

reasonably necessary or desirable to carry out the provisions of this Agreement.

19. *Liaison and Notices.* All questions regarding the implementation of this Agreement shall be directed to the persons identified in subsections (a) and (b), as applicable, below. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon (i) actual receipt by the notified party or (ii) constructive receipt (as of the date marked on the return receipt) if sent by certified or registered mail, return receipt requested, to the following addresses:

(a) If to NASDR: NASD Regulation, Inc., Office of General Counsel, 1735 K Street, N.W., Washington, D.C. 20006, Attn: Alden S. Adkins.

With, if a notice of breach or default, a required copy to: National Association of Securities Dealers, Inc., 1735 K Street, N.W., Washington, D.C. 20006, Attn: Office of General Counsel—Contracts Group.

(b) If to the Exchange: International Securities Exchange LLC, Senior Vice President, Chief Regulatory Officer & General Counsel, 60 Broad Street, New York, New York 10004, Attn: Michael J. Simon.

With, if a notice of breach or default, a required copy to: Same address as above.

20. *Regulatory Responsibility.* Pursuant to Section 17(d)(1)(A) of the Act, and Rules 17d-2 thereunder, NASDR and the Exchange jointly request the SEC, upon its approval of this Agreement, to relieve the Exchange of any and all responsibilities with respect to the matters allocated to NASDR pursuant to this Agreement for purposes of Section 17(d) and 19(g) of the Act, provided however that the Exchange will continue to have exclusive regulatory responsibility for ensuring the continued validity of the certifications made under Section 5.(c)(1) herein.

21. *Governing Law.* This Agreement shall be deemed to have been made in the State of New York, and shall be construed and enforced in accordance with the law of the State of New York, without reference to principles of conflicts of laws thereof. Each of the parties hereby consents to submit to the jurisdiction of the courts by or for the State of New York in connection with any action or proceeding relating to this Agreement.

22. *Survival of Provisions.* Provisions intended by their terms or context to survive and continue notwithstanding delivery of the Services by NASDR, the payment of the price by the Exchange, and any expiration of this Agreement shall survive and continue, including but not limited to, the items referred to in Sections 8, 9, and 10.

ISE Certification—ISE Rules Certification for 17d-2 Agreement With NASD

The ISE hereby certifies that the requirements contained in the ISE rules listed below are identical to, or substantially similar to, NASD rules.

ISE Rule 403 (Nominal Employment)
ISE Rule 408 (Prevention of the Misuse of Material Nonpublic Information)
ISE Rule 409 (Disciplinary Action of Other Organizations)

ISE Rule 601 (Registration of Options Principals)
ISE Rule 602 (Registration of Representatives)
ISE Rule 603 (Termination of Registered Persons)
ISE Rule 604 (Continuing Education for Registered Persons)
ISE Rule 605 (Other Affiliations of Registered Persons)
ISE Rule 607 (Branch Offices)
ISE Rule 613 (Statements of Accounts to Customers)
ISE Rule 614 (Statements of Financial Condition to Customers)
ISE Rule 615 (Addressing of Communications to Customers)
ISE Rule 617 (Restrictions on Pledge and Lending of Customers' Securities)
ISE Rule 619 (Guarantees)
ISE Rule 620 (Profit Sharing)
ISE Rule 621 (Assuming Losses)
ISE Rule 622 (Transfer of Accounts)
ISE Rule 623 (Communications to Customers)
ISE Rule 624 (Brokers' Blanket Bond)
ISE Rule 626 (Telephone Solicitation)
ISE Rule 1202 (Margin Requirements)
ISE Rule 1203 (Meeting Margin Calls by Liquidation Prohibited)
ISE Rule 1400 (Maintenance, Retention and Furnishing of Books, Records and Other Information)
ISE Rule 1407 (Market Maker Hedge Exemption from Nasdaq Short Sale Rule)

III. Solicitation of Comments

In order to assist the Commission in determining whether to approve this plan and to relieve the ISE of those responsibilities designated to the NASD, interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed plan that are filed with the Commission, and all written communications relating to the proposed plan between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to File No. 4-431 and should be submitted by May 10, 2000.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Jonathan G. Katz,
Secretary.

