

[Release No. 34-35510; File No. SR-SCCP-94-07]

Self-Regulatory Organizations; Stock Clearing Corporation of Philadelphia; Order Approving Proposed Rule Change Relating to Implementation of a Three-Day Settlement Standard

March 17, 1995.

On November 14, 1994, the Stock Clearing Corporation of Philadelphia filed a proposed rule change (File No. SR-SCCP-94-07) with the Securities and Exchange Commission ("Commission") pursuant to Section 19(b) of the Securities Exchange Act of 1934 ("Act").¹ On December 19, 1994, SCCP filed an amendment to the proposed rule change.² Notice of the proposal was published in the **Federal Register** on January 4, 1995, to solicit comments from interested persons.³ As discussed below, this order approves the proposed rule change.

I. Description

In October 1993, the Commission adopted Rule 15c6-1 under the Act⁴ which establishes three business days after the trade date ("T+3"), instead of five business days ("T+5"), as the standard settlement cycle for most securities transactions. The rule will become effective June 7, 1995.⁵ Several of SCCP's rules are interrelated with settlement time frames. The purpose of the proposed rule change is to amend SCCP's rules to be consistent with a T+3 settlement standard for securities transactions.

The proposed rule change amends Rule 18 ("Insolvency"), Section 6 to provide that upon the insolvency of a participant, no contracts pending settlement up to and including T+1 shall be settled by SCCP. Rule 18, Section 7 is amended to provide that on or after T+2, SCCP will buy in the securities due it from an insolvent participant and will sell out the securities due to the participant from SCCP. The proposed rule change also amends Rule 40 ("Instruments with Exercise Privileges") to state that a participant is advised of potential liability based on its short value positions on its CNS projection report

starting on the second business day after the trade date.

SCCP has requested that the proposed rule change become effective on the same date as Rule 15c6-1. Rule 15c6-1 becomes effective on June 7, 1995.⁶

II. Discussion

The Commission believes the proposal is consistent with the requirements of Section 17A of the Act.⁷ Specifically, Section 17A(b)(3)(F)⁸ states that the rules of a clearing agency must be designed to assure the safeguarding of securities and funds which are in the clearing agency's custody or control or for which it is responsible and must be designed to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions. Several of SCCP rules are based on a five day time frame for settlement of securities transactions. On June 7, 1995, the new settlement cycle of T+3 will be established as mandated by the Commission's Rule 15c6-1. As a result, SCCP's current rules will be inconsistent with the Commission's rule. This proposal will amend SCCP's rules to harmonize them with the Commission's Rule 15c6-1 and a T+3 settlement cycle. Further, the proposal amends SCCP's procedures for dealing with an insolvent participant to be consistent with a T+3 settlement cycle. Thus, the proposal enhances SCCP's ability to safeguard securities and funds in its custody and control or for which it is responsible.

III. Conclusion

For reasons stated above, the Commission finds that SCCP's proposal is consistent with Section 17A of the Act.⁹

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (File No. SR-SCCP-94-07) be and hereby is approved and will become effective June 7, 1995.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹¹

⁶The transition from five day settlement to three day settlement will occur over a four day period. Friday, June 2, will be the last trading day with five business day settlement. Monday, June 5, and Tuesday, June 6, will be trading days with four business day settlement. Wednesday, June 7, will be the first trading day with three business day settlement. As a result, trades from June 2 and June 5 will settle on Friday, June 9. Trades from June 6 and June 7 will settle on Monday, June 12.

⁷ 15 U.S.C. 78q-1 (1988).

⁸ 15 U.S.C. 78q-1(b)(3)(F) (1988).

⁹ 15 U.S.C. 78q-1 (1988).

¹⁰ 15 U.S.C. 78s(b)(2) (1988).

¹¹ 17 CFR 200.30(a)(12) (1994).

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-7240 Filed 3-23-95; 8:45 am]

BILLING CODE 8010-01-M

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Kinark Corporation, Common Stock, \$0.10 Par Value) File No. 1-3920

March 20, 1995.

Kinark Corporation ("Company") has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the Pacific Stock Exchange, Incorporated. ("PSE").

The reasons alleged in the application for withdrawing the Security from listing and registration include the following:

The Board of Directors of the Company ("Board"), pursuant to lawfully delegated authority, unanimously approved a resolution on September 21, 1994, to withdraw the Company's listing on the PSE and to maintain its listing and registration on the American Stock Exchange, Inc. ("Amex"). The decision of the Board followed a study of the matter, and was based upon the belief that the listing on the PSE was no longer beneficial to the Company because:

(1) The dual listing of the Security on the PSE and Amex was no longer cost-effective in light of the low annual trading volume of the Security on the PSE;

(2) The presence of a substantial national and liquid market for the Security on Amex; and

(3) The continuing need for the Company to reduce the costs of doing business in the current competitive environment in which the Company operates.

Any interested person may, on or before April 10, 1995, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street NW., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchanges and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless

¹ 15 U.S.C. 78s(b) (1988).

² Letter from Sharon S. Metzker, SCCP, to Christine Sibille, Senior Counsel, Division of Market Regulation, Commission (December 12, 1994).

³ Securities Exchange Act Release No. 35154 (December 27, 1994), 60 FR 519.

⁴ 17 CFR 240.15c6-1.

