#### 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 at 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 the principal office of the PSE. All submissions should refer to File No. SR-PSE-94-31 and should be submitted by January 24, 1995.

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

#### Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 94–32254 Filed 12–30–94; 8:45 am] BILLING CODE 8010–01–M

# [Release No. 34–35153; File No. SR-Philadep-94-05]

Self-Regulatory Organization; Philadelphia Depository Trust Company; Notice of Proposed Rule Change Concerning Disposal of Expired Securities Certificates of Warrants and Rights

December 27, 1994.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on October 6, 1994, the Philadelphia Depository Trust Company ("Philadep") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-Philadep-94-05) as described in Items I, II, and III below, which Items have been prepared primarily by Philadep, a self-regulatory organization ("SRO"). 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

Philadep proposes to implement a rule change that would allow the disposal of expired securities certificates of warrants and rights. The proposed rule change would enable Philadep to reduce its administrative expenses associated with keeping expired warrants and rights related certificates in its yault.

### II. Self-Regulatory Organization's Statement Regarding the Proposed Rule Change

In its filing with the Commission, Philadep included statements concerning the purpose of and the 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. Philadep has prepared summaries, as set forth in sections (A), (B) and (C) below, of the most significant aspects of these statements.

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

In order to reduce costs and increase operational efficiency, Philadep proposes to implement a program which would allow it to destroy certain expired securities certificates, specifically expired warrants and rights. This destruction policy would enable Philadep to reduce the administrative and safekeeping expenses associated with keeping expired warrants and rights related certificates in its vault. In implementing this program, Philadep will adhere to serveral procedures to assure that Philadep does not assume any undue risk. First, Philadep will contact the transfer agent or the issuer of the securities after the securities has reached their expiration dates to verify that the respective warrants or rights have expired. Second, Philadep will obtain written confirmation from the transfer agent or the issuer that the certificates representing such warrants or rights have expired. If there is no transfer agent, Philadep personnel will exercise all reasonable due diligence to confirm the expired nature of the respective certificates, including (1) consulting with Philadep's legal department, its internal audit department, and its senior management and (2) receiving a confirmation from the issuer. Third, Philadep (1) will notify its participants that the certificates have expired in the

judgment of the transfer agent or, where there is no transfer agent exist, other appropriate parties; (2) will delete such securities positions from its participants' account on or after the thirtieth day following the date of the notice; and (3) will mark the securities certificates and send them to the internal audit department for destruction. Additionally, at Philadep's discretion, it may retain copies of the certificates on microfilm or on other mediums.

Philadep believes that the proposed program complies with Section 17A of the Act<sup>2</sup> in that it is contemplated to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions by providing an efficient administrative mechanism to destroy expired securities.

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

Philadep believe that the proposed rule change will not pose any burden on competition.

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

Philadep has neither solicited nor received any comments with respect to the proposed rule change.

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

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which Philadep consents, the Commission will:

- (A) by order approve such proposed rule change or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

## **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making such 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 respecting the proposed rule change that

<sup>&</sup>lt;sup>1</sup> 15 U.S.C. § 78s(b)(1) (1988).

<sup>&</sup>lt;sup>2</sup> 15 U.S.C. § 78q-1 (1988).