

registration, the Commission will consider ISCC's request to obtain permanent registration under the Act.

Interested persons are invited to submit written data, views, and arguments concerning the foregoing application. Such written data, views, and arguments will be considered by the Commission in granting registration or instituting proceedings to determine whether registration should be denied in accordance with Section 19(a)(1) of the Act.⁹ Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the application and all written comments will be available for inspection and copying at the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC 20549. All submissions should refer to the File No. 600-20 and should be submitted by July 7, 1997.

It is therefore ordered, pursuant to Section 19(a) of the Act, that ISCC's registration as a clearing agency (File No. 600-20) be and hereby is temporarily approved through February 28, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 97-14763 Filed 6-5-97; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-38702; File No. SR-CBOE-97-22]

Self-Regulatory Organizations; Chicago Board Options Exchange, Inc.; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change Relating to Enhancements to the Electronic Order Routing System

May 30, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on May 15, 1997, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I and II below, which Items have been prepared by the CBOE. The Commission

is publishing this notice and order to solicit comments on the proposed rule change from interested persons and to grant accelerated approval of the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The CBOE is seeking permanent approval of a pilot program involving certain enhancements to the Exchange's electronic order routing system ("ORS").²

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 CBOE 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 III below. The CBOE 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

CBOE is seeking permanent approval of a pilot program concerning certain enhancements to ORS. On February 10, 1997, the Commission approved the pilot program until May 30, 1997 to allow CBOE the opportunity to evaluate the changes and determine whether to implement them on a permanent basis.³ After over two months of evaluating the enhancements under the pilot program, the Exchange has determined to seek permanent approval of the changes.

The Exchange distributed a regulatory circular to its members describing the proposed changes, including certain enhancements to ORS, and certain limitations that continue to apply to the use of ORS.⁴ Specifically, during the pilot program the enhancements have allowed the electronic routing and processing of contingency and discretionary orders, the recognition by ORS of firm and broker-dealer orders, the routing of firm and broker-dealer orders to the Public Automated Routing System workstations in the Standard &

Poor's 100 Index ("OEX") crowd, and the execution of certain contingency orders on the Exchange's Retail Automatic Execution System, as further explained below.

There are four possible destinations for an ORS order: (1) the Retail Automatic Execution System ("RAES"), (2) the Electronic Book ("EBOOK"), (3) the Public Automated Routing System ("PAR") and Floor Broker Routing, and (4) a firm's booth. Before instituting the pilot program, the Exchange completed systems enhancements to ORS, resulting in electronic routing and processing of contingency and discretionary orders and the acceptance of firm and broker-dealer orders as valid origin types. Specifically, the enhancements have allowed for the routing of the following types of contingency and discretionary orders: All or None orders (AON), Immediate or Cancel orders (IOC), Fill or Kill orders (FOK), Minimum Quantity orders (MIN), Stop orders (STP), Stop Loss orders (STP LOSS), Opening Only orders (OPG), Market on Close Orders (MOC), Closing Only orders (CLO), Market if Touched orders (MIT), Not held orders (NH), and With Discretion orders. Due to system and administrative limitations, ORS has continued to be unavailable for stop limit orders as well as spreads, straddles, combos, and other multi-part orders.

The Exchange notes that there have been a number of practical results from these systems enhancements for customers, for brokers, and for the Exchange. As a result of these changes, customer orders that are otherwise RAES eligible market and marketable limit orders tagged with AON, IOC, FOK, or MIN have been executed on RAES. For MIN orders, the total order quantity must be within the RAES volume. The Exchange believes the system enhancements have also had the effect of improving the efficiency of reporting and the accuracy of audit trails for firm and broker-dealer orders because these orders now have an ORS-id. In addition, the Exchange has enabled the system to actually route firm and broker-dealer orders electronically to the PAR workstations in OEX. In order to determine the affect of the routing of firm and broker-dealer orders, the Exchange has determined to allow the routing of such orders to PAR stations at the OEX trading stations. The Exchange believes that there is a possibility that the routing of broker-dealer and firm orders to the PAR stations could in busy times slow the processing of orders of public customers. The continued restriction of the system to route broker-dealer and

⁹ 15 U.S.C. 78s(a)(1).

¹⁰ 17 CFR 200.30-3(a)(16).

¹ 15 U.S.C. § 78s(b)(1).

² The text of the proposed rule change is available for review at the Office of the Secretary, CBOE and in the Public Reference Room at the Commission.

³ See Securities Exchange Act Release No 38261 (February 10, 1997), 62 FR 7080 (February 14, 1997).

