

techniques, when appropriate, and other forms of information technology. Comments on this form should be addressed to Victoria Becker Wassmer, Desk Officer, Office of Management and Budget, NEOB, Washington, DC 20503.

Information Collection Abstract

Title: RPCV Country Survey.

Need for and use of the Information: World Wise Schools needs this information to accurately describe other countries and its educational materials. The information collected assists WWS and the agency in fulfilling the third goal of Peace Corps as required by Congressional legislation and to enhance the Office of World Wise Schools global education program.

Respondents: Returned Peace Corps Volunteers (RPCVs).

Respondents obligation to reply: Voluntary.

Burden on the Public:

- a. Annual reporting burden: 75 hrs
- b. Annual record keeping burden: 0 hrs
- c. Estimated average burden per response: 15 min
- d. Frequency of response: on occasion
- c. Estimated number of likely respondents: 300
- f. Estimated cost to respondents: \$3.03

This notice is issued in Washington, DC, on June 6, 1997.

Stanley D. Suyat,

Associate Director for Management.

[FR Doc. 97-15219 Filed 6-10-97; 8:45 am]

BILLING CODE 6051-01-M

PEACE CORPS

Information Collection Requests Under OMB Review

ACTION: Notice of public use form review request to the Office of Management and Budget.

SUMMARY: Pursuant to the Paperwork Reduction Act of 1981 (44 USC, Chapter 35), the Peace Corps is requesting approval from the Office of Management and Budget for the continued use of the Teacher Brochure/Enrollment Form to be used by the World Wise Schools program. A copy of the information collection may be obtained from Alyce P. Hill, Office of World Wise Schools, Peace Corps, 1990 K St., NW, Washington DC 20525. Ms. Hill may be called at (202) 606-3294. The purpose of this notice is to allow an additional 30 days for public comments. This process is conducted in accordance with 5 CFR Part 1320.10; the initial notice was published in the **Federal Register** on April 16, 1997 (pp. 18659), during which time no comments were received

by the agency. Peace Corps invites comments on whether the proposed collection of information is necessary for proper performance of the functions of the Peace Corps, including whether the information will have practical use; the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; 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 those who are to respond, including through the use of automated collection techniques, when appropriate, and other forms of information technology. Comments on this form should be addressed to Victoria Becker Wassmer, Desk Officer, Office of Management and Budget, NEOB, Washington, DC 20503.

Information Collection Abstract

Title: Teacher Brochure/Enrollment Form.

Need for and use of the Information: This form is completed voluntarily by educators throughout the country. This information will be used by WWS to enroll classrooms in the program and to determine what changes need to be addressed to meet the needs of participating teachers and the Peace Corps Volunteers. Enrollment in this program also fulfills the third goal of Peace Corps as required by Congressional legislation and to enhance the Office of World Wise Schools global education program.

Respondents: Educators throughout the public and private school systems in the United States.

Respondents obligation to reply: Voluntary.

Burden on the Public:

- a. Annual reporting burden: 833 hrs
- b. Annual record keeping burden: 0 hrs
- c. Estimated average burden per response: 10 min
- d. Frequency of response: on occasion & annually
- e. Estimated number of likely respondents: 5,000
- f. Estimated cost of respondents: \$2.02

This notice is issued in Washington, DC, on June 6, 1997.

Stanley D. Suyat,

Associate Director for Management.

[FR Doc. 97-15220 Filed 6-10-97; 8:45 am]

BILLING CODE 6051-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-38715; File No. SR-NASD-97-37]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by National Association of Securities Dealers, Inc. in Providing an Interpretation to NASD Conduct Rule 2110 Regarding Anti-Intimidation/Coordination Activities of Member Firms and Persons Associated With Member Firms

June 4, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on May 7, 1997, the National Association of Securities Dealers, Inc. ("NASD" or "Association;") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by NASD Regulation, Inc. 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 NASD is proposing IM-2110-5 to prohibit certain anti-competitive and coordination conduct of member broker/dealers and persons associated with member broker/dealers. Below is the text of the proposed rule change. Proposed new language is in italics.

IM-2110-5. Anti-Intimidation/Coordination

The Board of Governors is issuing this interpretation to codify a longstanding policy. It is conduct inconsistent with just and equitable principles of trade for any member or person associated with a member to coordinate the prices (including quotations), trades, or trade reports of such member with any other member or person associated with a member; to direct or request another member to alter a price (including a quotation); or to engage, directly or indirectly, in any conduct that threatens, harasses, coerces, intimidates, or otherwise attempts improperly to influence another member or person associated with a member. This includes, but is not limited to, any attempt to influence another member or person associated with a member to adjust or maintain a price or quotation, whether displayed on any automated system operated by The Nasdaq Stock

¹ 15 U.S.C. § 78s(b)(1)(1988).

