

#### 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 PSE. All submissions should refer to File No. SR-PSE-94-31 and should be submitted by January 24, 1995.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 94-32254 Filed 12-30-94; 8:45 am]

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[Release No. 34-35153; File No. SR-Philadep-94-05]

#### **Self-Regulatory Organization; Philadelphia Depository Trust Company; Notice of Proposed Rule Change Concerning Disposal of Expired Securities Certificates of Warrants and Rights**

December 27, 1994.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> notice is hereby given that on October 6, 1994, the Philadelphia Depository Trust Company ("Philadep") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-Philadep-94-05) as described in Items I, II, and III below, which Items have been prepared primarily by Philadep, a self-regulatory organization ("SRO"). 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**

Philadep proposes to implement a rule change that would allow the disposal of expired securities certificates of warrants and rights. The proposed rule change would enable Philadep to reduce its administrative expenses associated with keeping expired warrants and rights related certificates in its vault.

#### **II. Self-Regulatory Organization's Statement Regarding the Proposed Rule Change**

In its filing with the Commission, Philadep included statements concerning the purpose of and the 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. Philadep has prepared summaries, as 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 the Statutory Basis for the Proposed Rule Change*

In order to reduce costs and increase operational efficiency, Philadep proposes to implement a program which would allow it to destroy certain expired securities certificates, specifically expired warrants and rights. This destruction policy would enable Philadep to reduce the administrative and safekeeping expenses associated with keeping expired warrants and rights related certificates in its vault. In implementing this program, Philadep will adhere to several procedures to assure that Philadep does not assume any undue risk. First, Philadep will contact the transfer agent or the issuer of the securities after the securities has reached their expiration dates to verify that the respective warrants or rights have expired. Second, Philadep will obtain written confirmation from the transfer agent or the issuer that the certificates representing such warrants or rights have expired. If there is no transfer agent, Philadep personnel will exercise all reasonable due diligence to confirm the expired nature of the respective certificates, including (1) consulting with Philadep's legal department, its internal audit department, and its senior management and (2) receiving a confirmation from the issuer. Third, Philadep (1) will notify its participants that the certificates have expired in the

judgment of the transfer agent or, where there is no transfer agent exist, other appropriate parties; (2) will delete such securities positions from its participants' account on or after the thirtieth day following the date of the notice; and (3) will mark the securities certificates and send them to the internal audit department for destruction. Additionally, at Philadep's discretion, it may retain copies of the certificates on microfilm or on other mediums.

Philadep believes that the proposed program complies with Section 17A of the Act<sup>2</sup> in that it is contemplated to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions by providing an efficient administrative mechanism to destroy expired securities.

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

Philadep believe that the proposed rule change will not pose any burden on competition.

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

Philadep has neither solicited nor received any comments with respect to the proposed rule change.

#### **III. Date of Effectiveness of the Proposed Rule Changes 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 Philadep 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. Persons making such 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 respecting the proposed rule change that

<sup>1</sup> 15 U.S.C. § 78s(b)(1) (1988).

<sup>2</sup> 15 U.S.C. § 78q-1 (1988).

are filed with the Commission, and all written communications concerning the proposed rule change between the Commission and any person, other than those that may be withheld from the public pursuant to 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 filings will also be available for inspection and copying at the principal office of Philadep. All submissions should refer to File Number SR-Philadep-94-05 and should be submitted by January 24, 1995.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>3</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 94-32255 Filed 11-30-94; 8:45 am]

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[Release No. 34-35143; File No. SR-SCCP-05]

**Self-Regulatory Organizations; The Stock Clearing Corporation of Philadelphia; Order Approving Proposed Rule Change To Amend Rules To Require Execution of a Participant's Agreement by Participants**

December 23, 1994.

On October 3, 1994 the Stock Clearing Corporation of Philadelphia ("SCCP") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-SCCP-94-05) under Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> to amend SCCP Rule 2 Section 1. Notice of the proposal was published in the **Federal Register** on November 1, 1994.<sup>2</sup> No comment letters were received regarding the proposed rule change. For the reasons discussed below, the Commission is approving the proposed rule changes.

**I. Description**

SCCP is amending Rule 2, Section 1 with respect to its participants' obligations to SCCP. The amended Rule 2 adds language codifying SCCP's existing but unwritten policy and practice of requiring participants to execute a Participant's Agreement and language stating that SCCP's by-laws, rules, and procedures shall supersede any conflicting provision of the

Participant's Agreement. The proposed rule change deletes language requiring participants to execute and deliver a written instrument specifying their adherence to certain obligations set forth in SCCP Rule 2. Such a second written agreement is unnecessary because once a Participant's Agreement is signed, the participant has agreed to abide by all of the rules and obligations of SCCP, including those set forth in SCCP Rule 2. Accordingly, all provisions of Rule 2 will be directly enforceable against participants without the necessity of executing a separate written agreement specifying selected provisions of SCCP's Rule 2.

**II. Discussion**

The Commission believes that the proposed rule change is consistent with Section 17A of the Act and specifically with Section 17A(b)(3)(F).<sup>3</sup> Section 17A(b)(3)(F) requires that a clearing agency's rules assure the safe guarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible. Amended SCCP Rule 2 complies with the requirements of Section 17A(b)(3)(F) in that it requires all participants of SCCP to sign a Participant's Agreement setting forth their rights and obligations. Requiring a signed participant's Agreement should help assure the safekeeping of securities and funds which are in the custody or control of SCCP by creating a contract which binds participants to the provisions of SCCP's by-laws and rules.

**III. Conclusion**

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act, and in particular with the requirements of 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 Nos. SR-SCCP-94-05) be, and hereby is approved.

For the Commission by the Division of Market Regulations, pursuant to delegated authority.<sup>4</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 94-32256 Filed 12-30-94; 8:45 am]

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[File No. 1-475]

**Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (A. O. Smith Corporation, Common Stock, \$1 Par Value)**

December 27, 1994.

A. O. Smith Corporation ("Company") has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2 (d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the American Stock Exchange, Inc. ("Amex").

The reasons alleged in the application for withdrawing the Security from listing and registration include the following:

According to the Company, in addition to being listed on the Amex, the Security is listed on the New York Stock Exchange, Inc. ("NYSE"). The Security commenced trading on the NYSE at the opening of business on December 14, 1994 and concurrently therewith the Security was suspended from trading on the Amex.

In making the decision to withdraw the Security from listing on the Amex, the Company considered the direct and indirect costs and expenses attendant on maintaining the dual listing of its securities on the NYSE and on the Amex. The Company does not see any particular advantage in the dual trading of the Security and believes that dual listing would fragment the market for the Security.

Any interested person may, on or before January 18, 1994 submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchanges and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

**Jonathan G. Katz,**

*Secretary.*

[FR Doc. 94-32305 Filed 12-30-94; 8:45 am]

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<sup>3</sup> 17 CFR 200.30-3(a)(12) (1994).

<sup>1</sup> 15 U.S.C. § 78s(b)(1) (1988).

<sup>2</sup> Securities Exchange Act Release No. 34886 (October 24, 1994), 59 FR 54653.

<sup>3</sup> 15 U.S.C. § 78q-1(b)(3)(F) (1988).

<sup>4</sup> 17 CFR 200.30-3(a)(12) (1994).