



# Federal Register

---

**Thursday,  
November 30, 2000**

---

**Part LXII**

**Securities and  
Exchange  
Commission**

---

**Semiannual Regulatory Agenda**

**SECURITIES AND EXCHANGE COMMISSION (SEC)**

**SECURITIES AND EXCHANGE COMMISSION**

**17 CFR Ch. II**

**Release Nos. 33-7911, 34-43451, 35-27255, 39-2387, IC-24690, IA-1904, File No. S7-19-00**

**Regulatory Flexibility Agenda**

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Semiannual regulatory agenda.

**SUMMARY:** The Securities and Exchange Commission is publishing an agenda of its rulemaking actions, pursuant to the Regulatory Flexibility Act. Information in the agenda was accurate on October 17, 2000, the date on which the Commission's staff completed compilation of the data. To the extent possible, rulemaking actions by the Commission since that date have been reflected in the agenda. The Commission invites questions and public comment on the agenda and on the individual agenda entries. The Commission provides notice under section 610 of the Regulatory Flexibility Act, which requires a review of certain rules and public notice of the intent to perform those reviews, at the end of the calendar year in a separate **Federal Register** publication.

**DATES:** Public comments are due by December 29, 2000.

**ADDRESSES:** Persons wishing to submit written comments should file three copies of their comments with Jonathan G. Katz, Secretary, Securities and

Exchange Commission, 450 5th Street NW., Washington, DC 20549-0609. All submissions should refer to File No. S7-19-00 and will be available for public inspection and copying at the Commission's Public Reference Room, Room 1026, at the same address. Interested persons may also submit comments electronically at the following e-mail address: rule-comments@sec.gov. We will post electronically submitted comment letters on the Commission's website www.sec.gov.

**FOR FURTHER INFORMATION CONTACT:** David R. Fredrickson or Constancio B. Cater, Office of the General Counsel, 202-942-0890.

**SUPPLEMENTARY INFORMATION:** The Regulatory Flexibility Act (RFA) (Pub. L. No. 96-354, 94 Stat. 1164) (September 19, 1980) requires each Federal agency, during April and October of each year, to publish in the **Federal Register** an agenda identifying rules which the agency expects to propose or adopt that are likely to have a significant economic impact on a substantial number of small entities (5 U.S.C. 602(a)). The RFA specifically provides that publication of the agenda does not preclude an agency from considering or acting on any matter not included in the agenda and that an agency is not required to consider or act on any matter that is included in the agenda (5 U.S.C. 602(d)). The agenda includes new entries, entries carried over from previous publications, and rulemaking actions which have been completed (or withdrawn) since publication of the last agenda.

The RFA also requires agencies to review rules that have a significant economic impact on a substantial number of small entities within 10 years and to provide public notice of the intent to perform those reviews (5 U.S.C. 610(a)). The Commission provides that notice annually by separate publication in the **Federal Register** at the end of the calendar year. In addition, the notice of rules which the Commission is reviewing in 2000 is published on the Commission's website www.sec.gov/smbus.

The following abbreviations for the acts administered by the Commission are used in the agenda:

"Securities Act" - Securities Act of 1933

"Exchange Act" - Securities Exchange Act of 1934

"PUHCA" - Public Utility Holding Company Act of 1935

"Investment Company Act" - Investment Company Act of 1940

"Investment Advisers Act" - Investment Advisers Act of 1940

The Commission's regulatory flexibility agenda is set forth below. The Commission invites public comment on the agenda and on the individual agenda entries.

By the Commission.

**Dated:** October 17, 2000.  
**Margaret H. McFarland,**  
*Deputy Secretary.*

**DIVISION OF CORPORATION FINANCE—Proposed Rule Stage**

Sequence Number	Title	Regulation Identification Number
4793	Asset-Backed Securities Disclosure .....	3235-AF74
4794	Streamlining Rule 144 .....	3235-AH13
4795	Disclosure of Compensation Plan Information .....	3235-AI01
4796	Revision of Multijurisdictional Disclosure System .....	3235-AH99
4797	Updating the Regulation A Offering Circular .....	3235-AH87
4798	Financial Reporting and Blank Check Companies .....	3235-AH88

**DIVISION OF CORPORATION FINANCE—Final Rule Stage**

Sequence Number	Title	Regulation Identification Number
4799	Integration of Private and Public Offerings .....	3235-AG83
4800	Addressing Abuses of Form S-8 by Companies Using Consultants To Raise Capital .....	3235-AG94

## SEC

## DIVISION OF CORPORATION FINANCE—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
4801	Revisions to Rules Governing Options Disclosure Document .....	3235-AH31
4802	Householding of Proxy and Information Statements .....	3235-AH66

## DIVISION OF CORPORATION FINANCE—Completed Actions

Sequence Number	Title	Regulation Identification Number
4803	Financial Statements and Periodic Reports for Related Issuer Guarantors .....	3235-AH52
4804	Further EDGAR System Modernization .....	3235-AH79

## DIVISION OF INVESTMENT MANAGEMENT—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
4805	Books and Records To Be Maintained by Investment Advisers .....	3235-AH24
4806	Custody or Possession of Funds or Securities of Clients .....	3235-AH26
4807	Principal Transactions With Investment Advisory Clients .....	3235-AH34
4808	Shareholder Report and Financial Statement Revisions .....	3235-AG64
4809	Proposed Amendments in Investment Company Advertising Rules .....	3235-AH19
4810	Exemption for Subsidiaries Organized To Finance Operations of Domestic or Foreign Companies; Certain Prima Facie Investment Companies .....	3235-AE95
4811	Deposits of Securities in Securities Depositories .....	3235-AG71
4812	Exemption for the Acquisition of Securities During the Existence of an Underwriting Syndicate .....	3235-AH57
4813	Affiliate Transaction Rule Amendments .....	3235-AH80
4814	Mergers of Certain Affiliated Investment Companies .....	3235-AH81
4815	Amendments To Form N-SAR, Semiannual Report of Registered Investment Companies .....	3235-AF93
4816	Amendments to the Cash Solicitation Rule .....	3235-AH33
4817	PUHCA: Exemption for Certain Acquisitions of Foreign Utility Companies; Subsidiaries Authorized to Perform Services or Construction or to Sell Goods .....	3235-AF78
4818	Status of Subsidiary Companies Formed To Hold Interests in Foreign Utility Companies .....	3235-AF79

## DIVISION OF INVESTMENT MANAGEMENT—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
4819	Political Contributions by Certain Investment Advisers .....	3235-AH72
4820	Role of Independent Directors of Investment Companies .....	3235-AH75
4821	Certain Broker-Dealers Not Deemed To Be Investment Advisers .....	3235-AH78
4822	Investment Company Names .....	3235-AH11
4823	Treatment of Repurchase Agreements and Refunded Securities as an Acquisition of the Underlying Securities .....	3235-AH56
4824	Mutual Fund After-Tax Returns .....	3235-AH77
4825	Insurance Products: New Form N-6 for Registration of Separate Accounts Offering Variable Life Insurance Contracts .....	3235-AG37

## DIVISION OF INVESTMENT MANAGEMENT—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
4826	Mutual Fund Fee Disclosure .....	3235-AI00
4827	Exemption from Section 101(c)(1) of the Electronic Signatures in Global and National Commerce Act for Registered Investment Companies .....	3235-AH93

## SEC

## DIVISION OF INVESTMENT MANAGEMENT—Long-Term Actions (Continued)

Sequence Number	Title	Regulation Identification Number
4828	Insurance Products: Equity Index Insurance Products Concept Release .....	3235-AH23

## DIVISION OF INVESTMENT MANAGEMENT—Completed Actions

Sequence Number	Title	Regulation Identification Number
4829	Electronic Filing by Investment Advisers; Proposed Amendments to Form ADV .....	3235-AD21
4830	Form ADV-W Notice of Withdrawal From Registration as Investment Adviser .....	3235-AH27
4831	Transactions in Certain Canadian Retirement Savings Accounts .....	3235-AH32
4832	Custody of Investment Company Assets Outside the United States .....	3235-AH55
4833	Regulation S-P: Privacy of Consumer Financial Information .....	3235-AH90

## DIVISION OF MARKET REGULATION—Prerule Stage

Sequence Number	Title	Regulation Identification Number
4834	Amendments to the Penny Stock Rules in Light of the Electronic Signatures in Global and National Commerce Act .....	3235-AI02
4835	Amendments to Rule 15b9-1—Exemption for Certain Exchange Members .....	3235-AI03

## DIVISION OF MARKET REGULATION—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
4836	Net Capital Rule: Customer Protection Rule .....	3235-AH05
4837	Risk Assessment Recordkeeping and Reporting Requirement .....	3235-AH06
4838	Exemption of Certain Foreign Brokers and Dealers .....	3235-AH17
4839	Untimely Announcement of Record Dates .....	3235-AH38
4840	Purchases of Certain Equity Securities by the Issuers and Others .....	3235-AH37
4841	Exemption From Exchange Act Section 11(d)(1) for Securities of Foreign Issuers Sold on an Installment Basis .....	3235-AH58
4842	Net Capital Rule Concept Release .....	3235-AH29
4843	Concept Release: Short Sales .....	3235-AH84

## DIVISION OF MARKET REGULATION—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
4844	Net Capital Requirements for Brokers or Dealers .....	3235-AD79
4845	Market Risk Haircuts for Instruments Subject to Interest Rate Risk .....	3235-AG18
4846	Amendments to Rules 17a-3 and 17a-4 Under the Securities Exchange Act of 1934 .....	3235-AH04
4847	Proposed Amendments to Transfer Agent Rules .....	3235-AG24
4848	Electronic Submission of Securities Trading Data by Exchange Members, Brokers, and Dealers .....	3235-AH69
4849	Exemption of the Securities of the Republic of Portugal Under the Securities Exchange Act of 1934 for Purposes of Trading Futures Contracts on Those Securities .....	3235-AH76
4850	Proposed Amendments to National Market System Plan .....	3235-AH92
4851	Disclosure of Order Routing and Execution Practices .....	3235-AH95
4852	The Firm Quote and Trade-Through Disclosure Rules for Options .....	3235-AH96
4853	Tender and Reorganization Agents .....	3235-AH53
4854	Net Capital Requirements for Brokers or Dealers—Definition of the Term Nationally Recognized Statistical Rating Organization .....	3235-AH28
4855	Amendment to Rule 9b-1 Under the Securities Exchange Act Relating to the Options Disclosure Document .....	3235-AH30

## SEC

## DIVISION OF MARKET REGULATION—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
4856	Initiation or Resumption of Quotations Without Specified Information .....	3235-AH40
4857	Destruction of Cancelled Securities Certificates .....	3235-AH54
4858	Recordkeeping Requirements for Transfer Agents .....	3235-AH74

## DIVISION OF MARKET REGULATION—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
4859	Amendment to Rule 11Ac1-1 .....	3235-AH00
4860	Large Trader Reporting System .....	3235-AE42

## DIVISION OF MARKET REGULATION—Completed Actions

Sequence Number	Title	Regulation Identification Number
4861	Revised Transfer Agent Form and Related Rule .....	3235-AH44
4862	Extending Unlisted Trading Privileges to a Security That Is the Subject of an Initial Public Offering .....	3235-AH85

## OFFICES AND OTHER PROGRAMS—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
4863	International Accounting Standards .....	3235-AH65
4864	Management Reports on Internal Controls .....	3235-AH97
4865	Proposal to Amend Disclosure Requirements Related to Derivative Financial Instruments and Derivative Commodity Instruments .....	3235-AH98

## OFFICES AND OTHER PROGRAMS—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
4866	Supplemental Financial Information .....	3235-AH86
4867	Auditor Independence .....	3235-AH91

## OFFICES AND OTHER PROGRAMS—Completed Actions

Sequence Number	Title	Regulation Identification Number
4868	Amendments to the Freedom of Information Act, Privacy Act, and Confidential Treatment Rules .....	3235-AH71
4869	Selective Disclosure and Insider Trading .....	3235-AH82

## Securities and Exchange Commission (SEC)

## Proposed Rule Stage

## Division of Corporation Finance

**4793. ASSET-BACKED SECURITIES DISCLOSURE**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77e; 15 USC 78o; 15 USC 78w; 15 USC 77f; 15 USC 77g; 15 USC 77h; 15 USC 77j; 15 USC 77s; 15 USC 78l; 15 USC 78m; 15 USC 78n

**CFR Citation:** 17 CFR 229; 17 CFR 230; 17 CFR 239; 17 CFR 240; 17 CFR 249

**Legal Deadline:** None

**Abstract:** The Division of Corporation Finance is considering whether to recommend to the Commission amendments to revise rules and forms which would specify disclosure requirements for asset-backed securities transactions.

