

The purpose of this meeting will be to discuss the Commission's internal computer systems.

Because the discussion will pertain to internal practices of the Commission and to investigatory records compiled for law enforcement purposes, the production of which would disclose investigative techniques and procedures, the Chairman of the Commission has determined that the meeting will be closed pursuant to Sections 552b(c)(2) and (7)(E) of Title 5, United States Code.

Dated: September 22, 1999.

**Jonathan G. Katz,**

*Advisory Committee Management Officer.*

[FR Doc. 99-25094 Filed 9-22-99; 4:28 pm]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

### 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 September 27, 1999.

A closed meeting will be held on Wednesday, September 29, 1999, at 11:00 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 Carey, 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 Wednesday, September 29, 1999, at 11:00 a.m. will be:

Institution and settlement of injunctive actions

Institution and settlement of administrative proceedings of an enforcement nature

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: September 22, 1999.

**Jonathan G. Katz,**

*Secretary.*

[FR Doc. 99-25154 Filed 9-23-99; 1:10 pm]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41891; File No. SR-DTC-99-10]

### Self-Regulatory Organizations; The Depository Trust Company; Order Granting Approval of Proposed Rule Change Adding a New Service for the Deposit of Securities Subject to Transfer Restrictions

September 20, 1999.

On April 30, 1999, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-DTC-99-10) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").<sup>1</sup> Notice of the proposed rule change was published in the **Federal Register** on July 28, 1999.<sup>2</sup> For the reasons discussed below, the Commission is approving the proposed rule change.

#### I. Description

DTC's Restricted Deposit Service ("RDS") allows a participant to deposit restricted securities into a participant's segregated account until the applicable restriction has been lifted and the full or partial sale of the securities is complete.<sup>3</sup> In particular, RDS allows: (i) participants to deposit restricted securities in a participant's segregated account within DTC's existing Custody Service, (ii) the processing of a transfer of all or a portion of the securities once the restriction is lifted, (iii) the registration of the unrestricted securities (or portion thereof) in the name of Cede & Co., DTC's nominee, and (iv) if requested, the delivery of the restricted portion of the securities as directed by the depositing participant.<sup>4</sup>

The process is initiated when a participant enters and transmits restricted securities deposit information to DTC through the new Restricted Deposit Service by Participant ("RDSP") function on DTC's Participant Terminal

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

<sup>2</sup> Securities Exchange Act Release No. 41635 (July 21, 1999), 64 FR 40927.

<sup>3</sup> Securities credited to this account will not be registered in the name of Cede & Co. and therefore will not be available for book-entry transfer.

<sup>4</sup> DTC will charge a customary fee for restricted transfers of \$45.48.

System ("PTS").<sup>5</sup> This information will include the CUSIP number, quantity and certificate number of each certificate to be deposited, deposit type (e.g., partial sale), the sold and unsold quantities of the securities, registration instructions for the restricted and unsold portion of the securities, and whether the issuer's opinion of counsel will accompany the deposit or will be sent directly to the transfer agent. After DTC reviews the deposit information,<sup>6</sup> an RDS deposit ticket will be transmitted to the participant's PTS printer. The RDS deposit ticket and the Securities will then be delivered to DTC.

After receiving and examining the deposited securities, DTC will credit the participant's segregated account for the quantity of the deposit. DTC will use two subaccounts in the process. One subaccount will be used for the quantity of unrestricted (sold) securities and the other for the quantity of restricted (unsold) securities. At this stage, no positions in either subaccount will be available for book-entry transfer by the participant. The securities and detailed transfer instructions will then be sent to the transfer agent for processing.<sup>7</sup> RDS should have no effect on the role of the transfer agent which will approve or reject the transfers using its internal transfer procedures (e.g., receipt of opinion from issuer's counsel).<sup>8</sup>

For deposited securities in DTC-eligible issues, the sold and unrestricted portion of the transferred securities will be registered in DTC's nominee name, Cede & Co. When the transfer is complete and the newly transferred securities are returned to DTC, the quantity of unrestricted securities registered in DTC's nominee name, Cede & Co., will be removed from the participant's segregated account and added to the participant's general free account. The quantity of restricted securities, if any, will also be removed

<sup>5</sup> In the future, DTC plans to enhance the Custody Service to provide participants with the capability to transmit RDS instructions via the "CUST" function on PTS and via computer-to-computer transmissions.

<sup>6</sup> DTC will review the deposit information entered by the participant to make sure that the security in question is DTC-eligible and that all appropriate fields have been populated.

<sup>7</sup> While the securities are still at the agent, the participant may enter and transmit amended transfer instructions through the RDSP PTS function (e.g., the sold portion of the deposit has been increased). DTC will communicate the amended transfer instructions to the transfer agent.

<sup>8</sup> An inquiry option of the RDSP PTS function will enable the depositing participant to view the current status of the securities, including information DTC has received from the transfer agent as to when the transfer is expected to be completed.