

arguments concerning the foregoing, including whether the proposed rule change is consistent with the act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of NSCC. All submissions should refer to File No. SR-NSCC-01-02 and should be submitted by April 25, 2001.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-8211 Filed 4-3-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44126; File No. SR-NSCC-01-01]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Fee Schedules

March 28, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹, notice is hereby given that on January 12, 2001, National Securities Clearing Corporation ("NSCC") 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 NSCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.

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

The proposed rule change will allow NSCC to provide mutual fund/insurance services and fund members with a one-time partial discount of their 2000 service fees.²

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

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

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

The purpose of the proposed rule filing is to provide a one-time partial discount to NSCC fund members for Fund/Serv fees. NSCC's board of directors had determined to provide Rule 2 mutual fund/insurance services members and Rule 51 fund members with a one-time partial discount of their year 2000 Fund/Serv transaction fees, which fee is \$.25 per side per order or transfer request.⁴ This decision was made because of an increase in year 2000 gross margins due to rise in Fund/Serv transaction volumes and a determination not to fund certain Fund/Serv development work at this time.

NSCC intend to give mutual fund/insurance services members and fund members the benefit of this discount for the twelve months ending December 31, 2000. Based upon individual transaction volumes, each mutual fund/insurance services member fund member will receive a proportional share of an amount equivalent to 50% of the net excess revenues generated by the Fund service during the year 2000 period. The necessary adjustments to accommodate the refund will be reflected in billing statements transmitted to fund members in February 2001.

² NSCC amended the filing to make it clear that the one-time partial discount also would be provided to mutual fund/insurance services members. Letter from Richard Paley, Associate Counsel, NSCC (February 14, 2001).

³ The Commission had modified the text of the summaries prepared by NSCC.

⁴ NSCC Rules, Addendum A, Section IV(N)(2).

The proposed rule change is consistent with the requirements for Section 17A of the Act and the rules and regulations thereunder applicable to NSCC because it provides for the equitable allocation of dues, fees, and other charges among NSCC's participants.

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

NSCC does not believe that the proposed rule change will impact or impose a burden on competition.

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

No written comments have been solicited or received. NSCC will notify the Commission of any written comments received by NSCC.

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)(ii) of the Act and Rule 19b-4(f)(2) thereunder because the proposed rule change is changing a due, fee, or charge imposed by the self-regulatory organization. At any time within sixty days of the filing of such 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, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such

¹ 15 U.S.C. 78s(b)(1)

filing also will be available for inspection and copying at the principal office of NSCC. All submissions should refer to File No. SR-NSCC-01-01 and should be submitted by April 25, 2001.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-8212 Filed 4-3-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44129; File No. SR-SCCP-01-02]

Self-Regulatory Organizations; The Stock Clearing Corporation of Philadelphia; Notice of Filing of Proposed Rule Change Relating to the Deletion of Rule 20

March 28, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), as amended, notice is hereby given that on February 5, 2001, the Stock Clearing Corporation of Philadelphia ("SCCP") 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 SCCP. The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.¹

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 delete SCCP Rule 20.

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

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

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

The purpose of the proposed rule change is to delete SCCP Rule 20. Rule 20 requires SCCP to provide a daily bookkeeping form to margin members that utilize SCCP's omnibus account. SCCP participants must verify the form upon receipt and promptly report any exceptions or corrections. Additionally, Rule 20 provides that as of the last Friday of each month SCCP requests each participant to respond in writing as to whether their monthly account statement is accurate for each type of account. If a statement is incorrect, any differences should be reported on research requests and enclosed with the written reply. The reply must be signed by the participant and returned to SCCP by the twentieth day of the month following the date of the statement. Pursuant to the rule, penalties may be imposed on a participant who fails to respond to confirmation requests in a timely manner, the rule provides for a hearing process for such participants.

SCCP believes that Rule 20 is unnecessary because the information provided to participants on a monthly basis is essentially duplicative of information provided daily pursuant to SCCP Rule 6. Moreover, SCCP believes that the participant certification requirement in Rule 20 is unnecessary, burdensome, and inconsistent with general practices in the financial services industry. SCCP Rule 6 provides that all transactions executed on the Philadelphia Stock exchange, Inc., and all other transactions submitted by a participant to SCCP are subject to SCCP trade recording and confirmation. All transactions are recorded and confirmed to SCCP participants daily. SCCP considers each transaction complete and accurate unless notified by the participant of any inaccuracy prior to settlement date. Participants are liable for any loss resulting from their failure to notify SCCP of any discrepancies. Accordingly, the monthly reports required by SCCP Rule 20 are unnecessary given compliance with Rule 6. Deletion of Rule 20 will relieve SCCP participants of a monthly requirement that they are required in any event to perform daily under Rule 6.

For these reasons, the proposed rule change is consistent with Section 17A of the Act in general and with Section 17A(b)(3)(F) of the Act specifically in that it is designed to promote the prompt and accurate clearance and settlement of securities transactions and

to remove impediments to and perfect the mechanism of a national system and to protect investors and the public interest, by relieving SCCP and its participants from providing and reviewing duplicative reports that are unnecessary.

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

SCCP does not believe that the proposed rule change will impose any inappropriate burden on competition.

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

No written comments were either solicited or received.

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

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which SCCP consents, the Commission will:

(A) By order approve such proposed rule change or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

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. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 in the Commission's Public Reference Section, 450 Fifth Street NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of SCCP. All submissions should

¹ A copy of the text of SCCP's proposed rule change and the attached exhibit are available at the Commission's Public Reference Section or through SCCP.