

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-64065; File No. SR-NSCC-2011-01)

March 9, 2011

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Modification of Trade Recording Fee for Bonds and Other Technical Rule Changes

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ notice is hereby given that on February 28, 2011, the National Securities Clearing Corporation (“NSCC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared primarily by NSCC. NSCC filed the proposed rule change pursuant to Sections 19(b)(3)(A)(ii) and 19(b)(3)(A)(iii) of the Act² and Rules 19b-4(f)(2) and 19b-4(f)(4) thereunder³ so that the proposal 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

The proposed rule change amends Addendum A of the NSCC Rules & Procedures to modify NSCC’s fee schedule and to clarify the scope of trade recording fees and the computation of clearance activity fees.

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

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78s(b)(3)(A)(ii) and 15 U.S.C. 78s(b)(3)(A)(iii).

³ 17 CFR 240.19b-4(f)(2) and 17 CFR 240.19b-4(f)(4).

In its filing with the Commission, NSCC 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. NSCC 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

The purpose of the proposed rule change is to revise NSCC's fee schedule (as set forth in Addendum A of NSCC's Rules and Procedures) to adjust the trade recording fee for bonds to align the fee with the cost of providing the service. NSCC is adjusting the trade recording fee for each side of a bond item entered for settlement but not compared by NSCC from \$0.65 per side to \$0.85 per side.

In addition, NSCC is making technical changes to: (1) clarify that trade recording fees for equities are incorporated into the Clearance Activity Fee set forth in Section II.A. of the fee schedule and (2) adjust the lettering and numbering of the Clearance Activity Fee as set forth in the fee schedule to provide greater clarity as to how the various components of that fee are summed.

The above fee change took effect on March 1, 2011. The textual changes to NSCC's rules can be found online at http://www.dtcc.com/downloads/legal/rule_filings/2011/nsc/2011-01.pdf.

NSCC states that the proposed rule change is consistent with the requirements of Section 17A of the Act⁴ and the rules and regulations thereunder because it updates NSCC's fee schedule to align the trade recording fee for bonds with the costs of providing the service and makes other

⁴ 15 U.S.C. 78q-1.

technical changes that clarify how fees are calculated. NSCC asserts that the proposed rule change provides for the equitable allocation of fees among its members.

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

NSCC does not believe that the proposed rule change will have any impact or impose any burden on competition.

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

NSCC has not solicited or received written comments relating to the proposed rule change. NSCC will notify the Commission of any written comments it receives.

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

The foregoing rule change has become effective pursuant to Sections 19(b)(3)(A)(ii) and 19(b)(3)(A)(iii) of the Act⁵ and Rules 19b-4(f)(2) and 19b-4(f)(4)⁶ thereunder because it (a) effects a change in an existing service of a registered clearing agency that does not adversely affect the safeguarding of securities and funds in the custody or control of the clearing agency or for which it is responsible and does not significantly affect the respective rights or obligations of the clearing agency or persons using the service and (b) establishes or changes a due, fee, or other charge applicable only to a member. 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 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

⁵ Supra note 2.

⁶ Supra note 3.

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-comment@sec.gov. Please include File No. SR-NSCC-2011-01 on the subject line.

Paper Comments:

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

All submissions should refer to File No. SR-NSCC-2011-01. 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 am and 3:00 pm. Copies of such filing also will be available for inspection and copying at NSCC's principal office and on NSCC's Web site at <http://www.dtcc.com/legal/rule_filings/nsc/2011.php>. 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-NSCC-2011-01 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.⁷

Cathy H. Ahn
Deputy Secretary

⁷ 17 CFR 200.30-3(a)(12).