Market, Inc. (Nasdaq), or otherwise, or refusals to trade or other conduct that retaliates against or discourages the competitive activities of another market maker or market participant. Nothing in this interpretation respecting coordination of quotes, trades, or trade reports shall be deemed to limit, constrain, or otherwise inhibit the freedom of a member or person associated with a member to:

(1) Set unilaterally its own bid and ask in any Nasdaq security, the prices at which it is willing to buy or sell any Nasdaq security, and the quantity of shares of any Nasdaq security that it is willing to buy or sell;

(2) Set unilaterally its own dealer spread, quote increment, or quantity of shares for its quotations (or set any relationship between or among its dealer spread, inside spread, or the size of any quote increment) in any Nasdaq security;

(3) Communicate its own bid or ask, or the prices at or the quantity of shares in which it is willing to buy or sell any Nasdaq security to any person, for the purpose of exploring the possibility of a purchase or sale of that security, and to negotiate for or agree to such purchase or sale;

(4) Communicate its own bid or ask, or the price at or the quantity of shares in which it is willing to buy or sell any Nasdaq security, to any person for the purpose of retaining such person as an agent or subagent for the member or for a customer of the member (or for the purpose of seeking to be retained as an agent or subagent), and to negotiate for or agree to such purchase or sale;

(5) Engage in any underwriting (or any syndicate for the underwriting) of securities to the extent permitted by the federal securities laws;

(6) Take any unilateral action or make any unilateral decision regarding the market makers with which it will trade and the terms on which it will trade unless such action is prohibited by the second and third sentences of this Interpretation; and

(7) Deliver an order to another member for handling, provided, however, that the conducted described in (1) through (7) is otherwise in compliance with all applicable law.

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 NASD 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 IV below. The NASD 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

On August 8, 1996, the SEC issued an Order pursuant to Section 19(h)(1) of the Act ("SEC Order"), making certain findings about the NASD and conduct on the Nasdaq Market, and imposing remedial sanctions.² Among other findings, the SEC determined that certain activities of Nasdaq market makers had directly and indirectly impeded price competition in the Nasdaq market. In addition, the SEC determined that a number of Nasdaq market makers had coordinated quotations, trades and trade reports with other Nasdaq market makers for the purpose of advancing or protecting the market maker's proprietary trading interests. Based on the SEC's specific findings of certain anti-competitive behavior of Nasdaq market makers in the Nasdaq Stock Market, the NASD agreed to certain undertakings. In particular, Undertaking 11 requires the NASD "[t]o propose a rule or rule interpretation for Commission approval which expressly makes unlawful the coordination by or among market makers of their quotes, trades and trade reports, and which prohibits retribution or retaliatory conduct for competitive actions of another market maker or other market participant." Undertaking 12 requires the NASD "[t]o enforce Article III, Section 1 of the NASD Rules of Fair Practice (currently NASD Conduct Rule 2110), with a view to enhancing market maker competitiveness by: (a) Acting to eliminate anti-competitive or unlawful enforced or maintained industry pricing conventions, and to discipline market makers who harass other market makers for narrowing the displayed quotations in the Nasdaq market, trading not more than the quantities of securities they are required to trade under the NASD's rules, or otherwise engaging in competitive conduct; (b) acting to eliminate coordination between or among market makers or quotes, trades and trade reports; and (c) acting to eliminate concerted discrimination and

concerted refusals to deal by market makers."

To comply with NASD Undertaking 11, the NASD has prepared the following rule interpretation of NASD Conduct Rule 2110 (formerly Article III, Section 1 of the NASD's Rules of Fair Practice). The NASD believes that the conduct described in Undertaking 11 already is proscribed by existing NASD Rule 2110, which requires members to observe high standards of commercial honor and just and equitable principles of trade. The conduct described in the interpretation is fundamentally inconsistent with the obligations of member firms to their customers and is inimical to the public interest in fair and efficient securities markets. Although such conduct already is prohibited, this interpretation is designed to address specifically certain of the findings contained in the SEC Order and to emphasize the importance placed by the NASD on the enforcement of the prohibition.

This rule interpretation defines as conduct inconsistent with just and equitable principles of trade certain conduct by and among members firms, and sets forth specific exclusions (numbered 1 through 7) which identify bona fide commercial activities by and among member firms. The interpretation identifies three general areas of conduct that are prohibited. The first part of the interpretation prohibits coordinating activities by member firms involving quotations, prices, trades and trade reporting. Conduct covered by this prohibition would include, but not be limited to agreements to report trades late or inaccurately, or to agree to maintain certain minimum spreads or quote sizes above the legal minimums.