**Timetable:**

Action	Date	FR Cite
NPRM	04/00/01	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Agency Contact:** Mark Green, Division of Corporation Finance, Securities and Exchange Commission  
Phone: 202 942-1940

**RIN:** 3235-AF74

**4794. STREAMLINING RULE 144**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq

**CFR Citation:** 17 CFR 230.144

**Legal Deadline:** None

**Abstract:** The Commission proposed revisions to Rule 144, Rule 145, and Form 144 to make the rules and form easier to understand and apply. The Division is considering recommending that the Commission repropose amendments that would, among other things, add a bright line test to the Rule 144 definition of affiliate, increase the Form 144 filing thresholds, and codify certain interpretive positions.

**Timetable:**

Action	Date	FR Cite
NPRM	02/20/97	62 FR 9246
NPRM Comment Period End	04/29/97	62 FR 9246
Reproposed	03/00/01	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Martin Dunn, Division of Corporation Finance, Securities and Exchange Commission  
Phone: 202 942-2890

**RIN:** 3235-AH13

**4795. • DISCLOSURE OF COMPENSATION PLAN INFORMATION**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq; 15 USC 78a et seq; 15 USC 80a-1 et seq

**CFR Citation:** 17 CFR 240.14a-101; 17 CFR 229.202; 17 CFR 228.202

**Legal Deadline:** None

**Abstract:** The Division is considering recommending that the Commission propose amendments to Regulation S-K and S-B and other related rules that will require annual disclosure of the total number of securities authorized for issuance and allocated to participate under all employee stock plans and arrangements, whether or not approved by shareholders.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/00	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Mark Borges, Office of Chief Counsel, Division of Corporation Finance, Securities and Exchange Commission  
Phone: 202 942-2900  
Fax: 202 942-9525

**RIN:** 3235-AI01

**4796. • REVISION OF MULTIJURISDICTIONAL DISCLOSURE SYSTEM**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq; 15 USC 78a et seq; 15 USC 78aaa et seq

**CFR Citation:** 17 CFR 230; 17 CFR 239; 17 CFR 240

**Legal Deadline:** None

**Abstract:** The Division is considering recommending that the Commission propose revisions to the Multijurisdictional Disclosure System for Canadian registrants that would integrate them into the Commission's foreign issuer disclosure system in a manner more consistent with all other foreign registrants. The proposals would limit the scope of the MJDS, including the number of companies eligible to use the system and the circumstances under which they may use it, while preserving MJDS filer's ability to make offerings in the United States using Canadian offering documents and without review by Commission staff.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/01	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** Businesses

**Government Levels Affected:**

Undetermined

**Agency Contact:** Paul M. Dudek, Office of International Corporate Finance, Division of Corporation Finance, Securities and Exchange Commission, 450 5th Street NW, Washington, DC 20549

Phone: 202 942-2990

Fax: 202 942-9624

**RIN:** 3235-AH99

**4797. UPDATING THE REGULATION A OFFERING CIRCULAR**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq

**CFR Citation:** 17 CFR 239.0

**Legal Deadline:** None

**Abstract:** The Division is considering recommending that the Commission propose amendments to the Model A offering circular in the Regulation A offering statement to conform it to a State registration statement format.

**Timetable:**

Action	Date	FR Cite
NPRM	09/00/01	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

## SEC—Division of Corporation Finance

## Proposed Rule Stage

**Government Levels Affected:** None**Agency Contact:** Barbara C. Jacobs,  
Division of Corporation Finance,  
Securities and Exchange Commission  
Phone: 202 942-2950  
Fax: 202 942-9516**RIN:** 3235-AH87**4798. FINANCIAL REPORTING AND  
BLANK CHECK COMPANIES****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.**Legal Authority:** 15 USC 78a et seq**CFR Citation:** 17 CFR 249.308**Legal Deadline:** None**Abstract:** The Division is considering recommending that the Commission propose amendments to Form 8-K that would remove the grace period for filing financial statements in a blank check company merger.**Timetable:**

Action	Date	FR Cite
NPRM	09/00/01	

**Regulatory Flexibility Analysis  
Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Richard K. Wulff,  
Division of Corporation Finance,  
Securities and Exchange Commission  
Phone: 202 942-2950  
Fax: 202 942-9516**RIN:** 3235-AH88

## Securities and Exchange Commission (SEC)

## Final Rule Stage

## Division of Corporation Finance

**4799. INTEGRATION OF PRIVATE AND  
PUBLIC OFFERINGS****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.**Legal Authority:** 15 USC 77a et seq;  
15 USC 78a et seq**CFR Citation:** 17 CFR 230; 17 CFR 239;  
17 CFR 240; 17 CFR 249**Legal Deadline:** None**Abstract:** As part of its proposed initiatives to revise the regulation of securities offerings and periodic reporting, the Commission proposed, among other things, amending Rule 152 under the Securities Act to clarify the safe harbor conditions under which a private offering will not be integrated with a later registered offering. It also proposed providing safe harbors for making a registered public offering following an abandoned private placement, or a private offering following an abandoned public offering, without integrating the public and private offerings. The Division will recommend that the Commission adopt these and related proposals. We anticipate that certain other elements of the original proposals will be repropounded in the future as separate rulemaking projects.**Timetable:**

Action	Date	FR Cite
Notice With Request for Comments	07/31/96	61 FR 40044
Notice Comment Period End	09/30/96	
NPRM	12/04/98	63 FR 67174

Action	Date	FR Cite
NPRM Comment Period Extended	03/30/99	
NPRM Comment Period End	04/05/99	63 FR 67174
NPRM Comment Period Extended	06/30/99	
Final Action	12/00/00	

**Regulatory Flexibility Analysis  
Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Anne Kranskopf,  
Division of Corporation Finance,  
Securities and Exchange Commission  
Phone: 202 942-2900**RIN:** 3235-AG83**4800. ADDRESSING ABUSES OF  
FORM S-8 BY COMPANIES USING  
CONSULTANTS TO RAISE CAPITAL****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.**Legal Authority:** 15 USC 77f; 15 USC  
78w; 15 USC 77g; 15 USC 77h; 15 USC  
77j; 15 USC 77s; 15 USC 78l; 15 USC  
78m; 15 USC 78n; 15 USC 78o**CFR Citation:** 17 CFR 239.16b; 17 CFR  
228.402; 17 CFR 229.402; 17 CFR  
230.101; 17 CFR 230.405; 17 CFR  
239.13**Legal Deadline:** None**Abstract:** The Commission proposed additional amendments to Form S-8 requirements to further deter the misuse of that form. The proposals would add a timeliness requirement for

filings under the Exchange Act in order to use the form. In addition, a company formed by merger of a non-public company into an Exchange Act reporting company with only nominal assets at the time of merger would have to wait until it had filed an Exchange Act annual report containing audited financial statements reflecting the merger before it could use Form S-8. The Commission also extended the comment period on the proposal in Release No. 33-7506 to require disclosure in Part II of Form S-8 of the names of consultants who will receive securities, the number of securities to be issued to each of them, and the specific services that each will provide.

**Timetable:**

Action	Date	FR Cite
NPRM	02/25/98	63 FR 9648
NPRM Comment Period End	04/27/98	63 FR 9648
Final Rule	03/08/99	64 FR 11103
Second NPRM	03/08/99	64 FR 11118
Final Rule Effective	04/07/99	
Second NPRM Comment Period End	05/07/99	
Final Action	06/00/01	

**Regulatory Flexibility Analysis  
Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** Anne M. Krauskopf,  
Division of Corporation Finance,  
Securities and Exchange Commission  
Phone: 202 942-2900**RIN:** 3235-AG94

## SEC—Division of Corporation Finance

Final Rule Stage

**4801. REVISIONS TO RULES GOVERNING OPTIONS DISCLOSURE DOCUMENT**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq

**CFR Citation:** 17 CFR 230.135b

**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to provide that an options disclosure document prepared in accordance with Rule 9b-1 under the Exchange Act is not a prospectus and accordingly will not be subject to civil liability under section 12(a)(2) of the Securities Act.

**Timetable:**

Action	Date	FR Cite
NPRM	07/01/98	63 FR 36136
NPRM Comment Period End	07/31/98	
Final Action	02/00/01	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Martin Dunn, Division of Corporation Finance, Securities and Exchange Commission  
Phone: 202 942-2890

**RIN:** 3235-AH31

**4802. HOUSEHOLDING OF PROXY AND INFORMATION STATEMENTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78n

**CFR Citation:** 17 CFR 240.14a-3; 17 CFR 240.14c-3

**Legal Deadline:** None

**Abstract:** The Commission proposed revisions to the proxy rules to permit companies, brokers, banks and similar

intermediaries to deliver a single copy of proxy or information statements to more than one investor if they share the same address.

**Timetable:**

Action	Date	FR Cite
NPRM	11/16/99	64 FR 62548
NPRM Comment Period End	01/18/00	
Final Action	10/00/00	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Elizabeth M. Murphy, Division of Corporation Finance, Securities and Exchange Commission  
Phone: 202 942-2900

**RIN:** 3235-AH66

## Securities and Exchange Commission (SEC)

Completed Actions

## Division of Corporation Finance

**4803. FINANCIAL STATEMENTS AND PERIODIC REPORTS FOR RELATED ISSUER GUARANTORS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 77a et seq; 15 USC 78a et seq

**CFR Citation:** 17 CFR 210; 17 CFR 240

**Legal Deadline:** None

**Abstract:** The Commission adopted rules that specify the financial statements and periodic reports for related issuers and guarantors. The revisions largely reflect staff interpretations under SAB 53.

**Timetable:**

Action	Date	FR Cite
NPRM	03/05/99	64 FR 10579
NPRM Comment Period End	05/04/99	64 FR 10579
Final Action	08/24/00	65 FR 51692
Final Rule Effective (except Form 20-f)	09/25/00 09/30/00	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Michael G. Hyatte, Office of Chief Counsel, Division of

Corporation Finance, Securities and Exchange Commission  
Phone: 202 942-2900

**RIN:** 3235-AH52

**4804. FURTHER EDGAR SYSTEM MODERNIZATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 77f; 15 USC 77g; 15 USC 77h; 15 USC 77j; 15 USC 77s(a); 15 USC 78c; 15 USC 78l; 15 USC 78m; 15 USC 78n; 15 USC 78o(d); 15 USC 78w(a); 15 USC 78ll; 15 USC 77sss; 15 USC 79c; 15 USC 79e; 15 USC 79f; 15 USC 79g; 15 USC 79j; 15 USC 79l; 15 USC 79m; 15 USC 79n; 15 USC 79q; 15 USC 79t; 15 USC 80a-8; 15 USC 80a-29; 15 USC 80a-30; 15 USC 80a-37

**CFR Citation:** 17 CFR 232.101 to 601

**Legal Deadline:** None

**Abstract:** The Commission adopted rules to continue the modernization of the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system. The Commission eliminated Financial Data Schedule filing requirements and implemented various aspects of modernization.

