

Form SB-1 is used by small business issuers registering up to \$10 million under the Securities Act in a continuous 12 month period. It is estimated that 16 forms would be filed annually, resulting in an estimated annual total burden of 11,360 hours.

Form SB-2 is used by small business issuers registering securities offerings under the Securities Act. It is estimated that 381 forms would be filed annually, resulting in an estimated annual total burden of 333,756 hours.

Form 10-K is used by all issuers, other than small business issuers, filing annual reports under the Exchange Act. It is estimated that 6,073 forms would be filed annually, resulting in an estimated annual total burden of 10,463,779 hours.

Form 10-Q is filed by all issuers reporting under the Exchange Act filing quarterly reports that are not foreign private issuers or small business issuers. It is estimated that 29,097 respondents would file annually, resulting with a total annual burden of 4,189,968 hours.

Form 10-KSB is used by all small business issuers reporting under the Exchange Act filing annual reports. It is estimated that 887 forms would be filed annually, resulting in an estimated annual total burden of 1,045,760 hours.

Form 10-QSB is used by small business issuers reporting under the Exchange Act filing quarterly reports. It is estimated that 5,280 forms would be filed annually, resulting in an estimated annual total burden of 691,680 hours.

Form 10 is used by issuers registering under the Exchange Act that are not foreign private issuers or small business issuers. It is estimated that 85 forms would be filed annually, resulting in an estimated annual total burden of 8,075 hours.

Form 10-SB is used by small business issuers to register under the Exchange Act filing annual reports. It is estimated that 85 forms would be filed annually, resulting in an estimated annual total burden of 7,650 hours.

The above information is needed to enable investors to make informed investment decisions. Public companies are the likely respondents.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C.

20549 and Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, D.C. 20503.

Dated: October 21, 1996.  
Margaret H. McFarland,  
*Deputy Secretary*.  
[FR Doc. 96-28388 Filed 11-4-96; 8:45 am]  
BILLING CODE 8010-01-M

### Agency Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold the following meeting during the week of November 4, 1996.

A closed meeting will be held on Tuesday, November 5, 1996, at 10:00 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c) (4), (8), (9)(A) and (10) and 17 CFR 200.402(a) (4), (8), (9)(i) and (10), permit consideration of the scheduled matters at the closed meeting.

Commissioner Hunt, as duty officer, voted to consider the items listed for the closed meeting in a closed session.

The subject matter of the closed meeting scheduled for Tuesday, November 5, 1996, at 10:00 a.m., will be:

Institution of injunctive actions.

Institution and settlement of administrative proceedings of an enforcement nature.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: October 31, 1996.  
Margaret H. McFarland,  
*Deputy Secretary*.  
[FR Doc. 96-28459 Filed 10-31-96; 4:27 pm]  
BILLING CODE 8010-01-M

[Release No. 34-37884; File No. SR-Amex-96-34]

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment Nos. 1, 2, and 3 to the Proposed Rule Change by the American Stock Exchange, Inc., Relating to Independent Contractors

October 29, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on September 27, 1996, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization.<sup>1</sup> 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 Amex proposes to adopt Exchange Rule 341B, "Independent Contractors," which provides that the Amex will not object to the assertion of "independent contractor" status by a natural person who is a (i) registered representative, (ii) securities lending representative, or (iii) securities trader if such status will not preclude his or her characterization and treatment as an "employee" for purposes of the Constitution and Rules of the Amex. The Amex also proposes to amend Amex Rule 341, "Approval of

<sup>1</sup> On October 2, 1996, the Amex amended its proposal to submit the proposal pursuant to Section 19(b)(2) under Act. See Letter from Claudia Crowley, Special Counsel, Legal and Regulatory Policy, Amex, to Katherine England, Assistant Director, Division of Market Regulation ("Division"), Commission, dated October 2, 1996 ("Amendment No. 1"). On October 23, 1996, the Amex amended its proposal to eliminate inconsistencies between Amex Rule 341(a) and Amex Rule 341, Commentary .01. See Letter from Claudia Crowley, Special Counsel, Legal and Regulatory Policy, Amex, to Katherine England, Assistant Director, Division of Market Regulation, dated October 23, 1996 ("Amendment No. 2"). Specifically, Amendment No. 2 deletes language indicating that only officers of a member must be approved and provides that registered representatives, securities lending representatives, securities traders, and direct supervisors of those persons must be registered and approved. Amendment No. 2 also includes a technical change which clarifies proposed Amex Rule 341B, "Independent Contractors." On October 24, 1996, the Exchange replaced an incorrect reference to Amex Rule 342 with a reference to Amex Rule 320. See Letter from Claudia Crowley, Special Counsel, Legal and Regulatory Policy, Amex, to Yvonne Fraticelli, Attorney, Division, Commission, dated October 24, 1996 ("Amendment No. 3").

