

Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1-(800) 248-5100 (in Missouri 1-(800) 342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the following message addressed to William D. Beckner, Director, Project Directorate IV-1: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this Federal Register notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and to Jack R. Newman, Esq., Newman & Holtzinger, P.C., 1615 L Street, NW., Washington, DC 20036, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated May 1, 1995, as supplemented by letters dated June 22, August 28, November 22, December 19, 1995, January 4, January 8 (two letters), and January 23, 1996, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Wharton County Junior College, J.M. Hodges Learning Center, 911 Boling Highway, Wharton, Texas 77488.

Dated at Rockville, Maryland, this 2nd day of February 1996.

For the Nuclear Regulatory Commission.
George Kalman,

*Project Manager, Project Directorate IV-1,
Division of Reactor Projects III/IV, Office of
Nuclear Reactor Regulation.*

[FR Doc. 96-2701 Filed 2-8-96; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-36799; File No. SR-DTC-94-16]

Self-Regulatory Organizations; The Depository Trust Co.; Order Approving a Proposed Rule Change Clarifying the Depository Trust Company's Policy on Depository-to-Depository Services and Fees

February 1, 1996.

On November 29, 1994, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-DTC-94-16) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ Notice of the proposal was published in the Federal Register on January 9, 1995.² One comment letter was received.³ On October 11, 1995, DTC filed an amendment to clarify the filing.⁴ Because the amendment changed the substance of the filing, notice of the amended proposal was published in the Federal Register on November 1, 1995.⁵ One comment letter was received in response to the notice of the amended proposal after the expiration of the comment period.⁶ For the reasons discussed below, the Commission is approving the proposed rule change as amended.

I. Description of the Proposal

The purpose of the proposed rule change is to clarify DTC's policy

¹ 15 U.S.C. 78s(b)(1) (1988).

² Securities Exchange Act Release No. 35186 (December 30, 1994), 60 FR 2418.

³ Letter from J. Craig Long, Foley and Lardner (on behalf of the Midwest Securities Trust Company), to Jonathan G. Katz, Secretary, Commission (February 3, 1995). The comment letter is discussed in Section II of this order.

⁴ Letter from Richard B. Nesson, Executive Vice President and General Counsel, DTC, to Jerry W. Carpenter, Esq., Assistant Director, Division of Market Regulation, Commission (October 11, 1995).

⁵ Securities Exchange Act Release No. 36425 (October 26, 1995), 60 FR 55623.

⁶ Letter from William W. Uchimoto, First Vice President and General Counsel, Philadelphia Depository Trust Company ("Philadep"), to Jonathan G. Katz, Secretary, Commission (November 30, 1995). The comment letter is discussed in Section II of this order.

regarding depository-to-depository services and fees by filing the following statement:

With respect to any other securities depository that is registered as a clearing agency under section 17A of the Securities Exchange Act of 1934 (a "depository"), neither DTC nor the other depository shall be obligated to pay each other the fees charged to participants by virtue of having executed participant agreements with one another. DTC shall provide services to the other depository, charge fees for those services, and pay for the services provided to DTC, all in accordance with the terms of a separate agreement, if any, between DTC and the other depository respecting such matters.

In the absence of any such separate agreement, however:

1. DTC shall make available to any other depository any service that DTC makes available to its Participants generally, provided that such depository makes its services available to DTC on the same basis.

2. DTC (i) shall not charge for the book-entry delivery services provided to the other depository nor pay for the book-entry delivery services provided by the other depository, (ii) shall charge DTC participant fees for services relating to the physical handling of certificates rendered by DTC to such depository and pay the other depository its participant fees for services relating to the physical handling of certificates rendered to DTC and (iii) shall charge the other depository and pay the other depository for "linked services" provided, if any.⁷

DTC states that this policy statement reflects the practices that have been followed by DTC and the other depositories since the beginning of interdepository processing and is consistent with the Commission's expressed views concerning these matters.

II. Comments

One comment letter was received in response to the original notice of proposed rule change.⁸ DTC

⁷ The Commission has described "linked services" as arrangements where one depository (the "servicing depository") performs for another depository (the "using depository") the core tasks necessary to deliver the services to the using depository's participants. The Commission has cited as examples of linked services DTC's processing of ID confirmations and affirmations and DTC's fourth-party delivery service. The Commission has expressed the view that a servicing depository should be permitted to charge a using depository the same fee it charges its participants for the same or a similar service. See Securities Exchange Act Release No. 23083 (March 31, 1986) at pages 15-23.

⁸ *Supra* note 3. The first commenter, also a registered securities depository, submitted a comment letter only in response to DTC's original filing and stated that DTC's filing was an attempt to have the commenter adopt a no-charge policy for rendering most services to DTC in connection with the operation of the interface between the depositories. The commenter also focused on this filing's relationship to another pending DTC filing regarding interface fees. The commenter urged the

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subsequently amended the filing. The Commission received one comment letter in response to the amended notice after the expiration of the comment period.⁹

The second commenter stated its belief that the policy statement is unnecessary because it impacts exclusively upon DTC's relationship with the commenter, also a registered securities depository. Other than DTC, the commenter will be the only other actively operating registered securities depository providing depository services for equity, corporate, and municipal securities.¹⁰ The Commission believes DTC's policy statement is a general statement of DTC's intention to establish depository-to-depository services and fees with any depository, existing now or in the future, and is not intended to target DTC's relationship with this commenter.