**Timetable:**

Action	Date	FR Cite
NPRM	03/03/00	65 FR 11507
NPRM Comment Period End	04/03/00	
Final Action	04/27/00	65 FR 24788
Final Action Effective (General)	05/30/00	
Final Action Effective (Deletion of Diskettes)	07/10/00	
Final Action Effective (Removal of FDS Requirement)	01/01/01	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** This proposal was prepared jointly by staff in the Divisions of Corporation Finance and Investment Management, and previously appeared in the Unified Agenda as a Division of Investment Management matter.

**Agency Contact:** Ruth Armfield Sanders, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0633

## SEC—Division of Corporation Finance

## Completed Actions

Carol Weiss, Division of Corporation  
Finance, Securities and Exchange  
Commission

Phone: 202 942-1942

Fax: 202 942-9542

RIN: 3235-AH79

**Securities and Exchange Commission (SEC)  
Division of Investment Management**

## Proposed Rule Stage

**4805. BOOKS AND RECORDS TO BE  
MAINTAINED BY INVESTMENT  
ADVISERS**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**Legal Authority:** 15 USC 80b-4; 15 USC  
80b-6(4); 15 USC 80b-11(a)

**CFR Citation:** 17 CFR 275.204-2

**Legal Deadline:** None

**Abstract:** The Division of Investment  
Management is considering  
recommending that the Commission  
update the books and records  
requirements for investment advisers.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/01	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Agency Contact:** Jennifer L. Sawin,  
Office of Investment Adviser  
Regulation, Division of Investment  
Management, Securities and Exchange  
Commission  
Phone: 202 942-0716

RIN: 3235-AH24

**4806. CUSTODY OR POSSESSION OF  
FUNDS OR SECURITIES OF CLIENTS**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**Legal Authority:** 15 USC 80b-6; 15 USC  
80b-4; 15 USC 80b-11

**CFR Citation:** 17 CFR 275.206(4)-2

**Legal Deadline:** None

**Abstract:** The Division of Investment  
Management is considering  
recommending a proposal to the  
Commission to revise the custody rule  
under the Investment Advisers Act of  
1940.

**Timetable:**

Action	Date	FR Cite
NPRM	04/00/01	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Agency Contact:** Jennifer Sawin, Task  
Force on Investment Adviser  
Regulation, Division of Investment  
Management, Securities and Exchange  
Commission  
Phone: 202 942-0716

RIN: 3235-AH26

**4807. PRINCIPAL TRANSACTIONS  
WITH INVESTMENT ADVISORY  
CLIENTS**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**Legal Authority:** 15 USC 80b-6a

**CFR Citation:** 17 CFR 275

**Legal Deadline:** None

**Abstract:** The staff of the Division of  
Investment Management is considering  
recommending that the Commission  
revise the conditions under which  
investment advisers may enter into  
principal transactions with their  
clients.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/00	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Agency Contact:** Karen Goldstein, Task  
Force on Investment Adviser  
Regulation, Division of Investment  
Management, Securities and Exchange  
Commission  
Phone: 202 942-0716

RIN: 3235-AH34

**4808. SHAREHOLDER REPORT AND  
FINANCIAL STATEMENT REVISIONS**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**Legal Authority:** 15 USC 77f; 15 USC  
77j; 15 USC 80a-29

**CFR Citation:** 17 CFR 210; 17 CFR  
270.30d-1

**Legal Deadline:** None

**Abstract:** The staff of the Division of  
Investment Management is considering  
whether to recommend that the  
Commission propose revisions to the  
shareholder report and financial  
statement requirements for investment  
companies to improve the disclosure in  
shareholder reports and simplify  
investment company financial  
statement presentation.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/01	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**Government Levels Affected:**  
Undetermined

**Agency Contact:** Vincent DiStefano,  
Office of Disclosure Regulation,  
Division of Investment Management,  
Securities and Exchange Commission  
Phone: 202 942-0686  
Fax: 202 942-9595

RIN: 3235-AG64

**4809. PROPOSED AMENDMENTS IN  
INVESTMENT COMPANY  
ADVERTISING RULES**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**Legal Authority:** 15 USC 77e; 15 USC  
77h; 15 USC 77j; 15 USC 77s(a); 15  
USC 80a-8; 15 USC 80a-22; 15 USC  
80a-24(g); 15 USC 80a-29; 15 USC 80a-  
37; 15 USC 77g

**CFR Citation:** 17 CFR 230.482; 17 CFR  
230.134

**Legal Deadline:** None

## SEC—Division of Investment Management

## Proposed Rule Stage

**Abstract:** The Division of Investment Management is considering whether to recommend that the Commission propose to amend Rule 482, to permit advertisements that are not subject to restrictions limiting the content to information “the substance of which” is in a fund’s prospectus. The Division is also considering whether to recommend that the Commission propose to amend Rule 134 to rescind provisions of Rule 134 that apply only to investment companies.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Agency Contact:** John L. Sullivan, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0721

**RIN:** 3235-AH19

#### 4810. EXEMPTION FOR SUBSIDIARIES ORGANIZED TO FINANCE OPERATIONS OF DOMESTIC OR FOREIGN COMPANIES; CERTAIN PRIMA FACIE INVESTMENT COMPANIES

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80a-6(c); 15 USC 80a-37(a); 15 USC 77s; 15 USC 78w

**CFR Citation:** 17 CFR 270.3a-5; 17 CFR 270.3a-1; 17 CFR 230.489; 17 CFR 239.43

**Legal Deadline:** None

**Abstract:** The staff of the Division of Investment Management is considering whether to recommend that the Commission propose amendments to expand Rule 3a-5 to permit, among other things, finance subsidiaries of U.S. banks and insurance companies to rely on the rule. The staff also is considering whether to recommend that the Commission propose amendments to Rule 3a-1 to eliminate a requirement that has prevented certain holding companies of foreign banks and foreign insurance companies from relying on that rule.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/01	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Agency Contact:** Jaea F. Hahn, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690

**RIN:** 3235-AE95

#### 4811. DEPOSITS OF SECURITIES IN SECURITIES DEPOSITORIES

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80a-17(f); 15 USC 80a-06(c); 15 USC 80a-37(a)

**CFR Citation:** 17 CFR 270.17f-4

**Legal Deadline:** None

**Abstract:** The staff of the Division of Investment Management is considering whether to recommend that the Commission propose amendments to Rule 17f-4, which governs the use of securities depositories as to custodians of the assets of management investment companies. The amendments would, among other things, update and simplify the rule’s compliance requirements to reflect changes in commercial law, expand the types of entities that may be used as securities depositories, and permit investment company officers to authorize depository arrangements.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/01	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Agency Contact:** Jaea F. Hahn, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690

**RIN:** 3235-AG71

#### 4812. EXEMPTION FOR THE ACQUISITION OF SECURITIES DURING THE EXISTENCE OF AN UNDERWRITING SYNDICATE

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80a-10(f); 15 USC 80a-30(a); 15 USC 80a-37(a); 15 USC 80a-6(c)

**CFR Citation:** 17 CFR 270.10f-3

**Legal Deadline:** None

**Abstract:** The staff of the Division of Investment Management is considering whether to recommend that the Commission propose amendments to Rule 10f-3 under the Investment Company Act to (i) permit investment companies to purchase government securities from a non-affiliated underwriter in syndicates involving an underwriter affiliated with the investment company’s investment adviser, and (ii) require an investment company’s board of directors to review the securities of the company purchased in reliance of the rule, as well as purchases by other accounts advised by the company’s adviser.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Agency Contact:** Curtis A. Young, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690

**RIN:** 3235-AH57

#### 4813. AFFILIATE TRANSACTION RULE AMENDMENTS

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80a-6(c)

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** The Division of Investment Management is considering recommending to the Commission amendments to rules to expand the circumstances in which funds may engage in transactions with affiliates,

## SEC—Division of Investment Management

## Proposed Rule Stage

and to allow certain types of funds or their investment advisers to enter into subadvisory agreements for investment management services without obtaining shareholder approval.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/01	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Agency Contact:** Adam B. Glazer, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690

**RIN:** 3235-AH80

**4814. MERGERS OF CERTAIN AFFILIATED INVESTMENT COMPANIES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80a-17(a); 15 USC 80a-6(c); 15 USC 80a-37(a)

**CFR Citation:** 17 CFR 270.17a-8

**Legal Deadline:** None

**Abstract:** The Division of Investment Management is considering recommending to the Commission that it amend rule 17a-8 under the Investment Company Act, which exempts from the prohibitions of section 17(a) mergers, and other combinations of certain affiliated investment companies. The amendments would expand the rule to make it available in a broader range of circumstances, and would alter the conditions required for reliance on the rule.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/00	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Agency Contact:** Hester M. Pierce, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690

**RIN:** 3235-AH81

**4815. AMENDMENTS TO FORM N-SAR, SEMIANNUAL REPORT OF REGISTERED INVESTMENT COMPANIES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78n; 15 USC 78o(d); 15 USC 78w(a); 15 USC 80a-8; 15 USC 80a-29; 15 USC 80a-37

**CFR Citation:** 17 CFR 249.330; 17 CFR 274.101

**Legal Deadline:** None

**Abstract:** The Division of Investment Management is considering whether to recommend that the Commission amend Form N-SAR, the semiannual report for registered investment companies, to update the items of the form.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/01	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Agency Contact:** Carolyn A. Miller, Office of Financial Analysis, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0510

**RIN:** 3235-AF93

**4816. AMENDMENTS TO THE CASH SOLICITATION RULE**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80b-4; 15 USC 80b-6; 15 USC 80-11(a)

**CFR Citation:** 17 CFR 275.206(4)-3

**Legal Deadline:** None

**Abstract:** The staff of the Division of Investment Management is considering whether to recommend revisions to the cash solicitation rule.

**Timetable:**

Action	Date	FR Cite
NPRM	04/00/01	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined

**Agency Contact:** Jennifer L. Sawin, Office of Investment Adviser Regulation, Division of Investment Management, Securities and Exchange Commission

Phone: 202 942-0716

**RIN:** 3235-AH33

**4817. PUHCA: EXEMPTION FOR CERTAIN ACQUISITIONS OF FOREIGN UTILITY COMPANIES; SUBSIDIARIES AUTHORIZED TO PERFORM SERVICES OR CONSTRUCTION OR TO SELL GOODS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 79e; 15 USC 79f(b); 15 USC 79i(c)(3); 15 USC 79t; 15 USC 79z-5a; 15 USC 79z-5b; 15 USC 79; 15 USC 79j; 15 USC 79l; 15 USC 79m; 15 USC 79n; 15 USC 79o

**CFR Citation:** 17 CFR 250.55 (new); 17 CFR 250.87 (Revision); 17 CFR 259.5s (Revision); 17 CFR 259.207 (Revision)

**Legal Deadline:** None

**Abstract:** The proposed rule is intended to provide a safe harbor for the acquisition of one or more foreign utility companies by a registered holding company. The proposed amendment to rule 87 would require registered holding companies to obtain Commission approval of intrasystem agreements involving foreign utility companies and exempt wholesale generators.

