

bid and offer are zeroed out, the ECN will be placed into an excused withdrawal state until the ECN transmits to Nasdaq a revised Attributable Quote/Order.

(iii) through (iv) No Change.

\* \* \* \* \*

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

In its filing with the Commission, Nasdaq 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. Nasdaq 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

Currently, NASD rules regarding Nasdaq's SuperMontage system allow NNMS Order-Delivery ECNs a maximum time period of 30 seconds to respond to non-directed orders sent to them by the system.<sup>4</sup> If an Order-Delivery ECN fails to respond within those 30 seconds, the delivered order is canceled by SuperMontage and forwarded to the next NNMS Quoting Market Participant in queue for execution. The ECN's quote at the price level on the side of the market to which the order was delivered is then reduced to zero.<sup>5</sup> In this filing, Nasdaq proposes to reduce that maximum response time from 30 seconds to 7 seconds. Other than the reduction in the response-time maximum, Nasdaq represents that non-directed orders that time-out in ECNs will continue to be processed (e.g., canceled by SuperMontage and forwarded to the next party available for execution) in the same manner.

Nasdaq believes that the current 30-second response time is excessive, and can inappropriately delay the processing of orders.<sup>6</sup> According to

Nasdaq, this is particularly the case given Nasdaq's recent analysis of ECN responsiveness, which indicates that the average response-time across all ECNs participating in SuperMontage is less than one quarter of a single second. Nasdaq believes that the 7-second maximum response time proposed here draws an appropriate balance between giving ECNs ample time to execute non-directed orders sent to them, and the need of other market participants to more swiftly retrieve and execute orders originally dispatched to non-responsive ECNs. Nasdaq will continue to monitor ECN responsiveness to delivered orders in SuperMontage and propose additional modification to response time parameters if warranted.

#### 2. Statutory Basis

Nasdaq believes that the proposed rule change, as amended, is consistent with the provisions of section 15A of the Act<sup>7</sup> in general, and with section 15A(b)(6) of the Act<sup>8</sup> in particular, in that it is 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.

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

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

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

Written comments were neither solicited nor received.

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

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

messages to market participants. Nasdaq believes that, based upon SuperMontage's performance to date, such concerns are no longer valid.

<sup>7</sup> 15 U.S.C. 78o-3.

<sup>8</sup> 15 U.S.C. 78o-3(6).

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, as amended, is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD.

All submissions should refer to File No. SR-NASD-2003-72 should be submitted by June 13, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>9</sup>

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 03-12939 Filed 5-22-03; 8:45 am]

BILLING CODE 8010-01-P

## DEPARTMENT OF STATE

[Public Notice 4373]

### Culturally Significant Objects Imported for Exhibition Determinations: "Hendrick Goltzius, Dutch Master (1558-1617): Drawings, Prints and Paintings"

AGENCY: Department of State.

ACTION: Notice.

**SUMMARY:** Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of

<sup>4</sup> See NASD rule 4710(b)(1)(C)(ii).

<sup>5</sup> The ECN's quote on that side of the market will remain at zero until the ECN transmits to Nasdaq a revised Attributable Quote/Order. If both the bid and offer are zeroed out, the ECN will be placed into an excused withdrawal state until the ECN transmits to Nasdaq a revised Attributable Quote/Order.

<sup>6</sup> Nasdaq notes that the 30-second time period contained in the current rule resulted, in part, because of concerns raised by commenters about past Nasdaq system issues related to the delivery of

<sup>9</sup> 17 CFR 200.30-3(a)(12).

October 1, 1999, and Delegation of Authority No. 236 of October 19, 1999, as amended, I hereby determine that the objects to be included in the exhibition Hendrick Goltzius, Dutch Master (1558–1617): Drawings, Prints and Paintings,” imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners. I also determine that the exhibition or display of the exhibit objects at the Metropolitan Museum of Art, from on or about June 23, 2003 until on or about January 4, 2004, at the Toledo Museum of Art, in Ohio, from October 18, 2003 to January 4, 2004, and at possible additional venues yet to be determined, is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** For further information, including a list of the exhibit objects, contact Orde F. Kittrie, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State, (telephone: 202/401–4779). The address is U.S. Department of State, SA–44, 301 4th Street, SW., Room 700, Washington, DC 20547–0001.

Dated: May 19, 2003.

