

added, deleted or postponed, please contact:

The Office of the Secretary at (202) 551-5400.

Dated: December 29, 2010.

**Elizabeth M. Murphy,**  
Secretary.

[FR Doc. 2010-33261 Filed 12-30-10; 11:15 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-63611; File No. SR-FICC-2010-08]

### Self-Regulatory Organizations; Fixed Income Clearing Corporation; Order Approving Proposed Rule Change To Eliminate Certain Cash Adjustments Currently Processed by the MBSD

December 28, 2010.

#### I. Introduction

On October 28, 2010, the Fixed Income Clearing Corporation ("FICC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change SR-FICC-2010-08 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").<sup>1</sup> The proposed rule change was published for comment in the **Federal Register** on November 17, 2010.<sup>2</sup> No comment letters were received on the proposal. This order approves the proposal.

#### II. Description

FICC is eliminating the cash adjustments that are currently processed by the Mortgage-Backed Securities Division ("MBSD") of FICC because they have low monetary impact and the clearance event ("significant variance") they were originally designed to address no longer applies.<sup>3</sup> Variance was originally established when mortgage-backed securities were physically settled and it was difficult to organize physical pools into \$1 million par amounts for delivery.

As a result of the netting of To Be Announced ("TBA") transactions, a participant may have a settlement obligation to another participant with which it did not trade ("SBON Obligations"). SBON Obligations are created in multiples of \$1 million par amounts and are assigned a uniform delivery price. Since the delivery price

will differ from the participant's original trade price, an adjustment is calculated for the difference between the delivery price and the trade price. This adjustment is referred to as the Settlement Balance Order Market Differential ("SBOMD").

Participants notify the MBSD when they have settled their SBON Obligations with their assigned counterparties through the Notification of Settlement ("NOS") process. From the information supplied by both the delivering and receiving participants in their respective NOS, the MBSD determines whether the securities delivered were in \$1 million par amounts or in a par amount within acceptable variance (plus or minus \$100 per million). In instances where the delivery was completed in \$1 million par amounts, the MBSD takes no additional steps.

Currently, if the delivery was cleared for a par amount within acceptable variance, the MBSD will calculate a cash adjustment to reconcile the difference between the original SBOMD (based on a \$1 million par amount) and what the SBOMD should have been (based on the par amount delivered). As mortgage-backed securities migrated from physical to electronic settlement, acceptable variance has been reduced from an initial \$50,000 per million to the current amount of \$100 per million. MBSD is eliminating this cash adjustment process.

#### III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act<sup>4</sup> and the rules and regulations thereunder applicable to FICC.<sup>5</sup> In particular, the Commission believes that by deleting a rule that covers a process that is no longer needed, FICC is providing its members with certainty and clarity of the clearance process to its members. The proposal is therefore consistent with the requirements of Section 17A(b)(3)(F),<sup>6</sup> which requires, among other things, that the rules of a clearing agency are designed to remove impediments to and perfect the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions.

#### IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is

consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act<sup>7</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>8</sup> that the proposed rule change (File No. SR-FICC-2010-08) be, and hereby is, approved.

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.<sup>9</sup>

**Florence E. Harmon,**  
Deputy Secretary.

[FR Doc. 2010-33163 Filed 1-3-11; 8:45 am]

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## SMALL BUSINESS ADMINISTRATION

### Reporting and Recordkeeping Requirements Under OMB Review

**AGENCY:** Small Business Administration.

**ACTION:** Notice of reporting requirements submitted for OMB review.

**SUMMARY:** Under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35), Agencies are required to submit proposed reporting and recordkeeping requirements to OMB for review and approval, and to publish a notice in the **Federal Register** notifying the public that the agency has made such a submission.

**DATES:** Submit comments on or before February 3, 2011. If you intend to comment but cannot prepare comments promptly, please advise the OMB Review and the Agency Clearance Officer before the deadline.

**Copies:** Request for clearance (OMB 83-1), supporting statement, and other documents submitted to OMB for review may be obtained from the Agency Clearance Officer.

**ADDRESSES:** Address all comments concerning this notice to: Agency Clearance Officer, Jacqueline White, Small Business Administration, 409 3rd Street, SW., 5th Floor, Washington, DC 20416; and OMB Reviewer, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:** Jacqueline White, Agency Clearance Officer, (202) 205-7044.

#### SUPPLEMENTARY INFORMATION:

*Title:* Lender Advantage.

*Frequency:* On Occasion.

<sup>7</sup> 15 U.S.C. 78q-1.

<sup>8</sup> 15 U.S.C. 78s(b)(2).

<sup>9</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> Securities Exchange Act Release No. 63301 (November 17, 2010), 75 FR 70328.

<sup>3</sup> The specific language of the proposed provision can be found at [http://www.dtcc.com/downloads/legal/rule\\_filings/2010/ficc/2010-08.pdf](http://www.dtcc.com/downloads/legal/rule_filings/2010/ficc/2010-08.pdf).

<sup>4</sup> 15 U.S.C. 78q-1.

<sup>5</sup> In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>6</sup> 15 U.S.C. 78q-1(b)(3)(F).