[FR Doc. 00-9791 Filed 4-18-00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-42660; File No. SR-PCX-00-11]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Pacific Exchange, Inc., Rescinding the Exchange's Off-Board Trading Rules

April 10, 2000.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 26, 2000, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

The Exchange's proposed rule change raises issues similar to those raised by the New York Stock Exchange's ("NYSE" proposal to repeal NYSE Rule 390, which rule generally prohibits NYSE members and their affiliates from effecting transactions in certain NYSE-listed securities away from a national securities exchange. The Commission recently issued the notice of filing for the NYSE's proposal ("NYSE Notice") and solicited comment on a number of important issues that have broad implications for the structure of the U.S. securities markets.³ Specifically, the Commission requested comment on market fragmentation—the trading of orders in multiple locations without interaction among those orders—and on

⁹ 17 CFR 200.30-3(a)(34).

¹ 15 U.S.C. & 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 42450 (Feb. 23, 2000), 65 FR 10577 (Feb. 28, 2000) File No. SR-NYSE-99-48). The Commission notes that similar proposals have been filed by the American Stock Exchange, Securities Exchange Act Release No. 42460 (February 25, 2000), 65 FR 11618 (March 3, 2000) (File No. SR-Amex-00-05); the Chicago Stock Exchange, Securities Exchange Act Release No. 42459 (Feb. 25, 2000), 65 FR 11619 (March 3, 2000) (File No. SR-CHX-99-28); the Philadelphia Stock Exchange, Securities Exchange Act Release No. 42458 (Feb. 25, 2000), 65 FR 11628 (March 3, 2000) (File No. SR-Phlx-00-12); and the Boston Stock Exchange, SR-BSE-00-02.

several options for addressing market fragmentation. To promote a comprehensive discussion of off-board trading restrictions and related market fragmentation issues, the Commission requests that persons interested in the Exchange's proposal refer to the NYSE Notice and submit comments that respond to the questions presented in the NYSE Notice.⁴

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

The Exchange proposes to eliminate Rules 5.43–5.49 and to modify Rule 5.5(b) which relate to off-board trading restrictions.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange is proposing to eliminate Rules 5.43–5.49 and to modify Rule 5.5(b) which relate to off-board trading restrictions. The Exchange believes that once the Commission approves the NYSE's proposal to rescind its off-board trading restrictions, the Exchange's off-board trading restrictions will no longer be necessary or appropriate.⁵

2. Statutory Basis

The proposed rule changes are consistent with Section 6(b) of the Act⁶ in general and furthers the objectives of Section 6(b)(5)⁷ in particular in that they are designed to prevent fraudulent and manipulative acts and practices, to

promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination between customers, issuers, brokers and dealers.

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

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

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

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

A. by order approve such proposed rule change, or

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

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. The Commission also invites interested persons to submit written data, views, and arguments on the market fragmentation issues presented in the NYSE Notice.⁸ Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the

Commission and any persons, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR–PCX–00–11 and should be submitted by May 10, 2000. Comments responding to the Commission's request for comment on market fragmentation issues should refer to File No. SR–NYSE–99–48 and should be submitted by April 28, 2000.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Jonathan G. Katz,
Secretary.

[FR Doc. 00–9790 Filed 4–18–00; 8:45 am]

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SELECTIVE SERVICE SYSTEM

Form Submitted to the Office of Management and Budget for Extension of Clearance

The form described below has been modified and has been submitted to the Office of Management and Budget (OMB) for extension of clearance in compliance with the Paperwork Reduction Act (44 U.S.C. Chapter 35):

SSS Form 22

Title: Claim Documentation Form—Conscientious Objector.

Purpose: It is used to document a claim for classification as a conscientious objector.

Respondents: Registrants who claim to be conscientious objectors.

Frequency: One-time.

Burden: The reporting burden is one hour per individual.

Copies of the above identified form can be obtained upon written request to the Selective Service System, Reports Clearance Officer, Arlington, Virginia, 22209–2425.

Written comments and recommendations for the proposed extension of clearance of the form should be sent within 30 days of publication of this notice to the Selective Service System, Reports Clearance Officer, Arlington, Virginia, 22209–2425.

A copy of the comments should be sent to Office of Information and Regulatory Affairs, Attention: Desk Officer, Selective Service System, Office

⁴ The Commission notes that the NYSE Notice is available on the Commission's website at: <<http://www.sec.gov/rules/sros/ny9948n.htm>>

⁵ Telephone conversation between Michael D. Pierson, Senior Attorney, Regulatory Policy, Exchange, and Rebekah Liu, Special Counsel, Division of Market Regulation, Commission, dated April 3, 2000.

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(5).

⁸ See *supra* notes 3 and 4.

⁹ 17 CFR 200.30–3(a)(12).