Registered Employees and Officers," to prohibit members from allowing any natural person to perform regularly any of the duties normally performed by (i) a registered representative, (ii) a securities lending representative, (iii) a securities trader, or (iv) a direct supervisor of (i), (ii), or (iii), unless the person has been qualified by, as well as registered with and approved by the Exchange.<sup>2</sup>

The text of the proposal is available at the Office of the Secretary, Amex, and at the Commission.

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

In its filing with the Commission, the self-regulatory organization 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. The self-regulatory organization 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

#### (a) Purpose

Amex Rules 340, "Disapproval of Employees," and 341 govern the requirements applicable to registered personnel of member organizations. Specifically, Amex Rule 340 establishes the Exchange's general jurisdiction over all officers and employees of members and member organizations.<sup>3</sup> Exchange Rule 341 specifies the requirements applicable to registered employees and officers of members and member organizations, including examination and qualification requirements.

According to the Amex, in recent years several member organizations have begun to utilize "independent contractors" to perform duties traditionally performed by registered employees. To date, the Exchange has required member organizations who utilize independent contractors to provide a written acknowledgement that the member organization will supervise

and otherwise be responsible for the independent contractor, in the same manner as if he were an employee. In order to clarify the Exchange's requirements and to ensure that independent contractors are appropriately subject to the Exchange's jurisdiction, the Amex proposes to adopt new Exchange Rule 341B.

Proposed Amex Rule 341B provides that the Amex will not object to the assertion of "independent contractor" status by a natural person who is a (i) registered representative, (ii) securities lending representative, or (iii) securities trader if such status will not preclude his or her characterization and treatment as an "employee" for purposes of the Constitution and Rules of the Amex. Under the proposal, such natural person and the member organization must agree that the natural person is subject to the organization's direct, detailed supervision, control and discipline and, if required by Amex Rule 330, "Fidelity Bonds," is covered by its fidelity bond. Once a member organization approves a registered person's "independent contractor" status, the following conditions must be satisfied:

- The member organization provides written assurances to the Exchange that it will supervise and control all activities of the "independent contractor" effected on its behalf, to the same degree and extent that it regulates the activities of all other registered persons and in a manner consistent with Amex Rule 320, "Offices, Approval, Supervision, and Control;"<sup>4</sup>

- The member organization submits to the Exchange a copy of a written agreement between the "independent contractor" and the member organization which provides that the "independent contractor" will engage in securities related activities solely on behalf of the member organization (except as otherwise explicitly may be permitted by the member organization in writing), that such securities related activities will be subject to the direct detailed supervision, control and discipline of the member organization, that such person is not subject to a "statutory disqualification" and that nothing therein will negate any of the foregoing;

- The "independent contractor" agrees in writing to be subject to the Exchange's jurisdiction; and

- The member organization provides the Exchange with assurances that, if required by Amex Rule 330, the "independent contractor" is covered by the organization's fidelity insurance and

is in compliance with applicable state Blue Sky provisions.<sup>5</sup>

Written notice of the cessation of "independent contractor" status must be given to the Amex. Proposed Rule 341B does not apply to persons delegated supervisory functions (e.g., branch office manager, registered representative-in-charge), nor does it permit the incorporation of registered persons. The Amex notes that the New York Stock Exchange ("NYSE") has comparable requirements.<sup>6</sup>

The Amex also proposes to amend Definition six, "Registered Employee," and Exchange Rules 340 and 341 to require that securities traders and securities lending representatives<sup>7</sup> (and their direct supervisors), as well as registered representatives, must be registered, approved by the Exchange and, as applicable, pass a qualification examination acceptable to the Exchange. Amex Rule 341, Commentary .01, as amended, will provide that a natural person who is an "independent contractor" and who performs the duties of a registered representative, securities lending representative, or securities trader is subject to Amex Rule 341.

Finally, the Amex proposes to amend Exchange Rule 340, Commentary .03, to provide that a securities lending representative and his or her direct supervisor must demonstrate their competency by satisfying any applicable qualification examination. According to the Amex, the proposed amendments to Exchange Rules 340 and 341 are consistent with comparable provisions of the NYSE's rules.

#### (b) Basis

The Amex believes that the proposed rule change is consistent with Section 6(b) of the Act, in general, and furthers

<sup>5</sup> The Amex notes that these requirements do not apply to the traditional practice of a firm using an independent floor broker to execute a transaction on the floor of the Amex.

<sup>6</sup> See NYSE Interpretations and Guidance Handbook, 345(a)/02.

<sup>7</sup> Exchange Rule 341, as amended, defines a securities lending representative as a person who has the discretion to commit a member or member organization with which he is associated to any contract or agreement involving securities lending or borrowing activities with any other person. Amex Rule 341, as amended, defines a securities trader as any person engaged in the purchase or sale of securities or other similar instruments for the account of a member or member organization with which he is associated and who does not transact any business with the public. The Amex proposes to amend Definition six, "Registered Employee," to provide that a "registered person" will include a securities lending representative, a securities trader, and a direct supervisor of a securities lending representative or a securities trader, in addition to a branch office manager or a registered representative.

<sup>2</sup> Currently, there is no qualification exam for securities lending representatives.

