

Street and Constitution Avenue, N.W.,  
Washington, D.C. 20230.

This determination and notice are in  
accordance with section 702(a) of the  
Act.

**Richard W. Moreland,**  
*Acting Assistant Secretary for Import  
Administration.*

**Appendix—Subsidy Programs on Cheese Subject to an In-Quota Rate of Duty**

Country and program(s)	Gross <sup>1</sup> subsidy	Net <sup>2</sup> subsidy
Austria: European Union Restitution Payments .....	\$0.22	\$0.22
Belgium: EU Restitution Payments .....	0.07	0.07
Canada: Export Assistance on Certain Types of Cheese .....	0.24	0.24
Denmark: EU Restitution Payments .....	0.10	0.10
Finland: EU Restitution Payments .....	0.27	0.27
France: EU Restitution Payments .....	0.16	0.16
Germany: EU Restitution Payments .....	0.20	0.20
Greece: EU Restitution Payments .....	0.00	0.00
Ireland: EU Restitution Payments .....	0.23	0.23
Italy: EU Restitution Payments .....	0.17	0.17
Luxembourg: EU Restitution Payments .....	0.07	0.07
Netherlands: EU Restitution Payments .....	0.10	0.10
Norway: Indirect (Milk) Subsidy .....	0.33	0.33
Consumer Subsidy .....	0.15	0.15
Total .....	0.48	0.48
Portugal: EU Restitution Payments .....	0.09	0.09
Spain: EU Restitution Payments .....	0.13	0.13
Switzerland Deficiency Payments .....	0.89	0.89
U.K.: EU Restitution Payments .....	0.08	0.08

<sup>1</sup> Defined in 19 U.S.C. 1677(5).

<sup>2</sup> Defined in 19 U.S.C. 1677(6).

[FR Doc. 98-17531 Filed 6-30-98; 8:45 am]

BILLING CODE 3510-DS-P

**DEPARTMENT OF COMMERCE**

**National Institute of Standards and Technology**

**Announcement of Meeting of National Conference on Weights and Measures**

**AGENCY:** National Institute of Standards and Technology, Commerce.

**ACTION:** Notice of Meeting.

**SUMMARY:** Notice is hereby given that the 83rd Annual Meeting of the National Conference on Weights and Measures will be held July 12 through 16, 1998, at the Portland Hilton Hotel, Portland, Oregon. The meeting is open to the public. The National Conference on Weights and Measures is an organization of weights and measures enforcement officials of the states, counties, and cities of the United States, and private sector representatives. The interim meeting of the conference, held in January 1998, as well as the annual meeting, brings together enforcement officials, other government officials, and representatives of business, industry, trade associations, and consumer organizations to discuss subjects that relate to the field of weights and measures technology and administration.

Pursuant to (15 U.S.C. 272(B)(6)), the National Institute of Standards and Technology acts as a sponsor of the National Conference on Weights and Measures in order to promote uniformity among the states in the complex of laws, regulations, methods, and testing equipment that comprises regulatory control by the states of commercial weighting and measuring.

**DATES:** The meeting will be held July 12-16, 1998.

**LOCATION:** The Portland Hilton, Portland, Oregon.

**FOR FURTHER INFORMATION CONTACT:**

Gilbert M. Ugiansky, Executive Secretary, National Conference on Weights and Measures, P.O. Box 4025, Gaithersburg, Maryland 20885. Telephone: (301) 975-4004.

Dated: June 25, 1998.

**Robert E. Herbner,**

*Acting Deputy Director, National Institute of Standards and Technology.*

[FR Doc. 98-17461 Filed 6-30-98; 8:45 am]

BILLING CODE 3510-13-M

**COMMODITY FUTURES TRADING COMMISSION**

**Application of Cantor Financial Futures Exchange as a Contract Market in U.S. Treasury Bond, Ten-Year Note, Five-Year Note and Two-Year Note Futures Contracts**

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Application of the Cantor Financial Futures Exchange for initial designation as a contract market.

