

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

### Rural Business—Cooperative Service

### Rural Utilities Service

### Farm Service Agency

### 7 CFR Part 1944

RIN 0575-AB93

### Processing Requests for Section 515 Rural Rental Housing (RRH) Loans, Exhibit A-8; Reopening of Comment Period

**AGENCIES:** Rural Housing Service, Rural Business—Cooperative Service, Rural Utilities Service, and Farm Service Agency, USDA.

**ACTION:** Reopening of comment period on proposed rule.

**SUMMARY:** The Rural Housing Service (RHS) is reopening the comment period for proposed revisions to Exhibit A-8, Outline of A Professional Market Study, of the Section 515 RRH loans regulation. The proposed revisions were published in the **Federal Register** on January 17, 1996 (61 FR 1153).

**DATES:** Written comments must be received on or before August 7, 1997.

**ADDRESSES:** Written comments may be submitted, *in duplicate*, to the Chief, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, Stop 0743, 1400 Independence Avenue SW, Washington, D.C. 20250. Comments may be submitted via the Internet by addressing them to "comments@rus.usda.gov" and must contain the word "market" in the subject. All written comments will be available for public inspection at the above address during normal working hours.

**FOR FURTHER INFORMATION CONTACT:** Linda Armour, Senior Loan Specialist, Multi-Family Housing Processing Division, RHS, U.S. Department of Agriculture, Room 5349—South

Building, Stop 0781, Washington, D.C. 20250, telephone (202) 720-1608.

### SUPPLEMENTARY INFORMATION:

#### Background

On January 17, 1996, the Rural Housing Service published a proposed rule in the **Federal Register** (61 FR 1153), which included proposed changes to Exhibit A-8, Outline of a Professional Market Study, of 7 CFR part 1944, subpart E. The final rule, which was subsequently published in the **Federal Register** on May 7, 1997 (62 FR 25071) did not include any of the proposed revisions to Exhibit A-8 for the reasons discussed later in this document. The final rule advised that the comment period would be reopened in a separate rulemaking document for the proposed revisions to Exhibit A-8 only.

The proposed rule invited comments on the merits of changing the manner of calculating market demand in Exhibit A-8, Outline of a Professional Market Study. The current method of determining the number of units needed is based on an estimate of the change in income-eligible renter households since the last census (projected for 2 years from the date of the study), plus 20 percent of renter households living in substandard housing and 20 percent of rent-overburdened households, minus units being developed or in the planning stages. The method presented in the proposed rule estimates the total current number of income-eligible households, minus the current stock of available comparable rental units and units being developed or planned. Only 2 commentors addressed this proposed change; one supported the change, the other opposed it.

Since only 2 comments were received and because the opinions were divided, we feel this issue merits further consideration. We believe there are benefits to both of the methods discussed above. In addition, a third important indicator of demand is found by analyzing existing rental stock based on the number of single-family, mobile home, and multi-family rentals, a survey of existing multi-family rentals with their rent structure, current vacancy rates by unit size, length of rent-up, and the extent of waiting and inquiry lists. Therefore, we are considering an option whereby estimates of demand would be provided using all three methods; the

recommended number of units would be based on the smaller number unless justification for a higher number could be demonstrated. We are inviting comments from all interested parties on these proposed changes.

Dated: June 30, 1997.

**Ronnie O. Tharrington,**

*Acting Administrator, Rural Housing Service.*  
[FR Doc. 97-17688 Filed 7-7-97; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR PARTS 232, 240, and 249

[Release Nos. 34-38800; IC-22731. File No. S7-18-97]

RIN 3235-AG97

### Rulemaking for EDGAR System

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Proposed rules.

**SUMMARY:** The Securities and Exchange Commission ("Commission") is proposing to require electronic filing of Form 13F by institutional investment managers via the Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system. The proposal would require filings of Form 13F to be made by either direct transmission, magnetic tape, or diskette. Under this proposal, these reports would be filed electronically and have the same degree of availability to the public as other Commission electronic filings.

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

**ADDRESSES:** Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Comments also may be submitted electronically at the following E-mail address: rule-comments@sec.gov. All comment letters should refer to File No. S7-18-97; this file number should be included in the subject line if E-mail is used. Comment letters will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Electronically submitted comment letters will also be posted on the Commission's Internet Web Site (<http://www.sec.gov>).

**FOR FURTHER INFORMATION CONTACT:** Anthony A. Vertuno, Senior Special Counsel, or Ruth Armfield Sanders, Senior Counsel, Division of Investment Management, at (202) 942-0591 or (202) 942-0633.

**SUPPLEMENTARY INFORMATION:** The Commission requests public comment on a proposal to require mandatory electronic filing of Form 13F<sup>1</sup> by institutional investment managers in accordance with the Commission's rules implementing the EDGAR system.<sup>2</sup> The changes, if adopted, will affect Regulation S-T; rules 13f-1 and 13f-2<sup>3</sup> under the Securities Exchange Act of 1934 ("Exchange Act");<sup>4</sup> and Forms 13F and 13F-E<sup>5</sup> under the Exchange Act.

## I. Background and Proposed Amendments

In February 1993, the Commission adopted Regulation S-T, governing mandatory electronic filing, and a number of amendments to its rules, schedules and forms, to implement the EDGAR system and require registrants whose filings are processed by the Division of Corporation Finance and the Division of Investment Management to make most of their submissions electronically. A graduated phase-in process to mandatory electronic filing began on April 26, 1993, and ended on May 6, 1996, when all filers not previously phased in became subject to mandatory electronic filing.

The Commission has gained substantial experience with the EDGAR system and its implementing regulations since the first mandated filings were made in April 1993 and has determined that it should proceed with mandatory electronic filing of Form 13F. The public interest in having these reports, along with other filings, available electronically has increased, and the Commission believes these reports should have the same degree of

availability as other Commission filings. The specific proposal is set forth below.

### A. General

Form 13F reports are filed by institutional investment managers to report certain equity securities holdings of their managed accounts.<sup>6</sup> During phase-in to mandatory electronic filing, filers have not been required to file Form 13F reports electronically. Currently, Form 13F reports can be filed electronically on Form 13F-E, the electronic version of Form 13F, on a voluntary basis.<sup>7</sup> Now that filer phase-in has been completed, the Commission proposes to make electronic filing of Form 13F mandatory.

Unlike other EDGAR submissions, which can be prepared and filed as "free text" documents, Form 13F-E must be prepared as a structured file with a position-sensitive layout of data records.<sup>8</sup> To help ensure that filers used the specified structure, the Commission requires Form 13F-E to be submitted by magnetic tape. Form 13F-E reports consist of large numbers of similar data records, and magnetic tape filings provide an efficient means of standardizing the filing format and facilitating automated and accurate transfer and tabulation of the reported data.<sup>9</sup> However, only about five percent of the approximately 1800 filers of Form 13F choose to file the form electronically on Form 13F-E.