⁴ Notice of the effectiveness of the pilot program was presented to the CBOE membership in Regulatory Circular RG97-18 (February 7, 1997).

firm orders to the PAR stations (other than in OEX) reflects the Exchange's desire to ensure the quickest access to its systems to the orders of public customers. The Exchange intends to study further whether it should enable the system to route such orders to equity and Standard and Poor's 500 Index ("SPX") crowds at some future date.

During the pilot program, the Exchange found that the system enhancements provided for more efficient processing of trades because they allow for electronic fill and cancel reporting to the originating customer destination. In addition, the fill reports automatically generate an electronic trade match entry. The system enhancements also have provided parameter controls so that different order types can be selectively crowd routed at the member firm's option. The flexibility also allows the firms to change the routing depending upon the market circumstances.

Because the system enhancements to the Exchange's ORS have allowed the electronic processing and routing of a greater number of order types and because the enhancements have provided greater flexibility for member firms in the routing of their orders, the Exchange believes the proposed rule change seeking permanent approval of the ORS system enhancements is consistent with and furthers the objectives of Section 6(b)(5) of the Act.⁵ Specifically, the Exchange believes permanent approval of the enhancements would foster cooperation and coordination with persons engaged in regulating, clearing, settling, and processing information with respect to, and facilitating transactions in securities, and would remove impediments to and perfect the mechanism of a free and open market in a manner consistent with the protection of investors and the public interest.

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

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

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

Comments were neither solicited nor received.

III. 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. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the CBOE. All submissions should refer to File No. SR-CBOE-97-22 and should be submitted by June 27, 1997.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The CBOE requests that the Commission approve the proposal on an accelerated basis pursuant to Section 19(b)(2) of the Act.⁶ The CBOE states that the enhancements made to the order routing system have been operating on a pilot basis since February 4, 1997. The Exchange believes that the system enhancements to the ORS have been operating efficiently, and that it will further the protection of investors and the public interest to approve the pilot program on a permanent basis. The Exchange further notes that the proposed enhancements to ORS have already been subject to the full 21-day comment period pursuant to the February 10, 1997 notice.⁷ Finally, the Exchange believes that the proposal does not present any novel or unique regulatory issues, and accordingly should be approved on an accelerated basis to ensure the uninterrupted continuation of the system changes made pursuant to the pilot program.

The Commission finds CBOE's proposed rule change consistent with the Act and the rules and regulations promulgated thereunder. Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5),⁸ in that it is designed, among other things, to promote just and equitable principles of trade, to foster cooperation and coordination with

persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market.⁹

As a general matter, the Commission encourages the exchanges to pursue enhancements to their electronic order routing systems that will result in efficient routing, execution, and processing of eligible orders, and at the same time maintain a fair and orderly market. The Commission believes that the enhancements to CBOE's ORS set forth herein, provide a reasonable response to this goal.

The Commission believes that the enhancements to ORS should help to benefit investors by providing an efficient means to promptly execute contingency orders that are otherwise RAES-eligible public customer orders. The Commission also believes it is reasonable that the enhancements allow for the recognition of firm and broker-dealer orders for electronic routing, execution, and processing.¹⁰ The Commission notes that the Exchange has limited the access to the PAR workstations of broker-dealer and firm orders via the Exchange's ORS to OEX orders only. If the Exchange wishes to make PAR workstations in other trading crowds available to firm and broker-dealer orders entered through the Exchange's ORS, it may require a proposed rule change pursuant to Section 19(b) of the Act. The Commission believes that the Exchange should notify the Commission's Division of Market Regulation to determine if a 19(b) rule filing is necessary.

The Commission notes that the purpose of the pilot program was to demonstrate that the enhancements accomplished the intended purpose and did not impose unnecessary burdens on market participants. The Exchange represents that it has evaluated the enhancements for over a two month period and has not identified any problems with its operations, nor has the Exchange notified the Commission of any problems. Based on the representations of CBOE, the Commission believes that it is reasonable to permanently approve the Exchange's proposed enhancements to its order routing system, because there is no benefit to investors or the public

⁹ In approving this rule, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. § 78c(f).

¹⁰ The Commission notes that firm and broker-dealer orders are not, in any form, eligible for executions through RAES.

⁵ 15 U.S.C. § 78f(b)(5).

⁶ 15 U.S.C. § 78s(b)(2).

⁷ See *supra* note 3.