**SUMMARY:** The Cantor Financial Futures Exchange, Inc. ("CFFE" or "Exchange"), a New York not-for-profit corporation, has applied for designation as a contract market for the computer-based trading of US Treasury bond, ten-year note, five-year note and two-year note futures contracts. CFFE has been formed pursuant to an agreement between the New York Cotton Exchange ("NYCE") and CFFE, LLC, a subsidiary of Cantor Fitzgerald, LP ("Cantor").<sup>1</sup> Under the agreement, CFFE trading would be conducted on the same trading system that another Cantor subsidiary, Cantor

<sup>1</sup> CFFE, LLC is a limited liability company whose equity interest is held by Cantor (ninety-nine percent) and CFFE Holdings, LLC (one percent).

Fitzgerald Securities, LLC ("CFS"), currently operates as an interdealer-broker in the US Treasury securities market. CFFE's regulatory responsibilities would be handled by NYCE. CFFE has not previously been approved by the Commission as a contract market in any commodity. Accordingly, in addition to the terms and conditions of the proposed futures contracts, the Exchange has submitted to the Commission a proposed trade-matching algorithm; proposed rules pertaining to CFFE governance, disciplinary and arbitration procedures, trading standards and recordkeeping requirements; and various other materials to meet the requirements for a board of trade seeking initial designation as a contract market. CFFE trades would be cleared and settled by the Commodity Clearing Corporation ("CCC") which is wholly owned by NYCE. Notice of CFFE's application was previously published on February 3, 1997 (63 FR 5505) for a comment period ending on April 6, 1998. That comment period was later extended until April 27, 1998 (63 FR 17823 (April 10, 1998)). Since the Commission's original publication of the CFFE's proposal, the Exchange has made additional submissions to the Commission. Those submissions revise a number of features of CFFE's proposal and generally include further explication and supporting materials with respect to the entire proposal. The submissions are available for review in the Commission's public files.

Acting pursuant to the authority delegated by Commission Regulation 140.96, the Division of Trading and Markets ("Division") has determined to publish CFFE's proposal again so that the public may review and comment on the Exchange's additional submissions. The Division believes that publication of the proposal for comment at this time is in the public interest, will assist the Commission in considering the views of interested persons, and is consistent with the purposes of the Commodity Exchange Act. The Division seeks comment regarding all aspects of CFFE's application and addressing any issues commenters believe the Commission should consider.

**DATES:** Comments must be received on or before July 16, 1998.

**FOR FURTHER INFORMATION CONTACT:**

With respect to questions about the terms and conditions of CFFE's proposed futures contracts, please contact Thomas M. Leahy of the Division of Economic Analysis, Commodity Futures Trading Commission, at Three Lafayette Centre,

1155 21st Street, NW, Washington, DC 20581; Telephone number: (202) 418-5278; Facsimile number: (202) 418-5527; or Electronic mail: tleahy@cftc.gov. With respect to questions about any of CFFE's other proposed rules or related NYCE proposed rules, please contact David Van Wagner of the Division of Trading and Markets at the same address; Telephone number: (202) 418-5481; Facsimile number: (202) 418-5536; or Electronic mail: dvanwagner@cftc.gov.

**SUPPLEMENTARY INFORMATION:**

**I. Description of Proposal**

CFFE has applied for designation as a contract market for the computer-based trading of US Treasury bond, ten-year note, five-year note and two-year note futures contracts. CFFE has not been approved previously by the Commission as a contract market in any commodity. Thus, in addition to the terms and conditions of the proposed futures contracts, the Exchange has submitted, among other things, proposed trade-matching algorithm procedures and rules pertaining to CFFE governance, trade practice surveillance, disciplinary and arbitration procedures, trading standards and recordkeeping requirements.

CFFE would be wholly owned by CFFE Regulatory Services, LLC. Equity interest in CFFE Regulatory Services, LLC would be held entirely by NYCE (ten percent equity interest) and NYCE's members (ninety percent equity interest).<sup>2</sup> CFFE's contracts would trade over a computer-based trading system maintained by CFS (the "Cantor System"). CFS is an interdealer-broker in the US Treasury securities market, and it currently operates the Cantor System to match orders placed with it by broker-dealers and other customers. Although neither Cantor nor any of its affiliates would have any equity interest in CFFE, Cantor would collect a transaction fee for each trade executed at CFFE through the Cantor System.