This commenter also stated its concern that approval of DTC's policy statement would interrupt or diminish services to the commenter. The Commission does not believe that by approving DTC's current practice as an official policy the policy statement should cause an interruption or diminishment of services to the commenter or any other depositories. The Commission also does not believe the policy statement will prohibit or limit access to services offered by any registered securities depository or participants. The Commission believes the policy statement should help encourage the depositories to work together to achieve a reciprocal and mutually beneficial relationship. The

Commission to review the two filings as one proposal; however, the filing regarding interface fees has since been withdrawn by DTC. Securities Exchange Act Release No. 36372 (October 16, 1995), 60 FR 54273 (File No. SR-DTC-94-10) (notice of withdrawal of a proposed rule change regarding the establishment of a fee schedule for certain inter-depository deliveries).

The first commenter recently withdrew from the securities depository business but remains a registered securities depository. Securities Exchange Act Release No. 36684 (January 5, 1996), 61 FR 1195 (order approving a proposed rule change relating to a decision by Chicago Stock Exchange, Incorporated to withdraw from the clearance and settlement, securities depository, and branch receives businesses).

⁹ *Supra* note 6.

¹⁰ Although MSTC recently withdrew from the securities depository business, it remains a registered securities depository for equity, corporate, and municipal securities. *Supra* note 8.

The Participants Trust Company ("PTC"), which is temporarily registered as a clearing agency and which provides depository facilities for mortgage-backed securities, possibly could be effected by the policy statement. For a description of PTC, refer to Securities Exchange Act Release No. 35482 (March 13, 1995), 60 FR 14806 [File No. 600-25] (notice of filing and order approving application for extension of temporary registration until March 31, 1996).

policy statement proposes to provide assurance that in the absence of an agreement between depositories all services provided by DTC to another depository will be reciprocated by the other depository on the same basis. The Commission believes this should help assure that depository-to-depository services are available on a similar basis to participants of any depository.

III. Discussion

Section 17A(b)(3)(F)¹¹ requires that a clearing agency's rules be designed to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions and to remove impediments to and perfect the mechanism of a national system for prompt and accurate clearance and settlement of securities transactions. The Commission believes that the proposal is consistent with section 17A(b)(3)(F) of the Act because it will clarify DTC's current practices and policies regarding depository-to-depository services and fees and thus should help create a structure for establishing such interdepository agreements with other registered securities depositories. This structure should help facilitate cooperation and coordination among persons engaged in the clearance and settlement of securities transactions by ensuring that absent an agreement depository interface services will be available to participants of any depository and associated fees will be charged among depositories on a reciprocal basis.

The Commission also believes that the policy statement should help remove impediments to and perfect the mechanism of a national system for prompt and accurate clearance and settlement of securities transactions by setting forth a structure for the charging of depository-to-depository fees in the absence of an agreement between depositories. This should help prevent one depository from charging another depository inappropriately high fees or from charging higher per-unit fees than such depository charges its participants generally.

The Commission recognizes that the benefits of a national clearance and settlement system can be realized only if there is cooperation and coordination among competing registered securities depositories and that in some instances Commission review of the application of the policy statement will be necessary. To this end, if DTC and another registered securities depository do not enter into a separate agreement regarding depository-to-depository

services and fees and DTC unilaterally decides to invoke the terms of the policy statement, DTC must notify the Commission in writing of its decision prior to invoking the terms of the policy statement. The Commission will assess whether the policy statement is being implemented consistently with the terms and goals of section 17A of the Act.

IV. Conclusion

The Commission finds that the proposal is consistent with the requirements of the Act and particularly with section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (File No. SR-DTC-94-16) be, and hereby is, approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹²

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-2675 Filed 2-7-96; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

Delegation of Authority No. 1-A; Revision 21

Delegation of Authority

Delegation of Authority No. 1-A (Revision 20) is revised to read as follows:

(a) Pursuant to authority vested in me by the Small Business Act of 1958, 72 Stat. 384, as amended, authority is delegated to the following officials in the following order:

1. Deputy Administrator
2. General Counsel
3. Chief of Staff
4. Associate Deputy Administrator for Management and Administration
5. Associate Deputy Administrator for Economic Development
6. Counselor to the Administrator
7. Associate Administrator for Field Operations

to perform, in the event of my absence or incapacity, any and all acts which the Administrator is authorized to perform (including, but not limited to, authority to issue, modify, or revoke delegations of authority and regulations), except for the exercise of authority under section 9(d) and 11 of the Small Business Act, as amended.

(b) An individual acting in any of the positions in paragraph (a) remains in the

¹¹ 15 U.S.C. 78q-1(b)(3)(F) (1988).

¹² 17 CFR 200.30-3(a)(12) (1995).