



8011-01p
SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-69596; File No. SR-NSCC-2013-06)

May 16, 2013

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Modify Fees Related to Portfolio Composition File Reporting in Addendum A of Its Rules and Procedures

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 3, 2013, National Securities Clearing Corporation (“NSCC”) 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 NSCC. NSCC 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, so that 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. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change is to modify the fee schedule related to NSCC’s Portfolio Composition File Reporting in Addendum A of NSCC’s Rules and Procedures (“Rules”), as described below.

II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

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).

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.⁵

(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 for NSCC to revise its fee schedule (as listed in Addendum A of its Rules⁶) as it relates to charges for reports on Index Receipt Portfolio Composition Files. Portfolio Composition File reports, as currently offered, contain information on all Index Receipt Portfolios eligible for processing by NSCC ("Legacy Files"). NSCC releases two Legacy Files each business day – one file for domestic portfolios and one for foreign portfolios. The files are offered both as machine readable output ("MRO") and print image files. The fee associated with a Member's subscription to the Legacy Files is \$125 per file per month.

Pursuant to this proposed rule change, NSCC implemented new fees for the offering of an enhanced reporting interface that allows Members to receive a Portfolio Composition File that contains only the Index Receipt Portfolios to which a Member subscribes ("Enhanced Files"). Fees for the Enhanced Files are charged in relation to the number of portfolios received by the

⁵ The Commission has modified the text of the summaries prepared by NSCC.

⁶ NSCC Rules, Addendum A, http://dtcc.com/legal/rules_proc/nscc_rules.pdf.

Member on an average, daily basis per month. The Enhanced Files are available as MRO files and as a web-based interface from which Participants may download and print reports.⁷

NSCC continues to make available to Members subscriptions to Legacy Files at the current fee rates.

Revision to Fee Schedule

Pursuant to the fee schedule in Addendum A of NSCC's Rules, Members are currently charged \$125 per Legacy File.⁸ While the availability of and fees for Legacy Files are remaining unchanged, NSCC is now charging the following fees to Members who subscribe to the Enhanced Files:

Subscription-based Portfolio Composition File Reporting

<u>Fees</u>	<u>Units</u> ⁹
\$5	the first zero to 200 average daily units per month
\$3	the next 300 average daily units per month (201-500)
\$2	for all average daily units above 500 per month

The proposed rule change relates only to the enhanced reporting of Portfolio Composition Files and does not otherwise impact Index Receipt processing functionality.

Implementation Timeframe

The fee changes described above took effect on May 9, 2013.

⁷ The Enhanced Files also allow Members to view additional information with respect to a portfolio, including breakdowns of asset class and "cash-in lieu" components that are not otherwise NSCC-eligible.

⁸ See NSCC Rules, Addendum A, supra note 6.

⁹ "Units" refers to the number of portfolio subscriptions for each billing month. Unit charges are calculated by applying a tiered fee structure to the average daily number of units subscribed to by the Member in the billing month.

Proposed Rule Changes

NSCC is amending Addendum A of its Rules to include the fee schedule for “Subscription-based Portfolio Composition File Reporting,” as shown above. No other changes to the Rules are contemplated by this proposed rule change.

2. Statutory Basis

NSCC believes that the proposed rule change is consistent with the requirements of the Act, as amended, specifically Section 17A(b)(3)(D),¹⁰ and the rules and regulations thereunder applicable to NSCC because the change is aligning fees with the costs of delivering the additional reports described above, thus providing for the equitable allocation of reasonable fees among NSCC’s 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

Written comments relating to the proposed rule change have not yet been solicited or received. NSCC will notify the Commission of any written comments received by NSCC.

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

¹⁰ 15 U.S.C. 78q-1(b)(3)(D).

¹¹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹² 17 CFR 240.19b-4(f)(2).

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, 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-NSCC-2013-06 on the subject line.

Paper Comments:

- Send 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-2013-06. 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 such filings will also be available for inspection and copying at the principal office of NSCC and on NSCC's website at

http://dtcc.com/legal/rule_filings/nsc/2013.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-2013-06 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

[FR Doc. 2013-12166 Filed 05/21/2013 at 8:45 am; Publication Date: 05/22/2013]

¹³ 17 CFR 200.30-3(a)(12).