The standardized format is also used by EDGAR, which performs some pre-

dissemination processing of the filings. Successful pre-dissemination processing<sup>10</sup> depends directly on the filer's compliance with the format requirements for the form.

Electronic filing of reports on Form 13F-E is optional under the current EDGAR filing rules because many filers do not have the ability to produce magnetic tape filings. However, the Commission is aware of increasing demand for the electronic availability of reports on Form 13F.<sup>11</sup> For example, the Commission believes that shareholders may find the information contained in Form 13F filings useful in tracking institutional investor holdings in their investments and that issuers, too, may find detail as to institutional investor holdings useful, since much of their shareholder list may reflect holdings in "street name," rather than beneficial ownership. Mandatory electronic dissemination of this data would help insure timely and efficient dissemination of this important information. The Commission believes that these reports should have the same degree of availability as other Commission filings. Therefore, the Commission is now proposing to make the electronic filing of Form 13F reports mandatory and to provide for the filing of these reports by direct transmission and diskette as well as by magnetic tape. The Commission does not propose to apply the detailed formatting requirements of Form 13F-E to the mandatory electronic submission of Form 13F. The Commission proposes that filers prepare Form 13F as they do other electronic submissions, although the basic tabular presentation of data would be retained, as is currently the case with Form 13F reports filed in paper. Disseminators and other users of Form 13F data would be responsible for extracting the data and for standardizing its presentation, to the extent desirable.

### B. Changes to Rule 13f-1 and Form 13F

The proposals would amend rule 13f-1 to address the requirements for filing amendments to Form 13F and would make certain revisions to Form 13F, as described below.<sup>12</sup>

<sup>10</sup> Pre-dissemination processing of Form 13F-E includes pagination, insertion of column headings on each page, and make-up of a cover page for the filing using data elements tagged by the filer.

<sup>11</sup> Currently, only the reports filed voluntarily via EDGAR on Form 13F-E are disseminated electronically and available on the Commission's Internet Web Site, whereas other public disclosure filings are required to be filed via EDGAR and are disseminated and available electronically.

<sup>12</sup> The revisions to Form 13F would be made to accommodate more easily the preparation of the form as an electronic filing. The proposals would also remove Form 13F-E and rule 13f-2 [17 CFR

<sup>1</sup> 17 CFR 249.325.

<sup>2</sup> For a comprehensive discussion of the rules adopted by the Commission governing mandated electronic filing, see Release Nos. 33-6977 (Feb. 23, 1993) [58 FR 14628], IC-19284 (Feb. 23, 1993) [58 FR 14848], 35-25746 (Feb. 23, 1993) [58 FR 14999], and 33-6980 (Feb. 23, 1993) [58 FR 15009]. See also Release No. 33-7072 (July 8, 1994) [59 FR 36258], relating to implementation of Financial Data Schedules, Release No. 33-7122 (Dec. 19, 1994) [59 FR 67752], making the EDGAR rules final and applicable to all domestic registrants and adopting minor amendments to the EDGAR rules, and Release No. 33-7241 (Nov. 13, 1995) [60 FR 57682], adopting an updated EDGAR Filer Manual, version 4.40 (the "EDGAR Filer Manual") and technical amendments to the EDGAR rules. See also Release No. 33-7427 (July 1, 1997) adopting certain technical amendments to the EDGAR rules.

<sup>3</sup> 17 CFR 240.13f-1 and 240.13f-2.

<sup>4</sup> 15 U.S.C. 78a *et seq.*

<sup>5</sup> 17 CFR 249.326.

<sup>6</sup> Section 13(f)(1) of the Exchange Act [15 U.S.C. 78m(f)(1)] requires institutional investment managers exercising investment discretion over accounts holding at least \$100 million in fair market value of certain equity securities to file a report on Form 13F with the Commission at the times set forth in rule 13f-1 [17 CFR 240.13f-1].

<sup>7</sup> In the EDGAR Pilot system and following the opening of the operational EDGAR system, Form 13F reports could be filed on Form 13F-E, under temporary rule 13f-2(T) [17 CFR 240.13f-2(T)], proposed in Release No. 34-23694 (Oct. 8, 1986) [51 FR 37291], adopted in Release No. 34-24206 (Mar. 12, 1987) [52 FR 9151], amended to govern the filing of Form 13F on operational EDGAR in Release No. IC-18664 (Apr. 20, 1992) [57 FR 18223], and made permanent with minor amendments in Release No. IC-19284. See Rule 101(b)(7) of Regulation S-T [17 CFR 232.101(b)(7)].

<sup>8</sup> Instructions for filing electronically Form 13F-E appear in the form and in the EDGAR Filer Manual.

<sup>9</sup> Section 13(f)(3) of the Exchange Act requires the Commission to tabulate the information reported under Section 13(f)(1). Disclosure Inc., under contract with the Commission, tabulates the reported securities holdings both by the issuer of the securities being held (showing the portfolio manager whose clients hold the securities) and by reporting portfolio manager (showing the securities being held by each reporting portfolio manager). These tabulations are made available in the Commission's public reference room and are published by Disclosure Inc. in both hard copy and on-line computerized form.

Requests for confidential treatment<sup>13</sup> of Form 13F information and the information for which confidential treatment is requested will continue to be required to be filed in paper.<sup>14</sup> Upon denial of a confidential treatment request, or the expiration of confidential treatment previously granted, the filer would be required to submit the material electronically.<sup>15</sup>

#### 1. Rule 13f-1

Under the proposals, rule 13f-1 would be revised by adding a new subparagraph governing the filing of amendments to Form 13F.<sup>16</sup> The new paragraph would require that each amendment to a Form 13F either restate the form in its entirety, as amended, or designate the amendment as containing only additions to the previous filed report. The paragraph would also provide for the sequential numbering of amendments.

#### 2. Form 13F

The revised Form 13F, as proposed, would not differ substantively from the current Form 13F, although there would be some differences in organization and presentation. The revised Form 13F would be in a three-part format, consisting of a Form 13F Cover Page (the "Cover Page"), a Form 13F Summary Page (the "Summary Page"), and a Form 13F Information Table (the "Information Table").<sup>17</sup> The proposed contents of each of these parts, as well as the content of certain proposed form instructions, are summarized below.

- **Cover Page.** The Cover Page would include the information included in current Form 13F, such as the period end date;<sup>18</sup> the name and address of the institutional investment manager filing the report; the signature, name, title and

phone number of the person signing the report; and, if applicable, a List of Other Managers Reporting for this Manager.<sup>19</sup> The Cover Page as proposed would also provide for the identification of an amendment filing;<sup>20</sup> the inclusion of the 13F file number of the manager filing the report; and the designation of the report as one that names other reporting manager(s) reporting for the filer, reports holdings over which the reporting manager exercises discretion, or both.<sup>21</sup>

- **Summary Page.** The Summary Page, as proposed, would include a List of Other Included Managers for which the filer is reporting<sup>22</sup> and a new Report Summary. The Report Summary would contain the Number of Other Included Managers, an Information Table Entry Total, and an Information Table Value Total.<sup>23</sup> These three items would provide a useful and convenient summary of key information included elsewhere in the report and also provide a means for cross-checking to ensure that the report as accepted and disseminated is the complete report as intended to be filed.

