

Dated: May 7, 1999.

**William M. Hill, Jr.,**

*Secy Tracking Officer, Office of the Secretary.*

[FR Doc 99-12003 Filed 5-7-99; 3:03 pm]

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## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request

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

#### Extension:

Rule 17a-22, SEC. File No. 270-202, OMB Control No. 3235-0196

Rule 17Ab2-1 and Form CA-1, SEC File No. 270-203, OMB Control No. 3235-0195

Rule 15c2-5, SEC File No. 270-195, OMB Control No. 3235-0198

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 USC 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collections of information summarized below. The Commission plans to submit these existing collections of information to the Office of Management and Budget for extension and approval.

Rule 17a-22 under the Securities Exchange Act of 1934 ("Exchange Act")<sup>1</sup> requires all registered clearing agencies to file with the Commission three copies of all materials they issue or make generally available to their participants or other entities with whom they have a significant relationship. The filings with the Commission must be made within ten days after the materials are issued, and when the Commission is not the appropriate regulatory agency, the clearing agency must file one copy of the material with its appropriate regulatory agency. The Commission is responsible for overseeing clearing agencies and uses the information filed pursuant to Rule 17a-22 to determine whether a clearing agency is implementing procedural or policy changes. The information filed aids the Commission in determining whether such changes are consistent with the purposes of Section 17A of the Exchange Act. Also, the Commission uses the information to determine whether a clearing agency has changed its rules without reporting the actual or prospective change to the Commission

as required under Section 19(b) of the Exchange Act.

The respondents to Rule 17a-22 generally are registered clearing agencies.<sup>2</sup> The frequency of filings made by clearing agencies pursuant to Rule 17a-22 varies, but on a average there are approximately 200 filings per year clearing agency. Because the filings consist of materials that have prepared for widespread distribution, the additional cost to the clearing agencies associated with submitting copies to the Commission is relatively small. The Commission staff estimates that the cost of compliance with Rule 17a-22 to all registered clearing agencies is approximately \$4,930. This represents one dollar per filing in postage, or a total of \$3,400. The remaining \$1,530 (or approximately 31% of the total cost of compliance) is the estimated cost of additional printing, envelopes, and other administrative expenses. (The estimated total cost per response is \$1.45 per page representing \$1.00 per page in postage plus \$0.45 for printing, envelopes, and other administrative expenses.)

Rule 17Ab2-1 and Form CA-1 require clearing agencies to register with the Commission and to meet certain requirements with regard to, among other things, a clearing agency's organization, capacities, and rules. The information is collected from the clearing agency upon the initial application for registration on Form CA-1. Therefore, information is collected by amendment to the initial Form CA-1 when material changes in circumstances necessitates modification of the information previously provided to the Commission.

The Commission uses the information disclosed on Form CA-1 to (i) Determine whether an applicant meets the standards for registration set forth in Section 17A of the Exchange Act, (ii) enforce compliance with the Exchange Act's registration requirement, and (iii) provide information about specific registered clearing agencies for compliance and investigatory purposes. Without Rule 17Ab2-1, the Commission could not perform these duties as statutorily required.

There are currently 15 registered clearing agencies, three clearing agencies that have been granted an exemption from registration, and two entities with pending applications for an exemption from clearing agency registration. The Commission staff

<sup>2</sup> Respondents include temporarily registered clearing agencies. Respondents also may include clearing agencies granted exemptions from the registration requirements of Section 17A, conditioned upon compliance with Rule 17a-22.

estimates that each initial Form CA-1 requires approximately 130 hours to complete and submit for approval. Hours required for amendments to Form CA-1 that must be submitted to the Commission in connection with material changes to the initial Form CA-1 can vary, depending upon the nature and extent of the amendment. Since the Commission only receives an average of one submission per year, the aggregate annual burden associated with compliance with Rule 17Ab2-1 and Form CA-1 is 130 hours. Based upon the staff's experience, the average cost to clearing agencies of preparing and filing the initial Form CA-1 is estimated to be \$16,391.

Rule 15c2-5 prohibits a broker-dealer from arranging or extending a loan to customers not subject to Regulation T (12 CFR 220), in connection with the offer or sale of securities unless, before entering the transaction, the broker-dealer: (i) Delivers to the customer a written statement containing specific information concerning the terms, obligations, risks and charges of the loan; (ii) obtains from the customer sufficient financial information to determine that the entire transaction is suitable for the customer; and (iii) retains on file and makes available to the customer a written statement setting forth the broker-dealer's basis for determining that the transaction was suitable. The collection of information required by the Rule is necessary to execute the Commission's mandate under the Exchange Act to prevent fraudulent, manipulative, and deceptive acts and practices by broker-dealers.

