public comment.

Embedded File: **[Redacted Pursuant to Rule 24b-2]**

- Exhibit 5. Changes to the STANS Methodology Description; 2 pages.