whether the market maker is holding an order from a customer, another member, the customer of another member, or any other entity, including non-member broker-dealers. Furthermore, the text of the rule is being amended to more clearly provide that such trades are reported exclusive of any mark-up, mark-down, commission, or other fee.

III. Discussion

The Commission finds that the proposed rule change is consistent with Section 15A of the Act [10] and the rules and regulations thereunder. In particular, the Commission believes that the proposal is consistent with the Section 15A(b)(6) [11] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.[12]

The Commission agrees with the NASD that, for reporting purposes, it is appropriate to treat riskless principal trades as one trade. As the NASD noted, with the implementation of the SEC Order Handling rules, which generally require that a broker-dealer publish its customer's limit orders,[13] the number of riskless principal transactions executed by NASD member firms has increased. Reducing the number of transactions required to be reported should result in a corresponding reduction in transaction fees.

Moreover, current NASD rules for reporting principal transactions allow members that are not acting as market makers to report a riskless principal transaction as one transaction. In the past, the Commission has been concerned that a market maker making a continuous two-sided market might have difficulty identifying when a riskless principal transaction was effected. Accordingly, the principal trade reporting rule required members effecting riskless principal trades as a market maker to report both sides of the trade in an effort to avoid the possibility that compliance problems and interpretive difficulties would arise. Due to advances in the NASD's technology, however, the Commission believes that it is now appropriate for the NASD to allow a member acting as market maker to report riskless principal transactions as one transaction. The NASD has recently begun implementing its Order Audit Trail System [14] (''OATS''), which, among other things, requires market makers to record and report certain information with respect to each order, including the origin of the order (*i.e.*, in-house, customer, or another member). The implementation of OATS should assist the NASD in determining whether a trade is properly reported as a riskless principal transaction. For these reasons, the Commission believes that extending the riskless principal exception for trade reporting to market makers so that they can report certain matching principal trades only one is reasonable and consistent with the Act.[15]

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2§ of the Act,[16] that the proposed rule change (SR–NASD–98–59) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[17]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–7805 Filed 3–30–99; 8:45 am]

BILLING CODE 8010–01–M

[10] 15 U.S.C. 78o–3.

[11] U.S.C. 78o–3(b)(6).

[12] In approving the proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[13] 17 CFR 240.11Ac1–4(b).

[14] OATS will be implemented in several phases. At this time, OATS reporting requirements have only been implemented for electronic orders received by ECNs and market makers in the securities in which they make a market. *See* Securities Exchange Act Release No. 39729 (March 6, 1998), 63 FR 12559 (March 13, 1998) (order approving File No. SR–NASD–97–56).

[15] The Commission notes that a riskless principal transaction is defined as a transaction where a member, after having received an order to buy a security, purchases the security as principal at the same price to satisfy the order to buy or, after having received an order to sell, sells the security as principal at the same price to satisfy the order to sell, excluding the mark-up or mark-down, commission-equivalent, or other fee. The Commission expects that the NASD will issue an interpretation giving examples of how mark-ups and other fees will be excluded for purposes of determining whether a trade is at the same price.

[16] 15 U.S.C. 78s(b)(2).

[17] For the Commission, he

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–41206; File No. SR–PCX–99–02]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Pacific Exchange, Inc. Relating to Matters Subject to Arbitration

March 23, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on February 3, 1999, the Pacific Exchange, Inc. (''PCX'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. 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 Exchange is proposing to change PCX Rule 12.1 to allow for claims related to employment, including sexual harassment, or any discrimination claim in violation of a statute, to be eligible for submission to arbitration only where all parties have agreed to arbitration after the claim has arisen. The text in brackets will be deleted, and the text in italics will be added. The text of the proposed rule change is as follows:

* * * * *

Matters Subject to Arbitration

Rule 12.1(a) No change.

(b) Any claim which is related to employment, including any sexual harassment or any discrimination claim in violation of a statute, will be eligible for submission to arbitration under this Rule only where all parties have agreed to arbitrate the claim after it has arisen.

[(b)]*(c)* Any dispute, claim or controversy between a customer or non-member and a member, member organization and/or associated person arising in connection with the securities business of such member, member organization and/or associated person shall be arbitrated under this Rule as provided by any duly executed and enforceable written document, or upon the request of the customer or non-member.

