19d–1 is 2.5 hours. The average cost per hour is approximately $60. Therefore, the total cost of compliance for the respondents is $165,000.

A respondent is not required to retain the Rule 19d–3 submission for any specified period of time. The filing of a motion seeking review of a final action is mandatory only if the respondent wants Commission review. The submission does not involve the collection of confidential information.

Rule 19h–1/Notice by a Self-Regulatory Organization of a Proposed Admission to or Continuance In Membership or Participation or Association With a Member of Any Person Subject to a Statutory Disqualification, and Applications to the Commission for Relief Therefrom.

Rule 19h–1 under the Act prescribes the form and content of notices and applications by SROs regarding proposed admissions to, or continuances in, membership, participation or association with a member of any person subject to a statutory disqualification.

The Commission uses the information provided in the submissions filed pursuant to Rule 19h–1 to review decisions of SROs to permit the entry into or continuance in the securities business of persons who have committee serious misconduct. The filings submitted pursuant to the rule also permit inclusion of an application to the Commission for consent to associate with a member of an SRO notwithstanding a Commission order barring such association.

The Commission reviews filings made pursuant to the rule to ascertain whether it is in the public interest to permit the employment in the securities business of persons subject to statutory disqualification. The filings contain information that is essential to the staff's review and ultimate determination on whether an association or employment is in the public interest and consistent with investor protection.

It is estimated that approximately 5 respondents will make submissions pursuant to this rule annually, with a total burden of 225 hours, based upon past submissions. The staff estimates that the average number of hours necessary to comply with the requirements of Rule 19h–1 is 4.5 hours. The average cost per hour is approximately $60. Therefore, the total cost of compliance for the respondents is $13,500.

A respondent is required to keep the information not less than five years. The filing of notices is mandatory but does not involve the collection of confidential information.

Please note that an agency may not conduct or sponsor, and a person not required to respond to, a collection of information unless it displays a currently valid control number.

General comments regarding the above information should be directed to the following persons: (1) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, DC 20503, and (ii) Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. Comments must be submitted to OMB on or before June 17, 1998.

Dated: May 11, 1998.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–13097 Filed 5–15–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Agency Meeting.

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94–409, that the Securities and Exchange Commission will hold the following meetings during the week of May 18, 1998.

An open meeting will be held on Wednesday, May 20, 1998, at 10:00 a.m. A closed meeting will be held on Thursday, May 21, 1998, at 10:00 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(4), (8), (9)(A) and (10) and 17 CFR 200.402(a)(4), (8), (9)(i) and (10), permit consideration of the scheduled matters at the closed meeting.

Commsissioner Unger, as duty officer, voted to consider the items listed for the closed meeting in a closed session.

The subject matter of the open meeting scheduled for Wednesday, May 20, 1998, at 10:00 a.m., will be:

(1) The Commission, will consider whether to adopt amendments to rules 14a–8, 14a–4, and 14a–5 under the Securities Exchange Act of 1934. For further information, please contact Frank G. Zarb, Jr. or Sanjay M. Shirodkar, Division of Corporation Finance at (202) 942–2900 or Doretha M. VanSlyke, Division of Investment Management at (202) 942–0721.

(2) The Commission will consider a proposal to amend Rule 504 of Regulation D to address trading abuses involving securities issued under that rule. These proposals are part of the Commission's agenda to deter microcap fraud. For further information, please contact Richard K. Wulff or Barbara C. Jacobs of the Division of Corporation Finance at (202) 942–2950.

The subject matter of the closed meeting scheduled for Thursday, May 21, 1998, at 10:00 a.m., will be

Institution and settlement of administrative proceedings of an enforcement nature.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942–7070.

Dated: May 13, 1998.

Jonathan G. Katz,

Secretary.

[FR Doc. 98–13192 Filed 5–13–98; 4:07 pm]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: [63 FR 26231, May 12, 1998].

STATUS: Closed Meeting.

PLACE: 450 Fifth Street, N.W., Washington, D.C.

DATE PREVIOUSLY ANNOUNCED: May 12, 1998.

CHANGE IN THE MEETING: Additional Item.

The following item was added to the closed meeting held on Thursday, May 14, 1998, at 10:00 a.m.:

Settlement of injunctive action.

Commissioner Unger, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary (202) 942–7070.

Dated: May 14, 1998.

Jonathan G. Katz,

Secretary.

[FR Doc. 98–13343 Filed 5–14–98; 3:54 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–39983; File No. SR–MSRB–97–9]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 by the Municipal Securities Rulemaking Board Relating to Rule G–38 on Consultants

May 12, 1998.

