

Exchange's members and other persons using its facilities.

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

The PSE 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 solicited or received with respect to the proposed rule change.

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

The foregoing rule change constitutes or changes a due, fee, or other charge imposed by the Exchange and, therefore, has become effective pursuant to Section 19(b)(3)(A) of the Act⁵ and subparagraph (e) of Rule 19b-4 thereunder.⁶ At any time within sixty days of the filing of such 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 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 also will be available for inspection and copying at the principal office of the PSE. All submissions should refer to File No. SR-PSE-95-26 and should be submitted by November 22, 1995.

⁵ 15 U.S.C. 78s(b)(3)(A) (1988).

⁶ 17 CFR 240.19b-4 (1994).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-27129 Filed 10-31-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36405; File No. SR-PTC-95-07]

Self-Regulatory Organizations; Participants Trust Company; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change Establishing a Ninety Day Pilot Program for the Change of the Opening of Processing Activity for Security Transactions

October 20, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on October 11, 1995, the Participants Trust Company ("PTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-PTC-95-07) as described in Items I and II below, which Items have been prepared primarily by PTC. The Commission is publishing this notice and order to solicit comments from interested persons and to grant accelerated approval of the proposed rule change for a ninety day period.

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

The proposed rule change establishes a ninety day pilot program for the opening of security processing activity at 8:30 a.m. instead of at the present time of 7:00 a.m. The pilot program is scheduled to begin on October 23, 1995, and will continue through January 21, 1996.

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

In its filing with the Commission, PTC 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. Summaries of the most significant aspects of such statements are set forth in sections A, B, and C below.²

⁷ 17 CFR 200.30-3 (a)(12) (1994).

¹ 15 U.S.C. 78s(b)(1) (1988).

² The Commission has modified the text of the summaries prepared by PTC.

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

The purpose of the proposed rule change is to establish a ninety day pilot program for the opening of security processing activity at 8:30 a.m. instead of at the present time of 7:00 a.m. The pilot program is scheduled to begin on October 23, 1995. The current end-of-day cut-off times will remain unchanged. PTC's processing system will retain the 7:00 a.m. opening time for purposes of participant log-ons and intraparticipant movements of securities into or out of segregated accounts.

The proposed rule change will conform the opening of processing activity at PTC to the opening time of the Federal Reserve System's fedwire. This will eliminate the hour and a half window during which time transactions failing PTC's credit checks cannot be processed because participants are unable to move funds to PTC ("prefunding") until the 8:30 fedwire opening. The incidence of transactions that may require prefunding in order to pass credit checks during this period is expected to increase after the implementation of PTC/SPEED processing Release 5.6, which will eliminate the posting of securities to a participant's abeyance account while awaiting match by the receiving participant. Under SPEED Release 5.6, the abeyance account is being eliminated, and transactions will be immediately posted to the deliverer's and receiver's account.³

The pilot program is scheduled to begin on October 23, 1995, in order to permit its implementation sufficiently prior to November 6, 1995, the earliest date on which SPEED Release 5.6 may be implemented. PTC anticipates that the later opening of processing activity will have no impact on the settlement process. PTC will monitor any effects of the change during the ninety day period and will file a proposed rule change with the Commission prior to implementing the later opening of processing activity beyond the ninety day period. Should PTC decide not to implement 8:30 a.m. as the opening of its security processing activity permanently at the end of the ninety day period, the opening of PTC's security processing activity will revert to 7:00 a.m. without further rule filings with the Commission. In such a

³ For further information on SPEED Release 5.6 and changes to PTC's processing system, refer to Securities Exchange Act Release No. 36377 (October 16, 1995) [File No. SR-PTC-95-06] (notice of filing of proposed rule change).

situation, even though PTC will not be required to make a rule filing, PTC will notify the Commission of its intention to reinstitute the 7:00 a.m. opening. Furthermore, PTC will notify its participants sufficiently in advance of a return to the 7:00 a.m. opening.

