

information on those who are to respond, through use of the appropriate technological collection techniques or other forms of information technology.

For copies of this proposal, contact Mary Beth Smith-Toomey on (202) 606-8358, or E-mail to mbtoomey@opm.gov.

DATES: Comments on this proposal should be received on or before November 23, 1998.

ADDRESSES: Send or deliver comments to—Abby L. Block, Chief, Insurance Policy and Information Division, Retirement and Insurance Service, U.S. Office of Personnel Management, 1900 E Street, NW, Room 3425, Washington, DC 20415-0001.

FOR INFORMATION REGARDING ADMINISTRATIVE COORDINATION—CONTACT: Donna G. Lease, Budget and Administrative Services Division, (202) 606-0623.

Office of Personnel Management.

Janice R. Lachance,
Director.

[FR Doc. 98-25254 Filed 9-21-98; 8:45 am]

BILLING CODE 6325-01-P

OFFICE OF PERSONNEL MANAGEMENT

Proposed Collection; Comment Request for Review of a Revised Information Collection SF 2809

AGENCY: Office of Personnel Management.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (Public Law 104-13, May 22, 1995), this notice announces that the Office of Personnel Management intends to submit to the Office of Management and Budget a request for review of a revised information collection. SF 2809, Federal Employees Health Benefits Election Form, is used by Federal employees, certain separated former Federal employees, and former dependents of Federal employees, to enroll for health insurance coverage under the FEHB Program. Certain former spouses or former Federal employees who are eligible for enrollment under the Spouse Equity Act of 1984 (Pub. L. 98-615), and former spouse employees and former dependents who are eligible for enrollment under the Temporary Continuation of Coverage (TCC) provisions of FEHB law (5 U.S.C. 8905a) also use this form.

Approximately 9,000 SF 2809 forms are completed annually. Each form takes approximately 30 minutes to complete.

The annual estimated burden is 4,500 hours.

Comments are particularly invited on:—Whether this collection of information is necessary for the proper performance of functions of the Office of Personnel Management, and whether it will have practical utility;—Whether our estimate of the public burden of this collection is accurate, and based on valid assumptions and methodology; and—Ways in which we can minimize the burden of the collection of information on those who are to respond, through use of the appropriate technological collection techniques or other forms of information technology.

For copies of this proposal, contact Mary Beth Smith-Toomey on (202) 606-8358, or E-mail to mbtoomey@opm.gov.

DATES: Comments on this proposal should be received on or before November 23, 1998.

ADDRESSES: Send or deliver comments to—Abby L. Block, Chief, Insurance Policy and Information Division, Retirement and Insurance Service, U.S. Office of Personnel Management, 1900 E Street, NW, Room 3425, Washington, DC 20415-0001.

FOR INFORMATION REGARDING ADMINISTRATIVE COORDINATION—CONTACT: Donna G. Lease, Budget and Administrative Services Division, (202) 606-0623.

Office of Personnel Management.

Janice R. Lachance,
Director.

[FR Doc. 98-25256 Filed 9-21-98; 8:45 am]

BILLING CODE 6325-01-P

OFFICE OF PERSONNEL MANAGEMENT

Submission for OMB Review; Comment Request for Review of an Information Collection: Information and Instructions on Your Reconsideration Rights, RI 38-47

AGENCY: Office of Personnel Management.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (Public Law 104-13, May 22, 1995), this notice announces that the Office of Personnel Management (OPM) has submitted to the Office of Management and Budget a request for review of an information collection. Information and Instructions on Your Reconsideration Rights, RI 38-47, outlines the procedures required to request

reconsideration of an initial OPM decision about Civil Service or Federal Employees retirement, Retired Federal or Federal Employee Health Benefits requests to enroll or change enrollment, or Federal Employees' Group Life Insurance coverage. The forms list the procedures and time periods required for requesting reconsideration.

Approximately 3,100 annuitants and survivors request reconsideration annually. We estimate it takes approximately 45 minutes to apply. The annual burden is 2325 hours.

For copies of this proposal, contact Mary Beth Smith-Toomey on (202) 606-8358, or E-mail to mbtoomey@opm.gov.