The second part of the interpretation prohibits "directing or requesting" another member to alter prices or quotations. This would include situations in which a market maker requests another market maker to move or adjust its displayed quotations to accommodate the requesting market maker. This prohibition does not extend to activity, identified in exclusion number 7, that permits a member to route customer orders to market makers for handling or a correspondent firm of the member to ask a market maker to represent an order in the market maker's quote.

The third part of the interpretation relates to conduct that threatens, harasses, coerces, intimidates or otherwise attempts improperly to influence another member in a manner that interferes with or impedes the forces of competition among member firms in the Nasdaq Stock Market. This

² See Securities Exchange Act Release No. 37538 (August 8, 1996), SEC's Order Instituting Public Proceedings Pursuant to Section 19(h)(1) of the Securities Exchange Act of 1934, Making Findings and Imposing Remedial Sanctions.

part of the prohibition is intended to reach conduct that goes beyond legitimate bargaining among member firms. This conduct may include, among other things, refusals to trade, improper systems messages, trading in odd lots, and other conduct intended to influence a member to engage in improper market activity or refrain from legitimate market activity. However, as identified in exclusion number 6, this language would not prohibit a member from taking unilateral action in selecting with whom to trade and under what terms, based on legitimate market and commercial criteria (e.g., credit exposure).

In addition, this interpretation does not prohibit a market maker from contracting another market maker in a locked or crossed market situation to attempt to unlock or uncross the market. Moreover, the overall prohibition applies to primary market as well as secondary trading activities.

2. Statutory Basis

The NASD believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act³ in that regulating the conduct of member broker/dealers and persons associated with member broker/dealers by prohibiting anti-competitive conduct is in furtherance of the requirements that the Association's rules to promote just and equitable principles of trade, prevent fraudulent and manipulative acts and practices, and to protect investors and the public interest.

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

The NASD does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

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

Written comments were neither solicited nor received.

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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory

organization consents,⁴ the Commission will:

A. By order approve such proposed rule change, or

B. Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. 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 in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by July 2, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁵

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-15170 Filed 6-10-97; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-38720; File No. SR-NASD-97-26]

Self-Regulatory Organizations; Notice of Extension of the Comment Period for the Proposed Rule Change by the National Association of Securities Dealers, Inc., Relating to an Expansion of the Pilot for the NASD's Rule Permitting Market Makers To Display Their Actual Quotation Size

June 5, 1997.

On April 11, 1997, the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed with the Securities and Exchange Commission ("Commission" or "SEC") a proposed change to NASD Rule 4613(a)(1)(C). The proposal would allow market makers to quote their actual size by reducing the minimum quotation size requirement for market makers in certain securities listed on The Nasdaq Stock Market ("Nasdaq") to one normal unit of trading ("Actual Size Rule"). The Actual Size Rule presently applies to a group of fifty Nasdaq securities on a pilot basis.¹ The NASD has proposed to extend this pilot program to December 1997 and to add an additional 100 stocks to the pilot program. The Commission has already received comments from many individual investors and other market participants on the ongoing pilot.

On June 3, 1997, the NASD filed with the Commission a revised report containing its economic analysis of the operation of the Actual Size Rule for the group of 50 stocks in the pilot, as requested by the Commission.² The study examines the effects of the removal of the 1,000-Share Quote Size Rule on market quality.

The NASD's study compares the market quality of pilot stocks with the market quality of peer stocks in the next tranche of stocks that became subject to the Order Handling Rules, but remained subject to the 1,000-Share Quote Size Rule. The study: (1) Summarizes the relevant academic literature; (2) empirically assesses market quality for both groups pre- and post-rule change by examining spread, volatility, depth,

¹ The approval of the pilot program was announced in Securities Exchange Act Release No. 38156 (January 10, 1997), 62 FR 2415 (January 16, 1997). The approval of the extension was announced in Securities Exchange Act Release No. 38156 (April 15, 1997), 62 FR 19373 (April 21, 1997).

² A copy of the executive summary of the report is available at Nasdaq's World Wide Web site at "http://www.nasdaq.com". Members of the public may also download a file containing the entire report at this site.

³ 15 U.S.C. § 78o-3.

⁴ The NASD has requested that the Commission find good cause pursuant to Section 19(b)(2) for approving the proposed rule change prior to the 30th day after its publication in the **Federal Register**. The NASD believes that the conduct described in the proposed rule change is already proscribed by existing NASD Rule 2110.

⁵ 17 CFR 200.30-3(a)(12) (1996).