**Timetable:**

Action	Date	FR Cite
NPRM	03/08/93	58 FR 13719
NPRM Comment Period End	04/14/93	
Reproposal	10/00/00	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Mark Vilardo, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0545

**RIN:** 3235-AF78

## SEC—Division of Investment Management

## Proposed Rule Stage

**4818. STATUS OF SUBSIDIARY COMPANIES FORMED TO HOLD INTERESTS IN FOREIGN UTILITY COMPANIES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 79f(b); 15 USC 79t; 15 USC 79z-5a; 15 USC 79z-5b

**CFR Citation:** 17 CFR 250.56 (New)

**Legal Deadline:** None

**Abstract:** The proposed rule clarifies that a subsidiary of a registered holding company that is engaged exclusively in the business of owning an interest in one or more foreign utility companies will be deemed to be a foreign utility company.

**Timetable:**

Action	Date	FR Cite
NPRM	03/08/93	58 FR 13719
NPRM Comment Period End	04/14/93	
Reproposal	10/00/00	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Mark Vilardo, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0545

**RIN:** 3235-AF79

**Securities and Exchange Commission (SEC)  
Division of Investment Management**

## Final Rule Stage

**4819. POLITICAL CONTRIBUTIONS BY CERTAIN INVESTMENT ADVISERS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 206(4); 15 USC 211(a); 15 USC 204

**CFR Citation:** 17 CFR 275

**Legal Deadline:** None

**Abstract:** The Commission has proposed new rule 206(4)-5, which would prohibit an investment adviser from providing advisory services for compensation to a government client for two years after the adviser or any of its partners, executive officers, or solicitors makes a contribution to certain elected officials or candidates.

The Commission also has proposed rule amendments that would require a registered adviser that has government clients to maintain certain records of the political contributions made by the adviser or any of its partners, executive officers, or solicitors.

**Timetable:**

Action	Date	FR Cite
NPRM	08/10/99	64 FR 43556
NPRM Comment Period End	11/01/99	
Final Action	12/00/00	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Marilyn Barker, Task Force on Investment Adviser Regulation, Division of Investment Management, Securities and Exchange Commission

Phone: 202 942-0716

**RIN:** 3235-AH72

**4820. ROLE OF INDEPENDENT DIRECTORS OF INVESTMENT COMPANIES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80a-6(c); 15 USC 80a-8; 15 USC 80a-24(a); 15 USC 80a-20(a); 15 USC 80a-29(e); 15 USC 80a-30; 15 USC 80a-37; 15 USC 78n; 15 USC 78w(a)(1); 15 USC 77e; 15 USC 77f; 15 USC 77g; 15 USC 77j; 15 USC 77(s)(a); ...

**CFR Citation:** 17 CFR 270.2a19-1; 17 CFR 270.2a19-3; 17 CFR 270.10f-3; 17 CFR 270.12b-1; 17 CFR 270.15a-4; 17 CFR 270.17a-7; 17 CFR 270.17d-1; 17 CFR 270.17e-1; 17 CFR 270.17g-1; 17 CFR 270.18f-3; 17 CFR 270.23c-3; 17 CFR 270.30d-1; 17 CFR 270.31a-2; 17 CFR 274.11A; 17 CFR 274.11a-1; 17 CFR 274.11b; 17 CFR 240.14a-101; 17 CFR 270.17a-8; ...

**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to rules under the Investment Company Act to enhance the independence and effectiveness of investment company "fund" boards of directors and to better enable shareholders to assess the independence of directors. The Commission also proposed amendments that would require funds to disclose in their proxy statements, annual reports, and registration statements more information regarding fund directors, including, among other

things, directors' potential conflicts of interest.

**Timetable:**

Action	Date	FR Cite
NPRM	11/03/99	64 FR 59826
NPRM Comment Period End	01/28/00	
Final Action	11/00/00	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Jennifer B. McHugh, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690

**RIN:** 3235-AH75

**4821. CERTAIN BROKER-DEALERS NOT DEEMED TO BE INVESTMENT ADVISERS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80b-2(a)(11)(F)

**CFR Citation:** 17 CFR 275.202(a)(11)-1

**Legal Deadline:** None

**Abstract:** The Commission has proposed new rule 202(a)(11)-1, a new rule which would exempt from the definition of investment adviser those broker-dealers offering nondiscretionary, full-service brokerage programs so long as the investment advice provided is solely incidental to the brokerage services and other conditions are satisfied.

## SEC—Division of Investment Management

Final Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	11/10/99	64 FR 61226
NPRM Comment Period End	01/14/00	
Final Action	02/00/01	

**Regulatory Flexibility Analysis Required:** Undetermined**Government Levels Affected:** Undetermined

**Federalism:** This action may have federalism implications as defined in EO 13132.

**Agency Contact:** Jennifer L. Sawin, Office of Investment Adviser Regulation, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0716

**RIN:** 3235-AH78

**4822. INVESTMENT COMPANY NAMES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** PL 104-290, sec 208

**CFR Citation:** 17 CFR 270.35d-1 (New)

**Legal Deadline:** None

**Abstract:** The Commission proposed a rule that would require a registered investment company with a name that suggests certain investments to invest at least 80 percent of its assets in the types of investments suggested by its name.

**Timetable:**

Action	Date	FR Cite
NPRM	02/27/97	62 FR 10955
NPRM Comment Period End	06/09/97	62 FR 10955
Final Action	12/00/00	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Kimberly Dopkin Rasevic, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0721

**RIN:** 3235-AH11

**4823. TREATMENT OF REPURCHASE AGREEMENTS AND REFUNDED SECURITIES AS AN ACQUISITION OF THE UNDERLYING SECURITIES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 80a-6(c); 15 USC 80a-37(a)

**CFR Citation:** 17 CFR 270.2a-7; 17 CFR 270.12d3-1

**Legal Deadline:** None

**Abstract:** The Commission proposed a new rule that would permit investment companies to "look through" specific repurchase agreements to the securities that collateralize them, for the purposes of section 5 and 12(d)(3) of the Investment Company Act, and to "look through" specific pre-refunded bonds to escrowed securities, for the purposes of section 5 of the Act. The Commission also proposed conforming amendments to Rule 2a-7 and Rule 12d3-1.

**Timetable:**

Action	Date	FR Cite
NPRM	09/29/99	64 FR 52476
NPRM Comment Period End	11/23/99	
Final Action	03/00/01	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Hugh P. Lutz, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690

**RIN:** 3235-AH56

**4824. MUTUAL FUND AFTER-TAX RETURNS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77e, 77f, 77g, 77j, 77s(a); 15 USC 80a-8, 80a-24(a), 80a-29, 80a-37; 15 USC 77e, 77j(b), and 77s(a)

**CFR Citation:** 17 CFR 239.15A and 274.11A (Form N-1A); 17 CFR 230.482; 17 CFR 270.34b-1

**Legal Deadline:** None

**Abstract:** The Commission proposed form and rule amendments that would

require mutual funds to disclose after-tax returns based on standardized formulas comparable to the formulas currently used to calculate before-tax annual total returns. The proposals also would require funds that include after-tax returns in advertisements and other sales materials to include standardized after-tax returns.

**Timetable:**

Action	Date	FR Cite
NPRM	03/22/00	65 FR 15500
NPRM Comment Period End	06/30/00	
Final Action	01/00/01	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** Undetermined

**Agency Contact:** Vincent DiStefano, Office of Disclosure Regulation, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0686  
Fax: 202 942-9595

**RIN:** 3235-AH77

**4825. INSURANCE PRODUCTS: NEW FORM N-6 FOR REGISTRATION OF SEPARATE ACCOUNTS OFFERING VARIABLE LIFE INSURANCE CONTRACTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq; 15 USC 80a-1 et seq; 15 USC 77g; 15 USC 77j; 15 USC 77s; 15 USC 80a-8; 15 USC 80a-29; 15 USC 80a-37

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** The Commission proposed a new Form N-6 to be used for separate accounts offering variable life insurance contracts to register under both the Investment Company Act and the Securities Act. Currently, most insurance company separate accounts are organized as unit investment trusts (UITs) and register their interests on Form S-6. Form S-6 was developed for UITs generally, and not specifically for insurance company separate accounts that offer interests in variable life insurance contracts.

## SEC—Division of Investment Management

Final Rule Stage

## Timetable:

Action	Date	FR Cite
NPRM	03/23/98	63 FR 13988
NPRM Comment Period End	07/01/98	
Final Action	02/00/01	

Regulatory Flexibility Analysis  
Required: No

Small Entities Affected: No

Government Levels Affected:  
UndeterminedAgency Contact: William J. Kotapish,  
Division of Investment Management,  
Securities and Exchange Commission  
Phone: 202 942-0670

RIN: 3235-AG37

## Securities and Exchange Commission (SEC)

Long-Term Actions

## Division of Investment Management

4826. • MUTUAL FUND FEE  
DISCLOSURE

Priority: Substantive, Nonsignificant

Legal Authority: Not Yet Determined

CFR Citation: Not Yet Determined

Legal Deadline: None

**Abstract:** In June 2000, the U.S. General Accounting Office (“GAO”) issued a report, Mutual Fund Fees: Additional Disclosure Could Encourage Price Competition, which recommended that the Commission require additional mutual fund fee disclosure in quarterly account statements for mutual funds. The Division of Investment Management is considering the GAO recommendation.

Timetable: Next Action Undetermined

## Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

## Government Levels Affected:

Undetermined

**Agency Contact:** Vincent DiStefano, Office of Disclosure Regulation, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0686  
Fax: 202 942-9595

RIN: 3235-AI00

CFR Citation: 17 CFR 230.160; 17 CFR 231; 17 CFR 271

**Legal Deadline:** Other, Statutory, July 28, 2000, section 104(d)(2) of the Electronic Signatures Act in Global and National Commerce Act (PL 106-229).

**Abstract:** The Commission adopted interim final rule 160 under the Securities Act of 1933 to exempt from the consumer consent requirements of the Electronic Signatures in Global and National Commerce Act, prospectuses of registered investment companies that are used for the sole purpose of permitting supplemental sales literature to be provided to prospective investors. Parts 231 and 271 of Title 17 were amended by adding Release Nos. 33-7877 and IC-24582 to the list of interpretative releases.

## Timetable:

Action	Date	FR Cite
Interim Final Rule	08/02/00	65 FR 47281
Interim Final Rule Comment Period End	09/01/00	
Interim Final Rule Effective	10/01/00	
Next Action	To Be	Determined

## Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

**Agency Contact:** Kimberly Dopkin Rasevic, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0721

RIN: 3235-AH93

4828. INSURANCE PRODUCTS:  
EQUITY INDEX INSURANCE  
PRODUCTS CONCEPT RELEASEPriority: Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

Legal Authority: 15 USC 77a et seq

CFR Citation: 17 CFR 230.151

Legal Deadline: None

**Abstract:** The Commission issued a release requesting public comment on the structure of equity index insurance products, the manner in which they are marketed, and any other matters the Commission should consider in addressing Federal securities law issues raised by equity index insurance products.