<sup>3</sup> Amex Rule 340 allows the Amex to disapprove the employment, remuneration or term of employment of any employee of a member or member organization or require the termination of employment of any employee of a member or member organization.

<sup>4</sup> See Amendment No. 3, *supra* note 1.

the objectives of Sections 6(b)(5) and 6(b)(6), in particular, in that it is consistent with the Exchange's regulatory responsibilities and will promote just and equitable principles of trade and protect investors and the public interest.

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

The Amex does not believe that the proposed rule change will impose any burden on competition.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Within 35 days after the publication of this notice in the Federal Register or within such longer period: (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reason for so finding; or (ii) as to which the self-regulatory organization consents, the Commission will:

(a) By order provide such proposed rule change, or

(b) Institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. 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 at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to file number SR-Amex-96-34

and should be submitted by November 26, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>8</sup>

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96-28313 Filed 11-4-96; 8:45 am]

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[Release No. 34-37890; File Nos. SR-Amex-96-37, SR-NYSE-96-30, and SR-Phlx-96-43]

**Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the American Stock Exchange, Inc., New York Exchange, Inc., and Philadelphia Stock Exchange, Inc., Relating to an Extension of Certain Market-Wide Circuit Breaker Provisions**

October 29, 1996.

Pursuant to Section 19(b) (1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on October 3, 1996, the American Stock Exchange, Inc. ("Amex"); on October 15, 1996, the New York Stock Exchange, Inc. ("NYSE"); and on October 22, 1996, the Philadelphia Stock Exchange, Inc. ("Phlx") respectively (each individually referred to herein as an "Exchange" and to two or more collectively referred to as "Exchanges"), filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule changes relating to the extension of certain market-wide circuit breaker provisions as described in Items I, II, and III below, which Items have been prepared by the Exchanges. The Phlx submitted to the Commission Amendment No. 1 to its proposal on October 28, 1996.<sup>3</sup> The Commission is publishing this notice to solicit comments on the proposed rule changes from interested persons. As discussed below, the Commission is also granting accelerated approval of these proposed rule changes.

<sup>8</sup> 17 CFR 200.30-3(a) (12) (1995).

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> In Amendment No. 1, the Phlx requested an extension of its pilot program for a six month period ending on April 30, 1997, rather than the one year period originally requested. See Letter from Murray L. Ross, Secretary, Phlx, to Alton Harvey, Office Chief, Office of Market Watch ("OMW"), Division of Market Regulation ("Market Regulation"), Commission, dated October 28, 1996.

**I. Self-Regulatory Organizations' Statement of the Terms of Substance of the Proposed Rule Changes**

The Exchanges propose to extend for six month (*i.e.*, until April 30, 1997) their existing circuit breaker pilot programs which expire on October 31, 1996.

**II. Self-Regulatory Organizations' Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Changes**

In their filing with the Commission, the Exchanges included statements concerning the purpose of and basis for the proposed rule changes. The text of these statements may be examined at the places specified in Item V below. The self-regulatory organizations have prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

**A. Self-Regulatory Organizations' Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Changes**

**1. Purpose**

In 1988, the Commission approved circuit breaker rule proposals by the Exchanges;<sup>4</sup> and in July, 1996, the Commission approved the first major set of changes to the circuit breaker rules.<sup>5</sup> To summarize, the original circuit breaker rules provided that trading would halt for one hour if the Dow Jones Industrial Average ("DJIA")<sup>6</sup> was to decline 250 points from its previous day's closing level and, thereafter, trading would halt for an additional two hours if the DJIA declined 400 points from its previous day's close. Further, the original rules also provided for the Exchanges to conduct an abbreviated reopening session if the circuit breaker trigger levels were reached during the last hour, but before the last half-hour of trading, or during the last two hours, but before the last hour of trading. The original circuit breaker proposals were approved on a pilot basis, and have

<sup>4</sup> See Securities Exchange Act Release Nos. 26198 (October 19, 1988), 53 FR 41637 (Amex, Chicago Board Options Exchange, Incorporated ("CBOE"), National Association of Securities Dealers ("NASD") and NYSE); 26218 (October 26, 1988), 53 FR 44137 (Chicago Stock Exchange ("CHX")); (December 14, 1988), 53 FR 51182 (Boston Stock Exchange ("BSE")); 26368 (December 16, 1988), 53 FR 51942 (Pacific Stock Exchange ("PSE")); 26386 (December 22, 1988), 53 FR 52904 (Phlx); and 26440 (January 17, 1989), (Cincinnati Stock Exchange ("CSE")).

<sup>5</sup> See Securities Exchange Act Release Nos. 37457 (July 19, 1996) 61 FR 39176 (NYSE); 37458 (July 19, 1996), 61 FR 39167 (Amex); and 37459 (July 19, 1996), 61 FR 39172 (BSE, CBOE, CHX, and Phlx).

<sup>6</sup> "Dow Jones Industrial Average" is a service mark of Dow Jones & Company, Inc.