

refiling and approval of the amendment by Commission order pursuant to Rule 11Aa3-2(c)(2),⁵ if it appears to the Commission that such action is necessary or appropriate in the public interest; for the protection of investors and the maintenance of fair and orderly markets; to remove impediments to, and perfect the mechanisms of, a National Market System; or otherwise in furtherance of the purposes of the Exchange Act.

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed plan amendment is consistent with the Act. 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, and all written statements with respect to the proposed plan amendment that are filed with the Commission, and all written communications relating to the proposed plan amendment between the Commission and any person, other than those 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. Copies of the filing will also be available at the principal offices of OPRA. All submissions should refer to File No. SR-OPRA-98-04 and should be submitted by January 12, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁶

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES EXCHANGE COMMISSION

[Release No. 34-40730A; File No. SR-CHX-98-26]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 Thereto by the Chicago Stock Exchange, Inc. Relating to Listing Standards of Equity Linked Debt Securities

Correction

December 16, 1998.

In FR Document 98-32664, beginning on page 67958 for Wednesday, December 9, 1998, on page 67962 in the first sentence of the first paragraph in Column 2 was incorrectly stated. The sentence should read as follows:

"It is therefore ordered, pursuant to Section 19(b)(2) of the Act,²³ that the proposed rule change (SR-CHX-98-26) is approved."

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-33913 Filed 12-22-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40799; File No. SR-NSCC-98-07]

Self-Regulatory Organizations; National Securities Clearing Corporation; Order Approving a Proposed Rule Change Expanding the Annuities Processing Service

December 16, 1998.

On June 24, 1998, the National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-NSCC-98-07) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ Notice of the proposal was published in the **Federal Register** on October 19, 1998.² No comment letters were received. For the reasons discussed below, the Commission is approving the proposed rule change.

I. Description

On September 19, 1997, the Commission approved NSCC's rule filing establishing APS.³ APS provides a

centralized communication link that connects participating insurance carriers with their multiple distribution channels, including broker-dealers, banks, and the broker-dealers' or banks' affiliated insurance agencies where appropriate (collectively, "distributors"). Phase one of APS provides NSCC's participants with the ability to send and receive daily information regarding annuity contract positions, the value of each contract's underlying assets, and settlement of commission monies.⁴

The proposed rule change implements phase two of APS. Phase two provides distributors with the ability to transmit to insurance carriers information concerning annuity applications and subsequent premium payments and to settle initial and subsequent premiums through NSCC's money settlement process. Distributors will submit application information to NSCC, and NSCC will forward the application information to the insurance carrier designated as recipient by the distributor.

The subsequent premium component allows distributors to transmit to insurance carriers information related to subsequent premium payments made by annuity contract owners. Distributors will submit subsequent premium information to NSCC, and NSCC will forward the subsequent premium information to the insurance carrier designated as recipient by the distributor.

The proposed rule change provides that a distributor that has submitted application information or subsequent premium information to NSCC may also include data with respect to the annuity contract owner's initial premium payment or subsequent premium payment. If the information regarding the initial or subsequent premium payment is included with the application information or subsequent premium information, distributors and carriers will settle these payments through NSCC's money settlement system.

Distributors initiate initial and subsequent premium payment settlement by submitting instructions to NSCC. All initial and subsequent premium payments submitted on a business day prior to that day's cutoff time (2:00 pm Eastern time) will settle on that day. Payments submitted on a business day after the cutoff time will settle on the next business day. Distributors have the ability to cancel a

the establishment of APS and the implementation of phase one of APS].

⁴ *Id.*

²³ 15 U.S.C. 78s(b)(2).

¹ 15 U.S.C. 78s(b)(1).

² Securities Exchange Act Release No. 40540 (October 9, 1998), 63 FR 55910.

³ Securities Exchange Act Release No. 39096 (September 19, 1997), 62 FR 50416 [order approving

⁵ 17 CFR 240.11Aa3-2(c)(2).

⁶ 17 CFR 200.30-3(a)(29).