

public interest, and do not unfairly discriminate among issuers, consistent with sections 6(b) and 15A(b) of the Act.¹²² The Commission therefore finds the proposals, as amended, to be consistent with the Act and the rules and regulations thereunder.

V. Accelerated Approval of NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3

The Commission finds good cause for approving NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3 to the NYSE and Nasdaq proposed rule changes prior to the thirtieth day after the amendments are published for comment in the **Federal Register** pursuant to section 19(b)(2) of the Act.¹²³ NYSE Amendment No. 1 proposes technical corrections to the proposed rule language of the NYSE proposal. NYSE Amendment No. 2 proposes changes to the NYSE proposal based on discussions with Commission staff and in response to the comment letters. As discussed more fully above, NYSE Amendment No. 2, among other things, does the following: (1) Clarifies the terms “equity compensation plan,” “material revision,” and “repricing”; (2) defines “evergreen,” “formula” and “discretionary” plans; and (3) provides new transition rules. Nasdaq Amendment No. 3, which replaces Nasdaq Amendment No. 2 in its entirety, also does the following: (1) States that the Nasdaq Board of Directors approved the Nasdaq proposed rule changes for filing with the Commission; and (2) proposes clarifying and conforming changes to the Nasdaq proposal based on recommendations from Commission staff and in response to the comment letters. As discussed more fully above, Nasdaq Amendment No. 3, among other things, also clarifies the term “material amendment,” proposes an exception to shareholder approval for plans that provide a way to purchase shares on the open market or from the issuer at fair market value, and discusses evergreen plans and repricings.

The Commission believes that the proposed changes in NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3 not only address many concerns raised in the comment letters, but are necessary to the conformity and proper application of the NYSE and Nasdaq listing standards relating to shareholder approval of equity compensation plans. The Commission therefore believes that accelerated approval of NYSE

Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3 is appropriate. The Commission also notes that the amendments provide further clarification to portions of the NYSE and Nasdaq proposals that have already been noticed for comment and do not separately raise any new regulatory issues. Based on the above, the Commission finds, consistent with sections 6(b)(5),¹²⁴ 15A(b)(6),¹²⁵ and 19(b)¹²⁶ of the Act, that good cause exists to accelerate approval of NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3.

VI. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3 to the NYSE and Nasdaq proposed rule changes, including whether NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3 are consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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. Copies of such filing will also be available for inspection and copying at the principal offices of the NYSE and Nasdaq. All submissions should refer to File No. SR-NYSE-2002-46 and SR-NASD-2002-140 and should be submitted by July 24, 2003.

VII. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule changes, SR-NYSE-2002-46 and SR-NASD-2002-140, as amended, are consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange and a national securities association, respectively, and, in particular, with section 6(b)(5) of the Act¹²⁷ and with

section 15A(b)(6) of the Act,¹²⁸ respectively.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,¹²⁹ that the proposed rule changes, SR-NYSE-2002-46 and SR-NASD-2002-140, and Nasdaq Amendment No. 1 are approved, and that NYSE Amendments No. 1 and 2 and Nasdaq Amendments No. 2 and 3 are approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹³⁰

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 03-16883 Filed 7-2-03; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-48100; File No. SR-PCX-2003-23]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. and Amendment No. 1 Thereto To Reduce Archipelago Exchange Facility Fees and Charges for the Execution and Routing of Odd-Lot Orders and To Clarify the Application of Market Data Revenue Sharing Credit

June 26, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on May 30, 2003, the Pacific Exchange, Inc. (“PCX” or “Exchange”) submitted to 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 the PCX. On June 26, 2003, the PCX filed Amendment No. 1 to the proposed rule change.³ 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 PCX, through its wholly-owned subsidiary PCX Equities, Inc. (“PCXE”),

¹²⁸ 15 U.S.C. 78o-3(6).

¹²⁹ 15 U.S.C. 78s(b)(2).

¹³⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In Amendment No. 1, the PCX made a technical correction to the proposal, the substance of which has been incorporated into this notice. See letter from Peter D. Bloom, Acting Managing Director, Regulatory Policy, PCX to Tim Fox, Attorney, Division of Market Regulation, Commission, dated June 25, 2003.

¹²² 15 U.S.C. 78f(b)(5) and 15 U.S.C. 78o-3(b)(6).

¹²³ 15 U.S.C. 78s(b)(2).

¹²⁴ 15 U.S.C. 78f(b)(5).

¹²⁵ 15 U.S.C. 78o-3(b)(6).

¹²⁶ 15 U.S.C. 78s(b).