⁵ Securities Exchange Act Release Nos. 33023 (October 6, 1993), 58 FR 52891 (order adopting Rule 15c6-1) and 34952 (November 9, 1994), 59 FR 59137 (changing effective date from June 1, 1995, to June 7, 1995).

the Commission determines to order a hearing on the matter.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 95-7319 Filed 3-23-95; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Reports, Forms, and Recordkeeping Requirements

AGENCY: Department of Transportation (DOT), Office of the Secretary.

ACTION: Notice.

SUMMARY: This notice lists those forms, reports, and recordkeeping requirements imposed upon the public which were transmitted by the Department of Transportation to the Office of Management and Budget (OMB) for its approval in accordance with the requirements of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35).

DATES: March 17, 1995.

ADDRESSES: Written comments on the DOT information collection requests should be forwarded, as quickly as possible, to Edward Clarke, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C. 20503. If you anticipate submitting substantive comments, but find that more than 10 days from the date of publication are needed to prepare them, please notify the OMB official of your intent immediately.

FOR FURTHER INFORMATION CONTACT:

Copies of the DOT information collection requests submitted to OMB may be obtained from Susan Pickrel or Annette Wilson, IRM Strategies Division, M-32, Office of the Secretary of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590, (202) 366-4735.

SUPPLEMENTARY INFORMATION: Section 3507 of Title 44 of the United States Code, as adopted by the Paperwork Reduction Act of 1980, requires that agencies prepare a notice for publication in the **Federal Register**, listing those information collection requests submitted to OMB for approval or renewal under that Act. OMB reviews and approves agency submissions in accordance with criteria set forth in that Act. In carrying out its responsibilities, OMB also considers public comments

on the proposed forms and the reporting and recordkeeping requirements. OMB approval of an information collection requirement must be renewed at least once every three years.

Items Submitted to OMB for Review

The following information collection requests were submitted to OMB on March 17, 1995:

DOT No: 4043.

OMB No: 2120-0018.

Administration: Federal Aviation Administration.

Title: Certification Procedures for Products and Parts—FAR 21.

Need for Information: Title 49 USC Part 21, Certification Procedures for Products and Parts, implements the provisions of Sections 49 USC 40113(a), 44701, 44702(a), and 44702(d) of Subtitle VII, Aviation Programs.

Proposed Use of Information: The information collected will be used to determine compliance and applicant eligibility. FAA Airworthiness inspectors, designated inspectors, engineers, and designated engineers review the required data submission to determine if the products and manufacturing facilities comply with the applicable requirements, and to determine if the products have any unsafe features.

Frequency: On occasion.

Burden Estimate: 44,101 hours.

Respondents: Aircraft parts designers, manufacturers and aircraft owners.

Form(s): FAA Forms 8110-2, 8130-1, 8130-6, 8130-9, 8130-12.

Average Burden Hours Per Response: 48 minutes for FAA Form 8110-12; 12 minutes for FAA Form 8130-1; 42 minutes for FAA Form 8130-6; 42 minutes for FAA Form 8130-9; 15 minutes for FAA Form 8130-12.

DOT No: 4044.

OMB No: 2120-0573.

Administration: Federal Aviation Administration.

Title: Special Federal Aviation Regulation—Special Flight Authorization for Noise Restricted Aircraft.

Need for Information: FAR Part 91.805 prohibits any person from operating a civil subsonic turbojet airplane with a maximum weight of more than 75,000 pounds to or from an airport in the United States. The Airport Noise and Capacity Act of 1990 (49 USC App. 2157, 2158) provides for the operation in the United States of otherwise restricted Stage 2 aircraft to obtain modifications to meet Stage 3 noise levels. In its regulation codifying this provision of the legislation, the FAA stated that it would issue a Special

Federal Aviation Regulation (SFAR) to provide procedures for special flight authorizations to facilitate these operations. SFAR 64 permitted certain operations of noise-restricted aircraft without a formal grant of exemption under 14 CFR Part 11.

Proposed Use of Information: Under SFAR 64, operators would be able to apply for a special flight authorization to allow limited non-revenue operations at specific U.S. airports without going through the long process of requesting a formal grant of exemption under 14 CFR Part 11.

Frequency: On occasion.

Burden Estimate: 38 hours.

Respondents: Operators of Stage 1 or Stage 2 aircraft.

Form(s): None.

Average Burden Hours Per Response: 1 hour and 30 minutes.

DOT No: 4045.

OMB No: 2120-0085.

Administration: Federal Aviation Administration.

Title: Certifications and Operations: Airplanes having a Seating of 20 or more Passengers or a Maximum Payload Capacity of 6,000 Pounds or more.

Need for Information: Title 14 CFR Part 125 prescribes requirements for leased aircraft, aviation service firms and air travel clubs.

Proposed Use of Information: The FAA reviews the submitted information to determine compliance and applicant's eligibility.

Frequency: On occasion.

Burden Estimate: 29,445 hours.

Respondents: Those seeking certification under FAR Part 125.

Form(s): None.

Average Burden Hours Per Response: 60 hours for application for operating certificate; 2 hours for amendment of operations specifications; 12 minutes for flight locating requirements; 80 hours for the manual; 2 hours and 30 minutes for the revision; 30 minutes to request to the FAA that an employee be designated as a check pilot; 1 hour and 30 minutes to report mechanical irregularities; 15 minutes for load manifest recordkeeping; 4 hours for crewmember recordkeeping; 6 minutes for flight release form recordkeeping; 12 hours per aircraft for maintenance log entries recordkeeping; 12 minutes for reports of defects or unairworthy conditions; 6 minutes for airworthiness release recordkeeping.

DOT No: 4046.

OMB No: 2120-0075.

Administration: Federal Aviation Administration.