[(c) Any dispute, claim or controversy between a member and an employee of such member which is related to such employment shall, at the request of any such party, be submitted for arbitration in accordance with this Rule.]

(d)–(g) 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 Exchange 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

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

[2] 17 CFR 240.19b-4.

places specified in Item IV below. The Exchange 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

Purpose

Background. The Exchange's Constitution, Article XII, states that ''[a] dispute, claim or controversy arising in connection with the securities business of a member, member organization and/or associated person may be submitted to arbitration pursuant to the Rules of the Exchange.'' PCX Rule 12.1(a) restates the language of the Constitution, and further provides for arbitration of employment related claims in PCX Rule 12.1(c), by stating ''[a]ny dispute, claim or controversy between a member and an employee of such member which is related to such employment shall, at the request of any such party, be submitted for arbitration in accordance with this Rule.'' The Exchange has long construed the term ''employee' for purposes of PCX Rule 12.1(c) to mean registered representatives or other persons who are required to file a Form U–4 (Uniform Application for Securities Registration or Transfer) as a condition of employment with a member firm of the Exchange. The Form U–4 requires registered persons to submit to arbitration any claim that is required to be arbitrated under the rules of the self-regulatory organization with which they are registered.

Until the 1990's, PCX Rule 12.1(c) was generally used for the resolution of claims alleging breach of contract, compensation issues or wrongful discharge. However, in 1991 the United States Supreme Court held in *Gilmer* v. *Interstate/Johnson Lane Corp.*,[3] that pursuant to the language of the Form U–4 and New York Stock Exchange (''NYSE'') Rule 347, a registered representative's Age Discrimination in Employment Act (''ADEA'') claim was subject to compulsory arbitration.[4] NYSE Rule 347 specifically provides for the arbitration of ''employment or termination of employment'' matters. PCX Rule 12.1(c) likewise provides for the arbitration of matters ''related to such employment.'' The ruling of the Court in *Gilmer*, which referred to the rules of the NYSE, can thus be applied to arbitration cases as administered by the Exchange, since both NYSE Rule 347 and PCX Rule 12.1(c) specifically require the arbitration of ''employment'' matters.[5]

In 1994, several years after the decision in *Gilmer*, the General Accounting Office (''GAO'') released the findings of a two-year study on the results of employment discrimination disputes in the securities industry as administered by the various self-regulation organizations.[6] While the GAO did not address the adequacy of arbitration as a means of resolving employment discrimination disputes, it made several recommendations for improving the self-regulatory organization arbitration process as it related to employment discrimination claims. For example, the GAO recommended implementing a method of tracking employment discrimination claims, establishing formal standards for selecting arbitrator panels, or criteria for excluding arbitrators from the pool.[7]

In July 1997, the Equal Employment Opportunity Commission (''EEOC'') issued a policy statement that mandatory pre-dispute agreements to arbitrate statutory discrimination claims are inconsistent with the purpose of federal civil rights laws.[8] The EEOC stated in its policy statement that ''[t]he use of unilaterally imposed agreements mandating binding arbitration of employment discrimination disputes as a condition of employment harms both the individual civil rights claimant and the public interest in eradicating discrimination.''[9] The EEOC further stated that ''the use of these agreements is not limited to particular industries, but can be found in various sectors of the workforce, including, for example, the securities industry, retail, restaurant and hotel chains, health care, broadcasting, and security services.[10]

In October 1997, the NASD submitted a proposal to the Commission regarding the arbitration of statutory employment discrimination claims.[11] The NASD proposed to remove the requirement that registered representatives arbitrate statutory employment discrimination claims and to allow an employee to file such a claim in court unless he was obligated to arbitrate pursuant to a separate agreement between the parties, entered into before or after the dispute arose.[12] The proposal was approved June 22, 1998.