## Timetable:

Action	Date	FR Cite
ANPRM	11/21/97	62 FR 45359
ANPRM Comment Period End	01/05/98	
Next Action	Undetermined	

## Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

## Government Levels Affected:

Undetermined

**Agency Contact:** William J. Kotapish, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0670

RIN: 3235-AH23

4827. • EXEMPTION FROM SECTION  
101(C)(1) OF THE ELECTRONIC  
SIGNATURES IN GLOBAL AND  
NATIONAL COMMERCE ACT FOR  
REGISTERED INVESTMENT  
COMPANIES

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 77s(a)

**Securities and Exchange Commission (SEC)**  
**Division of Investment Management**
**Completed Actions**
**4829. ELECTRONIC FILING BY INVESTMENT ADVISERS; PROPOSED AMENDMENTS TO FORM ADV**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 601; 15 USC 77s(a); 15 USC 77sss(a); 15 USC 78a-37(a); 15 USC 78bb(e)(2); 15 USC 78d-1; 15 USC 78d-2; 15 USC 78w(a); 15 USC 80b-3(c)(1); 15 USC 80b-3a(a)(1)(A); 15 USC 80b-3a(c); 15 USC 80b-4; 15 USC 80b-6(4); 15 USC 80b-11(a)**CFR Citation:** 17 CFR 200.30-5; 17 CFR 200.30-11; 17 CFR 275.0-2; 17 CFR 275.0-7; 17 CFR 275.203-1; 17 CFR 275.203-2; 17 CFR 275.203-3; 17 CFR 275.203A-1; 17 CFR 275.203A-2; 17 CFR 275.204-1; 17 CFR 275.204-2; 17 CFR 275.204-3; 17 CFR 275.204-5; 17 CFR 275.206(4)-4; 17 CFR 279.1; 17 CFR 279.2; 17 CFR 279.3; 17 CFR 279.4; 17 CFR 279.5; 17 CFR 279.6; 17 CFR 279.7; 17 CFR 279.9**Legal Deadline:** None**Abstract:** The Commission adopted amendments to Form ADV and related forms including Form ADV-W, amendments to related rules, and new rules and forms to: (1) require investment advisers registered with the Commission to file their registration forms electronically; and, (2) improve public disclosure of advisers' disciplinary history.**Timetable:**

Action	Date	FR Cite
NPRM	04/17/00	65 FR 20524
NPRM Comment Period End	06/13/00	
Final Action	09/22/00	65 FR 57438
Final Rule Effective	10/10/00	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Jennifer L. Sawin, Office of Investment Adviser Regulation, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0716**RIN:** 3235-AD21
**4830. FORM ADV-W NOTICE OF WITHDRAWAL FROM REGISTRATION AS INVESTMENT ADVISER**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 80b-3; 15 USC 80b-11**CFR Citation:** 17 CFR 279.2**Legal Deadline:** None**Abstract:** The Commission is withdrawing this item from the Agenda because it will be considered with RIN 3235-AD21.**Timetable:**

Action	Date	FR Cite
Merged With RIN 3235-AD21	10/02/00	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Jennifer L. Sawin, Office of Investment Adviser Regulation, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0716**RIN:** 3235-AH27
**4831. TRANSACTIONS IN CERTAIN CANADIAN RETIREMENT SAVINGS ACCOUNTS**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 80a-1 et seq; 15 USC 77a et seq; 15 USC 78o et seq**CFR Citation:** 17 CFR 230.237; 17 CFR 240.12g3-2; 17 CFR 270.7d-2**Legal Deadline:** None**Abstract:** On June 7, 2000, the Commission adopted two new rules and rule amendments that provide exemptions from the registration requirements of the Securities Act, the Investment Company Act, and the Exchange Act for the offer and sale of securities of foreign issuers to certain Canadian tax-deferred retirement accounts.**Timetable:**

Action	Date	FR Cite
NPRM	03/26/99	64 FR 14648
NPRM Comment Period End	05/28/99	64 FR 14648
Final Action	06/07/00	65 FR 37672
Final Action Effective	06/23/00	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Curtis A. Young, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690**RIN:** 3235-AH32
**4832. CUSTODY OF INVESTMENT COMPANY ASSETS OUTSIDE THE UNITED STATES**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 80a-17(f); 15 USC 80a-06(c); 15 USC 80a-37(a)**CFR Citation:** 17 CFR 270.17f-5**Legal Deadline:** None**Abstract:** The Commission adopted amendments to rule 17f-5 and a new rule 17f-7 related to the foreign custody of investment company assets. The amendments and new rule establish standards governing the maintenance of investment company assets with foreign securities depositories. The Commission also extended the compliance date for certain amendments to rule 17f-5 that had been adopted in 1997 which the amendments and new rule will supercede.**Timetable:**

Action	Date	FR Cite
NPRM	05/06/99	64 FR 24489
NPRM Comment Period End	07/15/99	
Final Action	04/27/00	65 FR 25630
Final Action Effective	06/12/00	

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Jaea F. Hahn, Office of Regulatory Policy, Division of Investment Management, Securities and Exchange Commission  
Phone: 202 942-0690**RIN:** 3235-AH55
**4833. REGULATION S-P: PRIVACY OF CONSUMER FINANCIAL INFORMATION**
**Priority:** Substantive, Nonsignificant. Major under 5 USC 801.**Legal Authority:** 15 USC 6801; 15 USC 78w; 15 USC 80a-37; 15 USC 80b-11**CFR Citation:** 17 CFR 248.1-18; 248.30**Legal Deadline:** Final, Statutory, May 12, 2000.**Abstract:** The Commission adopted rules to implement title V of the Gramm-Leach-Bliley Act, which requires the Commission (and other Federal agencies) to adopt rules to protect the privacy of personal financial information.

## SEC—Division of Investment Management

## Completed Actions

## Timetable:

Action	Date	FR Cite
NPRM	03/08/00	65 FR 12354
NPRM Comment Period End	03/31/00	
Final Action	06/22/00	65 FR 40334
Final Action Effective	11/13/00	

Regulatory Flexibility Analysis  
Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Penelope W.  
Saltzman, Office of Regulatory Policy,Division of Investment Management,  
Securities and Exchange Commission  
Phone: 202 942-0690

RIN: 3235-AH90

Securities and Exchange Commission (SEC)  
Division of Market Regulation

## Prerule Stage

4834. ● AMENDMENTS TO THE  
PENNY STOCK RULES IN LIGHT OF  
THE ELECTRONIC SIGNATURES IN  
GLOBAL AND NATIONAL COMMERCE  
ACTPriority: Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.Legal Authority: 15 USC 78c(h); 15  
USC 78o(g)CFR Citation: 17 CFR 240.15g-2(c); 17  
CFR 240.15g-9(e)

Legal Deadline: None

**Abstract:** Interim rules 15g-2(c) and 15(g)-9(e) under the Exchange Act will provide that if a broker-dealer accepts a customer's electronic signature instead of a manual signature, the broker-dealer must wait at least two business days after receiving the electronically signed document to effect a penny stock transaction for its customer. In addition, a broker-dealer accepting an electronically transmitted penny stock agreement must wait at least two business days after receiving the agreement to execute a penny stock transaction for a customer.

## Timetable:

Action	Date	FR Cite
ANPRM	12/00/00	

Regulatory Flexibility Analysis  
Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Brian A. Bussey,  
Office of Chief Counsel, Division of  
Market Regulation, Securities and  
Exchange Commission  
Phone: 202 942-0169  
Fax: 202 942-9645

RIN: 3235-AI02

Legal Deadline: None

**Abstract:** The Commission is proposing to amend rule 15b9-1 under the Exchange Act, which provides broker-dealers with a conditional exemption from National Securities Association membership. The amendment would clarify that this exemption is not available for broker-dealers that are routinely engaged in a public securities business such as broker-dealers effecting transactions for day traders.

## Timetable:

Action	Date	FR Cite
ANPRM	12/00/00	

Regulatory Flexibility Analysis  
Required: Undetermined

Government Levels Affected: None

Agency Contact: Brian R. Baysinger,  
Office of Chief Counsel, Division of  
Market Regulation, Securities and  
Exchange Commission  
Phone: 202 942-0073  
Fax: 202 942-9645  
Email: baysingerb@sec.gov

RIN: 3235-AI03

Securities and Exchange Commission (SEC)  
Division of Market Regulation

## Proposed Rule Stage

4836. NET CAPITAL RULE:  
CUSTOMER PROTECTION RULEPriority: Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.Legal Authority: 15 USC 78h; 15 USC  
78gCFR Citation: 12 CFR 220; 17 CFR  
240.3a12-11; 17 CFR 240.15c2-5; 17  
CFR 240.15c3-1; 17 CFR 240.15c3-3

Legal Deadline: None

**Abstract:** The Division is considering recommending that the Commission propose amendments to Rules 3a12-11,

15c2-5, 15c3-1, and 15c3-3 under the  
Exchange Act reflecting changes to  
section 8 of the Act and to Regulation  
T under the Act.

## Timetable:

Action	Date	FR Cite
NPRM	02/00/01	

Regulatory Flexibility Analysis  
Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: None

Federalism: Undetermined

Agency Contact: Thomas K. McGowan,  
Office of Risk Management, Division of  
Market Regulation, Securities and  
Exchange Commission  
Phone: 202 942-4886  
Fax: 202 942-9553  
Email: mcgowant@sec.gov

RIN: 3235-AH05

## SEC—Division of Market Regulation

## Proposed Rule Stage

**4837. RISK ASSESSMENT RECORDKEEPING AND REPORTING REQUIREMENT**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78a(h)

**CFR Citation:** 17 CFR 240.17h-1T; 17 CFR 240.17h-2T

**Legal Deadline:** None

**Abstract:** The Risk Assessment Recordkeeping and Reporting Requirements, which became effective September 30, 1992 following notice and comment, were adopted as temporary rules pursuant to the Market Reform Act of 1990. These rules contain recordkeeping and reporting requirements with regard to material associated persons of broker-dealers. The Commission plans to propose final rules replacing the temporary rules during 2000.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/01	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Thomas K. McGowan, Office of Risk Management, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-4886  
Fax: 202 942-9553  
Email: mcgowant@sec.gov

**RIN:** 3235-AH06

**4838. EXEMPTION OF CERTAIN FOREIGN BROKERS AND DEALERS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78c; 15 USC 78j; 15 USC 78o; 15 USC 78q; 15 USC 78u

**CFR Citation:** 17 CFR 240.15a-6

**Legal Deadline:** None

**Abstract:** Exchange Act Rule 15a-6, which was adopted to exempt conditionally foreign broker-dealers from registration in response to the internationalization of the securities markets, is premised in large part on

the willingness of U.S. broker-dealers to take responsibility for resulting trades. The Commission is considering revising the rule to focus instead on the types of securities that are sold by foreign broker-dealers, to allow U.S. institutional customers to take advantage of the efficiencies of foreign markets.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/01	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Barbara A. Stettner, Office of the Chief Counsel, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0146  
Fax: 202 942-9625  
Email: stettnerb@sec.gov

**RIN:** 3235-AH17

**4839. UNTIMELY ANNOUNCEMENT OF RECORD DATES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78j; 15 USC 78w

**CFR Citation:** 17 CFR 240.10b-17

**Legal Deadline:** None

**Abstract:** Pursuant to a petition of the NASD, the staff is considering recommending that the Commission consider amending Exchange Act Rule 10b-17 to clarify that it applies to distributions made to holders of direct participation program interests.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/00	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Nancy Oremland, Office of Chief Counsel, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0067  
Fax: 202 942-9645

Email: oremlandn@sec.gov

**RIN:** 3235-AH38

**4840. PURCHASES OF CERTAIN EQUITY SECURITIES BY THE ISSUERS AND OTHERS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78b; 15 USC 78c; 15 USC 78i(a)(6); 15 USC 78j(b); 15 USC 78m(e); 15 USC 78o(c); 15 USC 78w(a)

**CFR Citation:** 17 CFR 240.10b-18

**Legal Deadline:** None

**Abstract:** The Commission is considering proposing to simplify and update Rule 10b-18's provisions in light of market development since the Rule's adoption. Rule 10b-18 provides a safe harbor from liability under the anti-manipulation provisions of sections 9(a)(2) and 10(b) of the Exchange Act, and Rule 10b-5 thereunder, for issuer purchases of its common stock made in compliance with Rule 10b-18's timing, price and volume conditions.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/00	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Joan Collopy, Office of Risk Management, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0772  
Fax: 202 942-9695  
Email: collopyj@sec.gov