CFFE would be governed by a thirteen-person Board of Directors—eight of whom would be appointed by Cantor and five of whom would be appointed by NYCE. Three of the eight CFFE directors appointed by Cantor would be public directors who could not be affiliated with the CFFE, NYCE or Cantor. NYCE would be responsible for providing all of CFFE's regulatory services including its compliance, surveillance, arbitration and

<sup>2</sup> NYCE would have the sole voting interest in CFFE Regulatory Services, LLC.

disciplinary programs.<sup>3</sup> Because of NYCE's involvement in CFFE's regulatory programs, all CFFE rule changes that involved regulatory procedures would have to be approved by NYCE's Board of Managers in addition to CFFE's Board of Directors.

CFFE proposes to trade each of its four contracts from 7:30 a.m. to 5:30 p.m., New York time, on each business day. Under the proposal, all CFFE trading would be conducted through: (1) CFFE Class B Members (*i.e.*, NYCE members), (2) CFFE Associate Members, or (3) futures commission merchants, introducing brokers and commodity trading advisors, without CFFE membership, who have entered into a guarantee agreement with a CCC clearing member to clear their CFFE trades. These persons and entities would be collectively referred to as Screen-Based Traders ("SBT") under CFFE's rules. SBTs or their associated persons, referred to as Authorized Traders ("AT") under CFFE's rules, would place orders, whether for their own or for their customers' accounts if they are properly registered, by phoning CFFE terminal operators ("TO")<sup>4</sup> located at a Cantor facility.<sup>5</sup> For each order, the SBT or Authorized Trader who placed an order would be required to provide the TO with a customer or proprietary account identifier, the relevant contract and the quantity and price.<sup>6</sup> The CFFE TO would promptly enter this information into the Cantor System via a terminal keyboard.

The Cantor System would match eligible CFFE orders according to a trade-matching algorithm that would be similar to the algorithm that CFS currently uses to match orders as an interdealer-broker in the US Treasury securities market. Under the algorithm, the Cantor System would post the best bid (best offer) available at any given time and its quantity. Any inferior bids (offers) that were posted earlier would be removed from the System, while inferior bids (offers) entered subsequently would be rejected by the System. Responsive orders to hit outstanding bids (or take outstanding offers) would be matched with bids (offers) on a time-priority basis at the designated bid (offer) price. Under

<sup>3</sup> In this regard, CFFE's proposed rules would incorporate by reference certain NYCE rules, such as its rules governing arbitration and disciplinary procedures.

<sup>4</sup> All CFFE TOs would be compensated by CFS.

<sup>5</sup> All phone conversations between SBTs or ATs and CFFE TOs would be recorded and time-indexed by a Cantor tape-recording system. CFFE proposes to retain those recordings for a 45-day period.

<sup>6</sup> SBTs and ATs also would be required to fill out an order ticket for each customer order.

CFFE's rules, accounts that placed such responsive orders would be known as "aggressors." Aggressors who placed orders that hit all outstanding bids (take all outstanding offers) in the Cantor System at any particular time would be permitted to engage in an exclusive trading period with the best bidder (offeror). During this exclusive trading period, the aggressor and the best bidder (offeror) would "work up" the quantity for a trade at the previously-established trade price. During this work up process, each party would be given alternating six-second periods either to agree to do a transaction at the quantity offered by the other party or to counteroffer for some other quantity. This work up process would continue until the parties agreed to a transaction quantity.<sup>7</sup> During an exclusive trading period, the Cantor System would accept subsequent bids and offers at the same price as the ongoing trade, and these orders would be matched on a time-priority basis to the extent possible immediately upon the conclusion of the exclusive period. The CFFE would provide an exclusive trading period to participants who were earliest in posting best market bids and offers and to aggressors in order to create an incentive for participants to place orders at attractive prices and to provide liquidity.

Upon the execution of a CFFE transaction, the TO would provide an oral confirmation of the trade to the submitting SBT or AT by telephone and the SBT or AT would record the details of the trade on an order ticket.<sup>8</sup> Upon execution of a trade, the Cantor System also would electronically transmit matched-trade data to CCC for clearing and settlement purposes. For each trade, CCC would transmit transaction information to the appropriate clearing members via the Trade Input Processing System ("TIPS").<sup>9</sup> Clearing members would be required to accept or reject each trade within thirty minutes of its posting on TIPS.

The Cantor System also would transmit relevant trade data to NYCE each day for compliance and surveillance purposes.

