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## POSTAL SERVICE BOARD OF GOVERNORS

### Sunshine Act Meeting

**TIMES AND DATES:** 10 a.m., Monday, July 9, 2001; 9 a.m., Tuesday, July 10, 2001.

**PLACE:** Evansville, Indiana, at the Aztar Hotel, 421 Northwest Riverside Drive, in the Las Vegas and Atlantic City Rooms.

**STATUS:** July 9 (Closed); July 10 (Open).

#### MATTERS TO BE CONSIDERED:

Monday, July 9-10 a.m. (Closed)

1. Financial Performance.
2. Fiscal Year 2002 Establish/Deploy Report.
3. Fiscal Year 2002 EVA Pay for Performance Program.
4. Fiscal Year 2002 Financial Outlook.
5. Rate Case Briefing.
6. EEO Feasibility Study.
7. Update on Five-Day Delivery Study.
8. Strategic Planning.
9. Comprehensive Issues.
10. Personnel Matters.

Tuesday, July 10-9 a.m. (Open)

1. Minutes of the Previous Meeting, June 4-5, 2001.
2. Remarks of the Postmaster General and CEO.
3. Quarterly Report on Service Performance.
4. Capital Investments.
  - a. Bethesda, West Bethesda Branch, Maryland.
  - b. Fairfax, Virginia, Main Post Office.
5. Report on the Kentuckiana Performance Cluster.
6. Tentative Agenda for the August 6, and September 10-11, 2001, meetings in Washington, DC.

**CONTACT PERSON FOR MORE INFORMATION:** David G. Hunter, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, SW., Washington, DC. 20260-1000. Telephone (202) 268-4800.

**David G. Hunter,**  
Secretary.

[FR Doc. 01-16456 Filed 6-26-01; 2:06 pm]

BILLING CODE 7710-12-M

## RAILROAD RETIREMENT BOARD

### Agency Forms Submitted for OMB Review

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Railroad Retirement Board (RRB) has submitted the following proposal(s) for the collection of information to the Office of Management and Budget for review and approval.

#### Summary of Proposal(s)

(1) *Collection title:* Employer Reporting.

(2) *Form(s) submitted:* AA-12, G-88A.1, G-88A.2, Ba-6a.

(3) *OMB Number:* 3220-0005.

(4) *Expiration date of current OMB clearance:* 11/30/2003.

(5) *Type of request:* Revision of a currently approved collection.

(6) *Respondents:* Business or other for profit, individuals or households.

(7) *Estimated annual number of respondents:* 2,968.

(8) *Total annual responses:* 2,968.

(9) *Total annual reporting hours:* 474.

(10) *Collection description:* Under the Railroad Retirement Act and the Railroad Unemployment Insurance Act, railroad employers are required to report service and compensation for employees needed to determine eligibility to and amount of benefits paid.

#### Additional Information or Comments

Copies of the forms and supporting documents can be obtained from Chuck Mierzwa, the agency clearance officer (312-751-3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois, 60611-2092 and the OMB reviewer, Joe Lackey (202-395-7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, D.C. 20503.

**Chuck Mierzwa,**  
Clearance Officer.

[FR Doc. 01-16275 Filed 6-27-01; 8:45 am]

BILLING CODE 7905-01-M

## SECURITIES AND EXCHANGE COMMISSION

### Existing Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, D.C. 20549.

Extension:

Rule 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") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

Rule 17j-1 [17 CFR 270.17j-1] under the Investment Company Act of 1940 (15 U.S.C. 80a) (the "Investment Company Act"), which the Commission adopted in 1980<sup>1</sup> and amended in 1999,<sup>2</sup> implements section 17(j) of the Act, which makes it unlawful for persons affiliated with a registered investment company or with the investment company's investment adviser or principal underwriter (each, a "17j-1 organization"), in connection with the purchase or sale of securities held or to be acquired by the investment company, to engage in any fraudulent, deceptive, or manipulative act or practice in contravention of the Commission's rules and regulations. Section 17(j) also authorizes the Commission to promulgate rules requiring the rule 17j-1 organizations to adopt codes of ethics.

In order to implement section 17(j), rule 17j-1 imposes certain requirements on 17j-1 organizations and "Access Persons"<sup>3</sup> of those organizations. The rule prohibits fraudulent, deceptive or manipulative acts by persons affiliated with a rule 17j-1 organization in connection with their personal securities transactions in securities held or to be acquired by the fund. The rule requires each 17j-1 organization, unless it is a money market fund or a fund that

<sup>1</sup> 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)].

<sup>2</sup> Personal Investment Activities of Investment Company Personnel, Investment Company Act Release No. 23958 (Aug. 20, 1999) [64 FR 46821-01 (Aug. 27, 1999)].

