

Proposed Rule Change by National Securities Clearing Corporation
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial <input checked="" type="checkbox"/>	Amendment <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) <input type="checkbox"/>	Section 19(b)(3)(A) <input checked="" type="checkbox"/>	Section 19(b)(3)(B) <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action <input type="checkbox"/>			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
Date Expires <input type="text"/>			<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
---	---

Description
Provide a brief description of the proposed rule change (limit 250 characters).

Contact Information
Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name Last Name
 Title
 E-mail
 Telephone Fax

Signature
Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date
 By General Counsel
 (Name)
 (Title)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change.

(a) The proposed rule change (which contains detailed information on the specific fee changes described below) is annexed hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization.

(a) The proposed changes were approved by the NSCC Board of Directors on June 18, 2008.

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

(a) The purpose of the proposed rule change is to revise fees for certain services provided by NSCC.

These changes include the following fee reductions to align fees with costs of delivering services:

- The unit-based equity trade recording fee will be reduced from \$.001436 per side to \$.000402 per side,
- The unit-based equity netting fee will be reduced from \$.000916 per side to \$.000256 per side, and
- The trade comparison fee and trade recording fee for corporate bonds, municipal bonds, and unit investment trusts will both be reduced from \$1.00 per side to \$0.65 per side.

The proposed fee changes will become effective on July 1, 2008.

(b) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the "Act"), and the rules and regulations thereunder, because it updates NSCC's fee schedule. As such, it provides for the equitable allocation of fees among its participants.

4. 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.

5. 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.

6. Extension of Time Period for Commission Action.

NSCC does not consent to an extension of the time period specified in Section 19(b)(2) of the Act for Commission action.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D).

(a) The proposed rule change is to take effect pursuant to paragraph A of Section 19(b)(3).

(b) The proposed rule change establishes or changes a due, fee, or other charge applicable only to a member.

(c) Not applicable.

(d) Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission.

The proposed rule change is not based on the rules of another self-regulatory organization or the Commission.

9. Exhibits

Exhibit 1 - Notice of proposed rule change for publication in the Federal Register.

Exhibit 2 - n/a

Exhibit 3 - n/a

Exhibit 4 - n/a

Exhibit 5 - Proposed Rule Text

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-NSCC-2008-05)

SELF-REGULATORY ORGANIZATIONS

Proposed Rule Change by NATIONAL SECURITIES CLEARING CORPORATION
("NSCC") to modify its fee schedule.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, 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 by NSCC. 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 text of the proposed rule change is attached hereto as Exhibit 5.

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

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.

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

(i) The purpose of the proposed rule change is to revise fees for certain services provided by NSCC.

These changes include the following fee reductions to align fees with costs of delivering services:

- The unit-based equity trade recording fee will be reduced from \$.001436 per side to \$.000402 per side,

- The unit-based equity netting fee will be reduced from \$.000916 per side to \$.000256 per side, and
- The trade comparison fee and trade recording fee for corporate bonds, municipal bonds, and unit investment trusts will both be reduced from \$1.00 per side to \$0.65 per side.

The proposed fee changes will become effective on July 1, 2008.

(ii) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the "Act"), and the rules and regulations thereunder, because it updates NSCC's fee schedule. As such, it provides for the equitable allocation of fees among its participants.

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 foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and paragraph (f) of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed 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, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

- Electronic comments may be submitted by using the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>), or send an e-mail to rule-comment@sec.gov. Please include File No. SR-NSCC-2008-05 on the subject line.

- Paper comments should be sent in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington DC 20549-1090.

All submissions should refer to File Number SR-NSCC-2008-05. 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 Web site (<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 inspection and copying in the Commission's Public Reference Room Section 100 F Street, NE, Washington DC 20549-1090. Copies of such filing also will be available for inspection and copying at the principal office of NSCC. 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 submission should refer to the file number above and should be submitted within _____ days after the date of publication.

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

Nancy M. Morris

TEXT OF PROPOSED RULE CHANGE

Underlined, boldface text indicates additions.

~~**[Bracketed, Struck through, boldface]**~~ text indicates deletions.

ADDENDUM A

NATIONAL SECURITIES CLEARING CORPORATION

FEE STRUCTURE

I. TRADE COMPARISON AND RECORDING SERVICE FEES - represents the fees to enter and correct original trade data.

A. Trade Comparison:

1. Each side of each stock, warrant or right trade submitted - \$.010 per 100 shares, with a minimum fee of \$.030 and a maximum fee of \$.60 being applicable.
2. Each side of each bond trade submitted – ~~[\$1.00]~~ \$0.65 per side.
3. Each side of a compared trade in Foreign Securities - \$0.75, in addition to the fees provided for in I.A.1. above.

