

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposal 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 CBOE. All submissions should refer to file number SR-CBOE-2001-45 and should be submitted by September 12, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹²

Jonathan G. Katz,
Secretary.

[FR Doc. 01-21162 Filed 8-21-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44713; File No. SR-DTC-2001-11]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing of Proposed Rule Change Authorizing DTC to Act Upon Instructions Provided by a Central Matching Service Provider

August 16, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on June 27, 2001, The Depository Trust Company ("DTC") 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 DTC. The Commission is publishing this notice to

considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

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 would authorize DTC to act upon instructions provided by a Central Matching Service Provider² to (1) accept deliver order instructions to settle transactions between DTC participants and (2) collect service fees on behalf of a Central Matching Service Provider from DTC participants. Under the proposed rule change, DTC would notify its participants of its intention to act upon the instructions of the Central Matching Service Provider except with respect to the account of a participant that advises DTC to the contrary.

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 these statements.³

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

On April 17, 2001, the Commission approved DTC's proposal to combine its TradeSuite business with institutional trade processing services offered by Thomson Financial ESG in a newly-formed joint venture company, Omgeo LLC ("Omgeo").⁴ The Commission also granted an exemption from clearing agency registration to Global Joint Venture Matching Services-US, LCC, a wholly-owned subsidiary of Omgeo,

² Central Matching Service Provider as such term is used in this proposed rule change refers to an entity that (i) provides a Central Matching Service and (ii) has registered with the Commission as a clearing agency or has been granted an exemption by the Commission from clearing agency registration. Central Matching Service means an electronic service to centrally match information between a broker-dealer and its institutional customer (so long as one or both such parties is a U.S. person) relating to transactions in securities issued by a U.S. issuer regardless of where the transactions are settled.

³ The Commission has modified the text of summaries prepared by DTC.

⁴ Securities Exchange Act Release No. 44189 (April 17, 2001), 66 FR 20502 [File No. DTC-00-10].

with respect to Omgeo's provision of Central Matching Services.⁵ DTC expects that other entities will seek to become Central Matching Service Providers.⁶

DTC neither engages in matching institutional trade information nor communicates to its participants or others prior to settlement that a transaction has been matched. DTC assumes that the Central Matching Service Provider will make arrangements for the communication of this information to the DTC participants expected to settle matched transactions by book-entry delivery at DTC. DTC is prepared to accept from a Central Matching Service Provider a file of deliver order instructions to settle transactions between DTC participants that have authorized DTC to accept such instructions. The purpose of the proposed rule change is to obtain Commission approval of DTC's proposal whereby DTC will act upon deliver order instructions received from the Central Matching Service Provider and will collect service fees on behalf of the Central Matching Service Provider⁷ without the delay and inconvenience to both Central Matching Service Providers and DTC participants that would result if DTC were to require each participant to execute a written form of authorization. Under the proposed rule change, DTC would provide notice to participants of its intention to act upon the instructions of a Central Matching Service Provider, as described above, giving each participant the opportunity to advise DTC not to accept such instructions with respect to its account.

DTC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act⁸ and the rules and regulations thereunder applicable to DTC because it will allow DTC to act upon deliver order instructions received from a Central Matching Service Provider and to collect service fees on behalf of the Central Matching Service Provider without the delay and inconvenience to both Central Matching Service Providers and participants that would result were DTC to require each participant to execute a written form of authorization.

⁵ Securities Exchange Act Release No. 44188 (April 17, 2001), 66 FR 20494 [File No. 600-32].

⁶ GSTP AG has filed an application with the Commission for an exemption from registration as a clearing agency. If such exemption is granted, under the proposed rule change, DTC would accept and act upon instructions submitted by GSTP AG.

⁷ While DTC will include such fees as debits in the participant's settlement account, DTC's collection of such amounts shall be on a "best efforts" basis.

⁸ 15 U.S.C. 78q-1.

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

DTC perceives no impact on competition by reason of the proposed rule change since it will apply to any Central Matching Service Provider.

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

Written comments relating to the proposed rule change have not yet been solicited or received. DTC will notify the Commission of any written comments received by DTC.

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 the self-regulatory organization 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 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 DTC.

All submissions should refer to File No. SR-DTC-2001-11 and should be submitted by September 12, 2001.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 01-21160 Filed 8-21-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44708; File No. SR-GSCC-00-09]

Self-Regulatory Organizations; Government Securities Clearing Corporation; Notice of Filing of Proposed Rule Change Relating to an Earlier Daily Trade Data Submission Deadline and the Imposition of Fines For Late Submissions

August 15, 2001.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on August 23, 2000, the Government Securities Clearing Corporation ("GSCC") 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 by GSCC. 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

The proposed rule change would adopt an earlier daily trade submission deadline of 8:00 p.m. EST and impose a fine schedule for late trade submission.

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

In its filing with the Commission, GSCC 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. GSCC has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.²

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

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

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

Since the inception of GSCC's netting system in July 1989, the daily deadline for submission of trade data to GSCC has been 10:00 p.m. Eastern Standard Time ("EST"). GSCC first announced its intention to move to an earlier trade submission deadline in 1997 in a White Paper detailing GSCC's plans for providing straight-through processing and a point of trade guarantee. GSCC explained that an earlier deadline would be necessary to ensure that members have enough time to reconcile all their activity by the end of the processing day. Plans to move the submission deadline from 10:00 p.m. to 8:00 p.m. were further announced in the Interactive Messaging and Real-time Comparison New Service Bulletin distributed to members in December 1999 and in the Interactive Messaging Participant Specifications (SWIFT formats) made available in February 2000.

On June 2, 2000, GSCC informed its members by an Important Notice that in preparation for the planned implementation of Real-Time Comparison services members should begin submitting trade data to GSCC by 8:00 p.m. on July 10, 2000. GSCC members have thus had the opportunity to make all necessary system and other internal changes in order to accommodate the earlier deadline and to become accustomed to it. GSCC has strongly encouraged all members to abide by the 8:00 p.m. deadline but has not enforced the deadline.

GSCC now proposes to adopt the 8:00 p.m. trade submission deadline and to impose a fine schedule for late trade submission so that it may enforce the deadline. The earlier trade submission deadline provides members with more time to reconcile trading activity prior to end of day because GSCC will be able to prepare and its members will be able to view their comparison results at an earlier time. The earlier submission deadline is one of the first steps in accomplishing GSCC's plan to move to real-time interactive messaging and T+0 settlement. In the near future, GSCC will be actively encouraging members to submit trade data in real-time.

The move to the earlier submission deadline is an important interim measure that will allow members to become accustomed to submitting trade data earlier in the day. After full implementation of the interactive messaging process, GSCC may ultimately establish an even earlier