⁸ 15 U.S.C. § 78f(b)(5).

interest to continue the operation of the system enhancements on a pilot basis.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. The Commission believes it is appropriate to approve the proposed rule change on an accelerated basis so that the Exchange can continue to provide, on an uninterrupted basis, the enhancements to ORS described herein. The Exchange filed a proposed rule change seeking comment on the pilot program and no adverse comments were received.¹¹ The Commission again notes that the Exchange has evaluated the enhancements during the pilot and has not identified any problems with its operation, nor has the Exchange notified the Commission of any problems. For these reasons, the Commission believes that proposed rule change is appropriate and consistent with Sections 19(b)(2) and 6(b)(5) of the Act, and therefore, is approving the proposed rule change on an accelerated basis.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹² that the proposed rule change (Filed No. SR-CBOE-97-22) be, and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹³

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-14764 Filed 6-5-97; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Reports, Forms and Recordkeeping Requirements, Agency Information Collection Activity Under OMB Review

AGENCY: Office of the Secretary, DOT.

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this notice announces that the Information Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICR describes the nature of the information collection and its expected burden. The **Federal Register** Notice with a 60-day comment period soliciting comments on the following collection of

information was published on September 23, 1996 FR 61 (49809).

DATES: Comments must be submitted on or before July 7, 1997.

FOR FURTHER INFORMATION CONTACT: Edward Kosek, NHTSA Information Collection Clearance Officer at (202) 366-2589.

SUPPLEMENTARY INFORMATION:

National Highway Traffic Safety Administration

Title: Evaluation Study of Odometer Tampering in Passenger Cars.

OMB No.: New.

Type of Request: Request for comment on a new proposed collection of information.

Affected Public: Dealers and distributors of motor vehicles: State motor vehicle departments.

Abstract: NHTSA is initiating a comprehensive study of odometer fraud in accordance with Congressional directive (House Report 103-190 of July 27, 1993). The study will consist of three primary components. The first component will be the development of first-time national estimates of the incidence rate of odometer fraud and the costs associated with odometer fraud. The second component of the study will be an evaluation of the efforts of the states to combat odometer fraud. This will include an assessment of state compliance with 49 CFR Part 580, "Odometer Disclosure Requirements," which implemented the Truth in Mileage Act (Public Law 99-579). A review and assessment of other efforts undertaken at the state level to counter odometer tampering will also be made. The third component of the odometer fraud evaluation will be an assessment of the various Federal efforts carried out over the last several years to combat odometer and the effects of those efforts. Primarily, this will be a review of NHTSA's investigatory and related odometer enforcement activities. The results of the three-part evaluation study will provide a basis for developing recommendations for the future direction of odometer fraud programs at the Federal and State levels.

Need: The results of this evaluation will provide a basis for developing recommendations for the future direction of odometer fraud programs at the Federal and State levels.

Estimated Annual Burden: 4,168 hours.

ADDRESSES: Send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725-17th Street, NW., Washington, DC 20503, Attention DOT Desk Officer.

Comments are invited on: whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Issued in Washington, DC, on May 29, 1997.

Phillip A. Leach,

Clearance Officer, United States Department of Transportation.

[FR Doc. 97-14861 Filed 6-5-97; 8:45 am]

BILLING CODE 4910-62-P

DEPARTMENT OF TRANSPORTATION

Aviation Proceedings, Agreements Filed During the Week of May 30, 1997

The following Agreements were filed with the Department of Transportation under the provisions of 49 U.S.C. 412 and 414. Answers may be filed within 21 days of date of filing.

Docket Number: OST-97-573

Date Filed: May 30, 1997

Parties: Members of the International Air Transport Association

Subject:

CSC/Reso/001—Part 1 dated April 18, 1997

Finally Adopted Resolutions r1-24 Minutes—CSC/Minutes/002 dated April 25, 1997

Intended effective date: on entry into force of MAP4

Docket Number: OST-97-2574

Date Filed: May 30, 1997

Parties: Members of the International Air Transport Association

Subject:

CSC/Reso/001—Part 2

Finally Adopted Resolutions r-17 (Attached is a description of the agreement. Minutes, contained in CSC/Minutes/002, are filed this date with Part 1 of the agreement.)

Intended effective date: October 1, 1997

r-1—023 r-3—602 r-5—621
r-2—600a r-4—619 r-6—681
r-7—695

Paulette V. Twine,

Chief, Documentary Services.

[FR Doc. 97-14863 Filed 6-5-97; 8:45 am]

BILLING CODE 4910-62-P

¹¹ See *supra* note 3.

¹² 15 U.S.C. § 78s(b)(2).

¹³ 17 CFR 200.30-3 (a)(12).