There are approximately 50 respondents that require an aggregate total of 600 hours to comply with the Rule. Each of these approximately 50 registered broker-dealers makes an estimated 6 annual responses, for an aggregate total of 300 responses per year. Each response takes approximately 2 hours to complete. Thus, the total compliance burden per year is 600 burden hours. The approximate cost per hour is \$25.00 (based on an annual salary of \$52,000 for clerical labor), resulting in a total compliance cost of \$15,000 (600 hours @ \$25.00 per hour).

Written comments are invited on: (i) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (ii) the accuracy of the agency's estimates of the burden of the proposed collection of information; (iii) ways to enhance the quality, utility, and clarity of the information to be collected; and (iv) ways to minimize the burden of the

<sup>1</sup> 15 USC § 78a *et seq.*

collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, N.W., Washington, D.C. 20549.

Dated: May 3, 1999.

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

[FR Doc. 99-11811 Filed 5-10-99; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request

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

#### Extension:

Rule 17Ac3-1(a) and Form TA-W, SEC File No. 270-96, OMB Control No. 3235-0151

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

Subsection (c)(3)(C) of Section 17A of the Securities Exchange Act of 1934 ("Exchange Act") authorizes transfer agents registered with an appropriate regulatory agency ("ARA") to withdraw from registration by filing with the ARA a written notice of withdrawal and by agreeing to such terms and conditions as the ARA deems necessary or appropriate in the public interest, for the protection of investors, or in the furtherance of the purposes of Section 17A.

In order to implement Section 17A(c)(3)(C) of the Exchange Act the Commission, on September 1, 1977, promulgated Rule 17Ac3-1(a) and accompanying Form TA-W. Rule 17Ac3-1(a) provides that notice of withdrawal from registration as a transfer agent with the Commission

shall be filed on Form TA-W. Form TA-W requires the withdrawing transfer agent to provide the Commission with certain information, including (1) The locations where transfer agent activities are or were performed; (2) the reasons for ceasing the performance of such activities; (3) disclosure of unsatisfied judgments or liens; and (4) information regarding successor transfer agents.

The Commission uses the information disclosed on Form TA-W to determine whether the registered transfer agent applying for withdrawal from registration as a transfer agent should be allowed to deregister and, if so, whether the Commission should attach to the granting of the application any terms or conditions necessary or appropriate in the public interest, for the protection of investors, or in furtherance of the purposes of Section 17A of the Exchange Act. Without Rule 17Ac3-1(a) and Form TA-W, transfer agents registered with the Commission would not have a means for voluntary deregistration when necessary or appropriate to do so.

Respondents file approximately thirty Form TA-Ws with the Commission annually. The filing of a Form TA-W occurs only once, when a transfer agent is seeking deregistration. In view of the ready availability of the information requested by Form TA-W, its short and simple presentation, and the Commission's experience with the Form, we estimate that approximately one half hour is required to complete Form TA-W, including clerical time. Thus, the total burden of fifteen hours of preparation for all transfer agents seeking deregistration in any one year is negligible.

The Commission estimates a cost of approximately \$35 for each half hour required to complete a Form TA-W. Therefore, based upon a total of fifteen hours, transfer agents spend approximately \$1,050 each year to complete thirty Form TA-Ws.

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

in writing within 60 days of this publication.

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

Dated: April 29, 1999.

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

[FR Doc. 99-11812 Filed 5-10-99; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40379A; File No. SR-NASD-98-58]

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by National Association of Securities Dealers, Inc. Relating to the Elimination of the Requirement for Personal Service of Decisions in Cases Involving Bars and Expulsions; Correction

May 4, 1999.

In notice document 98-23762, beginning on page 47058, in the issue of Thursday, September 3, 1998, make the following correction:

On page 47058, in the third column, the proposed new language to Rule 9269(d) is corrected to read as set forth below.

*The Association shall serve the decision on a Respondent by overnight courier, facsimile or other means reasonably likely to obtain prompt service when the sanction is a bar or an expulsion.*

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

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

[FR Doc. 99-11815 Filed 5-10-99; 8:45 am]

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