

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-24525 Filed 9-11-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40406; File No. SR-Phlx-98-22]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc., Order Approving Proposed Rule Change and Amendment No. 1 Thereto Relating to Amendments to Phlx Rule 931 Regarding Approved Lessors

September 4, 1998.

I. Introduction

On May 18, 1998, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² a proposed rule change to amend Phlx Rule 931, "Approved Lessor." On June 8, 1998, the Phlx filed an amendment to the proposal.³ The proposed rule change and Amendment No. 1 were published for comment in the **Federal Register** on July 15, 1998.⁴ No comments were received regarding the proposal.

II. Description of the Proposal

The Phlx proposes to make several amendments to Phlx Rule 931. First, the Phlx proposes to amend Phlx Rule 931 to substitute the word "Exchange" for

the word "corporation" throughout the rule. Second, the Phlx proposes to amend Phlx Rule 931(d) to require a lessor who is a natural person to file with the Exchange an attestation as to the source of funds used to purchase the membership. Under Phlx Rule 931(d), as amended, an approved lessor who is not a natural person must file with the Exchange a statement of assets, liabilities and net worth and (1) if a partnership, an executed partnership agreement along with executed Form U-4 for all partners who are natural persons; (2) if a limited liability entity other than a corporation, an executed copy of the operating agreement along with accompanying Form U-4 for all such members who are natural persons; or (3) if a corporation, the corporate articles of incorporation, corporate by-laws, a listing of all officers, directors and shareholders along with accompanying Form U-4s. Third, under new Phlx Rule 931(e) each lessor who is not a natural person is required to submit certain information to the Exchange, including: (1) as of the last business day of each calendar quarter, a list of all limited partners if the lessor is a limited partnership; a membership list if the lessor is a limited liability entity other than a corporation along with any new subscription agreement; and a shareholder list if the lessor is a corporation, and (2) any material change in the corporate or organization's structure within ten days of the change in the structure.

According to the Phlx, the amended rule codifies existing practices of the Exchange's Office of the Secretary and Examinations Department respecting processing of applications for approval as an approved lessor of the Phlx.⁵ The proposal will allow the Exchange to monitor any changes in ownership interest respecting the membership or memberships held by approved lessors.⁶ The proposal will also allow the Exchange to monitor for any potential statutory disqualifications respecting shareholders, partners and members of limited liability entities by requiring the filing of Form U-4 and amendments to Form U-4 for natural persons as well as various corporate, organizational agreements or partnership interest disclosures for other entities.

⁵ Upon approval, an approved lessor of the Phlx must sign a pledge to abide by the constitution, bylaws and rules of the Exchange. Telephone conversation between Murray L. Ross, Esq., Vice President and Secretary, Phlx, and Marc McKayle, Attorney, Division, Commission (August 19, 1998).

⁶ Pursuant to Phlx Rule 17, a lessor leases legal title of his membership to a lessee while retaining the equitable title.

III. Discussion

After careful consideration the Commission has determined to approve the proposed rule change. For the reasons discussed below, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Sections 6(b)(5) and 6(c)(3)(B) of the Act.⁷ In particular, the Commission believes the proposal is consistent with the Section 6(b)(5)⁸ requirements that the rules of an exchange be designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, to prevent fraudulent and manipulative acts, and, in general, to protect investors and the public. Section 6(c)(3)(B)⁹ provides that a national securities exchange may examine and verify the qualifications of an applicant to become a person associated with a member in accordance with procedures established by the rules of the exchange, and require any person associated with a member, or any class of such persons, to be registered with the exchange in accordance with procedures so established.

The Commission believes that the amendments to Phlx Rule 931 will clarify, as well as codify, existing Exchange policy requiring the maintenance of current information for persons associated with member organizations. The proposed rule change should facilitate compliance with the Phlx's registration requirements and help ensure that all persons who are or will be affiliated with a member's securities business are registered with the Phlx. The Commission believes that the amendments to Phlx Rule 931, which should enable the Exchange to (1) monitor changes in ownership interest respecting the membership or memberships held by approved lessors, (2) monitor for any potential statutory disqualifications respecting shareholders, partners and members of limited liability entities, and (3) monitor the source of funds utilized to purchase ownership interests affiliated with the membership or memberships held by approved lessors, are appropriate means for the Exchange to ensure the high standard of competence and integrity required of a person affiliated with a national securities exchange. The

⁷ 15 U.S.C. 78f(b)(5) and (c)(3)(B).

⁸ 15 U.S.C. 78f(b)(5).

⁹ 15 U.S.C. 78f(c)(3)(B).

¹⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Letter from Murray L. Ross, Esq., Vice President and Secretary, Phlx, to Michael Walinskas, Esq., Deputy Associate Director, Division of Market Regulation ("Division"), Commission, dated June 6, 1998 ("Amendment No. 1"). In Amendment No. 1, the Phlx consent to have the proposed rule change published for notice and comment and treated pursuant to Section 19(b)(2) of the Act. In addition, in Amendment No. 1 the Phlx proposes to adopt Commentary .01 to Phlx Rule 931 which will require approved lessors to update any Form U-4 (Uniform application for Securities Industry Registration or Transfer), submitted pursuant to Phlx Rule 931(d), within thirty days of learning that the information contained in Form U-4 has become incomplete or inaccurate. Where an amendment to Form U-4 involves a statutory disqualification as defined in Sections 3(a)(39) and 15(b)(4) of the Act, Commentary .01 will require that the amended Form U-4 be submitted not later than ten days after the statutory disqualification occurs.