<sup>3</sup> Rule 17j-1(a)(1) defines an "access person" as "any director, officer, general partner, or advisory person of a fund or of a fund's investment adviser" and as "any director, officer, or general partner of a principal underwriter who, in the ordinary course of business, makes, participates in or obtains information regarding, the purchase or sale of Covered Securities by the Fund for which the principal underwriter acts, or whose functions or duties in the ordinary course of business relate to the making of any recommendation to the Fund regarding the purchase or sale of Covered Securities."

does not invest in Covered Securities,<sup>4</sup> to: (i) Adopt a written code of ethics, (ii) submit the code and any material changes to the code, along with a certification that it has adopted procedures reasonably necessary to prevent Access Persons from violating the code of ethics, to the fund board for approval, (iii) use reasonable diligence and institute procedures reasonably necessary to prevent violations of the code, (iv) submit a written report to the fund describing any issues arising under the code and procedures and certifying that the 17j-1 entity has adopted procedures reasonably necessary to prevent Access Persons from violating the code, (v) identify Access Persons and notify them of their reporting obligations, and (vi) maintain and make available to the Commission for review certain records related to the code of ethics and transaction reporting by Access Persons.

The rule requires each Access Person of a fund (other than a money market fund or a fund that does not invest in Covered Securities) and of an investment adviser or principal underwriter of the fund, who is not subject to an exception,<sup>5</sup> to file: (i) Within ten days of becoming an Access Person, a dated initial holdings report that sets forth certain information with respect to the access person's securities and accounts, (ii) within ten days of the end of each calendar quarter, a dated quarterly transaction report providing certain information with respect to any securities transactions during the quarter and any account established by the Access Person in which any securities were held during the quarter, and (iii) dated annual holding reports providing information with respect to each covered security the Access Person beneficially owns and accounts in which securities are held for his or her benefit. In addition, rule 17j-1 requires investment personnel of a fund or its investment adviser, before acquiring beneficial ownership in securities through an initial public offering (IPO) or in a private placement, to obtain approval from the fund or the fund's investment adviser.

The requirements that the management of a rule 17j-1 organization

provide the fund's board with new and amended codes of ethics and an annual issues and certification report are intended to enhance board oversight of personal investment policies applicable to the fund and the personal investment activities of access persons. The requirements that Access Persons, who are not subject to an exception, provide initial holdings reports, quarterly transaction reports, and annual holdings reports and request approval for purchases of securities through IPOs and private placements are 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 Commission estimates that each year a total of 80,706 Access Persons and 17j-1 organizations are subject to the rule's reporting requirements.<sup>6</sup> Respondents provide approximately 113,896 responses each year. Each initial holdings report takes approximately forty-two minutes for each of the approximately 10,400 new Access Person each year to prepare. We estimate that each year Access Persons file approximately 30,000 quarterly transaction reports, each of which takes approximately twenty minutes to prepare. We estimate that each year approximately 75,000 Access Persons file annual holdings reports, each of which takes approximately forty-two minutes to prepare. We estimate that Access Persons file approximately 680 requests for preapproval of purchases of securities through initial public offerings and private placements, each of which takes approximately twenty-six minutes to prepare. In the aggregate, Access Persons spend approximately 70,000 hours per year complying with the reporting requirements under the rule.

We estimate that the industry spends approximately 37,000 hours notifying Access Persons of their reporting obligations and overseeing the reporting. We estimate that the industry

spends approximately 3,600 hours per year preparing the annual reports regarding issues under the code of ethics and accompanying certifications to fund boards. We estimate that the industry spends approximately 2,500 hours a year preparing new codes of ethics for presentation to fund boards and approximately 1,200 hours per year preparing amendments for presentation to fund boards. We estimate that the industry spends approximately 370 hours per year documenting its approval of requests to purchase securities through initial public offerings or private placements. We estimate that the industry spends approximately 146,500 hours each year maintaining rule 17j-1 records and 13,500 hours maintaining and upgrading their electronic reporting and recordkeeping systems related to rule 17j-1. In the aggregate, 17j-1 organizations spend approximately 204,300 hours per year complying with their reporting and recordkeeping requirements under the rule and ensuring that Access Persons fulfill their reporting obligations. The total annual burden of the rule's paperwork requirements is, therefore, estimated to be approximately 274,300 hours.<sup>7</sup>

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.

Written comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the Commission, including whether the information has practical utility; (b) the accuracy of the Commission's estimate of the burdens of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burdens of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

<sup>4</sup> A "Covered Security" is any security that falls within the definition in section 2(a)(36) of the Act, except for direct obligations of the U.S. Government, bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements, and shares issued by open-end funds. Rule 17j-1(a)(4).

<sup>5</sup> Rule 17j-1(d)(2) exempts Access Persons from reporting in five instances in which reporting would be duplicative or would not serve the purposes of the rule.

<sup>6</sup> 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 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.

<sup>7</sup> This estimate represents an increase from the approximately 156,700 burden hours estimated in connection with the Commission's last request for a PRA extension for rule 17j-1. The increase in burden hours is attributable to updated information about the number of affected respondents, and revised estimates of the component parts of the burden estimate in light of the industry's experience in implementing the recent amendments to the rule.

