

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-62794; File No. SR-NSCC-2010-08)

August 30, 2010

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rules Relating to Authority to Suspend or Waive NSCC Rules and Procedures

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ notice is hereby given that on August 23, 2010, the National Securities Clearing Corporation (“NSCC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change described in Items I, II, and III below, which items have been prepared primarily by NSCC.² NSCC filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) and Rule 19b-4(f)(3) thereunder so that the proposed rule change was effective upon filing with the Commission.³ The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.⁴

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change will amend NSCC rules to provide that any officer having a rank of Managing Director or higher is authorized to suspend or waive NSCC rules and procedures.

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 The text of the proposed rule change is attached as Exhibit 5 to NSCC’s filing and is available at www.dtcc.com/downloads/legal/rule_filings/2010/nsc/2010-08.pdf.

³ 15 U.S.C. 78s(b)(3)(A)(iii) and 17 CFR 240.19b-4(f)(3).

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 these statements.⁵

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The proposed rule change amends Rule 22 of the NSCC's Rules and Procedures⁶ to state that the rules and procedures of NSCC may be suspended or waived by any officer having a rank of Managing Director or higher. Prior to the proposed amendment, Rule 22 provided such authority to officers having a rank of Vice President or higher.⁷ This proposed rule change will also harmonize NSCC's rules with those of FICC's ("FICC") Government Securities Division and Mortgage-Backed Securities Division, and with those of The Depository Trust Company ("DTC") as such rules relate to the authority to suspend or waive rules.⁸

NSCC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act⁹ and the rules and regulations thereunder that are applicable to NSCC because the proposed rule will require a more senior level of management to authorize a

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

⁶ NSCC's rules are available at www.dtcc.com/legal/rules_proc/dtc_rules.pdf.

⁷ Managing Director is a more senior level of officer than that of Vice President.

⁸ On August 20, 2010, FICC filed and on August 23, 2010, DTC filed similar rule changes. Securities Exchange Act Release No. 62796 (August 30, 2010) [SR-FICC-2010-06] and 62795 (August 30, 2010) [File No. SR-DTC-2010-11] respectively.

⁹ 15 U.S.C. 78q-1.

suspension or waiver of the NSCC rules under the proposed rule change, thereby ensuring more equitable compliance with NSCC's rules and procedures.

(B) Self-Regulatory Organization's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

No written comments relating to the proposed rule change have been solicited or received. NSCC will notify the Commission of any written comments received by the NSCC.

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

The foregoing rule change has become effective upon filing pursuant to Section 19(b)(3)(A)(iii) of the Act¹⁰ and Rule 19b-4(f)(3)¹¹ thereunder because it is concerned solely with the administration of NSCC. At any time within sixty days of the filing of such 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 foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

¹⁰ 15 U.S.C. 78s(b)(3)(A)(iii).

¹¹ 17 CFR 240.19b-4(f)(3).

- 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 Number SR-NSCC-2010-08 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 Number SR-NSCC-2010-08. 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 Section, 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 also will be available for inspection and copying at the principal office of NSCC and on NSCC's website, www.dtcc.com. 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 Number SR-NSCC-2010-08 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.¹²

Florence E. Harmon
Deputy Secretary

¹² 17 CFR 200.30-3(a)(12).