

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 purpose of the proposed rule change is to establish Philadep's fee schedule for participants using direct registration system ("DRS") services.

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

In its filing with the Commission, Philadep included statements concerning the purpose of and statutory basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Philadep has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.<sup>2</sup>

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

The purpose of the proposed rule change is to establish Philadep's fee schedule for DRS services. Philadep proposes to enable its participants to use Philadep's processing environment to account for certain investors' purchases and sales of securities according to the DRS procedures. Philadep will establish a limited participant category of participant which will be charged the following fees:

1. Limited Participant Accountholder Fee—\$225 per month
2. Deliver Order Transaction Processing Fee—\$.45 per transaction

Philadep participants receiving such a DRS delivery also will be charged \$.45 per transaction. In addition, when a transfer agent mails a transaction advice to the shareholder, the transfer agent's fee of \$.55 for mailing and handling the DRS transaction advice will be charged back to the participant directly by Philadep. Philadep will collect the advice fees and will periodically remit such fees to the transfer agent.

The proposed rule change complies with Section 17A of the Act in providing for equitable allocation of reasonable dues, fees, and other charges among participants.

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

Philadep 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

Comments were neither solicited nor received.

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

Because the foregoing rule change establishes or changes a due, fee, or other charge imposed by Philadep, it has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>3</sup> and Rule 19b-4(e)(2) thereunder.<sup>4</sup> 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.

#### 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 Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at Philadep. All submissions should refer to the File No. SR-Phil-96-18 and should be submitted by March 18, 1997.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>5</sup>

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 97-4530 Filed 2-24-97; 8:45 am]  
BILLING CODE 8010-01-M

[Release No. 34-38305; File No. SR-Philadep-96-23]

### Self-Regulatory Organizations; The Philadelphia Depository Trust Company; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Consolidate and Restate Its Fee Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> notice is hereby given that on December 23, 1996, the Philadelphia Depository Trust Company ("Philadep") 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 Philadep. 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 purpose of the proposed rule change is to consolidate and restate Philadep's schedule of fees and charges (Exhibit A).

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

In its filing with the Commission, Philadep included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule changes. The text of these statements may be examined at the places specified in Item IV below. Philadep has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.<sup>2</sup>

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

The purpose of the proposed rule change is to consolidate and restate

<sup>5</sup> 17 CFR 200.30-3(a)(12) (1994).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> The Commission has modified the text of the summaries prepared by Philadep.

<sup>2</sup> The Commission has modified parts of these statements.

<sup>3</sup> 15 U.S.C. 78q-1(b)(3)(A) (1988).

<sup>4</sup> 17 CFR 240.19b-4(e)(2) (1994).

Philadep's schedule of fees and charges. This filing is being made in accordance with Philadep's policy to annually file a comprehensive schedule of all existing fees and charges. Philadep also is revising certain fees associated with the stock loan program.

Additionally, Philadep is implementing a 3½% surcharge based on service fee revenues and pass-through charges to recover costs associated with making Philadep's system Year 2000 compliant. The surcharge will be billed and collected as part of routine monthly invoicing. Philadep currently estimates that Year 2000 costs will be recovered in three to four years. Philadep will evaluate surcharge revenues annually and will recommend to its Board of Directors any modifications that may become necessary, including the removal of the surcharge.

Philadep believes the proposed rule change is consistent with Section 17A of the Act and the rules and regulations thereunder because the proposal provides for the equitable allocations of reasonable dues, fees, and other charges among participants.

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

Philadep does not believe the proposed rule change will impose a burden on competition.

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

Written comments were neither solicited nor received with respect to the proposed rule change.

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

The foregoing rule change has become effective pursuant to Sections 19(b)(3)(A)(ii)<sup>3</sup> of the Act and pursuant to Rule 19b-4(e)(2)<sup>4</sup> promulgated thereunder because the proposal establishes a due, fee, or other charge. At any time within sixty days of the filing of such 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.