Since the Commission's original publication of the CFFE's proposal for

<sup>7</sup> The entire work up process would be conducted through CFFE TOs who would enter each party's desired quantity into the Cantor System. The System itself would automatically trigger the alternating six-second exclusive period for each party.

<sup>8</sup> TOs would receive and input orders from SBTs and ATs and relay back trade confirmations. TOs could not maintain any sort of order book or deck, nor could they exercise any discretion over orders.

<sup>9</sup> CCC estimates that CFFE trades would be posted on TIPS within fifteen minutes of their execution.

comment, the Exchange has revised a number of aspects of its proposal. Among the revisions, the CFFE has provided an extensive explanation of its TOs' responsibilities and restrictions and has stated that it would register all TOs with the Commission as floor brokers. The Exchange also has created a new membership category—Associate Members—and has clarified that all holders of CFFE trading privileges who could execute customer orders would be Commission registrants. In addition, all trading privilege holders would, under CFFE's rules, be subjected to the Commission's Part 155 trading standards. The Exchange also has provided further explanation and justification of its trade-matching algorithm, including the procedures for exclusive trading periods and market-crossing sessions.

Finally, among the more significant additions to its submission, the CFFE has determined that the CCC, rather than the New York Board of Clearing, would clear and settle Exchange transactions. It also has submitted an extensive description of CFFE's compliance and surveillance programs and the role of NYCE staff in administering these programs.

### III. Request for Comments

Any person interested in submitting written data, views, or arguments on the proposal to designate CFFE should submit their views and comments by the specified date to Jean A. Webb, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581. In addition, comments may be sent by facsimile transmission to facsimile number (202) 418-5521, or by electronic mail to secretary@cftc.gov. The Division seeks comment on all aspects of CFFE's application for designation as a new contract market, as well as CCC's proposal to serve as CFFE's clearing organization. Reference should be made to the CFFE application for designation as a contract market in US Treasury bond, ten-year note, five-year note and two-year note futures contracts. Copies of the proposed terms and conditions are available for inspection at the Office of the Secretariat at the above address. Copies also may be obtained through the Office of the Secretariat at the above address or by telephoning (202) 418-5100.

Other materials submitted by CFFE and CCC may be available upon request pursuant to the Freedom of Information Act (5 U.S.C. 552), except to the extent that they are entitled to confidential treatment pursuant to 17 CFR 145.5 or 145.9. Requests for copies of such

materials should be made to the Freedom of Information, Privacy and Sunshine Act compliance staff of the Office of the Secretariat at the Commission headquarters in accordance with 17 CFR 145.7 and 145.8.

Issued in Washington, DC, on June 25, 1998.

**Alan L. Seifert,**

*Deputy Director.*

[FR Doc. 98-17501 Filed 6-30-98; 8:45 am]

BILLING CODE 6351-01-U

## COMMODITY FUTURES TRADING COMMISSION

### Membership of the Commission's Performance Review Board

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Membership Change of Performance Review Board.

**SUMMARY:** In accordance with the Office of Personnel Management guidance under the Civil Service Reform Act of 1978, notice is hereby given that the following employees will serve as members of the Commission's Performance Review Board.

Chairperson: Linda Ferren, Executive Director. Members: Susan G. Lee, Executive Assistant to the Chairperson; Daniel Waldman, General Counsel; Steven Manaster, Director, Division of Economic Analysis; Geoffrey Aronow, Director, Division of Enforcement; I. Michael Greenberger, Director, Division of Trading and Markets.

**DATES:** This action will be effective on July 1, 1998.

**ADDRESSES:** Commodity Futures Trading Commission, Office of Human Resources and Support Services, Three Lafayette Centre, Suite 4100, Washington, D.C. 20581.

**FOR FURTHER INFORMATION CONTACT:** Ann Linnertz, Director, Office of Human Resources and Support Services, Commodity Futures Trading Commission, Office of Human Resources and Support Services, Three Lafayette Centre, Suite 4100, Washington, D.C. 20581, (202) 254-3275.

**SUPPLEMENTAL INFORMATION:** This action which changes the membership of the Board supersedes the previously published **Federal Register** Notice, September 11, 1997.

Issued in Washington, D.C. on June 24, 1998.

**Jean A. Webb,**

*Secretary to the Commission.*

[FR Doc. 98-17498 Filed 6-30-98; 8:45 am]

BILLING CODE 6351-01-M