PTC believes that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act⁴ and the rules and regulations thereunder because it facilitates the prompt and accurate clearance and settlement of securities transactions and provides for the safeguarding of securities and funds in PTC's custody or control or for which PTC is responsible.

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

PTC does not believe that the proposed rule change imposes any burden on competition.

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

PTC has not received written comments on the proposed rule change. PTC is formally soliciting participant response contemporaneous with this filing.

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

Section 17A(b)(3)(F) of the Act⁵ requires 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 in the custody or control of the clearing agency or for which it is responsible. The Commission believes that conforming the opening of processing activity at PTC to the opening time of the Federal Reserve's funds wire is consistent with these objections.

The implementation of SPEED Release 5.6 into PTC's processing system will cause simultaneous debiting and crediting of participants' cash and securities accounts. This will require that the cash balance of a receiving participant's account in an account transfer versus payment be debited even though the delivery may not have been approved by the receiving participant. Match functionality no longer will operate to defer the debit to the cash balance of the receiving participant until the delivery is approved. Because unmatched deliveries of account

transfers versus payment no longer will generate a credit to the cash balance of the delivering participant without the corresponding debit to the receiving participant, it is anticipated that the implementation of SPEED Release 5.6 may result in increased incidences of transactions that may require prefunding to pass credit checks. The change in the opening time of processing activity at PTC should reduce the number of transactions failing credit because participants will be able to move funds through the fedwire to PTC at the opening of PTC's processing.

PTC has requested that the Commission find good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of the filing. By granting accelerated approval, PTC will be able to allow its participants sufficient time to become accustomed to the new opening time of processing activity before the implementation of SPEED Release 5.6. Therefore, the Commission finds sufficient cause to grant accelerated approval of the proposal. The staff of the Board of Governors of the Federal Reserve System has concurred with the Commission's decision to grant accelerated approval.⁶

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 in the principal office of PTC. All submissions should refer to file number SR-PTC-95-07 and

should be submitted by November 22, 1995.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR-PTC-95-07) be and hereby is approved on an accelerated basis through January 21, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-27002 Filed 10-31-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36414; File Nos. SR-Amex-95-40, SR-BSE-95-15, SR-CHX-95-23, SR-NYSE-95-34, and SR-Phlx-95-72]

Self-Regulatory Organizations; Order Granting Accelerated Approval of Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 1 Thereto by the Philadelphia Stock Exchange, Inc., and Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Changes by the American Stock Exchange, Inc., Boston Stock Exchange, Inc., Chicago Stock Exchange, Incorporated, and New York Stock Exchange, Inc. Relating to an Extension of Certain Market-Wide Circuit Breaker Provisions

October 25, 1995.

I. Introduction

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² on September 18, 1995, the Philadelphia Stock Exchange, Inc. ("Phlx"), on October 5, 1995, the American Stock Exchange, Inc. ("Amex"), on October 6, 1995, the Chicago Stock Exchange, Incorporated ("CHX"), on October 11, 1995, the New York Stock Exchange, Inc. ("NYSE"), and on October 16, 1995, the Boston Stock Exchange, Inc. ("BSE"), respectively (each individually referred to herein as an "Exchange" and two or more collectively referred to as "Exchanges"), submitted to the Securities and Exchange Commission ("Commission") proposed rule changes relating to the extension of certain market-wide circuit breaker provisions. The Phlx proposal was published for comment in the Federal Register on October 6, 1995.³ No comments were

⁷ 17 CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. 78s(b)(1) (1988).

² 17 CFR 240.19b-4 (1994).

³ See Securities Exchange Act Release No. 36319 (September 29, 1995), 60 FR 52444.

⁴ 15 U.S.C. 78q-1(b)(3)(F) (1988).

⁵ 15 U.S.C. 78q-1(b)(3)(F) (1988).

⁶ Telephone conversation between William R. Stanley, Board of Governors of the Federal Reserve System, and Ari Burstein, Division of Market Regulation, Commission (October 18, 1995).