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, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of Philadep. All submissions should refer to File No. SR-Philadep-96-23 and should be submitted by March 18, 1997.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>5</sup>

Margaret H. McFarland,  
*Deputy Secretary.*

Exhibit A—SR-PHILADEP-96-23

(Deleted text bracketed, new text italicized)

PHILADELPHIA DEPOSITORY TRUST COMPANY CONSOLIDATED RESTATEMENT OF FEES

Service	Fee
1. Account Fees:	
a. General Maintenance Fee .....	\$400.00 per month with account activity. \$200.00 per month for accounts with less than \$10.00 of depository activity.
b. Pledge Bank Fee .....	\$100.00 per month.
c. Manual Interface Fee .....	\$150.00 per month in addition to the general maintenance fee.
d. Bearer Municipal Bonds .....	\$200.00 per month in addition to the general maintenance fee. \$260.00 per month for bearer bond account only.
2. Custody Fees:	
a. Registered Securities .....	Base fee of \$0.50 per issue, per month. Plus for each 100 shares or \$4,000.00 in bonds: 0-1 Million Shares \$0.01. 1-5 Million Shares \$0.005. Over 5 Million Shares \$0.0025. Additional \$0.50 fee per issue if Philadep eligible only, per month.
b. Bearer Municipal Bonds .....	Base fee of \$1.45 per issue, per month. Plus for each \$1,000 of par value: \$0-\$0.5 Billion \$0.010. \$0.5-\$1.0 Billion \$0.007. More than \$1 Billion \$0.005.
3. Deposit Fees:	
a. Registered Securities .....	\$1.60 per deposit.*
b. Bearer Municipal Bonds .....	\$8.00 per deposit.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>4</sup> 17 CFR 240.19b-4(e)(2).

<sup>5</sup> 17 CFR 200.30-3(a)(12)

## PHILADELPHIA DEPOSITORY TRUST COMPANY CONSOLIDATED RESTATEMENT OF FEES—Continued

Service	Fee
4. Deposit Reject Fees:	
a. Registered Securities .....	No charge if total deposit rejects are less than 1% of total deposits for the month. Charge of \$10.00 per reject if more than 1%.
b. Bearer Municipal Bonds .....	\$10.00 per reject.
5. Legal Deposits .....	Processing fees are based on monthly deposit volume: Volume Level Per Deposit. 1–300—\$8.50. 301–3000—\$3.50. 3001 and over \$2.75 flat fee for all legal deposits. No charge for deposit rejects. Transfer agent charges will be passed through to the Participant on an item for item basis.
6. Withdrawals:	
a. Registered Securities .....	\$2.60 per manual (paper) transfer.* \$1.65 per computer to computer transfer.* \$2.60 per terminal originated transfer.* \$25.00 per rush transfer. \$2.00 per cancelled transfer.
b. By Certificate .....	\$22.95 per urgent certificate withdrawal (same-day or next-day).*
7. Customer Name Mailing:	
a. Full Service .....	\$0.65 per transfer, plus appropriate transfer withdrawal charge (fee does not include postage and delivery valuation charges).
b. Interdepository .....	\$0.75 per transfer, for securities delivered interdepository plus appropriate transfer withdrawal charge (fee does not include postage and delivery valuation charges).
c. Transmittal Messages .....	\$.10 per transmittal
8. Certificate Fees .....	\$5.75 deposits. \$7.50 transfers.
9. Accommodation Transfers and Ironclads .....	\$5.00 per request, plus applicable transfer agent fees.
10. MDO Movements:	
a. Automated Bookentry, Delivery/Receive .....	\$0.75 per movement.
b. Manual Bookentry, Delivery/Receive .....	\$1.50 per movement.
c. Automatic Bookentry, Interdepository, Deliveries .....	\$0.50 per CUSIP (daily deliveries). \$0.55 per CUSIP (weekly deliveries). \$0.60 per CUSIP (bi-weekly deliveries). \$0.65 per CUSIP (monthly deliveries).
d. Bearer Municipal Bonds, Automated or Manual .....	\$0.94 per movement.
11. CNS/PHILADEP Movements .....	\$0.20 per movement.
12. Underwritings .....	\$400.00 plus \$3.00 per million (plus applicable activity charges).
13. Pledge Fees:	
a. Bank loan pledge or release .....	\$0.35 each per line item to broker and bank.
b. OCC pledge or release .....	\$0.35 per line item.
c. SCCP margin pledge (no charge for release) .....	\$0.10 per line item.
14. Dividend and Interest Payments .....	\$1.50 per cash line item; \$10.00 per stock dividend payment.
15. Reorganization Fees:	
a. Mandatory Exchanges .....	\$23.00 per position.
b. Voluntary Offers .....	\$30.00 per instruction received before cut-off. \$50.00 per instruction received after cut-off, with authorization.
c. Redemptions: Stocks, Corporate Bonds, Registered Municipal Bonds, others.	\$25.00 per position.
d. Post Corporate Actions .....	\$20.00 per item (plus costs).
16. Combined Legal Deposits and Letters of Correction (Ironclads) .....	\$6.25 per item (one legal deposit and one letter of correction is defined as one item).
17. Research Fees:	
a. Per photocopy of records .....	\$4.00.
b. Per microfiche copy .....	\$4.00.
c. Items less than 90 days old .....	No charge.
d. Items 1 year old or less .....	\$15.00 per hour.
e. Items over 1 year old .....	\$15.00 per hour, \$25.00 minimum, plus archive retrieval costs.
18. Reports on Microfiche .....	\$1.25 per page.
19. Eligibility Book .....	\$35.00 per book.
20. Stock Loan Program:	
Interest charge to lender .....	Percentage of [bank broker call rate] federal funds rate (fee will be waived if less than \$500 per month).
21. National Institutional Delivery System (NIDS):	
a. Confirms .....	\$0.40 per confirm.
b. For each unaffirmed trade reported .....	\$0.09 to broker.
c. For each eligible trade reported .....	\$0.09 to broker and clearing agent.
d. For each ineligible trade reported .....	\$0.09 to broker and clearing agent.
e. Automated Settlement .....	\$0.26 per receive and per delivery to broker and clearing agent.