¹²⁷ 15 U.S.C. 78f(b)(5).

proposes to amend its fee schedule for services provided to ETP Holders⁴ and Sponsored Participants⁵ that use the Archipelago Exchange ("ArcaEx") by: (1) Reducing the per-share odd-lot transaction fee for Nasdaq securities;⁶ (2) reducing the per-share odd-lot routing service fee for Nasdaq securities; and (3) clarifying the application of the market data revenue credit for Tracking Orders.

The text of the proposed rule change is available at the principal offices of the PCX 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 PCX included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it had received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The PCX 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

1. Purpose

The PCX proposes to reduce the per-share odd-lot transaction fee charged to ETP Holders and Sponsored Participants (collectively "Users") that execute trades on ArcaEx. The PCX currently charges all Users a transaction fee of \$0.03 per share for odd-lot orders executed in Nasdaq securities on ArcaEx.⁷ The PCX is proposing to reduce this odd-lot transaction fee to \$0.004 per share, and will leave unchanged its current odd-lot fee for listed securities. The rationale for this change is to adjust the odd-lot transaction fee for Nasdaq securities to a more competitive level to accommodate Users' interest in sending odd-lot orders to ArcaEx. ArcaEx evaluated the economics of lowering the odd-lot transaction fee for Nasdaq

securities and determined that it was feasible, given the costs involved.

The PCX also proposes to reduce the per share transaction fee for odd-lot orders in Nasdaq securities that are routed away and executed by another market center or participant. The PCX proposes to reduce the routing service fee from \$0.03 to \$0.004 per share to conform to the proposed fee of \$0.004 per share that will apply to odd-lot orders executed on ArcaEx.⁸ Again, for competitive reasons, the PCX will leave unchanged its current odd-lot routing service fee for listed securities.

With respect to PCX's market data revenue credit for exchange-listed securities, the PCX proposes to amend its fee schedule to clarify the application of this credit for Tracking Orders.⁹ Specifically, the PCX is adding a footnote¹⁰ to make it clear that a User who submits a Tracking Order instruction that subsequently matches against an inbound marketable order will not be entitled to receive the liquidity provider credit.¹¹ The PCX believes that this change will more accurately define the liquidity provider credit that the Exchange pays to Users who help promote liquidity, transparency and price discovery.

2. Statutory Basis

The PCX believes that its proposal to amend its schedule of dues, fees and charges is consistent with section 6(b) of the Act¹² in general, and furthers the objectives of section 6(b)(4) of the Act¹³ in particular, in that it is an equitable allocation of reasonable dues, fees, and other charges among PCX members.

⁸ The Exchange notes that odd-lot orders that are created as a result of a partial fill of a round lot that are subsequently routed away and executed on another market will continue to be subject to the \$0.004 per share fee applicable to round lot orders.

⁹ The Tracking Order Process, which is available during Core Trading Hours only, is the fourth step of the ArcaEx execution algorithm. Any User may submit an instruction to ArcaEx for the parameters of a Tracking Order. The parameters include: the maximum aggregate size; the maximum tradeable size; the price in relation to the NBB; and the relevant security. See PCX Rule 7.37(c) for a detailed description of the Tracking Order Process.

¹⁰ The current footnote 2 in the PCX's fee schedule relating to the "Drop Copy" Processing Fee is being renumbered as footnote 3.

¹¹ Under its market data revenue sharing program, PCX shares a portion of its gross revenues derived from market data fees (i.e., tape revenue) with any User that provides liquidity by entering a resting limit order into the ArcaEx Book that is then executed against an incoming marketable order within the Display Order or Working Order processes.

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(4).

B. Self-Regulatory Organization's Statement on Burden on Competition

The PCX does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

PCX neither solicited nor received written comments concerning the proposed rule change.

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

Because the PCX represents that the foregoing rule change establishes or changes a due, fee, or other charge imposed by the PCX, it has become effective pursuant to section 19(b)(3)(A)(ii) of the Act¹⁴ and Rule 19b-4(f)(2) thereunder.¹⁵ At any time within 60 days after the filing of the proposed rule change, the Commission may summarily abrogate the 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.¹⁶

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. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. 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

¹⁴ 15 U.S.C. 78b(3)(A)(ii).

¹⁵ 17 CFR 240.19b-4(f)(2).

¹⁶ On July 2, 2002, the Commission issued an Order abrogating certain proposed rule changes relating to market data revenue sharing programs. See Securities Exchange Act Release No. 46159 (July 2, 2002), 67 FR 45775 (July 10, 2002) (File Nos. SR-NASD-2002-61, SR-NASD-2002-68, SR-CSE-2002-06, and SR-PCX-2002-37) ("Abrogation Order"). The Commission's publication of the instant proposed rule change, which codifies an existing practice in the Exchange's market data revenue sharing program, should not be construed as resolving the issues raised in the Abrogation Order.

⁴ See PCX Rule 1.1(n) (defining "ETP Holder").

