

of 1934 ("Act")¹ to allow NSCC to offer the Global Clearance Network ("GCN") and the International Link Service ("ILS"), services which were previously offered by the International Securities Clearing Corporation ("ISCC"). Notice of the proposal was published in the **Federal Register** on December 1, 1999.² No comment letters were received. For the reasons discussed below, the Commission is granting accelerated approval of the proposed rule change.

I. Description

The rule change establishes new Rules 61 and 62 and Addendum U to NSCC's Rules. These new rules permit NSCC to offer the GCN and the ILS previously offered by ISCC.³ ISCC, a wholly owned subsidiary of NSCC, is proposing to stop providing clearance and settlement services, to transfer its clearance and settlement services to NSCC, and to withdraw its registration as a clearing agency. The new rules are substantially similar to the applicable ISCC rules and procedures. NSCC Rule 62, which authorizes NSCC to provide the GCN service, is based on previous ISCC Rule 50; NSCC Rule 61, which authorizes NSCC to provide the ILS service, is based on previous ISCC Rule 40; and NSCC Addendum U, the GCN service data processing procedures, is based on ISCC Addendum E.

The transfer of service will be transparent to current ISCC members because GCN and ILS as offered by NSCC will be substantially similar to the services previously offered by ISCC and will be offered under the same terms and conditions. Further, no new programming or system format changes will be required to utilize GCN and ILS as offered by NSCC. Accordingly, all current ISCC participants using GCN and ILS will be able to continue to utilize such services when they are offered by NSCC.⁴

The GCN service⁵ facilitates and centralizes the processing of international transactions by providing

a standardized platform to communicate clearance, settlement, and custody information. GCN will allow users, NSCC members, utilizing standardized input and output formats, to transmit data to NSCC several times throughout the day. Upon receipt, NSCC will validate the data and, if accepted, will translate the data into the format of specified agent banks and will transmit the data to agent banks where processing will occur under the agent banks' normal terms, conditions, and operating framework.

The ILS facilitates the establishment of links with foreign financial institutions ("FFIs"). ISCC previously sponsored accounts at the Depository Trust Company ("DTC") for the purpose of providing FFIs with custody services for their U.S. securities.⁶ Deliveries and receives of securities on deposit at DTC, based on instructions from the FFI, will occur through DTC free of payment.

ISCC also provides facilities management services the Emerging Markets Clearing Corporation. In connection with ISCC's deregistration as a clearing agency, these services will be provided by NSCC.

II. Discussion

Section 17A(b)(3)(F)⁷ of the Act requires that the rules of a clearing agency be designed to assure the prompt and accurate clearance and settlement of securities transactions. One of the primary reasons for ISCC's registration as a clearing agency was to enable it to provide for the safe and efficient clearance and settlement of international securities. Under the rule change NSCC will offer substantially similar services under the same terms and conditions as ISCC. Because NSCC will continue ISCC's role as a provider of clearance and settlement services for international securities transactions, the Commission believes that NSCC's rule change is consistent with NSCC's obligations under the Act.

NSCC 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. The Commission finds good cause for so approving the proposed rule change because accelerated approval will permit NSCC to provide GCN and ILS services before the end of the year.

II. 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 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-NSCC-99-12) be and hereby is approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁸

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-39 Filed 1-3-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-42270; File No. SR-NYSE-99-41]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the New York Stock Exchange, Inc. To Amend Paragraph 902.02 of the Exchange's Listed Company Manual

December 22, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on October 20, 1999, the New York Stock Exchange, Inc. ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons. For the reasons discussed below, the Commission is granting accelerated approval of the proposed rule change.

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

The NYSE proposes to amend Paragraph 902.02 of the Exchange's Listed Company Manual ("Manual"). Paragraph 902.2 contains the schedule of current listing fees for companies listing securities on the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² Securities Exchange Act Release No. 42176 (November 23, 1999), 64 FR 67364.