- **Information Table.** The Information Table, as proposed, would call for the same information as Items 1 through 8 of current Form 13F.<sup>24</sup>

- **Certain Proposed Instructions.** Proposed General Instruction 3 for Form 13F would retain the requirement that copies of the form be filed with the appropriate regulatory agency.<sup>25</sup> However, this instruction would clarify that the manager may satisfy its obligation to file with another regulatory agency by sending a printed copy of the EDGAR filing with the confidential access codes removed or blanked out.

Proposed General Instruction 4 would retain a reference to the Official List of Section 13(f) securities.<sup>26</sup> Proposed Special Instruction 14 would include guidance on the preparation of Form 13F for electronic filing, addressing such topics as maximum line length, page tag requirements, and selection of EDGAR submission types.

#### C. Changes to Regulation S-T

Regulation S-T, which governs the preparation and submission of electronic filings to the Commission, would be amended as described below in connection with the mandatory electronic submission of Form 13F:

- **Rule 101(a)(1)(iii) of Regulation S-T.** The Regulation S-T list of mandated electronic submissions would be revised to remove the exclusion of Form 13F from the list of mandated electronic filings.

- **Rule 101(b)(7) of Regulation S-T.** Reports on Form 13F would be removed from those allowed but not required to be submitted in electronic format.

#### D. Request for Comment

The Commission requests comment on its proposal to make the electronic submission of reports on Form 13F mandatory. The Commission also requests comment on the proposed amendments to Regulation S-T and rule 13f-1, and on the proposed revised format of Form 13F. The Commission also seeks comment on whether, in conjunction with mandatory electronic filing, it should retain either the current Form 13F-E requirement that reports be submitted only by magnetic tape or the current Form 13F-E formatting requirements.

#### II. General Request for Comment

Comment is solicited with regard to each proposal respecting the viewpoints of both the filers and the users of information filed via EDGAR. Commenters should address any alternatives to these proposals they deem appropriate. The Commission also requests comment on whether the proposals, if adopted, would have an adverse effect on competition that is neither necessary nor appropriate in furthering the purposes of the Exchange Act. The Commission requests comment on whether the proposals, if adopted, would promote efficiency, competition, and capital formation. The Commission also requests comment on whether the public considers this a major or minor rule change. Comments will be considered by the Commission in compliance with its responsibilities under Section 2(b) of the Securities Act of 1933<sup>27</sup> and Section 3(f) of the Exchange Act.<sup>28</sup> The Commission encourages commenters to provide empirical data or other facts to support their views. Comments will be considered by the Commission in complying with its responsibilities under Section 23(a) of the Exchange

240.13f-2], which governs the filing of Form 13F-E on EDGAR.

<sup>13</sup> Requests for confidential treatment may be filed pursuant to Section 13(f)(3) of the Exchange Act [15 U.S.C. 78m(f)(3)]. Instruction D of current Form 13F references that section and further provides for confidential treatment for up to one year for certain open risk arbitrage positions for which required representations are included in the request. Proposed Instructions for Confidential Treatment Requests for revised Form 13F include the same provisions.

<sup>14</sup> This is consistent with the treatment of other requests for confidential treatment under the EDGAR system. See Rule 101(c)(1)(i) [17 CFR 232.101(c)(1)(i)].

<sup>15</sup> Each quarter approximately 50 managers would be required to re-submit electronically information previously submitted in paper in connection with a request for confidential treatment. See *supra* footnote 14.

<sup>16</sup> See paragraph (a)(2) of rule 13f-1 [17 CFR 240.13f-1(a)(1)] as proposed.

<sup>17</sup> See Special Instruction 1 for Form 13F as proposed.

<sup>18</sup> See Special Instruction 2 for Form 13F as proposed.

<sup>19</sup> See Special Instruction 7 for Form 13F as proposed.

<sup>20</sup> See Special Instruction 3 for Form 13F as proposed.

<sup>21</sup> See Special Instruction 6 for Form 13F as proposed.

<sup>22</sup> See Special Instruction 9 for Form 13F as proposed. The requirement in the current Form 13F and 13F-E that other included managers be listed alphabetically would be eliminated.

<sup>23</sup> See Special Instruction 8 for Form 13F as proposed.

<sup>24</sup> See Special Instruction 13 for Form 13F as proposed.

<sup>25</sup> See General Instruction C for current Form 13F.

<sup>26</sup> See General Instruction E for current Form 13F.

<sup>27</sup> 15 U.S.C. 77b(b).

<sup>28</sup> 15 U.S.C. 78c(f).

Act.<sup>29</sup> Comments should be addressed to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington DC 20549. Comments also may be submitted electronically at the following E-mail address: rule-comments@sec.gov. All comment letters should refer to File Number S7-18-97. This file number should be included on the subject line if E-mail is used.

### III. Cost-Benefit Analysis

To assist the Commission in its evaluation of the costs and benefits that may result from the proposed changes contained in this release, commenters are requested to provide their views and data relating to any costs and benefits associated with these proposals. It is anticipated that these proposals will not affect significantly the costs and burdens associated with filing requirements generally, or specifically with respect to electronic filing.

In addition, Section 23(a) of the Exchange Act requires the Commission, in adopting rules under the Exchange Act, to consider the anti-competitive effects of such rules, if any, and to balance any impact against regulatory benefits gained in terms of furthering the purposes of the Exchange Act.<sup>30</sup> The Commission preliminarily has considered the proposed amendments to Rule 13f-1, Form 13F and related rules in light of the standards cited in Section 23(a)(2) and believes preliminarily that, if adopted, they would not likely have an adverse impact on competition not necessary or appropriate in furtherance of the Exchange Act because they would enhance public access to reported information. The Commission solicits commenters' views regarding the effects of the proposed rules on competition.

### IV. Summary of Regulatory Flexibility Act Certification

Pursuant to Section 605(b) of the Regulatory Flexibility Act, 5 U.S.C. 605(b), the Chairman of the Commission has certified that the amendments proposed in this release would not, if adopted, have a significant economic impact on a substantial number of small entities. Institutional investment managers are not required to submit reports on Form 13F unless their holdings are in aggregate at least \$100,000,000. Therefore, no small entities within the definition contained in rule 0-10 under the Exchange Act are affected by the form, and no small entities are otherwise affected by the proposed rule amendments. The

certification, documenting the factual basis therefor, is attached to this release as Appendix A.

### V. Paperwork Reduction Act

Certain provisions of the proposed amendments to Form 13F contain "collection of information" requirements within the meaning of the Paperwork Reduction Act of 1995 (44 U.S.C. Section 3501 *et seq.*), and the Commission has submitted them to the Office of Management and Budget for review in accordance with 44 U.S.C. Section 3507(d) and 5 CFR 1320.11. The title for the collection of information is "Form 13F, Report of Institutional Investment Managers pursuant to Section 13(f) of the Securities Exchange Act of 1934."