**C. Miller Crouch,**

*Principal Deputy Assistant Secretary for Educational and Cultural Affairs, Department of State.*

[FR Doc. 03–13023 Filed 5–22–03; 8:45 am]

**BILLING CODE 4710–08–P**

## DEPARTMENT OF STATE

[Notice Number 4281]

### Shipping Coordinating Committee; Notice of Meeting

The Shipping Coordinating Committee (SHC) will conduct an open meeting at 9 a.m. on Tuesday, June 3, 2003, in Room 6319 of the United States Coast Guard Headquarters Building, 2100 2nd Street SW., Washington, DC 20593–0001. The primary purpose of the meeting is to prepare for the 46th Session of the International Maritime Organization (IMO) Sub-Committee on Stability and Load Lines and on Fishing Vessels Safety (SLF 46) to be held at IMO Headquarters in London, England from September 8th to 12th 2003.

The primary matters to be considered include:

- Harmonization of damage stability provisions in SOLAS Chapter II–1;
- Large passenger ship safety;
- Review of the Intact Stability Code;
- Revision of the Fishing Vessel Safety Code and Voluntary Guidelines;

- Review of the Offshore Supply Vessel Guidelines;

- Harmonization of the damage stability provisions in other IMO instruments, including the 1993 Torremolinos Protocol (probabilistic method).

Members of the public may attend this meeting up to the seating capacity of the room. Interested persons may seek information by writing to Mr. Paul Cojeen, Commandant (G–MSE), U.S. Coast Guard Headquarters, 2100 Second Street SW., Room 1308, Washington, DC 20593–0001 or by calling (202) 267–2988.

Dated: May 19, 2003.

**Frederick J. Kenney,**

*Executive Secretary, Shipping Coordinating Committee, Department of State.*

[FR Doc. 03–13149 Filed 5–22–03; 8:45 am]

**BILLING CODE 4710–07–P**

## DEPARTMENT OF STATE

[Public Notice 4370]

### Bureau of Nonproliferation; Imposition of Nonproliferation Measures on an Entity in China, Including a Ban on U.S. Government Procurement

**AGENCY:** Bureau of Nonproliferation, Department of State.

**ACTION:** Notice.

**SUMMARY:** The U.S. Government has determined that a foreign entity has engaged in missile technology proliferation activities that require the imposition of measures pursuant to Executive Order 12938 of November 14, 1994, as amended by Executive Order 13094 of July 28, 1998.

**EFFECTIVE DATE:** May 9, 2003.

**FOR FURTHER INFORMATION CONTACT:** On general issues: Vann H. Van Diepen, Office of Chemical, Biological, and Missile Nonproliferation, Bureau of Nonproliferation, Department of State, (202–647–1142). On import ban issues, Rachelle Stern, Director, Policy Planning and Program Management, Office of Foreign Assets Control, Department of the Treasury, (202–622–2500). On U.S. Government procurement ban issues: Gladys Gines, Office of the Procurement Executive, Department of State, (703–516–1691).

**SUPPLEMENTARY INFORMATION:** Pursuant to the authorities vested in the President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), the Arms Export Control Act (22 U.S.C. 2751 *et*

*seq.*), and section 301 of title 3, United States Code, and Executive Order 12938 of November 14, 1994, as amended, the U.S. Government determined on May 9, 2003 that the following Chinese person has engaged in proliferation activities that require the imposition of measures pursuant to sections 4(b), 4(c), and 4(d) of Executive Order 12938: North China Industries Corporation (NORINCO)

Accordingly, pursuant to the provisions of Executive Order 12938, the following measures are imposed on this entity, its subunits, and successors for two years:

1. All departments and agencies of the United States Government shall not procure or enter into any contract for the procurement of any goods, technology, or services from these entities including the termination of existing contracts;

2. All departments and agencies of the United States government shall not provide any assistance to these entities, and shall not obligate further funds for such purposes;

3. The Secretary of the Treasury shall prohibit the importation into the United States of any goods, technology, or services produced or provided by these entities, other than information or informational materials within the meaning of section 203(b)(3) of International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)).

These measures shall be implemented by the responsible departments and agencies as provided in Executive Order 12938.

In addition, pursuant to §126.7(a)(1) of the International Traffic in Arms Regulations, it is deemed that suspending the above-named entity from participating in any activities subject to Section 38 of the Arms Export Control Act would be in furtherance of the national security and foreign policy of the United States.

Therefore, until further notice, the Department of State is hereby suspending all licenses and other approvals for:

(a) Exports and other transfers of defense articles and defense services from the United States; (b) transfers of U.S.-origin defense articles and defense services from foreign destinations; and (c) temporary import of defense articles to or from the above-named entity.

Moreover, it is the policy of the United States to deny licenses and other approvals for exports and temporary imports of defense articles and defense services destined for this entity.