In September 1998, the NYSE filed a rule proposal regarding employment discrimination claims.[13] The NYSE filing was approved by the Commission on December 29, 1998.[14] In its rule filing, the NYSE proposed to create an exception to the rule requiring the arbitration of all employment-related claims of registered representatives. The NYSE proposed that ''any claim alleging employment discrimination, including any sexual harassment claim, in violation of a statute shall be eligible for arbitration only where the parties have agreed to arbitrate the claim *after* it has arisen'' (emphasis added).[15] Further, in conformity with the EEOC policy statement, the NYSE limited its forum to claims where the parties had agreed to arbitrate only after the dispute arose, thus providing additional safeguards to the employee that the self-regulatory organization arbitration process is entered into knowing by and voluntarily by the employee.[16]

Relevant Caselaw. In 1998, two federal courts supported the EEOC's position that mandatory pre-dispute agreements to arbitrate statutory discrimination claims are inconsistent with the purpose of federal civil rights laws. Prior to these decisions, federal courts had consistently upheld the arbitration of employment discrimination claims pursuant to the Form U–4.

First, in January 1998, in *Rosenberg* v. *Merrill Lynch*, 995 F. Supp. 190 (D.

[3] 500 U.S.C. 20 (1991).

[4] *Id.*

[5] Distinguish *Farrand* v. *Lutheran Bhd.*, 993 F.2d 1253 (7th Cir. 1993), where the court concluded that the then existing National Association of Securities Dealers, Inc. (''NASD'') arbitration rules did not require ''employment'' disputes to be arbitrated, since the language of the rule only referred to ''disputes arising out of or in connection with business transactions.''

[6] Employment Discrimination: How Registered Representatives Fare in Discrimination Disputes, (GAO/HEHS–94–17, March 30, 1994).

[7] *Id.* at 11.

[8] Equal Employment Opportunity Commission Notice No. 915.002, July 10, 1997, (''Policy Statement on Mandatory Biding Arbitration of Employment Discrimination Disputes as a Condition of Employment'').

[9] *Id.* at 22.

[10] *Id.* at 1.

[11] *See* Exchange Act Release No. 39421 (December 10, 1997), 62 FR 66164 (December 17, 1997) and Exchange Act Release No. 40109 (June 22, 1998), 63 FR 35299 (June 29, 1998).

[12] *Id.*

[13] *See* Exchange Act Release No. 40858 (December 29, 1998), 64 FR 1051 (January 7, 1999).

[14] *Id.*

[15] *Id.* at 1052, footnote 13. The NYSE qualified the ''in violation of statute'' language (as did the NASD) to include all federal, state and local anti-discrimination statutes.

[16] In December 1997, Gilbert F. Casellas, Chairman of the EEOC, wrote a comment letter to Jonathan G. Katz, Secretary of the SEC, regarding the pending NASD rule proposal. The EEOC reiterated its position ''that *pre*-dispute arbitration agreements, particularly those that mandate binding arbitration of discrimination claims as a condition of employment, are contrary to the fundamental principles reflected in this nation's employment discrimination laws.'' The EEOC therefore recommended ''that the proposed rule be revised to permit arbitration of statutory employment discrimination claims only under *post*-dispute arbitration agreements.

Mass. 1998), a Massachusetts district court, declined to compel arbitration of the Plaintiff's Title VII and ADEA claims pursuant to an agreement to arbitrate contained in a Form U–4 the plaintiff was required to sign as a condition of employment.[17]

On appeal, the United States Court of Appeals for the First Circuit found that the motion to compel arbitration was properly denied, but for reasons other than those stipulated to by the district court.[18] On a *de novo* review of the legal issues, the court found that what was at issue was whether the parties' arbitration agreement met the standard set forth in the 1991 CRA amendment to Title VII for enforcing arbitration clauses ''where appropriate and to the extent authorized by law.''[19] The court held that the standard was not met because ''[a]t a minimum the words 'to the extent authorized by law' must mean that arbitration agreements that are unenforceable under the Federal Arbitration Act (''FAA'') are also unenforceable when applied to claims under Title VII and the ADEA.''[20] The court states that ''[u]sing the 'to the extent authorized by law' standard of the 1991 CRA, we are doubtful that there was an enforceable contract.''[21] Under common law contract principles and referring to general state common-law principles, the court further stated that it was ''doubtful that there was an agreement to arbitrate Title VII and ADEA claims.''[22] Finally, with regard to this issue, the court stated that the arbitration agreement was incomplete in that it failed to define the range of claims subject to arbitration.[23] Specifically, the court found that the agreement only referred to arbitration of claims that were required by NYSE rules, but that these rules were neither provided to the plaintiff nor explained to her.[24]