## PHILADELPHIA DEPOSITORY TRUST COMPANY CONSOLIDATED RESTATEMENT OF FEES—Continued

Service	Fee
22. Philadep Discounts: Participants may select one of the following discount plans (the greater discount will apply)	
a. Volume .....	5% off Philadep charges for participants with 10,001 to 15,000 trades per month. An additional 5% off Philadep charges for participants with 15,001 to 30,000 trades per month. An additional 5% off Philadep charges for participants with 30,001 to 45,000 trades per month. An additional 5% off Philadep charges for participants with 45,001 or more trades per month.
b. Automated Deposit Reporting Service (ADRS) .....	\$0.40 per deposit for participants utilizing Philadep ADRS and CNM services.
23. Computer Transmission/Tapes:	
a. Eligibility Files:	
1. Daily Update .....	\$50.00 per month.
2. Weekly Full File .....	\$200.00 per month.
3. Monthly or on Request .....	\$75.00 each request.
b. Bookkeeping Positions:	
1. Daily .....	\$150.00 per month.
2. Weekly .....	\$100.00 per month.
3. Monthly or on Request .....	\$50.00 each request.
c. Activity:	
1. Daily .....	\$150.00 per month.
d. Bookkeeping plus Activity:	
1. Daily .....	\$250.00 per month.
2. Weekly .....	\$200.00 per month.
e. Cash Settlement (fee includes both dividends and reorganizations; transmissions are separate):	
1. Daily .....	\$100.00 per month.
f. Record Date Positions:	
1. Daily .....	\$100.00 per month.
g. Status of Withdrawals by Transfer:	
1. Daily .....	\$100.00 per month.
24. Philanet Terminal:	
a. Dedicated Line .....	\$250.00 per month.
b. Dial-up Line .....	\$150.00 per month.
c. Installation .....	\$600.00.
d. Usage .....	No Charge.
25. Position Listings	
a. General Fees .....	\$45.00—per individual request (per date, per CUSIP) (plus costs). \$360.00 annually—monthly basis (plus costs). \$1,300.00 annually—weekly basis (plus costs).
b. Municipal Bonds Quantity Discount <sup>1</sup> (multiple CUSIP requests for the same issuer and for the same date).	1st 100 CUSIPs—\$20 per CUSIP. 2nd 100 CUSIPs—\$15 per CUSIP. 3rd 100 CUSIPs—\$10 per CUSIP. In excess of 300 CUSIPs—\$7.50.
26. Direct Registration System:	
a. Limited Participants:	
1. Accountholder Fee .....	\$225.00 per month.
2. Deliver Order Transaction Processing Fee .....	\$0.45 per transaction.
b. Participants:	
1. Deliver Order Transaction Processing Fee .....	\$0.45 per transaction.
2. Transfer Agent Fee .....	\$0.55 for mailing and handling.
27. Year 2000 System Change Surcharge .....	<i>Participants monthly fee billings (which include pass-through charges) will include a 3½% surcharge to offset costs to make Philadep systems Year 2000 compliant. The surcharge will be removed by Philadep's Board of Directors once such costs are fully offset by revenues collected from the surcharge.</i>

\* Transfer and deposit activity subject to pass-through charges.

<sup>1</sup> Requests made pursuant to this discount may take ten or more business days to be reached and sent.

[FR Doc. 97-4608 Filed 2-24-97; 8:45 am]

BILLING CODE 8010-01-M