Section 13(f) of the Exchange Act requires the Commission to adopt rules that would create a reporting and disclosure system to collect specific information and to disseminate the information to the public. Pursuant to this statutory mandate, the Commission adopted rule 13f-1 under the Exchange Act (17 CFR 240.13f-1), which requires institutional investment managers who exercise investment discretion over accounts of exchange-traded or NASDAQ-quoted equity securities having, in the aggregate, a fair market value of at least \$100,000,000 to file quarterly reports with the Commission on Form 13F.

Form 13F provides a reporting and disclosure system to collect specific information and to disseminate the information to the public about the holdings of institutional investment managers who exercise investment discretion over accounts of exchange-traded or NASDAQ-quoted equity securities having, in the aggregate, a fair market value of at least \$100,000,000.

It is estimated that approximately 1,800 institutional investment managers are subject to the rule. These include such institutional investment managers as certain pension funds, trusts, hedge funds, and investment advisers. Each reporting manager files Form 13F quarterly. Each quarter, following the expiration of grants of confidential treatment, approximately 50 managers will re-submit electronically information previously submitted in paper. It is estimated that compliance with the form's requirements imposes a total annual burden per manager of approximately 98.8 hours for each of the 1,804 managers submitting the report (an increase of .1 hours per quarter per manager due to the additional requirement of a cover page and summary page containing certain *de minimis* additional reporting

information<sup>31</sup>) plus an additional annual burden of 4 hours (one additional burden hour per quarter) for each of the 50 managers re-submitting information previously filed. The total annual burden for all managers is estimated at 177,894 hours. The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act and is based on the Commission's experience with similar filings and discussions with a few registrants.

Unless a currently valid OMB control number is displayed, an agency may not sponsor or conduct or require response to an information collection. The OMB control number for Form 13F is 3235-0006. The Form 13F contains no separate retention period rule for recordkeeping requirements but is subject to the general recordkeeping requirements under Regulation S-T and the Exchange Act rules. It is mandatory for each institutional investment manager subject to the rule to file Form 13F. Section 13(f)(3) of the Exchange Act<sup>32</sup> authorizes the Commission, as it determines necessary or appropriate in the public interest or for the protection of investors, to delay or prevent public disclosure of any information filed under Section 13(f) upon request. It also prohibits the Commission from disclosing to the public information identifying securities held by the account of a natural person or any estate or trust (other than a business trust or investment company).

Pursuant to 44 U.S.C. Section 3506(c)(2)(B), the Commission solicits comments to (i) evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information has practical utility; (ii) evaluate the accuracy of the agency's estimate of the burden of the proposed collections of information; (iii) enhance the quality, utility, and clarity of the information to be collected; and (iv) minimize the burden of collection of information on those who are to respond, including through the use of automated collection techniques or other forms of information technology.

<sup>31</sup> The additional requirements are not complex. The cover page adds the requirements of identification of an amendment filing; the inclusion of the 13F file number of the manager filing the report; and the designation of the report as one that names other reporting manager(s) reporting for the filer, reports holdings over which the reporting manager exercises discretion, or both. The summary page adds a Report Summary, containing the Number of Other Included Managers, an Information Table Entry Total, and an Information Table Value Total.

<sup>32</sup> 15 U.S.C. 78m(f)(3).

<sup>29</sup> 15 U.S.C. 78w(a).

<sup>30</sup> See 15 U.S.C. 78w(a)(2).

Persons desiring to submit comments on the collection of information requirements should direct them to the Office of Management and Budget, Attention: Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Washington, D.C. 20503, and should also send a copy of their comments to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549 with reference to File No. 270-22. OMB is required to make a decision concerning the collections of information between thirty and sixty days after publication, so a comment to OMB is best assured of having its full effect if OMB receives it within thirty days of publication.

## VI. Statutory Basis

The foregoing amendments are proposed pursuant to Sections 3, 12, 13, 14, 15(d), 23(a) and 35A of the Exchange Act.

### List of Subjects in 17 CFR Parts 232, 240, and 249

Confidential business information, Reporting and recordkeeping requirements, Securities.

### Text of the Proposed Amendments

In accordance with the foregoing, Title 17, Chapter II of the Code of Federal Regulations is proposed to be amended as follows:

### PART 232—REGULATION S—GENERAL RULES AND REGULATIONS FOR ELECTRONIC FILINGS

1. The authority citation for Part 232 continues to read as follows:

**Authority:** 15 U.S.C. 77f, 77g, 77h, 77j, 77s(a), 77sss(a), 78c(b), 78l, 78m, 78n, 78o(d), 78w(a), 78ll(d), 79t(a), 80a-8, 80a-29, 80a-30 and 80a-37.

2. By amending § 232.101 by revising paragraph (a)(1)(iii) and by removing paragraph (b)(7) and redesignating paragraph (b)(8) as (b)(7), to read as follows:

#### § 232.101 Mandated electronic submissions and exceptions.

(a) *Mandated electronic submissions.*  
(1) \* \* \*

(iii) Statements, reports and schedules filed with the Commission pursuant to Sections 13, 14, or 15(d) of the Exchange Act (15 U.S.C. 78m, n, and o(d)), *provided that* if a registrant's first mandated electronic filing would be an annual report on Form 10-K (§ 249.310 of this chapter) or Form 10-KSB (§ 249.310b of this chapter) such annual

report may, at the option of the registrant, be submitted in paper format;

\* \* \* \* \*

### PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

3. The authority citation for Part 240 continues to read in part as follows:

**Authority:** 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77z-2 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78d, 78f, 78i, 78j, 78k, 78k-1, 78l, 78m, 78n, 78o, 78p, 78q, 78s, 78u-5, 78w, 78x, 78ll(d), 79q, 79t, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4 and 80b-11, unless otherwise noted.

4. By amending § 240.13f-1 by redesignating paragraph (a) as paragraph (a)(1) and by adding paragraph (a)(2) to read as follows:

#### § 240.13f-1 Reporting by institutional investment managers of information with respect to accounts over which they exercise investment discretion.

(a)(1) \* \* \*

(2) An amendment to a Form 13F (§ 249.325 of this chapter) report, other than one reporting only holdings that were not previously reported in a public filing for the same period, must set forth the complete text of the Form 13F. Amendments must be numbered sequentially.

\* \* \* \* \*

5. Section 240.13f-2 is removed.

### PART 249—FORMS, SECURITIES EXCHANGE ACT OF 1934

6. The authority citation for Part 249 continues to read, in part, as follows:

**Authority:** 15 U.S.C. 78a, *et seq.*, unless otherwise noted; \* \* \*

7. By revising Form 13F (referenced in § 249.325), to read as follows:

**Note**—The text of the following form does not and the amendments will not appear in the Code of Federal Regulations.

#### Form 13F

OMB Approval

OMB Number: 3235-0006

Expires: April 30, 2000

Estimated average burden hours per response: 23.99

United States Securities and Exchange Commission, Washington, D.C.

