

exercise of employee benefit plan stock options by family members of employee optionees; and (c) make Form S-3 available to register securities to be received upon the exercise of outstanding warrants and options, whether or not transferable. The Commission also will consider proposing further amendments to Form S-8 designed to deter abuse of that form to register securities for capital-raising or promotional purposes. For further information, please contact Anne Krauskopf at (202) 942-2900.

(3) Consideration of whether to repropose amendments to Rule 15c2-11 under the Securities Exchange Act of 1934. Rule 15c2-11 governs the publication of quotations by broker-dealers for over-the-counter securities. For further information contact: Irene A. Halpin or Florence E. Harmon at (202) 942-0772. At times, changes in Commission priorities require alterations in the schedule of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: February 12, 1999.

Jonathan G. Katz,

Secretary.

[FR Doc. 99-3950 Filed 2-12-99; 11:14 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: [To Be Published].

STATUS: Open Meeting.

PLACE: 450 Fifth Street, N.W. Washington, D.C.

DATE PREVIOUSLY ANNOUNCED: .

CHANGE IN THE MEETING: Additional Item.

The following item will be added to the open meeting scheduled for Friday, February 19, 1999, at 10:00 a.m.:

Consideration of whether to adopt revisions to Rule 504 of the Securities Act to limit the circumstances where general solicitation is permitted and freely tradable securities may be issued in reliance on the rule. These amendments are part of the Commission's comprehensive agenda to deter microcap fraud. For further information, please contact Richard K. Wulff or Barbara C. Jacobs at (202) 942-2950.

Commissioner Hunt, as duty officer, determined that Commission business

required the above change and that no earlier notice thereof was possible.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary (202) 942-7070.

Dated: February 12, 1999.

Jonathan G. Katz,

Secretary.

[FR Doc. 99-4026 Filed 2-12-99; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41032; File No. SR-DTC-99-01]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change Allowing DTC to Charge a Low Volume Tender Offer Processing Fee

February 9, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on February 1, 1999, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-DTC-99-01) as described in Items I and II below, which items have been prepared primarily by DTC.² The Commission is publishing this notice and order to solicit comments from interested persons and to grant accelerated approval of the proposed rule change.

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

The proposed rule change will allow DTC to charge a processing fee of \$2,700 in connection with low volume tender offers processed through DTC's facilities.³ The low volume tender offer processing fee will be payable by the offeror in advance of DTC's processing the offer.

¹ 15 U.S.C. 78s(b)(1).

² On February 5, 1999, DTC supplemented the proposed rule change. Letter from Carl H. Urist, Deputy General Counsel, DTC (February 5, 1999).

³ A low volume tender offer is an offer in which the offeror is seeking to purchase for cash up to 5% of the outstanding shares of an equity issue or any amount of a debt issue. Low volume tender offers do not include exchange offers or offers by the issuer of the target security.

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

In its filing with the Commission, DTC 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. DTC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.⁴

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

When DTC receives offering materials from an offeror making a tender offer, DTC first reviews the materials to ascertain the basic terms of the offer such as the target security, the identities of the offeror and its agent, the offer price, and any limitations on the quantity of the securities to be purchased. DTC also discusses the terms of the offer with the offeror or its agent. If DTC determines that the offer can be processed through its facilities, DTC announces the offer to its participants by entering the basic terms of the offer into DTC's Reorganization Inquiry for Participants service, an electronic announcement system. DTC and the offeror's agent enter into an agreement to make the offer eligible for the processing of acceptances by participants at DTC through DTC's Automated Tender Offer Program.

In charging fees in connection with tender offers, DTC's overall objective is to recover the cost of processing the offers. At present, DTC recovers its costs in processing a tender mostly through the fees paid by its participants when they accept the offer. The fee for accepting a tender at DTC is currently \$31.10 per acceptance submitted by a participant. (DTC will soon propose revisions to its fee schedule, and the tender offer acceptance fee will increase to \$32.30.) Participants have been willing to pay DTC's tender offer acceptance fee because of the efficiencies and cost savings for participants that result from accepting tender offers by book-entry delivery at DTC instead of through the delivery of physical certificates outside of DTC.

In the 2,127 tender offers processed by DTC in 1997 (which included 39 low volume tender offers), participants submitted an average of 85 acceptances

⁴ The Commission has modified the text of the summaries prepared by DTC.