

participants in same-day funds.⁶ In August 1993, the report of the Same-Day Funds Payment Task Force to the U.S. Working Committee, Group of Thirty, Clearance and Settlement Project issued its report ("Task Force Report") on how to achieve this goal.⁷

In July 1994, DTC distributed its document entitled "Same-Day Funds Settlement System Conversion," which states, "Participants should be mindful that once DTC's conversion to same-day funds settlement takes place, both the dividend and interest and the reorganization refunds will substantially decline and change in nature."⁸ In December 1994, DTC discussed the Task Force Report in a memorandum to participants and others. Among other things, DTC stated that it was "exploring temporarily borrowing funds not received from agents by 2:30 p.m." eastern standard time and that "DTC reports will identify for participants certain relevant information concerning the resulting interest expense."⁹

This proposed rule change for refunds and borrowing was also discussed in many other publications that DTC sent to participants and others. In the fall of 1995, DTC sent a customized letter to each participant "to assist [the participant] in assessing the impact of the SDFS conversion on [the participant's] 1995 budget."

No comments have been received by DTC. Interested persons previously submitted comments to the U.S. Working Committee in response to the 1993 Task Force Report.

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)(i) and (ii)¹⁰ of the Act and pursuant to Rules 19b-4(e)(1) and (2)¹¹ promulgated thereunder in that the proposal constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule, and the proposal also establishes a due, fee, or other charge. At any time within sixty

days of the filing of such rule change, the Commission may summarily abrogate 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 foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 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 Room, 450 Fifth Street NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of DTC. All submissions should refer to File No. SR-DTC-96-02 and should be submitted by March 12, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹²

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-3667 Filed 2-16-96; 8:45 am]

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[Release No. 34-36833; File No. SR-PSE-96-04]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Stock Exchange Incorporated Relating to a Program To Display Price Improvement on the Execution Report Sent to the Entering Firm

February 12, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. § 78s(b)(1), notice is hereby given that on January 31, 1996, the Pacific Stock Exchange Incorporated ("PSE" or "Exchange") 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 by the self-regulatory organization. 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 PSE is proposing to implement a program that will calculate and then display on the execution reports sent to member firms, the dollar amounts realized as savings to their customers as a result of price improvement in the execution of their orders on the Exchange.

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

In its filing with the Commission, the self-regulatory organization 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. The self-regulatory organization 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. Purpose

The purpose of the proposed rule change is to implement a program for calculating and displaying on execution reports sent to member firms entering orders, the dollar value saved by their customers as a result of price improvement of orders executed on the PSE. This program does not in any way affect the actual execution of orders. The Exchange is proposing to refer to this calculated dollar savings as the "NATIONAL BESTSM."

The NATIONAL BEST will be made available for intra-day market orders entered via the Exchange's P/Coast system¹ that are not tick sensitive and are entered from off the Floor.¹ The NATIONAL BEST (amount of price improvement) is calculated in

SM NATIONAL BEST is a service mark of the Chicago Stock Exchange, Inc.

¹ The NATIONAL BEST program will entail enhancements to the Exchange's CMS (common message switch) and P/COAST System.

² Also excluded from the NATIONAL BEST feature are orders received when the spread between the national best bid and offer is one minimum variation, and floor broker orders.

⁶ "Implementing the Group of Thirty Recommendations in the U.S.," U.S. Working Committee, Group of Thirty, Clearance and Settlement Project (November 1990).

⁷ "Report of the Same-Day Funds Payment Task Force to the U.S. Working Committee," U.S. Working Committee, Group of Thirty, Clearance and Settlement Project (August 1993).

⁸ The Depository Trust Company and National Securities Clearing Corporation, Memorandum (July 29, 1994).

⁹ The Depository Trust Company, Memorandum to Participants (December 5, 1994).

¹⁰ 15 U.S.C. 78s(b)(3)(A)(i) and (ii) (1988).

¹¹ 17 CFR 240.19b-4(e)(1) and (2) (1995).

¹² 17 CFR 200.30-3(a)(12) (1995).

comparison to the best bid and offer displayed in the national market system at the time the order is received.³ Only orders executed at a price better than the inside market will receive a NATIONAL BEST indicator.

