securitization processes more efficiently.

In addition, applicants in the new category must satisfy financial criteria equivalent to the most stringent equity and regulatory capital standards required by PTC in other established participant categories. By requiring substantial capitalization, PTC protects itself and other participants from additional risk.

PTC has requested that the Commission find good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of the filing. The Commission finds such good cause because FNMA and other similar entities are substantially similar to other PTC full purpose participants. They are financial institutions engaged in activities which are similar or comparable to the activities of other participants. Because FNMA and similar entities are institutions whose transactions represent a substantial portion of the mortgage-backed securities market, it is in the public interest to provide the most efficient method of processing for these products as expediently as possible. The staff of the Board of Governors of the Federal Reserve System has concurred with the Commission's granting of accelerated approval.7

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 NW. Washington, DC 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 NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of PTC. All submissions should refer to file number SR-PTC-95-05 and should be submitted by September 5, 1995.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR–PTC–95–05) be and hereby is approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁸

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–20153 Filed 8–14–95; 8:45 am] BILLING CODE 8010–01–M

[Release No. 34–36066; File Nos. SR–MCC–94–01 and SR–MSTC–95–04]

Self-Regulatory Organizations; Midwest Clearing Corporation and Midwest Securities Trust Company; Order Approving Proposed Rule Changes Relating to Indemnification of Committee Members

August 7, 1995.

On February 8, 1995, and on February 14, 1995, the Midwest Clearing Corporation ("MCC") and the Midwest Securities Trust Company ("MSTC"), respectively, filed proposed rule changes (File Nos. SR–MCC–95–01 and SR–MSTC–95–04) with the Securities and Exchange Commission ("Commission") pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ Notice of the proposed rule changes appeared in the **Federal Register** on April 13, 1995.² No comments on the proposals have been received by the Commission.

I. Description of the Proposals

The rule changes amended MCC's and MSTC's mandatory indemnifications requirements, which are forth in Article 6, Section 6.1 of MCC's By-Laws and in Article VI, Section 1 of MSTC's By-Laws. Pursuant to the amendments, MCC and MSTC shall indemnify to the fullest extent permitted by the General Corporation Law of Delaware 3 and the Business Corporation Act of the State of Illinois, 4 respectfully, any person who was or who is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that the person is or was a member of a

committee of MCC or MSTC or is or was serving at MCC's or MSTC's request as a member of a committee of another corporation, partnership, joint venture, trust, or other enterprise. The rule changes provide members of MCC's and MSTC's committees, including members of their Risk Assessment Committees, with the same indemnification that previously has been provided only to MCC's and MSTC's officers and directors.

II. Discussion

The Commission believes that the proposals are consistent with the Act and particularly with Section 17A of the Act. 6 Section 17A(b)(3)(H) of the Act 7 requires that the rules of a clearing agency provide fair disciplinary procedures with respect to the disciplining of participants, the denial of participation, and the prohibition or limitation by the clearing agency of any person regarding access to its services. Under the rules of MCC and MSTC, much of the determinations involved in such decisions has been delegated to committees, especially to the two Risk Management Committees.

The Commission believes that by affording appropriate protections to committee members, MCC and MSTC will remove impediments to attracting competent persons to serve on their committees, including the two Risk Assessment Committees. Accordingly, the Commission believes that these rule changes will, among other things, help MCC and MSTC to provide fair procedures, as required under the Act, with respect to the disciplining of their participants, the denial of participation to persons seeking participation in MCC or MSTC, and the prohibition or limitation of services to persons seeking access to MCC or MSTC.

III. Conclusion

For the reasons discussed above, the Commission believes that the proposals are consistent with the requirements of the Act, and particularly with Section 17A of the Act and the rules and regulations thereunder.

It Is Therefore Ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the

⁷ Telephone conversation between William R. Stanley, Board of Governors of the Federal Reserve System, and Ari Burstein, Division of market Regulation, Commission (August 7, 1995).

^{8 17} CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. § 78s(b)(1) (1988).

² Securities Exchange Act Release No. 35569 (April 5, 1995), 60 FR 18864.

³MCC is incorporated under the laws of the State of Delaware.

 $^{^4}$ MSTC is incorporated under the laws of the State of Illinois.

⁵Under MCC's and MSTC's rules, their Risk Assessment Committees have substantial authority. This includes, among other things, the authority to determine: (1) whether a participant that has failed to make timely payment to MCC or MSTC should continue as a participant, (2) whether a participant has been responsible for fraudulent or dishonest conduct, and (3) whether a participant poses a financial risk to MCC or MSTC.

⁶¹⁵ U.S.C. § 78q-1 (1988).

⁷¹⁵ U.S.C. § 78q-1(b)(3)(H) (1988).

^{8 15} U.S.C. § 78s(b)(2) (1988).