**RIN:** 3235-AH37

**4841. EXEMPTION FROM EXCHANGE ACT SECTION 11(D)(1) FOR SECURITIES OF FOREIGN ISSUERS SOLD ON AN INSTALLMENT BASIS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78a et seq; 15 USC 78c; 15 USC 78k; 15 USC 78w; 15 USC 78jj

**CFR Citation:** 17 CFR 240.11d1-3

**Legal Deadline:** None

**Abstract:** The Commission is considering proposing a rule that

## SEC—Division of Market Regulation

## Proposed Rule Stage

would set forth a uniform set of conditions that, if met, would provide an automatic exemption from section 11(d)(1) of the Securities Exchange Act for international offerings of foreign issuers done on an installment basis if: (1) this sale is part of a foreign government offering, or (2) the sale meets certain minimum market volume criteria and the foreign issuer meets a minimum market capitalization, or (3) the shares offered in the United States are exempt from registration and will be sold only to qualified institutional buyers or institutional accredited investors.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/01	

**Regulatory Flexibility Analysis Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** Patricia Albrecht, Office of the Chief Counsel, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0734  
Fax: 202 942-9645  
Email: albrechtp@sec.gov

**RIN:** 3235-AH58**4842. NET CAPITAL RULE CONCEPT RELEASE**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78o(c)(3); 15 USC 78q; 15 USC 78w

**CFR Citation:** 17 CFR 240.15c3-1**Legal Deadline:** None

**Abstract:** As part of its comprehensive review of Exchange Act Rule 15c3-1, the net capital rule, the Commission published a concept release soliciting comments on how the net capital rule may incorporate statistical models to calculate net capital requirements. This concept release also solicited comments and ideas on how the net capital rule could be further modified.

**Timetable:**

Action	Date	FR Cite
ANPRM	12/30/97	62 FR 68011
ANPRM Comment Period End	03/30/98	
Extension of Comment Period to	05/04/98	63 FR 11173
NPRM	02/00/01	

**Regulatory Flexibility Analysis Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** Thomas K. McGowan, Office of Risk Management, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-4886  
Fax: 202 942-9553  
Email: mcgowant@sec.gov

**RIN:** 3235-AH29**4843. CONCEPT RELEASE: SHORT SALES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78j(a); 15 USC 78w

**CFR Citation:** 17 CFR 240.10a-1**Legal Deadline:** None

**Abstract:** As part of its comprehensive review of Exchange Act Rule 10a-1, the short sale rule, the Commission published a concept release soliciting public comment on, among other things: lifting the limits on short sales of exchange listed securities under advancing market conditions; providing an exception for actively traded securities; focusing short sale restrictions on certain market events and trading strategies; removing short sale restrictions on hedging transactions; revising short sale regulation in response to certain market developments; revising the definition of "short sale"; extending short sale regulation to non-exchange listed securities; and eliminating short sale regulation altogether.

**Timetable:**

Action	Date	FR Cite
ANPRM	10/28/99	64 FR 57996
ANPRM Comment Period End	12/28/99	
NPRM	12/00/00	

**Regulatory Flexibility Analysis Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** Michael R. Trocchio, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0147  
Fax: 202 942-9553  
Email: trocchiom@sec.gov

**RIN:** 3235-AH84

## Securities and Exchange Commission (SEC)

## Final Rule Stage

## Division of Market Regulation

**4844. NET CAPITAL REQUIREMENTS FOR BROKERS OR DEALERS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78o(c)(3); 15 USC 78q; 15 USC 78w

**CFR Citation:** 17 CFR 240.15c3-1**Legal Deadline:** None

**Abstract:** The Commission has proposed amendments to Exchange Act Rule 15c3-1, the net capital rule, that

could raise the minimum net capital requirement for certain introducing broker-dealers, for other classes of broker-dealers that never receive customer securities, and for broker-dealers that make markets in securities.

**Timetable:**

Action	Date	FR Cite
NPRM	12/02/92	57 FR 57027
Interim Final Rule	12/02/92	57 FR 56973
NPRM Comment Period End	02/05/93	
Final Action	02/00/01	

**Regulatory Flexibility Analysis Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Federalism:** Undetermined

**Agency Contact:** Thomas K. McGowan, Office of Risk Management, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-4886  
Fax: 202 942-9553

## SEC—Division of Market Regulation

## Final Rule Stage

Email: mcgowant@sec.gov

RIN: 3235-AD79

#### 4845. MARKET RISK HAIRCUTS FOR INSTRUMENTS SUBJECT TO INTEREST RATE RISK

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78o(c)(3); 15 USC 78q; 15 USC 78w

**CFR Citation:** 17 CFR 240.15c3-1

**Legal Deadline:** None

**Abstract:** As part of its comprehensive review of Exchange Act Rule 15c3-1, the net capital rule, the Commission proposed for comment an amendment to the net capital rule revising the percentage deductions from net worth, or haircuts, applicable to interest rate products when calculating net capital. Under the proposal, haircuts on government securities, investment grade corporate securities, certain mortgage-backed securities, interest rate swaps, and other interest rate-related derivative instruments would be determined by treating these instruments as part of a single portfolio.

#### Timetable:

Action	Date	FR Cite
ANPRM	05/04/93	58 FR 27486
ANPRM Comment Period End	12/12/93	
NPRM	12/30/97	62 FR 67996
NPRM Comment Period End	03/30/98	
Extension of Comment Period to	05/04/98	63 FR 11173
Interim Final Rule	02/00/01	

#### Regulatory Flexibility Analysis

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Thomas K. McGowan, Office of Risk Management, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-4886  
Fax: 202 942-9553  
Email: mcgowant@sec.gov

RIN: 3235-AG18

#### 4846. AMENDMENTS TO RULES 17A-3 AND 17A-4 UNDER THE SECURITIES EXCHANGE ACT OF 1934

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77c; 15 USC 77ttt; 15 USC 78c; 15 USC 78d; 15 USC 78f; 15 USC 78i; 15 USC 78j; 15 USC 77d; 15 USC 77g; 15 USC 77j; 15 USC 77s; 15 USC 77eee; 15 USC 77ggg; 15 USC 77nnn; 15 USC 77sss; ...

**CFR Citation:** 17 CFR 240 (Revision)

**Legal Deadline:** None

**Abstract:** The Commission repropoed for comment amendments to the broker-dealer books and records rules which are designed to clarify and expand recordkeeping requirements with respect to purchase and sale documents, customer records, associated person records, customer complaints, and certain other matters.

#### Timetable:

Action	Date	FR Cite
NPRM	10/28/96	61 FR 55593
NPRM Comment Period End	03/31/97	
Repropoed	10/09/98	63 FR 54404
Comment Period End	11/09/98	
Final Action	02/00/01	

#### Regulatory Flexibility Analysis

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Federalism:** This action may have federalism implications as defined in EO 13132.

**Agency Contact:** Thomas K. McGowan, Office of Risk Management, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-4886  
Fax: 202 942-9553  
Email: mcgowant@sec.gov

RIN: 3235-AH04

#### 4847. PROPOSED AMENDMENTS TO TRANSFER AGENT RULES

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77c; 15 USC 77d; 15 USC 77g; 15 USC 77j; 15 USC 77s; 15 USC 77eee; 15 USC 77ggg; 15 USC 77nnn; 15 USC 77sss; 15 USC 77ttt; 15 USC 78c; 15 USC 78d; 15 USC 78i; 15 USC 78j; 15 USC 78l; 15 USC

78m; 15 USC 78n; 15 USC 78o; 15 USC 78p; 15 USC 78q; 15 USC 78s; 15 USC 78w; 15 USC 78x; 15 USC 78ll(d); 15 USC 79q; 15 USC 79t; 15 USC 80a-20; 15 USC 80a-23; 15 USC 80a-29; 15 USC 80a-37; 15 USC 80b-3; 15 USC 80b-4; 15 USC 80b-11

**CFR Citation:** 17 CFR 240.17Ad-2(a); 17 CFR 240.17Ad-2(c); 17 CFR 240.17Ad-2(e)(1); 17 CFR 240.17Ad-2(e)(2); 17 CFR 240.17Ad-10; 17 CFR 240.17Ad-12

**Legal Deadline:** None

**Abstract:** The Commission has proposed amendments to certain transfer agent rules regarding turnaround time, recordkeeping, and safekeeping of funds. The proposed amendments to the transfer agent rules are designed to minimize disruptions, particularly in the National Clearance and Settlement System for securities, that may be caused by poor turnaround performance, substandard or inaccurate recordkeeping practices, and inadequate safekeeping procedures.

#### Timetable:

Action	Date	FR Cite
NPRM	12/08/94	59 FR 63662
NPRM Comment Period End	02/06/95	
Final Action	02/00/01	

#### Regulatory Flexibility Analysis

**Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Jerry Carpenter, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-4187  
Fax: 202 942-9695  
Email: carpenterj@sec.gov

RIN: 3235-AG24

#### 4848. ELECTRONIC SUBMISSION OF SECURITIES TRADING DATA BY EXCHANGE MEMBERS, BROKERS, AND DEALERS

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78a; 15 USC 78q; 15 USC 78c; 15 USC 78j; 15 USC 78w; 15 USC 78mm

**CFR Citation:** 17 CFR 240.17a-25

**Legal Deadline:** None

**Abstract:** The Securities and Exchange Commission proposed rule 17a-25, which would set forth the obligations

## SEC—Division of Market Regulation

## Final Rule Stage

of registered broker-dealers to submit securities trading data in an electronic format when requested by the Commission staff for enforcement and other regulatory purposes. The proposed rule would improve the Commission's capacity to use electronic submissions of trading data to analyze transactions by entities that trade through multiple accounts maintained at multiple broker-dealers.

**Timetable:**

Action	Date	FR Cite
NPRM	05/08/00	65 FR 26534
NPRM Comment Period End	06/07/00	
Final Action	12/00/00	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None

**Agency Contact:** Anitra Cassas, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0089  
Fax: 202 942-9695  
Email: cassasa@sec.gov

**RIN:** 3235-AH69

#### 4849. EXEMPTION OF THE SECURITIES OF THE REPUBLIC OF PORTUGAL UNDER THE SECURITIES EXCHANGE ACT OF 1934 FOR PURPOSES OF TRADING FUTURES CONTRACTS ON THOSE SECURITIES

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77c; 15 USC 77d; 15 USC 77g; 15 USC 77j; 15 USC 77s; 15 USC 77z-2; 15 USC 77eee; 15 USC 77ggg; 15 USC 77nnn; 15 USC 77sss; 15 USC 77ttt; 15 USC 78c; 15 USC 78d; 15 USC 78f; 15 USC 78i; 15 USC 78j; 15 USC 78j-1; 15 USC 78k; 15 USC 78k-1; 15 USC 78l; 15 USC 78m; 15 USC 78n; 15 USC 78o; 15 USC 78p; 15 USC 78q; 15 USC 78s; 15 USC 78u-5; 15 USC 78w; 15 USC 78x; 15 USC 78ll(d); 15 USC 78mm; 15 USC 79q; 15 USC 79t; 15 USC 80a-20; 15 USC 80a-23; 15 USC 80a-29; 15 USC 80a-37; 15 USC 80b-3; 15 USC 80b-4; 15 USC 80b-11; 15 USC 78a et seq; 15 USC 18c(a)(12); 15 USC 78w(a)

**CFR Citation:** 17 CFR 240.3a12-8**Legal Deadline:** None

**Abstract:** The Commission proposed for comment an amendment to rule

3a12-8 that would designate debt obligations issued by the Republic of Portugal as "exempted securities" for the purpose of marketing and trading futures contracts on those securities in the United States. This amendment is intended to permit futures trading on the sovereign debt of Portugal.