⁵ A "Sponsored Participant" means "a person which has entered into a sponsorship arrangement with a Sponsoring ETP Holder pursuant to [PCX] Rule 7.29." See PCX Rule 1.1(tt).

⁶ See PCX Rule 1.1(aa) (defining "Nasdaq Security").

⁷ The PCX notes that the odd-lot portion of a mixed lot are subject to the \$0.03 per share transaction fee. Also, odd-lot orders that are created as a result of a partial fill of a round lot on ArcaEx will continue to be excluded from this fee.

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 Room.

Copies of such filing also will be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR-PCX-2003-23 and should be submitted by July 24, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁷

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-16814 Filed 7-2-03; 8:45 am]

BILLING CODE 8010-01-P

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 August 4, 2003. If you intend to comment but cannot prepare comments promptly, please advise the OMB Reviewer 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: Borrower's Progress Certification.
No: 1366.

Frequency: On Occasion.
Description of Respondents: Disaster Loan Borrowers.
Responses: 16,104.
Annual Burden: 12,078.

Jacqueline White,
Chief, Administrative Information Branch.
[FR Doc. 03-16863 Filed 7-2-03; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

National Small Business Development Center Advisory Board; Public Meeting

The U.S. Small Business Administration National Small Business Development Center Advisory Board will hold a public meeting on Sunday, July 20, 2003, from 9 a.m. to 5 p.m. at the Westin Riverwalk Hotel, San Antonio, Texas to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present. For further information, please write or call Evelyn Y. Prentice, U.S. Small Business Administration, 409 Third Street, SW., Sixth Floor, Washington, DC 20416, telephone number (202) 205-6185.

Candace Stoltz,
Director, Advisory Councils.
[FR Doc. 03-16809 Filed 7-2-03; 8:45 am]
BILLING CODE 8025-01-M

DEPARTMENT OF STATE

Bureau of Nonproliferation

[Public Notice 4392]

Imposition of Nonproliferation Measures Against Chinese and North Korean Entities, Including Ban on U.S. Government Procurement

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: A determination has been made that five Chinese and one North Korean entities have engaged in activities that require the imposition of measures pursuant to Section 3 of the Iran Nonproliferation Act of 2000, which provides for penalties on entities for the transfer to Iran of equipment and technology controlled under multilateral export control lists (Missile Technology Control Regime, Australia Group, Nuclear Suppliers Group, Wassenaar Arrangement) or otherwise having the potential to make a material contribution to weapons of mass destruction (WMD) or missiles.

EFFECTIVE DATE: June 26, 2003.

FOR FURTHER INFORMATION CONTACT: On general issues: Vann H. Van Diepen, Office of Chemical, Biological and Missile Nonproliferation, Bureau of Nonproliferation, Department of State, (202-647-1142). On U.S. Government procurement ban issues: Gladys Gines, Office of the Procurement Executive, Department of State, (703-516-1691).

SUPPLEMENTARY INFORMATION: Pursuant to sections 2 and 3 of the Iran Nonproliferation Act of 2000 (Pub. L. 106-178), the U.S. Government determined on June 23, 2003, that the measures authorized in section 3 of the Act shall apply to the following foreign entities identified in the report submitted pursuant to section 2(a) of the Act:

Taian Foreign Trade General Corporation (China) and any successor, sub-unit, or subsidiary thereof;

Zibo Chemical Equipment Plant, aka Chemet Global Ltd., aka South Industries Science and Technology Trading Company, Ltd. (China) and any successor, sub-unit, or subsidiary thereof;

Liyang Yunlong Chemical Equipment Group Company (China) and any successor, sub-unit, or subsidiary thereof;

China North Industries Corporation (NORINCO) (China) and any successor, sub-unit, or subsidiary thereof;

China Precision Machinery Import/Export Corporation (CPMIEC) (China) and any successor, sub-unit, or subsidiary thereof;

Changgwang Sinyong Corporation (North Korea) and any successor, sub-unit, or subsidiary thereof.

Accordingly, pursuant to the provisions of the Act, the following measures are imposed on these entities:

1. No department or agency of the United States Government may procure, or enter into any contract for the procurement of, any goods, technology, or services from these foreign persons;

2. No department or agency of the United States Government may provide any assistance to the foreign persons, and these persons shall not be eligible to participate in any assistance program of the United States Government;

3. No United States Government sales to the foreign persons of any item on the United States Munitions List (as in effect on August 8, 1995) are permitted, and all sales to these persons of any defense articles, defense services, or design and construction services under the Arms Export Control Act are terminated; and,

4. No new individual licenses shall be granted for the transfer to these foreign persons of items the export of which is

¹⁷ 17 CFR 200.30-3(a)(12).