The following examples illustrate how NATIONAL BEST is proposed to work.

Assume the national market quote is 50-50 $\frac{1}{4}$.

Example 1 A market order to sell 1000 shares, entering on the PSE, is stopped at 50, meaning it is guaranteed a price at 50 or a better price. The quote is narrowed to 50-50 $\frac{1}{8}$ and the order is subsequently executed at 50 $\frac{1}{8}$. This is an $\frac{1}{8}$ point savings over the national bid price of 50, which translates into \$125 savings over the guaranteed price. Thus, the execution report would display NATIONAL BEST \$125.⁴

Assume the national market quote is 50-50 $\frac{1}{4}$.

Example 2 A market order to buy 800 shares, entered on the PSE, is executed at 50 $\frac{1}{8}$. This is an $\frac{1}{8}$ point savings over taking the prevailing offer of 50 $\frac{1}{4}$. The execution report would display NATIONAL BEST \$100.

If there is no price improvement because either there was no execution between the national best bid or offer or the order was not eligible for the program, then no price improvement information would be displayed on the execution report to the entering firm.

The Exchange believes that the NATIONAL BEST can be expected to enhance the information made available to investors and improve their understanding of the auction market.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b)(5) of the Act in that it is designed to promote just and equitable principles of trade, to remove impediments to and to perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

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

The PSE does not believe that the proposed rule change will impose any significant burden on competition.

³For stocks that are not ITS-eligible, the PSE quote is used.

⁴The algorithm that calculates the savings per share can calculate price improvement from a minimum of $\frac{1}{32}$ or \$0.03125 per share to a maximum of $\frac{9}{32}$ or \$3.00 per share. If price improvement exceeds \$3.00 per share, the NATIONAL BEST will be preceded by a ">" sign and will equal \$3.00 times the number of shares traded.

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

Written comments on the proposed rule change were neither solicited nor received.

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

Because the foregoing proposed rule change: (1) does not significantly affect the protection of investors or the public interest, (2) does not impose any significant burden on competition, and (3) does not have the effect of limiting access to or availability of any Exchange order entry or trading system, the NATIONAL BEST program has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act and Rule 19b-4(e)(5) thereunder.⁵ At any time within 60 days of the filing of such rule change, the Commission may summarily abrogate 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 foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 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 at the Commission's Public Reference Section, 450 Fifth Street NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the PSE. All submissions should refer to File No. SR-PSE-96-04 and should be submitted by March 12, 1996.

⁵ 17 CFR 240.19b-4(e)(5).

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-3630 Filed 2-16-96; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[License No. 09/09-0345]

FBS SBIC, L.P.; Notice of Surrender of License

Notice is hereby given that FBS SBIC, L.P., First Bank Place, 601 Second Avenue South, 16th Floor, Minneapolis, Minnesota 55402, has surrendered its licenses to operate as a small business investment company under the Small Business Investment Act of 1958, as amended (the Act). FBS was licensed by the Small Business Administration on September 27, 1984.

Under the authority vested by the Act and pursuant to the Regulations promulgated thereunder, the surrender was accepted on this date, and accordingly, all rights, privileges, and franchises derived therefrom have been terminated.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

Dated: February 9, 1996.

Donald A. Christensen,
Associate Administrator for Investment.

[FR Doc. 96-3650 Filed 2-16-96; 8:45 am]

BILLING CODE 8025-01-P

[License No. 05/05-0182; License No. 05/08-0006]

Northwest Venture Partners (NVP); Norwest Growth Fund (NGF); Notice of Surrender of License

Notice is hereby given that Northwest Venture Partners and Norwest Growth Fund, 2800 Piper Jaffray Tower, 222 South Ninth Street, Minneapolis, Minnesota 55402-3388, have surrendered their licenses to operate as a small business investment company under the Small Business Investment Act of 1958, as amended (the Act). NVP was licensed by the Small Business Administration on October 13, 1983. NGF was licensed by the Small Business Administration on February 25, 1960.

Under the authority vested by the Act and pursuant to the Regulations promulgated thereunder, the surrenders were accepted on this date, and accordingly, all rights, privileges, and franchises derived therefrom have been terminated.