

the Act⁹ and the rules and regulations thereunder applicable to a national securities exchange. Specifically, the Commission believes the proposal is consistent with Section 6(b)(5) of the Act¹⁰ because it will facilitate transactions in securities by allowing for the timely transmission of MOC orders in options to the Amex floor, promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of a free and open market.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. The Commission notes that prior to the erroneous reference to the AMOS system in SR-Amex-95-09,¹¹ member firms were able to enter MOC orders in options after 3:50 p.m. via the AMOS system. Since the approval of that filing, however, the Amex's members have been unable to enter such orders. The Exchange has represented that the implementation of this restriction was a mistake on their part, is unnecessary, and is inconvenient to both the Exchange and its members. Based upon this and the Exchange's further representation that the removal of this deadline would simply reinstate the ability of member firms to enter MOC orders in options after 3:50 p.m., the Commission deems it appropriate to approve the proposed rule change on an accelerated basis. The Commission believes, therefore, that granting accelerated approval of the proposed rule change is appropriate and consistent with Section 6 of the Act.¹²

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹³ that the proposed rule change is hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Margaret M. McFarland,

Deputy Secretary.

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[Release No. 34-35911; File No. SR-MSRB-95-6]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval to a Proposed Rule Change by the Municipal Securities Rulemaking Board Relating to Interim Changes to the Operation of Its Continuing Disclosure Information System of the Municipal Securities Information Library Through December 31, 1995

June 28, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on May 24, 1995, the Municipal Securities Rulemaking Board ("Board") or "MSRB") filed with the Securities and Exchange Commission ("Commission" or "SEC") a proposed rule change (File No. SR-MSRB-95-6). The proposed rule change is described in Items I, II, and III below, which Items have been prepared by the Board. 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 MSRB is filing herewith a proposed rule change for interim changes to the operation of its Continuing Disclosure Information ("CDI") System of the Municipal Securities Information Library ("MSIL") system through December 31, 1995.¹ The Board requests accelerated approval of the proposed rule change in order to permit the CDI System to process material event notices that may be sent to the Board after July 3, 1995, the effective date of certain amendments to SEC Rule 15c2-12 on municipal securities disclosure. The interim changes are as follows:

1. The enrollment procedure for issuers and trustees and use of unique identifying numbers to make submissions to the System will be discontinued. Submissions with cover sheets or that refer to one of the 12 enumerated material events in their title will be accepted from any submitter.²

¹ The MUNICIPAL SECURITIES INFORMATION LIBRARY system and the MSIL system are trademarks of the Board. The MSIL system, which was approved in Securities Exchange Act Release No. 29298 (June 13, 1991) 56 FR 28194, is a central facility through which information about municipal securities is collected, stored and disseminated.

² Rule 15c2-12(b)(5)(i)(C) specifies 11 events which, if material, must be disclosed in a timely manner. Rule 15c2-12(b)(5)(i)(D) also requires that issuers provide notice of the failure to provide required annual financial information. These events

2. The cover sheet in use under the enrollment procedure has been modified to reflect the discontinuation of the enrollment procedure and to obtain identifying information about the issuer, the securities at issue, and the material event being disclosed.

3. The current limit of three pages will be discontinued. The full text of documents, up to 10 pages, will be disseminated electronically. For documents exceeding 10 pages, the first 10 pages will be transmitted, with the full text made available to subscribers by mail, upon request.

4. The interim CDI System will expand its hours for accepting submissions from 9 a.m. to 4 p.m., Eastern Time, to 8 a.m. to 5 p.m., Eastern Time.

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

In its filing with the Commission, the Board 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. The Board has prepared summaries, set forth in Section (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

On April 6, 1992, the Commission approved the CDI System for an 18-month pilot period.³ The CDI System began operating on January 23, 1993, and functions as part of the Board's MSIL system. The CDI System accepts and electronically disseminates voluntary submissions of official disclosure notices relating to outstanding issues of municipal securities. During its first phase of operation, the CDI System only accepted disclosure notices from trustees. On May 17, 1993, the CDI System began accepting disclosure notices from issuers also.⁴ On March 10, 1995, the Commission approved an additional extension of the pilot period for the CDI

are referred to herein as the 12 enumerated material events.

³ See Securities Exchange Act Release No. 30556 (April 6, 1992) 57 FR 12534. A complete description of the CDI system is contained in File No. SR-MSRB-90-4, Amendment No. 1.

⁴ On May 17, 1993, the Board reported to the Commission on the initial phase of operation of the CDI System regarding technical, policy and cost issues and proposed enhancements to the System.

⁹ 15 U.S.C. 78f.