Please direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, Mail Stop 0-4, 450 5th Street, NW., Washington, DC 20549.

Dated: June 20, 2001.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-16254 Filed 6-27-01; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44462; File No. SR-CBOE-00-22]

### Self-Regulatory Organizations; Order Granting Approval of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to the Automatic Execution of Certain Orders on the Exchange's Electronic Limit Order Book

June 21, 2001.

On June 1, 2000, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange"), filed with the Securities and Exchange Commission ("Commission" or "SEC"), 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> a proposed rule change relating to the automatic execution of certain orders on the Exchange's electronic limit order book. Notice of the proposed rule change and Amendment Nos. 1 and 2 thereto were published for comment in the **Federal Register** on May 7, 2001.<sup>3</sup> No comments were received on the proposed rule change, as amended.

The Exchange proposes to amend its rules governing the operation of its Retail Automatic Execution System ("RAES") to provide for the automatic execution, under certain circumstances, of orders in the Exchange's electronic limit order book when they become marketable. The Exchange proposes to implement a system enhancement called "Autoquote Triggered EBook Execution" ("Trigger") to particular option classes, as determined by the appropriate Floor Procedure Committee. Trigger will allow orders resting in the book to be automatically executed where the bid or offer for a series of options generated by the Exchange's Autoquote system (or any Exchange-approved proprietary quote generation

system used in lieu of Autoquote) is equal to or crosses the Exchange's best bid or offer for that series as established by a booked order. Only series in which Autoquote (or any Exchange-approved quote generation system) is employed are eligible for Trigger.

Where Trigger has been activated, as Autoquote changes and the quote generated by Autoquote either touches or crosses an order in the book, the booked order(s) will be automatically executed up to the applicable RAES contract limit. The booked order then will be immediately taken out of the book and a last sale will be disseminated. A ticket will be printed on the book printer notifying the book clerk that a trade has been executed and an endorsement is required. After the book clerk verifies with the Designated Primary Market-Maker ("DPM") that the trade is valid based on movements in the underlying security, the trade will be endorsed by the book clerk.<sup>4</sup> In most instances, it will be endorsed to the RAES "wheel" up to the applicable RAES contract limit. However, the Trigger system will have the functionality to allow the trade to be endorsed manually (as is done today) when appropriate.

If the number of contracts in the book is greater than the applicable RAES contract limit, the trading crowd will manually execute the remainder. In the limited circumstance where contracts remain in the book after a Trigger execution and a disseminated quote remains locked or crossed, orders in RAES for options of that series will be "kicked-out" of RAES, and immediately and automatically routed to the crowd Public Automated Routing ("PAR") terminal (absent contrary instructions of the firm), where they will be represented by the broker and, if executable, will ordinarily be executed immediately. Because these orders remain RAES eligible, they will be entitled to receive firm quote treatment when represented in the crowd.

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.<sup>5</sup> In particular, the Commission believes that the proposal is consistent with Section 6(b)(5) of the

Act,<sup>6</sup> which requires, among other things, that the rules of an exchange be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market, and to protect investors and the public interest. The proposed rule change should help provide faster execution of customer orders, while reducing the burden on the Exchange's DPMs with respect to manual execution of booked orders, limiting the number of book trade-throughs, and eliminating a large number of RAES kick-outs.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>7</sup> that the proposed rule change (File No. SR-CBOE-00-22) be, and it hereby is, approved.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-16206 Filed 6-27-01; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44458; File No. SR-MSRB-2001-03]

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Municipal Securities Rulemaking Board Relating to the Establishment of an Optional Procedure for Electronic Submissions of Required Materials Under Rule G-36, on Delivery of Official Statements, Advance Refunding Documents and Forms G-36(OS) and G-36(ARD) to the MSRB

June 20, 2001.

Pursuant to section 19(b) of the Securities Exchange Act of 1934 ("Act") and Rule 19b-4 thereunder,<sup>1</sup> notice is hereby given that on June 7, 2001, the Municipal Securities Rulemaking Board ("MSRB" or "Board") filed with the Securities and Exchange Commission ("SEC" or "Commission") a proposed rule change (File No. SR-MSRB-2001-03) ("proposed rule change") described in Items I, II, and III below, which Items have been prepared by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> 15 U.S.C. 78s(b)(2).

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

<sup>1</sup> 15 U.S.C. 78s(b)(1) and 17 CFR 240.19b-4.

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

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

<sup>3</sup> See Securities Exchange Act Release No. 44236 (April 30, 2001), 66 FR 23055 (May 7, 2001).

<sup>4</sup> If the DPM determines that the trade is not valid, e.g., if the trade was based on an erroneous print in the underlying security, the order will be re-booked and the last sale canceled.

<sup>5</sup> In approving this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78(c)(f).