

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-72308; File No. SR-DTC-2014-07)

June 4, 2014

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of Proposed Rule Change in Connection with the Implementation of a Fee for ACATS-Related Deliveries and Receives

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on May 29, 2014, the Depository Trust Company (“DTC”) 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 DTC. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A)(ii)³ of the Act and Rule 19b-4(f)(2)⁴ thereunder. The proposed rule change was effective upon filing with the Commission. 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

As more fully described below, the proposed rule change consists of changes to the DTC fee schedule⁵ to add new fees for securities deliveries and receives relating to

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ The DTC fee schedule is available at <http://www.dtcc.com/~media/Files/Downloads/legal/fee-guides/dtcfeeguide.ashx>.

customer account transfers that utilize a new process to be implemented by National Securities Clearing Corporation (“NSCC”).

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

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

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

1. Purpose⁶

Pursuant to its rule filing SR-NSCC-2014-04 (the “NSCC Rule Filing”),⁷ National Securities Clearing Corporation (“NSCC”) will implement a new process, called the “ACATS Settlement Accounting Operation,” to facilitate the settlement of Automated Customer Account Transfer Service (“ACATS”)⁸ activity relating to securities eligible for processing through DTC. The ACATS Settlement Accounting Operation will have a DTC omnibus account (“New Account”) associated with it against which Participants will, via their respective DTC accounts, deliver securities to, or receive securities from, NSCC in order to satisfy their ACATS obligations in eligible securities.

⁶ Terms not defined herein have the meaning set forth in DTC’s Rules & Procedures (the “Rules”).

⁷ Release No. 34-72223 (May 22, 2014), 79 FR 30912 (May 29, 2014) (SR-NSCC-2014-04).

⁸ ACATS is a service of NSCC designed for the automated transfer of customer accounts between broker-dealers.

Pursuant to the proposed rule change, in order to align costs with revenues of processing deliveries and receives of securities for Participants against the New Account, DTC will incorporate the following new fees into its fee schedule:

Fee Description	Fee Amount
Deliveries to the NSCC ACATS Settlement Accounting Operation omnibus account	\$0.06 per item; charged to delivering Participant
Receives from the ACATS Settlement Accounting Operation omnibus account	\$0.06 per item; charged to the receiving Participant

Implementation Timeframe

The proposed fee changes will take effect on May 30, 2014, for Participant deliveries and receives of securities to and from the New Account occurring on or after that date.

2. Statutory Basis

The proposed fee changes will align DTC’s revenue related to processing of ACATS transactions versus the New Account with the associated costs to DTC, and the fees will apply to each Participant equally in accordance with each Participant’s use of the applicable DTC services. Therefore, DTC believes that the proposed rule change is consistent with the requirements of the Act, in particular Section 17A(b)(3)(D)⁹ of the Act, which requires that the Rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Participants. In addition to the above, DTC’s provision of the related services facilitates the safe and secure delivery of customer securities for ACATS transfers. Therefore, DTC further believes that the proposed rule change is

⁹ 15 U.S.C. 78q-1(b)(3)(D).

consistent with Rule 17Ad-22(d)(6)¹⁰ under the Act which requires clearing agencies to establish, implement, maintain and enforce written policies and procedures reasonably designed to be cost-effective in meeting the requirements of Participants while maintaining safe and secure operations.

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

DTC does not believe that the proposed rule change will have any impact, or impose any burden, on competition. As stated above, the proposed changes will align DTC's fees with the costs of delivering services to its Participants, and the new fee will apply equally to all DTC Participants in accordance with their use of the applicable services.

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

Written comments relating to the proposed rule change have not yet been solicited or received with respect to this filing.

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

The forgoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act¹¹ and Rule 19b-4(f)(2)¹² thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action

¹⁰ 17 CFR 240.17Ad-22(d)(6).

¹¹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹² 17 CFR 240.19b-4(f)(2).

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, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-DTC-2014-07 on the subject line.

Paper Comments:

- Send in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC, 20549-1090.

All submissions should refer to File No. SR-DTC-2014-07. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). 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

website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of DTC and on DTC's website at <http://dtcc.com/legal/sec-rule-filings.aspx>.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-DTC-2014-07 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Kevin M. O'Neill
Deputy Secretary

¹³ 17 CFR 200.30-3(a)(12).