posts it operates. Paragraph 4.9 of the participant agreement is to be modified to clarify that reductions to excess post capital and to the clearing fund deposit cannot be made in amounts that would reduce these sums below their respective minimum requirements. Paragraph 4.9 of the participant agreement also is being modified to clarify that losses on a trial balance are due on the fifteenth day of the month following the month for which the trial balance was issued.

Similarly, with regard to the clearing fund agreement, PCC proposes to clarify that the minimum contribution, as defined in paragraph 5 of the clearing fund agreement, made by a member firm backing a specialist post will be applied towards meeting the post capital requirement. Currently, the clearing fund agreement states that contributions are to be credited towards the net capital requirement.

PCC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act and the rules and regulations thereunder applicable to PCC. The technical corrections to PCC's rules will clarify PCC's rules thereby advancing the prompt and accurate clearance and settlement securities transactions. In addition, the clarifications regarding specialist post capital and net capital will assist PCC in safeguarding the securities and funds which are in PCC's custody or control or for which PCC is responsible.

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

PCC believes that no burden will be placed on competition as a result of the proposed rule change.

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

Statements were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change 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 the self-regulatory organization consents, the Commission will:

(A) By order approve the 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 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 the principal office of PCC. All submissions should refer to File No. SR-PCC-94-01 and should be submitted by February 28,

For the Commission by the Division of Market Regulation, pursuant to delegated authority. 2

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–2973 Filed 2–6–95; 8:45 am] BILLING CODE 8010–01–M

[Release No. 34-35299; File No. SR-PTC-95-07]

Self-Regulatory Organizations; Participants Trust Company; Order Approving on an Accelerated Basis a Proposed Rule Change Establishing a Daily Penalty Fee Applicable to Late Funding of Shortfalls in Participants' Mandatory Deposits to the Participants Fund

January 31, 1995.

On December 14, 1994, the Participants Trust Company ("PTC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR–PTC–94–07) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ The proposed rule change establishes a daily penalty fee applicable to late funding of shortfalls

in participants' mandatory deposits to the participants fund. On December 16, 1994, PTC filed Amendment No. 1 to the proposed rule change.² On January 5, 1995, PTC filed Amendment No. 2 to the proposed rule change.³ The Commission published notice of the proposed rule change in the **Federal Register** on January 9, 1995.⁴ No comments were received. For the reasons discussed below, the Commission is approving the proposed rule change on an accelerated basis.

I. Description

Pursuant to Rule 2 of Article V of PTC's rules, PTC maintains a participants fund to secure obligations of participants and limited purpose participants to PTC and to provide PTC with an additional source of cash collateral to meet its temporary financing needs. Each participant is required to maintain a mandatory deposit in the participants fund which is calculated as a percentage of its average gross debits over the previous month's three major settlement days. The mandatory deposit is subject to a minimum of \$1 million and a maximum of \$10 million. A limited purpose participant is required to maintain a lower mandatory deposit because of the limited nature of its activity in the depository. At least \$150 thousand of the mandatory deposit must be made in cash. The remainder may be made in cash or United States Treasury obligations with a remaining maturity of one year or less.

The adequacy of each participant's mandatory deposit is evaluated monthly based on the prior month's activity. Participants are notified of any shortfall and required to fund the deficiency within five business days. The securities portion of the mandatory deposit is marked-to-market weekly, and participants are required to fund any deficiency in this portion within two business days.

² 17 CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. 78s(b)(1) (1988).

² Amendment No. 1 modified the filing by providing that it be considered pursuant to Section 19(b)(2) of the Act rather than pursuant to Section 19(b)(3)(A) of the Act and by eliminating text inadvertently placed in the proposed rule change as originally filed. Letter from Carol A. Jameson, Assistant Vice President and Assistant Counsel, PTC, to Jonathan G. Katz, Secretary, Commission (December 15, 1994.)

³ Amendment No. 2 modified the filing by requesting accelerated approval of the proposed rule change and by clarifying the right of a participant to appeal the imposition of the penalty fee pursuant to PTC's rules. Letter from Carol A. Jameson, Assistant Vice President and Assistant Counsel, PTC, to Jonathan G. Katz, Secretary, Commission (January 3, 1995).

⁴ Securities Exchange Act Release No. 35182 (December 30, 1994), 60 FR 2416.