⁴ Securities Exchange Act Release No. 40180 (July 8, 1998), 63 FR 38223.

Commission also believes that it is appropriate to permit the Exchange to formulate and administer standards of training, experience, competence, and such other membership qualifications as the Exchange may find necessary or appropriate in the public interest or for the protection of investors, subject to Commission oversight and review. Finally, the Commission notes that the requirements of new Phlx Rule 931 are consistent with the purpose of, and similar to, Rules 3.5, 3.6, and 3.9 of the Chicago Board of Options Exchange, and Paragraph 9174 of the American Stock Exchange ("Amex") Constitution and Amex Rules 310 and 311.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (SR-Phlx-98-22), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

Margaret H. McFarland

Deputy Secretary.

[FR Doc. 98-24527 Filed 9-11-98; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice 2886]

Office of Foreign Missions; Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Department of State.

ACTION: 60-Day Notice of Proposed Information Collections; DSP-100, Application for Registration (Mission Vehicle), DSP-101, Application for Registration (Personal Vehicle), DSP-102, Application for Title, DSP-104, Application for Replacement Plates.

SUMMARY: The Department of State is seeking Office of Management and Budget (OMB) approval for the information collections described below. The purpose of this notice is to allow 60 days for public comment in the **Federal Register** preceding submission to OMB. This process is conducted in accordance with the Paperwork Reduction Act of 1995.

The following summarizes the information collection proposal submitted to OMB:

Type of Request: Reinstatement.

Originating Office: Office of Foreign Missions.

Title of Information Collection: Application for Registration (Mission Vehicle).

Frequency: On occasion.

Form Number: DSP-100.

Respondents: Foreign government representatives.

Estimated Number of Respondents: 2,788.

Average Hours Per Response: 30 minutes.

Total Estimated Burden: 1,394.

Type of Request: Reinstatement.

Originating Office: Office of Foreign Missions.

Title of Information Collection: Application for Registration (Personal Vehicle).

Frequency: On occasion.

Form Number: DSP-101.

Respondents: Foreign government representatives.

Estimated Number of Respondents: 9,700.

Average Hours Per Response: 30 minutes.

Total Estimated Burden: 4,850.

Type of Request: Reinstatement.

Originating Office: Office of Foreign Missions.

Title of Information Collection: Application for Title.

Frequency: On occasion.

Form Number: DSP-102.

Respondents: Foreign government representatives.

Estimated Number of Respondents: 5,000.

Average Hours Per Response: 30 minutes.

Total Estimated Burden: 2,500.

Type of Request: Reinstatement.

Originating Office: Office of Foreign Missions.

Title of Information Collection: Application for Replacement Plates.

Frequency: On occasion.

Form Number: DSP-104.

Respondents: Foreign government representatives.

Estimated Number of Respondents: 1,000.

Average Hours Per Response: 30 minutes.

Total Estimated Burden: 500.

Public comments are being solicited to permit the agency to—

- Evaluate whether the proposed information collection is necessary for the proper performance of the agency functions.
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection.
- Enhance the quality, utility, and clarity of the information to be collected.
- Minimize the reporting burden on those who are to respond, including

through the use of automated collection techniques or other forms of technology.

FOR FURTHER INFORMATION CONTACT:

Comments regarding the collection listed in this notice or requests for copies of the proposed collection and supporting documents should be directed to Charles S. Cunningham, Directives Management, U.S. Department of State, Washington, DC 20520, (202) 647-0596.

Dated: August 31, 1998.

Fernando Burbano,

Chief Information Officer.

[FR Doc. 98-24530 Filed 9-11-98; 8:45 am]

BILLING CODE 4710-44-M

DEPARTMENT OF STATE

[Public Notice 2886]

The Bureau of Personnel, Recruitment Office; Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Department of State.

ACTION: 30-Day Notice of information collection; Application for Federal employment.

SUMMARY: The Department of State has submitted the following information collection request to the Office of Management and Budget (OMB) for approval in accordance with the Paperwork Reduction Act of 1995. Comments should be submitted to OMB within 30 days of the publication of this notice.

The following summarizes the information collection proposal submitted to OMB:

Type of Request: Extension of a currently approved collection.

Originating Office: Bureau of Personnel, Recruitment Office.

Title of Information Collection: Application for Federal Employment.

Frequency: Yearly.

Form Number: DS-1950.

Respondents: Used by individuals to apply for certain excepted positions at the Department of State.

Estimated Number of Respondents: 25,000.

Average Hours Per Response: 30 minutes.

Total Estimated Burden: 12,500 hours.

Public comments are being solicited to permit the agency to—

- Evaluate whether the proposed information collection is necessary for the proper performance of the agency functions.
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection.

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30-3(a)(12).