

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 Exhibit 3 Sent As Paper Document

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 Deputy 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 EFFF website.

Form 19b-4 Information

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.

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Exhibit 1 - Notice of Proposed Rule Change

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)

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

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.

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Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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.

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Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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.

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Exhibit 5 - Proposed Rule Text

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.

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Partial Amendment

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.

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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 rule change does not require the approval of the Board of Directors of the National Securities Clearing Corporation (“NSCC”).
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 insurance and retirement processing services provided by NSCC to align fees with the costs of delivering services¹.

Effective October 1, 2009, NSCC is adopting an incentive discount for REP and BIN transactions, a subset of In-Force Transaction types that are formally called “Brokerage Identification Number Change Requests”, “Brokerage Identification Number Change Confirms”, “Registered Representative Change Requests”, and “Registered Representative Change Confirms”. The first \$350 of such transactions each month shall be at no cost. Further, effective October 1, 2009, a participant that submits any of these transaction types will receive a credit in the amount of 30% of the amount of fees paid each month in respect of BIN and REP fees (net of the \$350 discount), to be applied against its fees for NSCC’s established Insurance and Retirement Products (called “Core Products”). Established products that are designated as Core Products are Positions, Commissions, Financial Activity Reporting, Applications/Subsequent Premiums, and Asset Pricing. The purpose of bundling products in this fashion and providing a credit in connection with usage of new products is to compensate participants for the programming and other costs associated with new product adoption.

In addition, effective October 1, 2009, NSCC is adopting a reduction in fees that may be incurred by a participant in isolated instances of extraordinary events, such as mergers or mass account reconciliations that generate unusually high transaction volume for a limited duration, when arranged in advance with NSCC. With respect to transaction types for which the participant has no history of prior usage, the credit is in the amount of 85% of the transaction fees chargeable in respect of the transaction type, with an additional credit of 5% if the participant continues use of the transaction type in its usual processing flows after the event. With respect to transaction types for which the

¹ This proposed rule change filing replaces proposed rule change filing SR-NSCC-2009-06, which was withdrawn by NSCC on September 9, 2009.

participant has a history of prior usage, the credit is in an amount sufficient to produce an aggregate fee for the transaction type that is no more than 120% of the average amount charged to the participant in respect of such transactions in the prior three months.

(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 and 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-2009-08)

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 insurance and retirement processing services provided by NSCC to align fees with the costs of delivering services¹.

¹ This proposed rule change filing replaces proposed rule change filing SR-NSCC-2009-06, which was withdrawn by NSCC on September 9, 2009.

Effective October 1, 2009, NSCC is adopting an incentive discount for REP and BIN transactions, a subset of In-Force Transaction types that are formally called “Brokerage Identification Number Change Requests”, “Brokerage Identification Number Change Confirms”, “Registered Representative Change Requests”, and “Registered Representative Change Confirms”. The first \$350 of such transactions each month shall be at no cost. Further, effective October 1, 2009, a participant that submits any of these transaction types will receive a credit in the amount of 30% of the amount of fees paid each month in respect of BIN and REP fees (net of the \$350 discount), to be applied against its fees for NSCC’s established Insurance and Retirement Products (called “Core Products”). Established products that are designated as Core Products are Positions, Commissions, Financial Activity Reporting, Applications/Subsequent Premiums, and Asset Pricing. The purpose of bundling products in this fashion and providing a credit in connection with usage of new products is to compensate participants for the programming and other costs associated with new product adoption.

In addition, effective October 1, 2009, NSCC is adopting a reduction in fees that may be incurred by a participant in isolated instances of extraordinary events, such as mergers or mass account reconciliations that generate unusually high transaction volume for a limited duration, when arranged in advance with NSCC. With respect to transaction types for which the participant has no history of prior usage, the credit is in the amount of 85% of the transaction fees chargeable in respect of the transaction type, with an additional credit of 5% if the participant continues use of the transaction type in its usual processing flows after the event. With respect to transaction types for which the participant has a history of prior usage, the credit is in an amount sufficient to produce an aggregate fee for the transaction type that is no more than 120% of the average amount charged to the participant in respect of such transactions in the prior three months.

(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 and 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-2009-08 on the subject line.
- Paper comments should be sent 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-2009-08. 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 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.

Elizabeth M. Murphy
Secretary

Underlined, boldface text indicates additions.

~~[Bracket and Strikethrough]~~ 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.

* * *

T. Insurance and Retirement Processing Service^{11, 12}

¹¹ ~~[All IPs transaction fees are per side, and both sides are charged for each item, except as noted —].~~ **Unless otherwise noted, all Insurance and Retirement Processing Services transaction fees are per side, and both sides are charged for each item. Volume is calculated on an aggregate basis among qualified carrier members or qualified distributor members, as applicable.**

BIN and REP Incentive Discount: Effective October 1, 2009, Participants that submit BIN or REP transactions (i.e., In Force Transactions-Registered Representative Change Requests or Confirms (2.f. and 2.g. of this Section T., also referred to as “REP” transactions) and -Brokerage Identification Number Change Requests or Confirms (2.h. and 2.i. of this Section T., also referred to as “BIN” changes) will receive the first \$350 in such transactions, each month, at no cost.

In addition, effective October 1, 2009, Participants that submit BIN or REP transactions will receive a credit of 30% of the BIN and REP transaction costs (net of the monthly \$350 discount) to be applied to fees charged (but not to exceed the amount changed) in respect of Insurance and Retirement Services “Core Products”. Core Products are the following: Positions, Commissions, Financial Activity Reporting, Applications/Subsequent Premiums, and Asset Pricing.

¹² ~~[Unless otherwise noted, all Transaction Fees are per side, and both sides are charged for each item. Volume is calculated on an aggregate basis among qualified carrier members or qualified distributor members, as applicable.~~ **Extraordinary Event Pricing: if arranged in advance with NSCC, a Participant may qualify for a credit on transaction fees incurred**

1. Transaction Fees [41,42]

a.(i) Positions (both Full and New)

- From 0 to 500,000 items/month \$8.00 per 1,000 items
- From 500,001 to 2,000,000 items/month \$4.00 per 1,000 items
- From 2,000,001 to 4,000,000 items/month \$3.00 per 1,000 items
- For 4,000,001 or more items/month \$2.00 per 1,000 items

(ii) Positions (Focused)

- From 0 to 500,000 items/month \$3.00 per 1,000 items
- From 500,001 to 2,000,000 items/month \$1.50 per 1,000 items
- From 2,000,001 to 4,000,000 items/month \$1.50 per 1,000 items
- For 4,000,001 or more items/month \$0.50 per 1,000 items

* * *

due to extraordinary events such as mergers or mass reconciliations that generate unusually high transaction volume for a limited duration. With respect to transaction types for which the participant has no history of prior usage, the credit is in the amount of 85% of the transaction fees chargeable in respect of the transaction type, with an additional credit in the amount of 5% if the participant continues use of the transaction type after the event. With respect to transaction types for which the participant has a history of prior usage, the credit is in an amount sufficient to produce an aggregate fee for the transaction type that is no more than 120% of the average amount charged to the participant in respect of such transactions in the prior three months.