On March 18, 1998,[1] the Municipal Securities Rulemaking Board (''Board'' or ''MSRB'') filed with the Securities and Exchange Commission (''Commission'' or ''SEC'') a proposed rule change (File No. SR–MSRB–97–9), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[2] and Rule 19b–4 thereunder.[3] The proposed rule change and Amendment No. 1 are hereafter referred to collectively as the ''proposed rule change.'' The proposed rule change is described in Items I, II, and III below, which Items have been prepared by the Board. 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 Board is filing herewith a proposed rule change consisting of an amendment to Rule G–38 on consultants. The proposed rule change would give brokers, dealers and municipal securities dealers (collectively referred to as ''dealers'') the option of disclosing their consulting arrangements to issuers, pursuant to section (c) of the rule, on either an issue-specific or issuer-specific basis. Below is the text of the proposed rule change. Additions are italicized; deletions are in brackets.

Rule G–38. Consultants

(a)–(b) No change.

(c) Disclosure to Issuers. Each broker, dealer or municipal securities dealer shall submit in writing to each issuer with which the broker, dealer or municipal securities dealer is engaging or seeking to engage in municipal securities business, information on consulting arrangements relating to such issuer, which information shall include the name, company, role and compensation arrangement of any consultant used, directly or indirectly, by the broker, dealer or municipal securities dealer to attempt to obtain or retain municipal securities business with each such issuer. Such information shall be submitted to the issuer *either:*

(*i*) prior to the selection of any broker, dealer or municipal securities dealer in connection with [such] *the particular* municipal securities business *being sought*[.]*; or*

(ii) at or prior to the consultant's first direct or indirect communication with the issuer for any municipal securities business being sought. Each broker, dealer or municipal securities dealer shall promptly advise the issuer, in writing, of any change in the information disclosed, pursuant to this subsection (ii), on each consulting arrangement relating to such issuer. In addition, each broker, dealer or municipal securities dealer disclosing information pursuant to this subsection (ii) shall update such information by notifying each issuer in writing within one year of the previous disclosure made to such issuer concerning each consultant's name, company, role and compensation arrangement, even where the information has not changed; provided, however, that this annual update requirement shall not apply where the broker, dealer or municipal securities dealer has ceased to use the consultant, directly or indirectly, to attempt to obtain or retain municipal securities business with the particular issuer.

(d) No change.

* * * * *

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 Board 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 Board 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

Rule G–38, on consultants, requires dealers: (1) To have written agreements with certain individuals who are used by a dealer, directly or indirectly, to obtain or retain municipal securities business (''consultants''), and (2) to disclose such consulting arrangements directly to issuers and to the public through disclosure to the Board. Section (c) of the rule currently requires that each dealer disclose, in writing, to each issuer with which the dealer is engaging or is seeking to engage in municipal securities business, information on consulting arrangements relating to such issuer. The information to be disclosed includes the name, company, role and compensation arrangement of any consultant used, directly or indirectly, to obtain or retain municipal securities business with each such issuer. Dealers are required to make such disclosures prior to the issuer's selection of any dealer in connection with the particular municipal securities business sought.

It has come to the Board's attention that this issue-specific nature of the disclosure requirement can create compliance problems for dealers in the case of frequent issuers of municipal securities as well as in the co-manager selection process. For example, an issuer may bring new issues to market several times a month, and if a dealer is using a consultant to obtain a syndicate slot in each such issue, the dealer is required to disclose the same information to the same issuer month after month and possibly week after week. In addition, the Board has learned that dealers who use a consultant to help obtain co-manager business sometimes have difficulty complying with Rule G–38(c) because, unlike the lead manager, a co-manager may learn of its selection for that business after the selection of the lead manager, thereby making it impossible for the dealer to disclose its consulting arrangements prior to the issuer's selection of any dealer, as required by the rule.

While the Board believes that the timing of the issue-specific disclosure requirement in Rule G–38(c) is appropriate in the vast majority of cases, the Board recognizes that it can be a problem in the context of frequent issuers of municipal securities and in the co-manager selection process. Thus, the Board has determined to amend Rule G–38(c) to give dealers the option of disclosing their consulting arrangements to issuers on either an issue-specific or issuer-specific basis.

[1] The Board initially submitted this proposal on November 24, 1997. However, a substantive amendment was requested to modify and clarify ambiguous timing issues in the proposed rule language. The Board filed Amendment No. 1 on March 18, 1998.

[2] 15 U.S.C. 78s(b)(1).

[3] 17 CFR 240.19b–4.