In the recent California case of *Craft* v. *Campbell Soup Co.*,[25] the U.S. Circuit Court of Appeals for the 9th Circuit considered the issue of whether the FAA broadly excludes arbitration agreements within contracts of employment. The Court held that prior cases and legislative history indicate that the FAA's arbitration clause was solely intended to bind merchants who were involved in commercial dealings and contracts involving interstate commerce and is thus inapplicable to labor and employment contract.[26]

In May 1998, the United States Court of Appeals for the 9th Circuit held, contrary to *Rosenberg*, that the 1991 CRA amendments to Title VII provide for the right to a jury trial in discrimination claims and that, in adopting them, ''Congress intended to preclude compulsory arbitration of Title VII claims.''[27] The Court also noted that following the 1991 CRA, the courts have held that claimants who do not ''knowingly'' agree to arbitrate Title VII claims cannot be required to submit to arbitration.[28] The Court held that employers could not compel employees to waive their right to a judicial forum under Title VII and, therefore, the plaintiff could not be compelled to arbitrate here statutory discrimination claims pursuant to a Form U–4 that she signed as a condition of employment.[29] Specifically, the Court held that under the Civil Rights Act of 1991, employers may not compel individuals to waive their right to bring future Title VII claims to court.[30]

Proposal. The Exchange is proposing an amendment to PCX Rule 12 to provide that ''any claim which is related to employment, including any sexual harassment or discrimination claim in violation of a statute, will be eligible for submission to arbitration * * * only where all parties have agreed to arbitrate the claim after it has arisen.'' The new language excepts all employment related claims from arbitration at the Exchange, and specifically addresses claims alleging discrimination in violation of a statute, unless the parties have agreed to proceed with arbitration at the Exchange after the dispute has arisen.

By proposing these rule amendments, the Exchange is in conformity with the EEOC's ''Policy Statement on Mandatory Binding Arbitration of Employment Discrimination Disputes as a Condition of Employment,''[31] and also goes further by proposing to except all employment claims from arbitration, unless the parties agree to arbitrate after the dispute has arisen.

The extension of the exception to all employment related claims will avoid the bifurcation of a single employment dispute. By requiring post-dispute agreement regarding whether any employment claim will be arbitrated, the parties can determine together whether the entire case should proceed through arbitration or the courts. Avoiding bifurcation will ultimately provide efficiency in the dispute resolution process, and save the parties significant time and money.

The majority of the Exchange's caseload arises from claims between customers or nonmembers and members or member organizations, pursuant to any written agreement to arbitrate or upon the demand of the customer or non-member.[32] Employment-related cases make up a very small percentage of the total caseload of the Exchange.[33] For example, from 1996 through 1998, of the total 174 cases filed, only 10 were employment-related cases alleging wrongful termination, breach of contract or other compensation issues. Only one of the 10 employment-related cases filed during those years alleged statutory discrimination.

The Exchange also proposes to delete Rule 12.1(c) so that the new proposed language and the existing language are not in conflict.

Basis

The Exchange believes the proposed rule change is consistent with Section 6(b) of the Act[34] in general, because it furthers the objectives of Section 6(b)(5) of the Act[35] in particular, in that it promotes just and equitable principles of trade by ensuring that members, member organizations and the public have a fair and impartial forum for the resolution of their disputes.

---

[17] *Rosenberg* v. *Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 995 F. Supp. 190 (D. Mass. 1998); *Rosenberg* v. *Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 976 F. Supp. 84 (D. Mass. 1997); *Rosenberg* v. *Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 965 F. Supp. 190 (D. Mass. 1997).

[18] Upon review, the court stated that application of pre-dispute arbitration agreements to federal claims arising under Title VII and the ADEA are not precluded by the 1991 Civil Rights Act (''1991 CRA'') amendments to Title VII or by the Older Workers Benefit Protection Act (''OWBPA'') amendments to the ADEA, and that there is no ''structural bias in the NYSE arbitration arbitral forum. *Rosenberg* v. *Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 1998 LEXIS 32522, 4–5 (1st Cir.).