*Information Required of Institutional Investment Managers Pursuant to Section 13(f) of the Securities Exchange Act of 1934 and Rules Thereunder*

#### General Instructions

1. *Rule as to Use of Form 13F.* Form 13F is to be used for reports required to be filed by Section 13(f) of the Securities Exchange Act of 1934 [15 U.S.C. 78m(f)] ("Exchange Act") and rule 13f-1 [17 CFR 240.13f-1] thereunder by institutional investment managers ("Managers").

#### 2. Rules to Prevent Duplicative Reporting.

If two or more Managers, each of which is required by rule 13f-1 to file a report on Form 13F for the reporting period, exercise investment discretion with respect to the same securities, only one such Manager must include information regarding such securities in its reports on Form 13F.

A Manager having securities over which it exercises investment discretion that are reported by another Manager (or Managers) must identify the Manager(s) reporting on its behalf in the manner described in Special Instruction 6.

A Manager reporting holdings subject to shared investment discretion must identify the other Manager(s) with respect to which the filing is made in the manner described in Special Instruction 8.

3. *Filing of Form 13F.* Form 13F is to be filed with the Commission within 45 days after the end of each calendar year and each of the first three calendar quarters of each calendar year. As required by Section 13(f)(4) of the Exchange Act, a Manager which is a bank, the deposits of which are insured in accordance with the Federal Deposit Insurance Act, must file with the appropriate regulatory agency for the bank a copy of every Form 13F report filed with the Commission pursuant to this subsection by or with respect to such bank. Filers who file Form 13F electronically can satisfy their obligation to file with other regulatory agencies by sending (a) a paper copy of the EDGAR filing (however, the confidential access codes must be removed or blanked out); (b) the filing in electronic format, if the regulatory agency with which the filing is being made has made provisions to receive filings in electronic format; or (c) for filers filing in paper format under continuing hardship exemptions, a copy of the Form 13F paper filing.

4. *Official List of Section 13(f) Securities.* The Official List of Section 13(f) Securities published by the Commission (the "13F List") lists the securities the holdings of which are to be reported on Form 13F. Form 13F filers may rely on the current 13F List in determining whether they need to report any particular securities holding. Paper copies are available at a reasonable fee from the Securities and Exchange Commission, Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549.

#### Instructions for Confidential Treatment Requests

Pursuant to Section 13(f)(3) of the Exchange Act [15 U.S.C. 78m(f)(3)], the Commission (1) may prevent or delay public disclosure of information reported on this form in accordance with Section 552 of Title 5 of the United States Code, the Freedom of Information Act [5 U.S.C. 552], and (2) shall not disclose information reported on this form identifying securities held by the account of a natural person or an estate or trust (other than a business trust or investment company). Any portion of a report which contains information identifying securities held by the account of a natural person or an estate or trust (other than a business trust or investment company)

must be submitted in accordance with the procedures for requesting confidential treatment.

Requests for confidential treatment of information reported on this form should be made in accordance with rule 24b-2 under the Exchange Act [17 CFR 240.24b-2], except that requests relating to the non-disclosure of information identifying the securities held by the account of a natural person or an estate or trust (other than a business trust or investment company) must so state but need not, in complying with paragraph (b)(2)(ii) of rule 24b-2, include an analysis of any applicable exemptions from disclosure under the Commission's rules and regulations adopted under the Freedom of Information Act [17 CFR 200.80].

All requests for and information subject to the request for confidential treatment filed pursuant to Section 13(f)(3) of the Exchange Act must be filed in paper in accordance with rule 101(c)(1)(i) of Regulation S-T [17 CFR 232.101(c)(1)(i)]. If confidential treatment is requested with respect to information required to be reported on Form 13F, an original and four copies of the Form 13F reporting information for which confidential treatment is requested must be filed in paper with the Secretary of the Commission.

A Manager requesting confidential treatment in accordance with the Freedom of Information Act must provide enough factual support for its request to enable the Commission to make an informed judgment as to the merits of the request. The request should address all pertinent factors, including all of the following that are relevant:

1. If confidential treatment is requested as to more than one holding of securities, discuss each holding separately unless a class or classes of holdings can be identified as to which the nature of the factual circumstances and the legal analysis are substantially the same.

2. If a request for confidential treatment is based upon a claim that the subject information is confidential, commercial or financial information, provide the information required by paragraphs 2.a through 2.e of this Instruction except that, if the subject information concerns security holdings that represent open risk arbitrage positions and no previous requests for confidential treatment of those holdings have been made, only the information required in paragraph 2.f need be provided.

- a. Describe the investment strategy being followed with respect to the relevant securities holdings, including the extent of any program of acquisition and disposition (note that the term "investment strategy," as used in this instruction, also includes activities such as block positioning).

- b. Explain why public disclosure of the securities would, in fact, be likely to reveal the investment strategy; consider this matter in light of the specific reporting requirements of Form 13F (e.g., securities holdings are reported only quarterly and may be aggregated in many cases).

- c. Demonstrate that such revelation of an investment strategy would be premature; indicate whether the Manager was engaged in

a program of acquisition or disposition of the security both at the end of the quarter and at the time of the filing; and address whether the existence of such a program may otherwise be known to the public.

- d. Demonstrate that failure to grant the request for confidential treatment would be likely to cause substantial harm to the Manager's competitive position; show what use competitors could make of the information and how harm to the Manager could ensue.

- e. State the period of time for which confidential treatment of the securities holdings is requested. The time period specified may not exceed one (1) year from the date the Form 13F is required to be filed with the Commission.

- f. For securities holdings that represent open risk arbitrage positions, the request must include good faith representations that:

- i. The securities holding represents a risk arbitrage position open on the last day of the period for which the Form 13F is filed; and

- ii. The reporting Manager has a reasonable belief as of the period end that it may not close the entire position on or before the date the Form 13F is required to be filed with the Commission.

If these representations are made in writing at the time the Form 13F is filed, the subject securities holdings will automatically be accorded confidential treatment for a period of up to one (1) year from the date the Form 13F is required to be filed with the Commission.

- g. At the expiration of the period for which confidential treatment has been granted pursuant to paragraph 2.e or 2.f of this Instruction (the "Expiration Date"), the Commission, without additional notice to the reporting manager, will make such security holdings public unless a *de novo* request for confidential treatment of the information that meets the requirements of paragraphs 2.a through 2.e of this Instruction is filed with the Commission at least fourteen (14) days in advance of the Expiration Date.

3. If the Commission grants a request for confidential treatment, it may delete details which would identify the manager and use the information in tabulations required by Section 13(f)(3) absent a separate showing that such use of information could be harmful.