**Timetable:**

Action	Date	FR Cite
NPRM	07/29/99	64 FR 41056
NPRM Comment Period End	08/30/99	
Final Action	02/00/01	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined

**Additional Information:** Statutory basis for Rule 3a12-8 in particular: 15 USC 78a et seq, particularly sections 3(a)(12) and 23(a), 15 USC 78c(a)(12) and 78w(a).

**Agency Contact:** Melinda Diller, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0166  
Fax: 202 942-9695  
Email: dillerm@sec.gov

**RIN:** 3235-AH76

#### 4850. • PROPOSED AMENDMENTS TO NATIONAL MARKET SYSTEM PLAN

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78k-1(a)(3)(B)**CFR Citation:** 17 CFR 240.11Aa3-2**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to the options price reporting authority plan for reporting of consolidated options last sale reports and quotation information.

**Timetable:**

Action	Date	FR Cite
NPRM	05/10/00	65 FR 30148
NPRM Comment Period End	06/09/00	
Final Action	12/00/00	

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** John Roeser, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0762  
Fax: 202 942-9695  
Email: roeserj@sec.gov

**RIN:** 3235-AH92

#### 4851. • DISCLOSURE OF ORDER ROUTING AND EXECUTION PRACTICES

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78k-1(c)(1)(B) & (E)**CFR Citation:** 17 CFR 240.11Ac1-5; 17 CFR 240.11Ac1-6**Legal Deadline:** None

**Abstract:** The Commission proposed two rules to improve public disclosure of order routing and execution practices. Proposed rule 11Ac1-5 under the Securities Exchange Act of 1934 ("Exchange Act") would require market centers that trade national market system securities to make electronic reports relating to execution quality publicly available. Proposed Rule 11Ac1-6 under the Exchange Act would require broker-dealers that route orders in equity securities and options on behalf of customers to make publicly available quarterly reports that describe their order routing practices.

**Timetable:**

Action	Date	FR Cite
NPRM	07/28/00	65 FR 48406
NPRM Comment Period End	09/22/00	
Final Action	12/00/00	

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** Susie Cho, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0748  
Fax: 202 942-9695  
Email: chos@sec.gov

**RIN:** 3235-AH95

## SEC—Division of Market Regulation

## Final Rule Stage

**4852. • THE FIRM QUOTE AND TRADE-THROUGH DISCLOSURE RULES FOR OPTIONS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78c(b), 78e, 78f, 78k-1, 78o, 78q(a) & (b), 78r, and 78w

**CFR Citation:** 17 CFR 240.11Ac1-1; 17 CFR 240.11Ac1-7

**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to Rule 11Ac1-1 under the Securities Exchange Act of 1934 (“Exchange Act”) that would require options exchanges and options market makers to publish firm quotes. In addition, the Commission proposed Rule 11Ac1-7, which would require a broker-dealer to disclose on its customer’s confirmation statement when the customer’s order was executed at a price inferior to a better published quote and what that better quote was, unless the transaction was effected on a market that is a participant in an intermarket options linkage plan approved by the Commission.

**Timetable:**

Action	Date	FR Cite
NPRM	07/28/00	65 FR 47918
NPRM Comment Period End	09/18/00	
Final Action	12/00/00	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** John Roeser, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission

Phone: 202 942-0762

Fax: 202 942-9695

Email: roeserj@sec.gov

**RIN:** 3235-AH96

**4853. TENDER AND REORGANIZATION AGENTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78b; 15 USC 78k-1(a)(1)(B); 15 USC 78n(d)(4); 15 USC 78o(c)(3); 15 USC 78o(c)(6); 15 USC 78q-1(a); 15 USC 78q-1(d)(1); 15 USC 78w(a)

**CFR Citation:** 17 CFR 240.17Ad-14

**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to rule 17Ad-14 under the Securities Exchange Act of 1934. The amendments would require the establishment of book-entry accounts in connection with reorganization events and would provide securities depositories with three business days after the expiration of a tender offer, exchange offer, or reorganization event in which to deliver physical securities certificates to the agents.

**Timetable:**

Action	Date	FR Cite
NPRM	09/04/98	63 FR 47209
NPRM Comment Period End	11/03/98	
Final Action	02/00/01	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Michael Rae, Office of Risk Management and Control, Division of Market Regulation, Securities and Exchange Commission

Phone: 202 942-0785

Fax: 202 942-9695

Email: raem@sec.gov

**RIN:** 3235-AH53

**4854. NET CAPITAL REQUIREMENTS FOR BROKERS OR DEALERS— DEFINITION OF THE TERM NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78c; 15 USC 78o; 15 USC 78q; 15 USC 78w

**CFR Citation:** 17 CFR 240.15c3-1

**Legal Deadline:** None

**Abstract:** The Commission issued a release proposing amendments to the net capital rule that would define the term Nationally Recognized Statistical Rating Organization (NRSRO) for purposes of the net capital rule and set forth the process for applying for NRSRO designation.

**Timetable:**

Action	Date	FR Cite
NPRM	12/30/97	62 FR 68018

Action	Date	FR Cite
NPRM Comment Period End	03/02/98	
Final Action	02/00/01	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** This proposal was based in part on comments received in response to a concept release (RIN 3235-AG41; 59 FR 46314), which is now combined in this rulemaking.

**Agency Contact:** Thomas K. McGowan, Office of Risk Management, Division of Market Regulation, Securities and Exchange Commission

Phone: 202 942-4886

Fax: 202 942-9553

Email: mcgowant@sec.gov

**RIN:** 3235-AH28

**4855. AMENDMENT TO RULE 9B-1 UNDER THE SECURITIES EXCHANGE ACT RELATING TO THE OPTIONS DISCLOSURE DOCUMENT**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78i; 15 USC 78w

**CFR Citation:** 17 CFR 240.9b-1

**Legal Deadline:** None

**Abstract:** The Commission proposed to amend Exchange Act Rule 9b-1, which requires that an Options Disclosure Document (ODD) be sent to a customer opening an options account. The proposed amendment would refine certain language of the Rule so that it more clearly reflects the regulatory standards it was designed to establish. In paragraph (a)(3) of the Rule, the definition of “Options Disclosure Document” will be amended to explicitly state that amendments and supplements to the ODD are included as part of the ODD. Paragraphs (c)(2) and (c)(3) will be amended to better reflect the type of information appropriately included in the ODD. Paragraphs (c)(4) and (c)(7) will be similarly amended.

**Timetable:**

Action	Date	FR Cite
NPRM	07/01/98	63 FR 36136

## SEC—Division of Market Regulation

Final Rule Stage

Action	Date	FR Cite
NPRM Comment	07/31/98	
Period End		
Final Action	12/00/00	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy J. Sanow, Office of Risk Management and Control, Division of Market Regulation, Securities and Exchange Commission, 450 5th Street NW, Washington, DC 20549  
Phone: 202 942-0799  
Email: sanown@sec.gov

**RIN:** 3235-AH30**4856. INITIATION OR RESUMPTION OF QUOTATIONS WITHOUT SPECIFIED INFORMATION**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78b; 15 USC 78c; 15 USC 78j(b); 15 USC 78o(q); 15 USC 78q(a); 15 USC 78w(a)

**CFR Citation:** 17 CFR 240.15c2-11**Legal Deadline:** None

**Abstract:** As part of its efforts to respond to fraud in the microcap securities market, the Commission repropose for comment amendments to Rule 15c2-11. These amendments would require broker-dealers to: have more issuer information before publishing priced quotations; review updated information periodically when publishing priced quotations; and make issuer information more widely available. The amendments also would expand the issuer's information that a broker-dealer must review for a non-reporting issuer. Finally the amendments would exclude from the rule securities that satisfy any one of three alternative thresholds.

Timetable:		
Action	Date	FR Cite
NPRM	02/25/98	63 FR 9661
NPRM Comment	04/27/98	
Period End		
Reproposal	03/08/99	64 FR 11124
Reproposal Comment	04/07/99	64 FR 11124
Period End		
Reproposal Comment	05/08/99	64 FR 18393
Period Extended to		
Final Action	12/00/00	

**Regulatory Flexibility Analysis Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Federalism:** Undetermined

**Agency Contact:** Thomas D. Eidt, Office of Risk Management and Control, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0159  
Fax: 202 942-0553  
Email: eidtt@sec.gov

**RIN:** 3235-AH40**4857. DESTRUCTION OF CANCELLED SECURITIES CERTIFICATES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78q-1**CFR Citation:** 17 CFR 240.17Ad-19**Legal Deadline:** None

**Abstract:** The Commission proposed rule 17Ad-19 to establish regulations for the destruction of cancelled securities certificates and to require each transfer agent to establish written procedures for the storage and destruction of cancelled securities certificates.

**Timetable:**

Action	Date	FR Cite
NPRM	10/02/00	65 FR 59766
NPRM Comment	12/05/00	
Period End		
Final Action	02/00/01	

**Regulatory Flexibility Analysis Required:** Undetermined**Government Levels Affected:** None**Federalism:** Undetermined

**Agency Contact:** Thomas C. Etter Jr., Office of Risk Management and Control, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0178  
Fax: 202 942-9695  
Email: ettert@sec.gov

**RIN:** 3235-AH54**4858. RECORDKEEPING REQUIREMENTS FOR TRANSFER AGENTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 78q-1(a)(2); 15 USC 78q-1(d)**CFR Citation:** 17 CFR 240.17Ad-7(f)**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to Rule 17Ad-7 under the Securities Exchange Act of 1934 to allow registered transfer agents to use microfiche and to use electronic storage media to preserve the records that they are required to retain.

**Timetable:**

Action	Date	FR Cite
NPRM	06/02/99	64 FR 29608
NPRM Comment	07/02/99	
Period End		
Final Action	02/00/01	

**Regulatory Flexibility Analysis Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** David Karasik, Office of Risk Management and Control, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-4187  
Fax: 202 942-9695  
Email: karasikd@sec.gov

**RIN:** 3235-AH74

## Securities and Exchange Commission (SEC)

## Long-Term Actions

## Division of Market Regulation

## 4859. AMENDMENT TO RULE 11AC1-1

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77c; 15 USC 78c; 15 USC 78d; 15 USC 78f; 15 USC 78i; 15 USC 78j; 15 USC 78k; 15 USC 77d; 15 USC 77g; 15 USC 77j; 15 USC 77s; 15 USC 77ggg; 15 USC 77nnn; 15 USC 77sss; 15 USC 77ttt; 15 USC 80b-3; 15 USC 80b-4; 15 USC 80b-11; 15 USC 78c; 15 USC 78d; 15 USC 78f; 15 USC 78i; 15 USC 78j; 15 USC 78k; 15 USC 78k-1; 15 USC 78l; 15 USC 78m; 15 USC 78n; 15 USC 78o; 15 USC 78p; 15 USC 78q; 15 USC 78s; 15 USC 78w; 15 USC 78x; 15 USC 78ll(d); 15 USC 79q; 15 USC 79t; 15 USC 80a-20; 15 USC 80a-23; 15 USC 80a-29; 15 USC 80a-37; ...

**CFR Citation:** 17 CFR 240.11Ac1-1(a)(25)

**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to Rule 11Ac1-1 under the Exchange Act to require both exchange and over-the-counter market makers to provide continuous two-sided quotations when they account for more than 1 percent of the aggregate trading volume of a security included on the Nasdaq Stock Market.