[19] *Id.* at 54.

[20] *Id.* at 55.

[21] *Id.* at 56.

[22] *Id.*

[23] *Id.*

[24] *Id.*

[25] 161 F.3d 1199 (9th Cir. 1998).

[26] 161 F.3d 1199; 1202–1203 (9th Cir. 1998).

[27] *Duffield* v. *Robertson, Stephens & Co.*, 144 F.3d 1182, 1199 (9th Cir. 1998), *cert. denied*, 67 U.S.L.W. 3113, 67 U.S.L.W. 3177 (U.S., Nov. 9, 1998)(Nos. 98–237–98–409).

[28] *Id.* at 1189.

[29] *Id.* at 1202–03.

[30] *Id.* at 1189.

[31] EEOC Notice No. 915.002, July 10, 1997.

[32] PCX Rule 12.1(b) provides: ''Any dispute, claim or controversy between a customer or non-member and a member, member organization and/or associated person arising in connection with the securities business of such member, member organization and/or associated person shall be arbitrated under this Rule as provided by any duly executed and enforceable written document, or upon the request of the customer or non-member.''

[33] Employment-related claims historically account for 2% or less of claims filed annually with the Exchange. Discrimination claims account for less than 1% of claims field annually.

[34] 15 U.S.C. 78f(b).

[35] 15 U.S.C. 78f(b)(5).

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments on the proposed rule change were neither solicited nor received.

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

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

A. by order approve such proposed rule change, or

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

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR–PCX–99–02 and should be submitted by April 21, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[36]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–7806 filed 3–30–99; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–41201; File No. SR–PHLX–99–06]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to Mandatory Trading Floor Training Requirements

March 22, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on February 12, 1999, the Philadelphia Stock Exchange, Inc. (''Phlx'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I and II, below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval to the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to adopt new Phlx Rule 625, Options Trading Floor Training. The proposed rule requires that all equity option and index option floor members and their respective personnel complete mandatory training related to that employee's function on the trading floor. The Exchange is also proposing to adopt new Option Floor Procedure Advice, F–30, Options Trading Floor Training and an accompanying fine schedule, such that a minor rule plan citation could be issued.[3] The text of the proposed new rule and new Option Floor Procedure Advice is as follows in italics:

Equity Option and Index Option Only

F–30—Options Trading Floor Training

All new equity option and index option floor members, whether specialists, floor brokers or Registered Options Traders, and their respective personnel, shall successfully complete mandatory training related to that employee's function on the trading floor. All current members and their respective personnel shall be subject to continuing mandatory training requirements in order to instruct these individuals on changes in existing automated systems or any new technology that is utilized by the Exchange.

Failure to attend the scheduled mandatory training described above may result in the issuance of a fine in accordance with the fine schedule below.

Fine Schedule (Implemented on a three year running calendar basis).

F–30

1st Occurrence: $250.00
2nd Occurrence: $350.00
3rd Occurrence: $500.00
4th Occurrence: Sanction is discretionary with Business Conduct Committee

Rule 625—Options Trading Floor Training

All new equity option and index option floor members, whether specialists, floor brokers or Registered Options Traders, and their respective personnel, shall successfully complete mandatory training related to that employee's function on the trading floor. All current members and their respective personnel shall be subject to continuing mandatory training requirements in order to instruct these individuals on changes in existing automated systems or any new technology that is utilized by the Exchange.

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 self-regulatory organization 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 III below. The self-regulatory organization 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

The purpose of the proposed rule is to require all new option floor members, whether specialists, floor brokers, or

---

[36] 17 CFR 200.30–3(a)(12.

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

[2] 17 CFR 240.19b–4.

[3] The Phlx's minor rule violation enforcement and reporting plan (''Minor Rule Plan''), codified in Phlx Rule 970, contains floor procedure advices with accompanying fine schedules. Rule 19d–1(c)(2) of the Act authorizes national securities exchanges to adopt minor rule violation plans for summary discipline and abbreviated reporting; Rule 19d–1(c)(1) requires prompt filing with the Commission of any final disciplinary actions. However, minor rule violations not exceeding $2,500 are deemed not final, thereby permitting periodic, as opposed to immediate, reporting.