

withdraw the Security from listing on the Amex and, instead, to list the Security on the Nasdaq National Market. The decision of the Board followed a through study by management of the matter and was based upon the belief that the Company's shareholders would benefit from greater liquidity and broader research coverage by listing of the Security on the Nasdaq National Market rather than the Amex.

Any interested person may, on or before August 13, 1996 submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchanges and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

Jonathan G. Katz,  
Secretary.

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### Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meeting during the week of July 29, 1996.

A closed meeting will be held on Thursday, August 1, 1996, at 10:00 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(4), (8), (9)(A) and (10) and 17 CFR 200.402(a)(4), (8), (9)(i) and (10), permit consideration of the scheduled matters at the closed meeting.

Commissioner Hunt, as duty officer, voted to consider the items listed for the closed meeting in a closed session.

The subject matter of the closed meeting scheduled for Thursday, August 1, 1996, at 10:00 a.m., will be:

Institution and settlement of injunctive actions.

Institution of administrative proceedings of an enforcement nature.

Opinion.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 942-7070.

Dated: July 25, 1996.

Jonathan G. Katz,  
Secretary.

[FR Doc. 96-19371 Filed 7-25-96; 8:45 am]  
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[Release No. 34-37461; File No. SR-GSCC-96-06]

### Self-Regulatory Organizations; Government Securities Clearing Corporation; Notice of Filing of Proposed Rule Change To Permit Netting Members To Receive Credit Forward Mark Adjustment Payments

July 19, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> notice is hereby given that on June 15, 1996, the Government Securities Clearing Corporation ("GSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-GSCC-96-06) as described in Items, I, II, and III below, which items have been prepared primarily by GSCC. 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 will amend GSCC's rules to permit GSCC netting members to receive credit forward mark adjustment payments from GSCC pursuant to GSCC's funds-only settlement process.

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

In its filing with the Commission, GSCC 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. GSCC has prepared summaries, set forth in sections (A), (B),

and (C) below, of the most significant aspects of such statements.<sup>2</sup>

#### (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 amend GSCC Rule 13 to permit all netting members to receive credit forward mark adjustment payments from GSCC pursuant to GSCC's funds-only settlement process. The forward mark adjustment is a daily mark-to-market process for all net settlement positions designed to account for GSCC's ongoing exposure on each forward net settlement position. As the novation of forward settling trades occurs prior to the settlement of such trades, GSCC incurs multiday settlement exposure on such trades. To mitigate this risk, GSCC collects on a daily basis an amount equivalent to the difference between the contract value of netting members' positions and GSCC's system value based on current market value ("collateral mark"). GSCC also collects a financing mark based on the rate for all forward repurchase and reverse repurchase transactions ("repos").<sup>3</sup> A member's forward mark adjustment payment is the sum of all collateral marks and all financing marks.

GSCC collects forward mark adjustment payments from those netting members with a negative forward mark adjustment on a particular business day with regard to a particular CUSIP and remits forward mark adjustment payments to category 1 dealer and bank netting members that are in a positive forward mark position with regard to such CUSIP. A member's required payment is recalculated each day with any debit or credit from the previous day reversed, and a new forward mark adjustment payment obligation is established. Only cash can be used to fund forward mark adjustment payments because GSCC passes through credit forward mark adjustment payments.

GSCC's rules currently provide that only category 1 dealer netting members and bank netting members that have been members for at least sixty calendar days are entitled to receive credit forward mark adjustment payments. This limitation was put into effect in connection with the implementation of GSCC's netting service for repos.<sup>4</sup> GSCC

<sup>2</sup> The Commission has modified the text of the summaries prepared by GSCC.

<sup>3</sup> The financing mark is equal to the product of the market value of the repo, GSCC's system repo rate, and the repo term.

<sup>4</sup> For a complete description of GSCC's repo netting system, refer to Securities Exchange Act

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