DATES: Comments on this proposal should be received on or before October 22, 1998.

ADDRESSES: Send or deliver comments to—

Lorraine E. Dettman, Chief, Operations Support Division, Retirement and Insurance Service, U.S. Office of Personnel Management, 1900 E Street, NW, Room 3349, Washington, DC 20415-0001

and
Joseph Lackey, OPM Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, NW, Room 10235, Washington, DC 20503.

FOR INFORMATION REGARDING ADMINISTRATIVE COORDINATION—CONTACT: Donna G. Lease, Budget and Administrative Services Division, (202) 606-0623.

Office of Personnel Management.

Janice R. Lachance,
Director.

[FR Doc. 98-25255 Filed 9-21-98; 8:45 am]

BILLING CODE 6325-01-P

SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, 450 5th Street, N.W., Washington, D.C. 20549

Extension:

Rule 17j-1 [17 CFR 270.17j-1], SEC File No. 270-239, OMB Control No. 3235-0224

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), the Securities and Exchange Commission (the "Commission") has submitted to the

Office of Management and Budget ("OMB") a request for extension and approval of the collection of information discussed below.

Rule 17j-1 under the Investment Company Act of 1940 (15 U.S.C. 80a) (the "Investment Company Act") addresses conflicts of interest between registered investment company ("fund") personnel and their funds that may arise when fund personnel buy or sell securities for their personal accounts ("personal investment activities"). Rule 17j-1, which the Commission adopted in 1980,¹ generally prohibits fund personnel from engaging in fraud in connection with personal transactions in securities held or to be acquired by the fund. In order to prevent fraud, the rule currently (i) requires a fund and each investment adviser and principal underwriter to the fund (collectively, "rule 17j-1 organizations") to adopt a code of ethics ("code") designed to prevent "access persons"² from engaging in fraudulent securities activities, (ii) requires an access person to report personal securities transactions to his or her rule 17j-1 organization at least quarterly, and (iii) requires a rule 17j-1 organization to maintain certain records.

In 1995, the Commission issued a release proposing amendments to rule 17j-1 ("Proposing Release").³ The proposed amendments would require, among other things, that a majority of a fund's board, including a majority of independent directors, approve the fund's code, and review the codes of any investment adviser or principal underwriter to the fund. The proposed amendments also would require that the

management of a rule 17j-1 organization, at least once a year, provide the fund's board with an issues and certification report (i) describing issues that arose during the previous year under the code of ethics applicable to the rule 17j-1 organization and (ii) certifying to the fund's board that the rule 17j-1 organization has adopted procedures that are reasonably necessary to prevent its access persons from violating its code of ethics.

In order to facilitate the identification of all securities held by access person, the proposed amendments would require that every access person provide an initial holdings report to his or her rule 17j-1 organization listing all securities beneficially owned by the access person at the time that he or she becomes an active person. The proposed amendments also would expand the types of securities excepted from the requirements of the rule, thereby increasing the number of rule 17j-1 organizations and access persons excluded from the rule's requirements concerning codes of ethics, quarterly transaction reports, and initial holdings reports.

Funds also currently are not required to disclose to the public any information about their codes of ethics. In order to provide more information to the public about a fund's policies concerning personal investment activities, the proposed amendments to rule 17j-1 would require a fund to disclose in its registration statement (i) that the fund and its investment adviser and principal underwriter have adopted codes of ethics, (ii) whether these codes permit personnel subject to the codes to invest in securities for their own accounts, and (iii) that the codes are on public file with, and are available from the Commission.⁴ The proposed conforming amendments to rule 204-2 under the Investment Advisers Act of 1940 (15 U.S.C. 80b) (the "Advisers Act")⁵ would reduce the burden on registered investment advisers by expanding the types of transactions in securities excepted from the rule's recordkeeping requirement.

⁴ The registration forms the Commission is proposing to amend are: Form N-1A (open-end funds); Form N-2 (closed-end funds); Form N-3 (separate accounts that offer variable annuity contracts that are registered under the Investment Company Act); Form N-5 (small business funds); and form N-8B-2 (unit investment trusts). Although the Commission has not proposed amending Form S-6 (unit investment trusts), the proposed amendments to Form N-8B-2 would affect the burden of complying with Form S-6 because Form S-6 requires a unit investment trust to provide information required by Form N-8B-2.

