

proprietary equity trades in paired securities effected on the Exchange floor by options specialists and registered options traders ("ROTs").

The text of the proposed rule change is available at the Office of the Secretary, Amex and at the Commission.

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

In its filing with the Commission, the Amex 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. The Amex has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

In 1991, the Exchange imposed transaction charges on proprietary equity trades by members and member organizations, while maintaining an exemption for proprietary trades of equity specialists in view of the market making function they perform.¹ Subsequently, in 1995, the Exchange waived such charges on proprietary equity trades effected by Registered Equity Market Makers ("REMMs") in order to facilitate their market making function as set forth in Exchange Rule 114 and place them on an equal footing with Exchange equity specialists.²

When option specialists and ROTs³ that trade "paired securities" (i.e., where both the option and underlying equity security are traded on the Amex) hedge an option position by trading in the underlying Amex listed security, they are currently subject to the Exchange's transaction charge on

proprietary equity trades. The Exchange is now waiving its equity transaction charge imposed on proprietary equity trades by option specialists and ROTs hedging in paired securities. Option specialists and ROTs, like equity specialists and REMMs, perform a market making function in their assigned securities and the Exchange believes it is equitable that they be treated the same with respect to transaction charges on proprietary equity trades used for hedging purposes.

The Exchange believes the proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(4) in particular in that they provide for the equitable allocation of reasonable dues, fees, and other charges among Amex members, issuers, and other persons using the Exchange's facilities.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes the proposed rule change will impose no burden on competition.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

The fee change has become effective pursuant to Section 19(b)(3)(A) of the Act and subparagraph (e)(2) of Rule 19b-4. At any time within 60 days of the filing of such fee change, the Commission may summarily abrogate such fee 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.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the

Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Amex. All submissions should refer to File No. SR-Amex-96-22 and should be submitted by July 30, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁴

Jonathan G. Katz,
Secretary.

[FR Doc. 96-17354 Filed 7-8-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37392; File No. SR-DCC-96-08]

Self Regulatory Organizations; Delta Clearing Corp.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Addition of Patriot Securities, Inc. as an Interdealer Broker for Delta Clearing Corp.'s Repurchase Agreement Clearance System

July 1, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on June 12, 1996, Delta Clearing Corp. ("DCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by DCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The purpose of the proposed rule change is to give notice that DCC has authorized Patriot Securities, Inc. ("Patriot") to act as an interdealer broker in DCC's over-the-counter clearance and settlement system for repurchase agreement and reverse repurchase agreement ("repos") transactions involving U.S. Treasury securities.

⁴ 17 CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. 78s(b)(1) (1988).

¹ See Securities Exchange Act Release No. 28794 (Jan. 17, 1991), 56 FR 2964 (Jan. 25, 1991).

² See Securities Exchange Act Release No. 36081 (Aug. 10, 1995), 60 FR 42635 (Aug. 16, 1995).

³ ROTs are members that trade on a proprietary basis on the Floor in one or more designated classes of options. Exchange Rule 958 sets forth the obligations and requirements under which ROTs are permitted to conduct such proprietary trading on the Floor. When trading in their designated options, ROTs are required under the Rule to contribute to the maintenance of a fair and orderly market in such options, engaging in dealings in such options which contribute to price continuity or depth or minimize the effects of a temporary disparity between the supply and demand for such options. Thus, while not subject to an option specialist's continuous market making obligation, when ROTs effect proprietary equity trades on the Floor, they are required to comply with the same market making obligations as option specialists.

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

In its filing with the Commission, DCC 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. DCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

Through its repo clearing system, DCC clears repo transactions that have been agreed to by DCC participants through the facilities of interdealer brokers that have been specially authorized by DCC ("authorized brokers") to offer their services to DCC participants.³ Currently, Liberty Brokerage, Inc., RMJ Special Brokerage Inc., Euro Brokers Maxcor Inc., Tullet and Tokyo Securities Inc., and Tradition (Government Securities), Inc., are authorized brokers.⁴ The purpose of the proposed rule change is to give notice that DCC has authorized Patriot to act as a broker in DCC's clearance and settlement system for repo trades.

The proposed rule change will facilitate the prompt and accurate clearance and settlement of securities transactions, and therefore, the proposed rule change is consistent with the requirements of the Act, specifically Section 17A of the Act, and the rules and regulations thereunder.⁵

(B) Self-Regulatory Organization's Statement on Burden on Competition

DCC does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

² The Commission has modified parts of these statements.

³ For a complete description of the DCC's repo clearance system, see Securities Exchange Act Release No. 36367 (October 13, 1995), 60 FR 54095.

⁴ Securities Exchange Act Release Nos. 36367 (October 13, 1994), 60 FR 54059; 36901 (February 28, 1996), 61 FR 8991; 37212 (May 14, 1996), 61 FR 25722; and 37235 (May 20, 1996), 61 FR 26942.

⁵ 15 U.S.C. 78q-1 (1988).

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Comments were neither solicited nor 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)(iii) of the Act⁶ and Rule 19b-4(e)(4) thereunder⁷ in that the proposal effects a change in an existing service of a registered clearing agency that does not adversely affect the safeguarding of securities or funds in the custody or control of the clearing agency or for which it is responsible and does not significantly affect the respective rights or obligations of the clearing agency or persons using the service. At any time within sixty days of the filing of the proposed rule change, the Commission may summarily abrogate 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.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communication relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at DCC. All submissions should refer to File No. SR-DCC-96-08 and should be submitted by July 30, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁸

⁶ 15 U.S.C. 78s(b)(3)(A)(iii) (1988).

⁷ 17 CFR 240.19b-4(e)(4) (1995).

⁸ 17 CFR 200.30-3(a)(12) (1995).

Jonathan G. Katz,

Secretary.

[FR Doc. 96-17352 Filed 7-8-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37390; International Series Release No. 999; File No. SR-ISCC-96-03]

Self-Regulatory Organizations; International Securities Clearing Corporation; Notice of Filing of a Proposed Rule Change Relating to the Clearing Fund Formula

July 1, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on May 16, 1996, the International Securities Clearing Corporation ("ISCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-ISCC-96-03) as described in Items I, II, and III below, which items have been prepared primarily by ISCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Changes

ISCC is filing the proposed rule change to extend approval of its clearing fund formula.²

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Changes

In its filing with the Commission, ISCC 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. ISCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.³

¹ 15 U.S.C. § 78s(b)(1) (1988).

² The Commission temporarily approved two previous ISCC proposed rule changes amending ISCC's clearing fund formula. Securities Exchange Act Release No. 35970 (July 13, 1995), 60 FR 37698 [File No. SR-ISCC-95-03] (notice of filing and order granting accelerated approval on a temporary basis of ISCC's clearing fund formula) and Securities Exchange Act Release No. 34392 (July 15, 1994), 59 FR 37798 [File No. SR-ISCC-94-1] (order temporarily approving on an accelerated basis ISCC's clearing fund formula).

³ The Commission has modified these summaries.