4. Upon the denial by the Commission of a request for confidential treatment, or upon the expiration of the confidential treatment previously granted for a filing, unless a hardship exemption is available, the filer must submit electronically, within six (6) business days of the expiration or notification of the denial, as applicable, a report on Form 13F, or an amendment to its publicly filed Form 13F report, if applicable, listing those holdings as to which confidential treatment was denied or has expired. If an amendment is filed, it must not be a restatement; it must be designated as an amendment which adds new holdings entries. Include at the top of the Form 13F Cover Page the following legend to correctly designate the type of filing being made:

This filing lists securities holdings reported on the Form 13F filed on (date) pursuant to a request for confidential

treatment and for which (that request was denied/confidential treatment expired) on (date).

#### Special Instructions

1. This form consists of three parts: the Form 13F Cover Page (the "Cover Page"), the Form 13F Summary Page (the "Summary Page"), and the Form 13F Information Table (the "Information Table").

2. When preparing the report, omit all bracketed text. Include brackets used to form check boxes.

#### The Cover Page

3. The period end date used in the report (and in the EDGAR submission header) is the last day of the calendar year or quarter, as appropriate, even though that date may not be the same as the date used for valuation in accordance with Special Instruction 9.

4. Amendments to a Form 13F must either restate the Form 13F in its entirety or include only holdings entries that are being reported in addition to those already reported in a current public Form 13F for the same period. If the Form 13F is being filed as an amendment, then, on the Cover Page, check the amendment box; enter the amendment number; and check the appropriate box to indicate whether the amendment (a) is a restatement or (b) adds new holdings entries. Each amendment must include a complete Cover Page and, if applicable, a Summary Page and Information Table. See rule 13f-1(a)(2) [17 CFR 240.13f-1(a)(2)].

5. Present the Cover Page and the Summary Page information in the format and order provided in the form. The Cover Page may include information in addition to the required information, so long as the additional information does not, either by its nature, quantity, or manner of presentation, impede the understanding or presentation of the required information. Place all additional information after the signature of the person signing the report (immediately preceding the Report Type section). Do not include any additional information on the Summary Page or in the Information Table.

6. Designate the Report Type for the Form 13F by checking the appropriate box in the Report Type section of the Cover Page, and include, where applicable, the List of Other Managers Reporting for this Manager (on the Cover Page), the Summary Page and the Information Table, as follows:

- a. If all of the securities with respect to which a Manager has investment discretion are reported by another Manager (or Managers), check the box for Report Type "13F NOTICE," include (on the Cover Page) the List of Other Managers Reporting for this Manager, and omit both the Summary Page and the Information Table.

- b. If all of the securities with respect to which a Manager has investment discretion are reported in this report, check the box for Report Type "13F HOLDINGS REPORT," omit from the Cover Page the List of Other Managers Reporting for this Manager, and include both the Summary Page and the Information Table.

- c. If only part of the securities with respect to which a Manager has investment discretion is reported by another Manager (or

Managers), check the box for Report Type "13F COMBINATION REPORT," include (on the Cover Page) the List of Other Managers Reporting for this Manager, and include both the Summary Page and the Information Table.

#### Summary Page

7. Include on the Summary Page the Report Summary, containing the Number of Other Included Managers, the Information Table Entry Total and the Information Table Value Total.

a. Enter as the Number of Other Included Managers the total number of other Managers listed in the List of Other Included Managers on the Summary Page. See Special Instruction 8. If none, enter the number zero ("0"). Do not include in this total the Manager filing this report.

b. Enter as the Information Table Entry Total the total number of line entries providing holdings information included in the Information Table.

c. Enter as the Information Table Value Total the aggregate fair market value of all holdings reported in this report, *i.e.*, the total for Column 4 (Fair Market Value) of all line entries in the Information Table. This total must be expressed as a rounded figure, corresponding to the individual Column 4 entries in the Information Table. See Special Instruction 9.

8. Include on the Summary Page the List of Other Included Managers. Use the title, column headings and format provided.

a. If this Form 13F does not report the holdings of any Manager other than the Manager filing this report, enter the word "NONE" under the title and omit the column headings and list entries.

b. If this Form 13F reports the holdings of one or more Managers other than the Manager filing this report, enter in the List of Other Included Managers all such Managers together with their respective Form 13F file numbers, if known. (The 13F file numbers are assigned to Managers when they file their first Form 13F.) Assign a number to each manager in the List of Other Included Managers, and present the list in sequential order. The numbers need not be consecutive. All other Managers identified in Column 7 of the Information Table must be included. Do not include the Manager filing this report.

#### Information Table

9. In determining fair market value, use the value at the close of trading on the last trading day of the calendar year or quarter, as appropriate. Enter values rounded to the nearest one thousand dollars (with "000" omitted).

10. Holdings otherwise reportable may be omitted if the Manager holds, on the period end date, fewer than 10,000 shares (or less than \$200,000 principal amount in the case of convertible debt securities) and less than \$200,000 aggregate fair market value (and option holdings to purchase only such amounts).

11. Holdings of options must be reported only if the options themselves are Section 13(f) securities. For purposes of the \$100,000,000 reporting threshold, only the value of such options should be considered, not the value of the underlying shares. However, the entries in Columns 1 through 5 and 7 through of the Information Table must be given in terms of the securities underlying the options, not the options themselves. Column 6 must be answered in terms of the discretion to exercise the option. A separate segregation in respect of securities underlying options must be made for entries for each of the columns, coupled with a designation "PUT" or "CALL" following such segregated entries in Column 5, referring to securities subject respectively to put and call options. No entry in Column 8 need be given for securities subject to reported call options.

12. Furnish the Information Table using the table title, column headings and format provided. Provide column headings once at the beginning of the Information Table; repetition of column headings on subsequent pages is not required. Present the table in accordance with the column instructions provided in Special Instructions 12.b.i through 12.b.viii. Do not include any additional information in the Information Table. Begin the Information Table on a new page; do not include any portion of the Information Table on either the Cover Page or the Summary Page.

a. In entering information in Columns 4 through 8 of the Information Table, list securities of the same issuer and class with respect to which the Manager exercises sole investment discretion separately from those with respect to which investment discretion is shared. Special Instruction 12.b.vi for Column 6 describes in detail how to report shared investment discretion.

b. Instructions for each column in the Information Table:

i. *Column 1. Name of Issuer.* Enter in Column 1 the name of the issuer for each class of security reported as it appears in the current Official List of Section 13(f) Securities published by the Commission (the "13F List"). Reasonable abbreviations are permitted.

ii. *Column 2. Title of Class.* Enter in Column 2 the title of the class of the security reported as it appears in the 13F List. Reasonable abbreviations are permitted.

iii. *Column 3. CUSIP Number.* Enter in Column 3 the nine (9) digit CUSIP number of the security.

iv. *Column 4. Market Value.* Enter in Column 4 the market value of the holding of the particular class of security as prescribed by Special Instruction 9.

v. *Column 5. Amount and Type of Security.* Enter in Column 5 the total number of shares of the class of security or the principal amount of such class. Use the abbreviation "SH" to designate shares and "PRN" to designate principal amount. If the holdings being reported are put or call

options, enter the designation "PUT" or "CALL," as appropriate.

vi. *Column 6. Investment Discretion.* Segregate the holdings of securities of a class according to the nature of the investment discretion held by the Manager. Investment discretion must be designated as "sole" (SOLE); "shared-defined" (DEFINED); or "shared-other" (OTHER), as described below:

(A) *Sole.* Designate as "sole" securities over which the Manager exercised sole investment discretion. Report "sole" securities on one line. Enter the word SOLE in Column 6.