⁵ Rule 204-2(a)(12), (13) [17 CFR 275.204-2(a)(12), (13)].

The requirement that the management of a rule 17j-1 organization provide the fund's board with an annual issues and certification report is intended to enhance board oversight of personal investment policies applicable to the fund and the personal investment activities of access persons. The requirement that every access person provide an initial holdings report is intended to help fund compliance personnel and the Commission's examinations staff monitor potential conflicts of interest and detect potentially abusive activities. The requirement that each rule 17j-1 organization maintain certain records is intended to assist rule 17j-1 organizations and the Commission's examinations staff in determining whether there have been violations of rule 17j-1.

The requirement that a fund make available in its registration statement information on the fund's policies concerning personal investment activities is intended to promote the integrity of the fund industry and provide investors with information they may want when making investment decisions. Disclosure also may encourage fund boards to give closer consideration when approving and reviewing the contents of codes of ethics applicable to their funds.

The conforming amendments to rule 204-2 are intended to reduce the reporting and recordkeeping burden on advisers and to modify rule 204-2(a) to except from the recordkeeping requirement transactions in securities that are excepted from the definition of "security" in rule 17j-1.

The Commission's staff estimates that there are approximately 3,800 registered investment companies that would be required to comply with the requirements of rule 17j-1. Investment advisers and principal underwriters of registered investment companies also are required to comply with certain requirements of rule 17j-1. The staff estimates that there are approximately 7,500 investment advisers registered with the Commission, of which the staff estimates 820 are investment advisers to registered investment companies. The staff also estimates that there are approximately 425 principal underwriters of registered investment companies.⁶

⁶ Funds that are money market funds or that invest only in securities excluded from the definition of "security" in rule 17j-1, and any investment advisers, principal underwriters, and access persons to these funds, do not have to comply with the rule's requirements concerning codes of ethics, quarterly transaction reports, and

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¹ Prevention of Certain Unlawful Activities With Respect To Registered Investment Companies, Investment Company Act Release No. 11421 (Oct. 31, 1980) [45 FR 73915 (Nov. 7, 1980)].

² Rule 17j-1 defines "access person" to include directors, officers, general partners, and any employee who, in connection with his or her regular functions or duties, participates in the selection of a fund's portfolio securities or who has access to information regarding a fund's upcoming purchases or sales of portfolio securities.

³ Personal Investment Activities of Investment Company Personnel and Codes of Ethics of Investment Companies and their Investment Advisers and Principal Underwriters, Investment Company Act Release No. 21341 (Sept. 8, 1995) [60 FR 47844 (Sept. 14, 1995)]. The Commission's proposal was based on reports prepared by the Commission's Division of Investment Management and the Investment Company Institute ("ICI") Advisory Group on Personal Investing, which studied the practices and standards governing personal investment activities of fund personnel. Division of Investment Management, Personal Investment Activities of Investment Company Personnel (1994); ICI, Report of the Advisory Group on Personal Investing (1994). These studies followed press reports and Congressional inquiries in the early 1990s regarding the personal investment activities of fund personnel.

The staff estimates that each year 275 new rule 17j-1 organizations each will expend 8 burden hours to formulate and provide codes of ethics for a total of 2,200 burden hours. The staff estimates that the management of 5,045 rule 17j-1 organizations⁷ each will annually expend 3 burden hours to provide the fund board with an annual issues and certification report for a total of 15,135 burden hours. The staff estimates that access persons⁸ each will expend .5 burden hours for the filing of each quarterly transaction report⁹ for a total of 42,250 burden hours. The staff estimates that each year new access persons each will expend 1 burden hour for the filing of an initial holdings report to be provided by persons who become access persons¹⁰ for a total of 4,895 burden hours. Finally, the staff estimates that 5,045 rule 17j-1

initial holdings reports. The estimated number of respondents reported in this section may therefore overstate the number of entities actually required to comply with the rule's requirements.

