

69 FR 11058, *

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Notices

SECURITIES AND EXCHANGE COMMISSION (SEC)

[Release No. 34-49355; File No. SR-SCCP-2004-02]

Self-Regulatory Organizations; Stock Clearing Corporation of Philadelphia; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Trade Ticket Adjustment Fees

69 FR 11058

DATE: Tuesday, March 9, 2004

March 2, 2004.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") n1, notice is hereby given that on January 29, 2004, the Stock Clearing Corporation of Philadelphia ("SCCP") 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 SCCP. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

n1 15 U.S.C. 78s(b)(1).

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

SCCP proposes to amend its fee schedule by adopting a trade ticket adjustment fee ranging from \$ 50 to \$ 300 for each erroneous trade ticket that creates a false margin deficit. n2

n2 A copy of SCCP's fee schedule is attached as an exhibit to SCCP's rule filing.

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

In its filing with the Commission, SCCP 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 Items IV below. SCCP has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements. n3

n3 The Commission has modified the text of the summaries prepared by SCCP.

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

1. Purpose

The purpose of the proposed rule change is to amend SCCP's fee schedule to adopt a trade ticket adjustment fee ranging from \$ 50 to \$ 300 for each erroneous trade ticket that creates a false margin deficit. Trade ticket adjustments occur whenever a SCCP margin member submits a trade ticket for an adjustment or correction due, for example, to clerical errors or missing or incorrect trade tickets. Incorrect trade tickets may cause a false impression of a margin deficiency and thereby result in a false margin call.

The recalculation of account margin and the correction of incorrect or incomplete trade data using trade ticket adjustments is a manually intensive process that requires special handling and oversight by SCCP staff. Trade ticket adjustments take up considerable SCCP resources expended in researching the source of a trade ticket error. The trade ticket adjustment fee would apply only to those trade ticket adjustments that, prior to correction, resulted in a false margin deficiency in the SCCP margin member's margin account. The new trade ticket adjustment fee was effective on February 1, 2004.

SCCP believes that the proposed rule change is consistent with section 17A(b)(3)(D) of the Act n4 because it provides for the equitable allocation of dues, fees, and other charges.

n4 15 U.S.C. 78q-1(b)(3)(D).

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

SCCP 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

SCCP has not solicited or received written comments on the proposed rule change.

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

The foregoing proposed rule change has become effective pursuant to section 19(b)(3)(A)(ii) of the Act n5 and Rule 19b-4(f)(2) n6 thereunder because it establishes or changes a due, fee, or other charge. At any time within sixty days of the filing of the 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.

n5 15 U.S.C. 78s(b)(3)(A)(ii).

n6 17 CFR 240.19b-4(f)(2).

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 5th Street NW, Washington, DC 20549-0069. Comments may also be submitted electronically at the following e-mail address: rule-comments@sec.gov. All comment letters should refer to File No. **SR-SCCP-2004-02**. This file number should be

included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, comments should be sent in hardcopy or by e-mail but not by both methods. Copies of the submission, all subsequent amendments, all written statements with respect to the rule filing that are filed with the Commission, and all written communications relating to the rule filing between the Commission and any person, other than those that may be withheld from the public in accordance with provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room in Washington, DC. Copies of **[* 11059]** such filing will also be available for inspection and copying at SCCP's principal office and on SCCP's Web site at <http://www.phlx.com/SCCP/memindex-sccpproposals.html>. All submissions should refer to File No. **SR-SCCP-2004-02** and should be submitted by March 30, 2004.

For the Commission by the Division of Market Regulation, pursuant to delegated authority. n7

n7 17 CFR 200.30-3(a)(12).

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 04-5273 Filed 3-8-04; 8:45 am]

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