(B) *Shared-Defined.* If investment discretion is shared with controlling and controlled companies (such as bank holding companies and their subsidiaries); investment advisers and investment companies advised by those advisers; or insurance companies and their separate accounts, then investment discretion must be designated as "shared-defined" (DEFINED).

For each holding of DEFINED securities, segregate the securities into two categories: those securities over which investment discretion is shared with another Manager or Managers on whose behalf this Form 13F is being filed, and those securities over which investment discretion is shared with any other person, other than a Manager on whose behalf this Form 13F is being filed.

Enter each of the two segregations of DEFINED securities holdings on a separate line, and enter the designation DEFINED in Column 6. See Special Instruction 12.b.vii for Column 7.

(C) *Shared-Other.* "Shared-Other" securities (OTHER) are those over which investment discretion is shared in a manner other than that described in Special Instruction 12.b.vi.(B) above.

For each holding of OTHER securities, segregate the securities into two categories: those securities over which investment discretion is shared with another Manager or Managers on whose behalf this Form 13F is being filed, and those securities over which investment discretion is shared with any other person, other than a Manager on whose behalf this Form 13F is being filed.

Enter each segregation of OTHER securities holdings on a separate line, and enter the designation "OTHER" in Column 6. See Special Instruction 12.b.vii for Column 7.

**Note:** A Manager is deemed to share discretion with respect to all accounts over which any person under its control exercises discretion. A Manager of an institutional account, such as a pension fund or investment company, is not deemed to share discretion with the institution unless the institution actually participated in the investment decision-making.

vii. *Column 7. Other Managers.* Identify each other Manager on whose behalf this Form 13F is being filed with whom investment discretion is shared as to any reported holding by entering in this column the number assigned to the Manager in the List of Other Included Managers.



Enter this number in Column 7 opposite the segregated entries in Columns 4, 5 and 8 (and the relevant indication of shared discretion set forth in Column 6) as required by the preceding special instruction. Enter no other names or numbers in Column 7.

The conditions of sharing discretion with other Managers must be consistent for all holdings reported on a single line.

viii. *Column 8. Voting Authority.* Enter the number of shares for which the Manager exercises sole, shared, or no voting authority (none) in this column, as appropriate.

A Manager exercising sole voting authority over specified "routine" matters, and no authority to vote in "non-routine" matters, is deemed for purposes of this Form 13F to have no voting authority. "Non-routine" matters include a contested election of directors, a merger, a sale of substantially all the assets, a change in the articles of incorporation affecting the rights of shareholders, and a change in fundamental investment policy; "routine" matters include selection of an accountant, uncontested election of directors, and approval of an annual report.

If voting authority is shared only in a manner similar to a sharing of investment discretion which would call for a response of "shared-defined" (DEFINED) under Column 6, voting authority should be reported as sole under subdivision (a) of Column 8, even though the Manager may be deemed to share investment discretion with that person under Special Instruction 12.b.vi.

### 13. Preparation of the electronic filing:

a. No line on the Cover Page or the Summary Page may exceed 80 characters in length. See rule 305 of Regulation S-T [17 CFR 232.305].

b. No line in the Form 13F Information Table may exceed 132 characters in length. See rule 305 of Regulation S-T [17 CFR 232.305].

c. If the Form 13F Report Type is "13F HOLDINGS REPORT" or "13F COMBINATION REPORT," then place one EDGAR <PAGE> tag at the end of the Cover Page and one <PAGE> tag at the end of the Summary Page. Additional EDGAR <PAGE> tags are not required. However, filers electing to include additional <PAGE> tags should, for each page containing a <PAGE> tag, include no more than sixty (60) lines per page, including the line on which the <PAGE> tag is placed.

d. Underscoring used in the form to indicate the placement of information to be furnished by the filer may be omitted in preparation of the form for electronic filing.

e. Use the following EDGAR submission types for the following Form 13F Report Types:

| Form 13F report type    | EDGAR submission type |
|-------------------------|-----------------------|
| 13F holdings report:    |                       |
| Initial filing .....    | 13F-HR                |
| Amendments .....        | 13F-HR/A              |
| 13F notice:             |                       |
| Initial filing .....    | 13F-NT                |
| Amendments .....        | 13F-NT/A              |
| 13F combination report: |                       |

| Form 13F report type | EDGAR submission type |
|----------------------|-----------------------|
| Initial filing ..... | 13F-HR                |
| Amendments .....     | 13F-HR/A              |

### Paperwork Reduction Act Information

Potential persons who are to respond to the collection of information contained in this form are not required to respond to the collection of information unless the form displays a currently valid OMB control number.

Section 13(f) of the Exchange Act requires the Commission to adopt rules creating a reporting and disclosure system to collect specific information and to disseminate such information to the public. Pursuant to this statutory mandate, the Commission adopted rule 13f-1 under the Exchange Act (17 CFR 240.13f-1), which requires institutional investment managers who exercise investment discretion over accounts of exchange-traded or NASDAQ-quoted equity securities having, in the aggregate, a fair market value of at least \$100,000,000 to file quarterly reports with the Commission on Form 13F with respect to the value of those securities over which they have investment discretion.

The purpose of Form 13F is to provide a reporting and disclosure system to collect specific information and to disseminate such information to the public about the holdings of institutional investment managers who exercise investment discretion over accounts of exchange-traded or NASDAQ-quoted equity securities having, in the aggregate, a fair market value of at least \$100,000,000.

It is estimated that each filer spends an average of 24.7 hours preparing each quarterly report. In addition, it is estimated that, each quarter, approximately 50 managers will resubmit information previously filed in paper pursuant to a grant of confidential treatment and that each such manager will spend an additional hour on the resubmission.

Any member of the public may direct to the Commission any comments concerning the accuracy of this burden estimate and any suggestions for reducing this burden.

Responses to the collection of information are mandatory. See Section 13(f) of the Exchange Act [15 U.S.C. 78m(f)] and rule 13f-1 [17 CFR 240.13f-1] thereunder.

Section 13(f)(3) of the Exchange Act [15 U.S.C. 78m(f)(3)] authorizes the Commission, as it determines necessary or appropriate in the public interest or for the protection of investors, to delay or prevent public disclosure of any information filed under Section 13(f) upon request. It also prohibits the Commission from disclosing to the public information identifying securities held by the account of a natural person or any estate or trust (other than a business trust or investment company).

This collection of information has been reviewed by OMB in accordance with the clearance requirements of 44 U.S.C. Section 3507.

### Form 13F

United States Securities and Exchange Commission, Washington, DC 20549

### Form 13F Cover Page

Report for the Calendar Year or Quarter

Ended: \_\_\_\_\_

Check here if Amendment [ ] ; Amendment Number: \_\_\_\_\_

This Amendment (Check only one.):

[ ] is a restatement.