⁷ Comprised of an estimated 3,800 registered investment companies, 820 investment advisers to registered investment companies, and 425 principal underwriters to registered investment companies.

⁸ The Commission estimates that, on average, a rule 17j-1 organization will have 20 access persons. This number may vary considerably depending on the size of the rule 17j-1 organization. Under rule 17j-1, access persons of investment advisers to funds are exempt from filing quarterly transaction reports if the reports would duplicate information provided under rule 204-2 of the Advisers Act. Thus, the Commission staff estimates that the number of access persons filing quarterly transaction reports is equal to the average number of access persons for each 17j-1 organization multiplied by the total number of funds and principal underwriters of funds ($20 \times (3800 + 425) = 84,500$).

⁹ The number of access persons who are required to file quarterly transaction reports will vary depending on the personal investment activities of each access person. In addition, proposed rule 17j-1 contains several exceptions to filing quarterly transaction reports, including an exception if the report would duplicate information contained in broker trade confirmations or account statements received by the rule 17j-1 organization. Although a number of access persons may, on average, have transactions to report during more than one quarter each year, many access persons also may not have to provide a quarterly transaction report because their 17j-1 organizations have received the information in a broker trade confirmation or account statement. Accordingly, the Commission staff has estimated that each access person, on average, would file one quarterly transaction report each year.

¹⁰ Based on conversations with the industry, the Commission estimates that, on average, rule 17j-1 organizations will have two new access persons each year. However, proposed rule 17j-1 would not require an access person to submit an initial holdings report if the access person has previously provided information equivalent to that which is required in the initial holdings report. Proposed rule 17j-1 also contains several other exceptions to filing initial holdings reports. The Commission therefore estimates, after taking into consideration the number of respondents excluded from this requirement of the rule, that, on average, there will be 4,895 annual responses to this requirement.

organizations each will expend 2 burden hours to maintain records of codes of ethics, records of violations of codes of ethics, reports by access persons, and issues and certification reports for a total of 10,090 burden hours.

The total annual burden of the rule's paperwork requirements therefore is estimated to be 74,570 hours. This estimate represents an increase of 25,470 hours from the prior estimate of 49,100 hours. The increase in burden hours is attributable to updated information about the number of affected portfolios and other entities, and to a more accurate calculation of the component parts of some information burdens.

These burden hour estimates are based upon the Commission staff's experience and discussions with the fund industry. The estimates of average burden hours are made solely for the purposes of the Paperwork Reduction act. These estimates are not derived from a comprehensive or even a representative survey or study of the costs of Commission rules.

Compliance with the collection of information requirements of the rule is mandatory and is necessary to comply with the requirements of the rule in general. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

Please direct general comments regarding the above information to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, D.C. 20503; and (ii) Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, Mail Stop 0-4, 450 5th Street, N.W., Washington, D.C. 20549. Comments must be submitted to OMB within 30 days of this notice.

Dated: September 14, 1998.

Jonathan G. Katz,

Secretary.

[FR Doc. 98-25227 Filed 9-21-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange

Commission, Office of Filings and Information Services, Washington, DC 20549

Extension:

Rule 11Ac1-4, SEC File No. 270-405, OMB Control No. 3235-0462

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget ("OMB") a request for extension of the previously approved collection of information discussed below.

Rule 11Ac1-4 [17 C.F.R. 240.11Ac1-4] under the Securities Exchange Act of 1934 requires specialists and market makers to publicly display a customer limit order when that limit order is priced superior to the quote that is currently being displayed by the specialist or market maker. Customer limit orders that match the bid or offer being displayed by the specialist or market maker must also be displayed if the limit order price matches the national best bid or offer. It is estimated that approximately 580 specialist and market maker respondents incur an average burden of 5684 hours per year to comply with this rule.

Rule 11Ac1-4 does not contain record retention requirements. Compliance with the rule is mandatory. Responses are not confidential. An agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid control number.

General comments regarding the estimated burden hours should be directed to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10202, New Executive Office Building, Washington, D.C. 20503; and (ii) Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Comments must be submitted to the Office of Management and Budget within 30 days of this notice.

Dated: September 15, 1998.

Jonathan G. Katz,

Secretary.

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