**Timetable:**

Action	Date	FR Cite
NPRM	09/12/96	61 FR 48333
NPRM Comment	10/29/96	
Period End		
Next Action	Undetermined	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Agency Contact:** Constance Kiggins, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0059  
Fax: 202 942-9643  
Email: kigginsc@sec.gov

**RIN:** 3235-AH00

**CFR Citation:** 17 CFR 240.13h-1

**Legal Deadline:** None

**Abstract:** The Commission has published for comment reprocessed Exchange Act Rule 13h-1, which would require large traders to disclose accounts to the Commission, and would require broker-dealers to maintain and report large trader transaction records to the Commission.

**Timetable:**

Action	Date	FR Cite
NPRM	02/17/94	59 FR 7917
NPRM Comment	04/18/94	
Period End		
Next Action	Undetermined	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Alton Harvey, Division of Market Regulation, Office of Market Supervision, Securities and Exchange Commission  
Phone: 202 942-4167  
Fax: 202 942-9697  
Email: harveya@sec.gov

**RIN:** 3235-AE42

## 4860. LARGE TRADER REPORTING SYSTEM

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77c to 77d; 15 USC 79q; 15 USC 79t; 15 USC 80a-29; 15 USC 80a-37; 15 USC 77s; 15 USC 77ttt; 15 USC 78c to 78d; 15 USC 78i to 78j; 15 USC 78l to 78p; 15 USC 78s; 15 USC 78w; 15 USC 78x

## Securities and Exchange Commission (SEC)

## Completed Actions

## Division of Market Regulation

## 4861. REVISED TRANSFER AGENT FORM AND RELATED RULE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 78g-1

**CFR Citation:** 17 CFR 240.17Ac2-2; 17 CFR 240.17a-24; 17 CFR 249b.102

**Legal Deadline:** None

**Abstract:** The Securities and Exchange Commission (Commission) adopted amendments to rule 17Ac2-2 and related Form TA-2 and rescinded rule 17a-24 under the Securities Exchange Act. The amendments make technical corrections to rule 17Ac2-2 and provide greater clarity to Form TA-2. Specifically, the amendments are designed to clarify filing requirements and instructions; eliminate or change ambiguous terms and phrases; delete certain redundant or unnecessary questions; and add questions that would help the Commission to more

effectively monitor the transfer agent industry.

**Timetable:**

Action	Date	FR Cite
NPRM	03/31/99	64 FR 15310
NPRM Comment	05/17/99	
Period End		
Final Action	06/02/00	65 FR 36602
Final Action Effective	07/10/00	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Lori Rae Bucci, Office of Risk Management and Control, Division Market Regulation, Securities and Exchange Commission  
Phone: 202 942-0742  
Fax: 202 942-9695  
Email: buccil@sec.gov

**RIN:** 3235-AH44

## 4862. EXTENDING UNLISTED TRADING PRIVILEGES TO A SECURITY THAT IS THE SUBJECT OF AN INITIAL PUBLIC OFFERING

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 78k-1; 15 USC 78l(f)(1); 15 USC 78w(a)

**CFR Citation:** 17 CFR 240.12f-2

**Legal Deadline:** None

**Abstract:** The Commission adopted a change to Exchange Act Rule 12f-2, which governs unlisted trading privileges ("UTP") in listed initial public offerings ("IPOs"). Under the rule changes, a national securities exchange extending UTP privileges to an IPO security listed on another exchange would no longer be required to wait until the day after trading has commenced on the listing exchange to allow trading in that security. Instead, a national securities exchange will be permitted to begin trading in an IPO

**SEC—Division of Market Regulation**

**Completed Actions**

issue pursuant to UTP immediately after the first trade in the security is reported by the listing exchange to the Consolidated Tape.

**Timetable:**

Action	Date	FR Cite
NPRM	12/15/99	64 FR 69975

Action	Date	FR Cite
NPRM Comment	01/31/00	
Period End		
Final Action	09/05/00	65 FR 53560
Final Action Effective	11/06/00	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None  
**Agency Contact:** Ira Brandriss, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission  
 Phone: 202 942-0148  
 Fax: 202 942-9695  
 Email: brandrissi@sec.gov  
**RIN:** 3235-AH85

**Securities and Exchange Commission (SEC) Offices and Other Programs**

**Proposed Rule Stage**

**4863. INTERNATIONAL ACCOUNTING STANDARDS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq; 15 USC 78a et seq

**CFR Citation:** 17 CFR 210; 17 CFR 249.220f

**Legal Deadline:** None

**Abstract:** The Commission is reviewing comments received in response to a concept release on whether the Commission should recognize accounting standards promulgated by the International Accounting Standards Committee for purposes of cross-border offerings and listings by foreign companies. The staff is considering drafting appropriate rule proposals and recommendations to the Commission.

**Timetable:**

Action	Date	FR Cite
ANPRM	02/23/00	65 FR 8896
ANPRM Comment	05/23/00	
Period End		
NPRM	12/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Agency Contact:** Susan Koski-Grafer, Securities and Exchange Commission  
 Phone: 202 942-4400

**RIN:** 3235-AH65

**4864. ● MANAGEMENT REPORTS ON INTERNAL CONTROLS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq; 15 USC 78a et seq; 15 USC 79a et seq; 15 USC 80a-1 et seq

**CFR Citation:** 17 CFR 210; 17 CFR 229

**Legal Deadline:** None

**Abstract:** The Office of the Chief Accountant is considering recommending that the Commission publish a release proposing that certain documents filed with the Commission contain a statement of management's responsibilities for the preparation of financial statements in accordance with generally accepted accounting principles and for a system of internal controls for the registrants financial reporting processes.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** John W. Albert, Associate Chief Accountant, Securities and Exchange Commission  
 Phone: 202 942-4400  
 Fax: 202 942-9656

**RIN:** 3235-AH97

**4865. ● PROPOSAL TO AMENDMENT DISCLOSURE REQUIREMENTS RELATED TO DERIVATIVE FINANCIAL INSTRUMENTS AND DERIVATIVE COMMODITY INSTRUMENTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq; 15 USC 78a et seq; 15 USC 79a et seq; 15 USC 80a-1 et seq

**CFR Citation:** 17 CFR 210; 17 CFR 228; 17 CFR 229

**Legal Deadline:** None

**Abstract:** The Office of the Chief Accountant is considering recommending that the Commission publish a release: (1) proposing amendments that would conform the Commission's disclosure requirements with Financial Accounting Standards No.133 and (2) soliciting additional comments on the utility, costs and benefits of its disclosure requirements related to derivative financial instruments and derivative commodity instruments.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Agency Contact:** Jenifer Minke-Girard, Assistant Chief Accountant, Securities and Exchange Commission  
 Phone: 202 942-4400  
 Fax: 202 942-9656  
 Email: minke-girardj@sec.gov

**RIN:** 3235-AH98

**Securities and Exchange Commission (SEC)  
Offices and Other Programs**

Final Rule Stage

**4866. SUPPLEMENTAL FINANCIAL  
INFORMATION**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq;  
15 USC 78a et seq; 15 USC 79a et seq;  
15 USC 80a-1 et seq

**CFR Citation:** 17 CFR 210; 17 CFR 229

**Legal Deadline:** None

**Abstract:** The Commission has proposed amendments to reposition within its regulation the requirement for certain registrants to disclose changes in their valuation and loss accrual accounts, and to clarify the type of information to be disclosed. The Commission also is proposing amendments to its rules to require disclosure of information concerning tangible and intangible assets and related accumulated depreciation, depletion, and amortization.

**Timetable:**

Action	Date	FR Cite
NPRM	01/31/00	65 FR 4585

Action	Date	FR Cite
NPRM Comment	04/17/00	
Period End		
Final Action	12/00/00	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** John W. Albert,  
Associate Chief Accountant, Securities  
and Exchange Commission  
Phone: 202 942-4400  
Fax: 202 942-9656

**RIN:** 3235-AH86

independence regulations. The rule proposals relate to, among other things, investments, family relationships and services provided by an auditor to a Commission registrant that would impair the auditor's independence with respect to that registrant.

**Timetable:**

Action	Date	FR Cite
NPRM	06/30/00	65 FR 43148
NPRM Comment	09/25/00	
Period End		
Final Action	11/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Agency Contact:** John M. Morrissey,  
Office of the Chief Accountant,  
Securities and Exchange Commission  
Phone: 202 942-4400  
Fax: 202 942-9656

**RIN:** 3235-AH91

**4867. AUDITOR INDEPENDENCE**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.

**Legal Authority:** 15 USC 77a et seq;  
15 USC 78a et seq; 15 USC 79a et seq;  
15 USC 80a-1 et seq

**CFR Citation:** 17 CFR 210

**Legal Deadline:** None

**Abstract:** The Commission proposed amendments to its auditor

**Securities and Exchange Commission (SEC)  
Offices and Other Programs**

Completed Actions

**4868. AMENDMENTS TO THE  
FREEDOM OF INFORMATION ACT,  
PRIVACY ACT, AND CONFIDENTIAL  
TREATMENT RULES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 552; 15 USC 77sss; 15 USC 80a-37; 15 USC 80a-44(a); 15 USC 80a-44(b); 15 USC 80b-10; 15 USC 80b-11; 5 USC 552a; 15 USC 77f(d); 15 USC 77s; 15 USC 77ggg(a); 15 USC 78m(F); 15 USC 78w; 15 USC 79t; 15 USC 79v(a)

**CFR Citation:** 17 CFR 200.80; 17 CFR 200.83; 17 CFR 200.303; 17 CFR 200.306; 17 CFR 200.308; 17 CFR 200.310; 17 CFR 200.312

**Legal Deadline:** None

**Abstract:** The Commission adopted rules amending its procedures for requesting confidential treatment of records submitted to the Commission when no other procedures are applicable. The rules also amended its procedures for requesting information under the Freedom of Information Act and for requesting, amending, or correcting records about individuals under the Privacy Act of 1974. These

amendments, which conform the procedures to current statutory and case law and administrative practice and correct clerical errors, reflect staff and public comments on proposed amendments that were announced on April 14, 1999.

**Timetable:**

Action	Date	FR Cite
NPRM	04/22/99	64 FR 19732
NPRM Comment	06/21/99	
Period End		
Final Rule	09/13/00	65 FR 55180
Final Rule Effective	10/13/00	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses,  
Governmental Jurisdictions,  
Organizations

**Government Levels Affected:** Federal,  
State, Local, Tribal

**Agency Contact:** Betty Lopez, SEC  
Operations Center, Securities and  
Exchange Commission, MS 0-5, 6432  
General Green Way, Alexandria, VA  
22312-2413

Phone: 202 942-4327

**RIN:** 3235-AH71

**4869. SELECTIVE DISCLOSURE AND  
INSIDER TRADING**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 77a et seq;  
15 USC 78a et seq

**CFR Citation:** 17 CFR 240; 17 CFR 243;  
17 CFR 249

**Legal Deadline:** None

**Abstract:** The Commission adopted new rules concerning selective disclosure of material, nonpublic information by issuers, and addressing two issues under insider trading law.

**Timetable:**

Action	Date	FR Cite
NPRM	12/28/99	64 FR 72590
Comment Period	03/27/00	65 FR 16160
Extended to	04/28/2000	
NPRM Comment	03/29/00	
Period End		
Final Rule	08/24/00	65 FR 51716
Final Rule Effective	10/23/00	

**SEC—Offices and Other Programs**

**Completed Actions**

---

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Richard Levine,  
Office of the General Counsel,  
Securities and Exchange Commission  
Phone: 202 942-0890

Fax: 202 942-9625

**RIN:** 3235-AH82

[FR Doc. 00-27365 Filed 11-29-00]

**BILLING CODE 8010-01-S**