[ ] adds new holdings entries.

Institutional Investment Manager Filing this Report:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

13F File Number: 28- \_\_\_\_\_

The institutional investment manager filing this report and the person by whom it is signed hereby represent that the person signing the report is authorized to submit it, that all information contained herein is true, correct and complete, and that it is understood that all required items, statements, schedules, lists, and tables, are considered integral parts of this form.

Person Signing this Report on Behalf of Reporting Manager:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Signature, Place, and Date of Signing:

[Signature]

[City, State]

[Date]

Report Type (Check only one.):

[ ] 13F HOLDINGS REPORT. (Check here if all holdings of this reporting manager are reported in this report.)

[ ] 13F NOTICE. (Check here if no holdings reported are in this report, and all holdings are reported by other reporting manager(s).)

[ ] 13F COMBINATION REPORT. (Check here if a portion of the holdings for this reporting manager are reported in this report and a portion are reported by other reporting manager(s).)

List of Other Managers Reporting for this Manager: [If there are no entries in this list, omit this section.]

13F File Number

28- \_\_\_\_\_

Name \_\_\_\_\_

[Repeat as necessary.]

### Form 13F Summary Page

Report Summary:

Number of Other Included Managers: \_\_\_\_\_

Form 13F Information

Table Entry Total: \_\_\_\_\_

Form 13F Information

Table Value Total: \$ \_\_\_\_\_

(thousands)

List of Other Included Managers:

Provide a numbered list of the name(s) and 13F file number(s) of all institutional investment managers with respect to which



this report is filed, other than the manager filing this report.

[If there are no entries in this list, state "NONE" and omit the column headings and list entries.]  
No. \_\_\_\_\_

13F File Number 28— \_\_\_\_\_  
Name \_\_\_\_\_  
[Repeat as necessary.]

### FORM 13F INFORMATION TABLE

| Column 1       | Column 2       | Column 3 | Column 4        | Column 5        |                   | Column 6              | Column 7       | Column 8         |        |      |
|----------------|----------------|----------|-----------------|-----------------|-------------------|-----------------------|----------------|------------------|--------|------|
| Name of Issuer | Title of class | CUSIP    | Value (x\$1000) | Shrs or prn amt | Sh/ put/ prn call | Investment discretion | Other managers | Voting authority |        |      |
|                |                |          |                 |                 |                   |                       |                | Sole             | Shared | None |

[Repeat as necessary]

8. Section 249.326 (including Form 13F-E) is removed.

By the Commission.

Dated: July 1, 1997.

**Margaret H. McFarland,**  
*Deputy Secretary.*

### Appendix A—This Appendix to the Preamble Will Not Appear in the Code of Federal Regulations

#### *Regulatory Flexibility Act Certification*

I, Arthur Levitt, Chairman of the Securities and Exchange Commission, hereby certify, pursuant to 5 U.S.C. 605(b), that the proposed amendments to Rules 101 and 903 of Regulation S-T, and Rule 13f-1 and Form 13F under the Securities Exchange Act of 1934 (the "Exchange Act"), and the elimination of Rule 13f-2 and Form 13F-E under the Exchange Act, as set forth in Exchange Act Release Number 38800, if adopted, would not have a significant economic impact on a substantial number of small entities.

The proposed rule amendments generally would not have a significant economic impact on small entities. Institutional investment managers are not subject to reporting unless their holdings are in aggregate at least \$100,000,000, so few if any small entities within the definition contained in rule 0-10 under the Exchange Act are affected by the form or rules amendments, and few if any small entities are otherwise affected by the proposed amendments.

Arthur Levitt

June 30, 1997.

[FR Doc. 97-17712 Filed 7-7-97; 8:45 am]

BILLING CODE 8010-01-P

### DEPARTMENT OF THE TREASURY

#### 31 CFR Part 103

RIN 1506-AA09

#### Financial Crimes Enforcement Network; Bank Secrecy Act Regulations; Money Services Businesses; Open Working Meetings

**AGENCY:** Financial Crimes Enforcement Network, Treasury.

**ACTION:** Meetings on proposed rules.

**SUMMARY:** The Financial Crimes Enforcement Network ("FinCEN") will hold four working meetings to give interested persons the opportunity to discuss with FinCEN officials issues arising under the proposed rules for money services businesses published May 21, 1997. The first meeting will address issues arising under the proposed rule relating to the definition and registration of money services businesses (other than issues related to stored value products). The three additional meetings, whose specific information will be contained in a separate notice, will address issues arising under other aspects of the proposed rules (as well as issues concerning stored value products).

**DATES:** The first meeting will be held on July 22, 1997, 9:30 a.m. to 5:00 p.m., Vienna, VA. See **SUPPLEMENTARY INFORMATION** section for the additional meeting dates.

**ADDRESSES:** The first meeting will be held at the Tycon Conference Center, 2070 Chain Bridge Road, Vienna, VA 22182. See **SUPPLEMENTARY INFORMATION** section for information concerning additional meeting addresses.

#### FOR FURTHER INFORMATION CONTACT:

*Legal or Technical:* Eileen Dolan, Legal Assistant, Office of Legal Counsel, FinCEN, at (703) 905-3590 or Charles Klingman, Financial Institutions Policy Specialist, FinCEN, at (703) 905-3602.

*Attendance:* Camille Steele, at (703) 905-3819, or Karen Robb, at (703) 905-3770.

*General:* FinCEN's Information telephone line, at (703) 905-3848, or [www.ustreas.gov/treasury/bureaus/fincen](http://www.ustreas.gov/treasury/bureaus/fincen) ("What's New" section).

**SUPPLEMENTARY INFORMATION:** On May 21, 1997, FinCEN issued three proposed regulations relating to money services businesses. The first proposed regulation (62 FR 27890) would define money services businesses and require the businesses to register with the Department of the Treasury and to maintain a current list of their agents. The second proposed regulation (62 FR 27900) would require money transmitters, and issuers, sellers, and redeemers, of money orders and traveler's checks, to report suspicious transactions involving at least \$500 in funds or other assets. The third proposed regulation (62 FR 27909) would require money transmitters and their agents to report and retain records of transactions in currency or monetary instruments of at least \$750 but not more than \$10,000 in connection with the transmission or other transfer of funds to any person outside the United States, and to verify the identity of senders of such transmissions or transfers.

FinCEN is announcing today that it will hold a meeting July 22, 1997, specifically to discuss the regulation relating to the definition and registration of money services businesses. The meeting is not intended as a substitute for FinCEN's request for written comments in the notice of proposed rulemaking published May 21, 1997. Rather, the meeting is intended to help make the comment process as productive and interactive as possible by providing a forum between the industry and FinCEN concerning the issues arising under the proposed regulation. FinCEN is particularly interested in learning what steps it can take to help educate money services businesses about the registration requirements. The meeting will be open to the public and will be recorded. A transcript of the meeting will be