³ According to NSCC, it is no longer cost-effective to provide international clearance and settlement services through a separate company. Concurrently with this rule filing, ISCC has submitted a proposed rule change to withdraw from the clearance and settlement business (File No. SR-ISCC-99-01).

⁴ Currently there are thirty users of GCN and three users of ILS.

⁵ The GCN service was originally approved by the Commission in 1991. Securities Exchange Act Release No. 29841 (October 18, 1991), 56 FR 55960. ISCC subsequently modified its processing procedures for GCN through the addition of Addendum E to ISCC's Rules and Procedures. Securities Exchange Act Release No. 35392 (February 16, 1995), 60 FR 10415.

⁶ ISCC provided ILS since its inception in 1989 as a clearing corporation.

⁷ 15 U.S.C. § 78q-1(b)(3)(F).

⁸ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

In its filing with the Commission, the NYSE 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 III below. The NYSE has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The proposed rule change amends the listed company fee schedule, set forth in Paragraph 902.02 of the Manual, as it applies to original listing fees. Specifically, the Exchange seeks: (1) To delete the current fee cap benchmark of 125 million shares; and (2) to implement a \$500,000 fee cap in its place levied on shares in conjunction with an original listing. This fee cap includes the \$36,800 special charge and encompasses all classes of securities. The Exchange represents that the proposed rule change will result in a reduction of the maximum initial listing fee for companies seeking to list on the NYSE.³

2. Statutory Basis

The NYSE represents that the basis for the proposed rule change is Section 6(b)(4)⁴ of the Act which requires that an Exchange have rules that provide for the equitable allocation of reasonable dues, fees and other charges among its members and issuers and other persons using its facilities.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule 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 Room. Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to File No. SR-NYSE-99-41 and should be submitted by January 25, 2000.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The Commission finds that the proposed rule change is consistent with the requirements of the Act.⁵ In particular, the Commission finds the proposal is consistent with Section 6(b)(4)⁶ of the Act, which requires that the rules of an exchange provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities. Specifically, the Commission believes that the proposal may ease the financial burden for companies seeking to list on the Exchange, thus facilitating capital formation and furthering competition among the Exchange and other market centers.

The Commission finds good cause for approving the proposal prior to the thirtieth day after the date of publication of notice thereof in the

Federal Register. Accelerated approval will permit companies seeking to list on the NYSE to take advantage of the Exchange's reduction in initial listing fees. Accordingly, the Commission believes that good cause exists, consistent with Section 6(b)(5) and Section 19(b)(2) of the Act,⁷ to grant accelerated approval of the proposed rule change.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (SR-NYSE-99-41) is hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 00-41 Filed 1-3-00; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[License No. 01/01-0055]

Business Achievement Corporation; Notice of License Surrender

Notice is hereby given that *Business Achievement Corporation* ("BAC"), 1172 Beacon Street, Newton, Massachusetts 02461, has surrendered its license to operate as a small business investment company under the Small Business Investment Act of 1958, as amended ("the Act"). BAC was licensed by the Small Business Administration on May 8, 1963.

Under the authority vested by the Act and pursuant to the regulations promulgated thereunder, the surrender of the license was accepted on December 27, 1999, and accordingly, all rights, privileges, and franchises derived therefrom have been terminated.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

Dated: December 28, 1999.

Don A. Christensen,
Associate Administrator for Investment.
[FR Doc. 00-71 Filed 1-3-00; 8:45 am]

BILLING CODE 8025-01-U

³ Conversation between Catherine R. Kinney, Group Executive Vice President, NYSE, and Joseph P. Corcoran, Attorney, Commission on December 15, 1999.

⁴ 15 U.S.C. 78f(b)(4).

⁵ Pursuant to Section 3(f) of the Act, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁶ 15 U.S.C. 78f(b)(4).

⁷ 15 U.S.C. 78f(b)(5) and 78s(b)(2).

⁸ 15 U.S.C. 78s(b)(2).

⁹ 17 CFR 200.30-3(a)(12).