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ Securities Exchange Act Release No. 35660 (May 2, 1995), 60 FR 22592.

¹² 15 U.S.C. 78f.

¹³ 15 U.S.C. 78s(b)(2).

¹⁴ 17 CFR 200.30-3(a)(12).

System which will expire on December 31, 1995.⁵

On November 10, 1994, the Commission approved amendments to its Rule 15c2-12 which prohibit dealers from underwriting issues of municipal securities unless the issuer commits, among other things, to provide notice of material events to the MSRB or to all Nationally Recognized Municipal Securities Information Repositories ("NRMSIRs") and to the applicable state information depository if any.⁶ In addition, the Rule prohibits dealers from recommending municipal securities without having a system in place to receive material events notices.⁷

The Board has proposed certain changes to the CDI System consistent with the requirements of the new amendments to Rule 15c2-12. The changes discussed herein are interim changes to the CDI System to allow it to accept and disseminate material event notices received after the July 3, 1995, effective date of the amendments to Rule 15c2-12. A permanent system designed to process even more submissions and submissions of varied lengths is currently under development and is expected to be ready for operation by the end of 1995. A filing for approval of the permanent system changes will be made prior to the expiration of the CDI System's pilot period.

There are four areas of change in the interim CDI System. First, the enrollment procedure will be discontinued. As currently operated, an issuer or trustee must enroll in the CDI System and receive a unique identification number and a personal identification number before documents are accepted from the issuer or trustee. The enrollment procedure was designed to provide a measure of security that the submission is authentic and intended for public dissemination. Pursuant to the amendments to Rule 15c2-12, the CDI System must accept material event notices from any issuer or its agent, therefore the MSRB finds the enrollment procedure no longer feasible.

While discontinuing the enrollment procedure leaves the Board without a verification mechanism for submissions, the Commission has stated that NRMSIRs will not be required to verify the accuracy of the information submitted, only to accurately convey the

information.⁸ The Board similarly asserts that it is not required to undertake to establish the authenticity or accuracy of documents submitted, but that it will attempt to ensure accurate dissemination of documents accepted into the System.

The second change to the operation of the CDI System, designed to assist users in identifying a submission as a material event notice, is a modification to the voluntary cover sheet used by submitters. The use of the modified cover sheet will help to afford some limited assurance to subscribers that the submission is authentic and intended for disclosure to the market as a material event notice. However, the interim CDI System will nevertheless attempt to disseminate a document even when not accompanied by a cover sheet if the document refers, in its title, to one of the 12 enumerated material events.

The third change relates to the length of documents submitted to the CDI System and how they will be handled. Currently, the CDI System disseminates only those documents that do not exceed three pages. The current CDI System was designed with the capability to process about 100 such submissions a day. To open up the CDI System to longer documents, it will begin accepting and disseminating submissions of up to 10 pages in addition to the voluntary cover sheet. It is expected that the capacity of the interim CDI System will allow for processing and electronically disseminating about 200 10-page documents a day. Should a submission exceed 10 pages, the first 10 pages and the cover sheet will be disseminated with a notice to subscribers that the submission exceeds 10 pages. The CDI System will, upon request by a subscriber, make available, by express or regular mail, a copy of the complete submission at the subscriber's expense.⁹

The fourth change extends the hours during which the CDI System will accept submissions. Currently available to receive submissions from 9 a.m. to 4 p.m., Eastern Time, the CDI System will accept documents for an additional two hours; from 8 a.m. to 5 p.m., Eastern Time. Submissions will continue to be disseminated to subscribers after 5 p.m. The additional hours will allow more flexibility for submitters, especially those on the West Coast.

Regarding processing time, the Commission stated in Release 34-34961, approving the amendments to Rule

15c2-12, that 15 minutes might be an appropriate turnaround time for dissemination of material event notices by NRMSIRs, but that it would further discuss the issue during the NRMSIR recognition process. The CDI System had previously processed documents received by facsimile or modem in about 15 minutes, but with a much smaller volume of submissions than is currently anticipated. The Board will use its best efforts to maintain a quick turnaround time for documents sent by facsimile and modem to the interim CDI System. The Board will ensure that any document with a voluntary cover sheet received by facsimile, modem or mail will be disseminated the same day it is received. Depending upon the volume of documents received, documents that refer to the 12 enumerated material events in their title, but do not have voluntary cover sheet, will be disseminated on the same day if possible, however documents received with cover sheets have higher dissemination priority.