B. Trade Correction Fees:¹

1. OTC Equity System Correction Fees:
 - a. All supplemental input after the night of Trade Date (Advisory, As Of:
 - (1) T+1 - \$.40 to the submitter
 - (2) T+2 - \$.60 to the submitter
 - (3) after T+2 - \$1.00 to the submitter
2. Listed Equity System Correction Fees:

¹ Trade Submission Fees (see I.A. above) will be charged in addition to the Trade Correction Fees detailed in I.B. Trade Correction Fees will not be applied on OCS, IDC and ACT input.

Suggested Name Deletes submitted to the Corporation directly by participants on T+1 - \$.40 to both sides.

3. Bond Correction Fees:
 - a. All supplemental input after T (Advisory, As Of, Withhold) except for Trades Deleted:
 - (1) T+1 - \$.60 to the submitter
 - (2) T+2 - \$.90 to the submitter
 - (3) after T+2 - \$1.50 to the submitter
 - b. Trades Deleted:
 - (1) T+1 - \$.60 to both sides
 - (2) T+2 - \$.90 to both sides
 - (3) after T+2 - \$1.50 to both sides
 4. Trade Rejection Fee: \$.50 per bond reject.
- C. Trade recording fees will be charged as follows on those items originally compared by other parties, but cleared through the Corporation:²
1. ~~[\$.001436]~~ \$.000402 per side of each stock, warrant or right item entered for settlement, but not compared by the Corporation.
 2. Each side of each stock, warrant or right item entered for settlement, but not compared by the Corporation \$.000375 per 100 shares, with a minimum fee of \$.000375 and a maximum fee of \$.375 being applicable.
 2. Each side of each bond item entered for settlement, but not compared by the Corporation - ~~[\$1.00]~~ \$0.65 per side.
 3. Each side of a foreign security trade entered for settlement, but not compared by the Corporation - \$.75 per side.
- D. RECAPS
1. Submission for Pricing - \$.50 per submission.³
 2. Sides submitted for re-comparison - \$.75 per side.
- E. Index Receipts

² Trade Recording Fees will be charged for all OCS and IDC input except for sides originally submitted correctly to the Corporation's comparison system.

³ The Submission for Pricing fee of \$.50 will be deleted effective as of March 1, 2007.

1. Index Creation and Redemption Units - each side of each Index Creation and Redemption instruction submitted - \$30 per side.
- //. TRADE CLEARANCE FEES - represents fees for netting, issuance of instructions to receive or deliver, effecting book-entry deliveries, and related activity.
- A. Deliveries to CNS in the day processing cycle to cover a short valued position - \$.40 per delivery.
 - B. Fails to Deliver to CNS (Short-In CNS) –
 1. \$.25 per item short in CNS for 1 to 30 days at close of business.
 2. \$.50 per item short in CNS for 31 to 60 days at close of business.
 3. \$.75 per item short in CNS for 61 to 90 days at close of business.
 4. \$1.00 per item short in CNS for more than 90 days at close of business.
 - C. Trade Netting –The sum of [~~\$.000916~~] \$0.000256 per side, plus (i) a “value into the net” fee of \$.1258 per million of processed value (i.e. for CNS and Balance Order netting, the sum of the contract amount and any CNS fail value), and (ii) a “value out of the net” fee of \$.4555 per million of settling value (i.e. the absolute value of the CNS Long and Short Positions).
 - D. Designated valued deliveries⁴ (transaction processing) entered into the clearance system through special representative procedures - \$.0125 per side.
 - E. Flip Trades - \$.0025 per side.
 - F. Security orders generated⁵ - \$.40 per item.
 - G. CNS Buy-In (long Broker and short Broker) - \$5.00 per item.
 - H. Clearing Interface Exemption or Inclusion Instruction to the Corporation - \$.75 per item.

⁴ A designated valued delivery is an instruction from a Special Representative to CNS to transfer a valued position from one participant to another participant or to a non-participant through a clearing interface.

⁵ A security order, or non-CNS settling item, is an instruction to deliver or receive securities outside of the CNS system. These instructions will be generated when cleared securities are not eligible for CNS or when both parties to a transaction wish to settle in this manner. Security orders may be issued on an item-by-item basis or netted through Abalance order@ procedures.

I. Reorganizations

1. Mandatory Reorganizations - \$2.50 each
2. Voluntary Reorganizations –
 - a. Long Broker (per input)
Automated Input \$15.00 each
 - b. Short Broker (per
reorganization) \$35.00 each

J. Foreign Securities Transactions (Netted) \$.50 per item in addition to F. above

K. Dividends

1. CNS Stock Dividend Payment (Long) - \$12.00 per item.
2. CNS Cash Dividend & Interest Payment (Long) - \$1.40 per item.
3. CNS Stock Dividend Payment (Short) - \$12.00 per item.
4. CNS Cash & Interest Payment (Short) - \$1.40 per item.
5. Research on invalid CNS dividend or interest claim - \$70 per claim
