SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; The Depository Trust Company; Order Granting Approval of a Proposed Rule Change to Authorize Additional Shares of Preferred Stock and Designate Shares as Series A Preferred Stock


I. Introduction


II. Description

In 1999, DTC’s Certificate of Organization was amended (“1999 Amendment”) to provide for the authorization and issuance of 1,500,000 shares of preferred stock, par value $100 per share.† The 1999 Amendment also provided that the preferred stock could be issued in one or more classes having such designations, relative rights, preferences, or limitation as fixed by the Board of Directors of DTC at the time of issuance of any such preferred stock.

DTC’s Certificate of Organization has been amended three times since the 1999 Amendment to provide for the issuance of variable rate, noncumulative, nonvoting shares of Series A preferred stock, par value $100 per share, which are preferred over DTC’s common stock as to dividends and in the event of liquidation (“Series A Preferred Stock”). The first such amendment (filed in 2000) provided for the issuance of 750,000 shares of the Series A Preferred Stock. The second amendment (filed in 2006) provided for the issuance of an additional 500,000 shares of Series A Preferred Stock. The third amendment (filed in 2009) provided for the issuance of an additional 250,000 shares of Series A Preferred Stock. DTC participants are required to purchase and own shares of the Series A Preferred Stock in proportion to their use of DTC services. DTC treats the Series A Preferred Stock held by participants substantially the same as it treats the mandatory cash deposits made by participants to the Participants Fund for purposes of collateralizing securities transactions, limiting net debit positions, implementing default procedures, and allocating unrecovered losses.

In order to further increase its capital, DTC is amending its Certificate of Organization to authorize an additional 1,750,000 shares of Series A Preferred stock with such rights, preferences, and limitations as currently provided in its Certificate of Organization.

III. Discussion

Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to, among other things, assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible and to protect investors and the public interest. The Commission believes that the rule change is consistent with DTC’s obligations under the Exchange Act because the rule change will enable DTC to be “well capitalized” while not adversely affecting its ability to adequately safeguard the securities and funds in its custody or control or for which it is responsible.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR–DTC–2010–10–14) be and hereby is approved.

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.

Florence E. Harmon,
Deputy Secretary.

[FR Doc. 2010–32225 Filed 12–22–10; 8:45 am]

BILLING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #12418 and #12419]

U.S. Virgin Islands Disaster #VI–00006

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Administrative declaration of a disaster for the U.S. Virgin Islands dated 12/15/ 2010.

Incident: Tropical Storm Tomas.


Effective Date: 12/15/2010.

Physical Loan Application Deadline Date: 02/14/2011.

Economic Injury (EIDL) Loan Application Deadline Date: 09/15/2011.

of Series A Preferred Stock to a total of 3,250,000 shares with a total par value of $325 million. This will enable DTC to continue to be “well capitalized” under the capital guidelines issued by the Board of Governors of the Federal Reserve System.

Address: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

For further Information Contact: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, SW., Suite 6050, Washington, DC 20416.

Supplementary Information: Notice is hereby given that as a result of the Administrator’s disaster declaration, applications for disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Island: Saint Croix.

The Interest Rates are:

<table>
<thead>
<tr>
<th>For Physical Damage:</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowners With Credit Available Elsewhere</td>
<td>4.500</td>
</tr>
<tr>
<td>Homeowners Without Credit Available Elsewhere</td>
<td>2.250</td>
</tr>
<tr>
<td>Businesses With Credit Available Elsewhere</td>
<td>6.000</td>
</tr>
<tr>
<td>Businesses Without Credit Available Elsewhere</td>
<td>4.000</td>
</tr>
<tr>
<td>Non-Profit Organizations With Credit Available Elsewhere</td>
<td>3.250</td>
</tr>
<tr>
<td>Non-Profit Organizations Without Credit Available Elsewhere</td>
<td>3.000</td>
</tr>
</tbody>
</table>

For Economic Injury:

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Businesses &amp; Small Agricultural Cooperatives Without Credit Available Elsewhere</td>
<td>4.000</td>
</tr>
<tr>
<td>Non-Profit Organizations Without Credit Available Elsewhere</td>
<td>3.000</td>
</tr>
</tbody>
</table>

The number assigned to this disaster for physical damage is 12418 B and for economic injury is 12419 0.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

The Island which received an EIDL Declaration # is Saint Croix.


Karen G. Mills,
Administrator.

[FR Doc. 2010–32338 Filed 12–22–10; 8:45 am]

Billing Code 8025–01–P