The long-term goal is to create a permanent system that will process and disseminate longer documents on a faster turnaround basis. During the interim period prior to the startup of the permanent system, CDI personnel will maintain a log of all submissions disseminated through the CDI System. A log of documents received at Board offices that appeared to be disclosure documents but that were not labeled as material event notices in either a cover sheet or their title will also be maintained.¹⁰ These logs will help the Board to determine whether refinements to the design of the permanent system are needed.

The Board believes that approval of the operation of the interim CDI System will allow it to process material event notices to be received after July 3, 1995. In addition, it will give the Board sufficient time and experience to determine the permanent changes needed, in consultation with the Commission as well as potential users of the system, including NRMSIRs. We anticipate filing permanent system changes before the December 31, 1995, expiration date of the pilot period for the CDI System. At that time, the Board

¹⁰The CDI System will process any document that is received with a cover sheet or that refers to one of the 12 enumerated material events in its title. However, should documents that clearly are not material event notices, such as official statements, annual or quarterly financial reports, or budgets, be received without a cover sheet, they will be rejected and returned to the submitter, if possible, with a notice that the CDI System accepts material event notices only. The notice will also identify the current NRMSIRs that accept annual financial reports.

⁵ See Securities Exchange Act Release No. 35467 (Mar. 10, 1995) 60 FR 14313.

⁶ See Securities Exchange Act Release No. 34961 (Nov. 10, 1994) 59 FR 59590. This provision of the Rule will become effective on July 3, 1995.

⁷ The effective date of this provision of the Rule is January 1, 1996.

⁸ See Securities Exchange Act Release No. 34961 at 51 n.155 (Nov. 10, 1994).

⁹ Copies will be charged at 20 cents per page plus the cost of postage or express mail.

also plans to ask the Commission for permanent approval of the CDI System.¹¹

The Board believes the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act, which requires, in pertinent part, that the Board's rules:

Be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.

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

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

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

Written comments where neither solicited nor received.

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

The Board requests that the Commission find good cause, pursuant to Section 19(b)(2) of the Act, for approving the proposed rule change prior to the thirtieth day after publication of the notice of filing in the **Federal Register**. Such accelerated approval would permit the interim CDI System to accommodate the notices of material events required to be sent under the amendments to Rule 15c2-12 beginning July 3, 1995. The Board believes that the CDI system will increase the integrity and efficiency of the municipal securities market by helping to ensure that the prices charged for securities trading in the secondary market reflect all available official information about that issue.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W.,

Washington, D.C. 20549. 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 the filing will also be available for inspection and copying at the Board's principal offices. All submissions should refer to File No. SR-MSRB-95-6 and should be submitted by [insert date 21 days from the date of publication].

V. 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 and the rules and regulations thereunder applicable to the Board, and, in particular, the requirements of Section 15B and the rules and regulations thereunder.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of the notice of filing in the **Federal Register**, in that accelerated approval is appropriate to provide for uninterrupted operation of the CDI system, especially in light of the July 3, 1995 effectiveness of the amendments to Rule 15c2-12. Programs like the CDI System are imperative to the effectiveness of Rule 15c2-12. Issuers have the option of providing material event notices to the MSRB or all NRMSIRS and to the State Information Depository, if one exists. The CDI System provides issuers an alternative to providing disclosure information to multiple NRMSIRS. Therefore the functionality of the CDI System is tantamount to its being a useful tool for issuers in complying with Rule 15c2-12.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹² that the proposed rule change be, and hereby is, approved through December 31, 1995.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹³

Margaret H. McFarland,

Deputy Secretary.

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[File No. 1-11684]

Issuer Delisting; Notice of Application to Withdraw from Listing and Registration; (New York Bancorp Inc., Common Stock, \$.01 Par Value)

June 29, 1995.

New York Bancorp Inc. ("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 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the American Stock Exchange, Inc. ("Amex").

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

According to the Company, in addition to being listed on the Amex, the Security is listed on the New York Stock Exchange, Inc. ("NYSE"). The Security commenced trading on the NYSE at the opening of business on June 21, 1995 and concurrently therewith the Security was suspended from trading on the Amex.

In making the decision to withdraw the Security from listing on the Amex, the Company considered the direct and indirect costs and expenses attendant with maintaining the dual listing of the security on the NYSE and on the Amex. The Company does not see any particular advantage in the dual trading of the Security and believes that dual listing would fragment the market for the Security.

Any interested person may, on or before July 21, 1995, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, DC 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 the Commission determines to order a hearing on the matter.

¹¹ For the interim CDI System, the price will remain \$16,000 for an annual subscription. The price for the permanent system will be reviewed for any appropriate adjustment.

¹² 15 U.S.C. 78s(b)(2).

¹³ 17 U.S.C. 200.30-3(a)(12).