

Moreover, the issuers of the underlying securities comprising the DJIA, are subject to reporting requirements under the Act, and all of the component stocks are either listed or traded on, or traded through the facilities of, U.S. securities markets. Additionally, the Amex's surveillance procedures will serve to deter as well as detect any potential manipulation.

Furthermore, the Commission notes that the Notes are depending upon the individual credit of the issuer, Citigroup. To some extent this credit risk is minimized by the Exchange's listing standards in Section 107A of the Company Guide which provide the only issuers satisfying substantial asset and equity requirements may issue securities such as the Notes. In addition, the Exchange's "Other Securities" listing standards further require that the Notes have a market value of at least \$4 million.<sup>20</sup> In any event, financial information regarding Citigroup, in addition to the information on the 30 common stocks comprising the DJIA, will be publicly available.<sup>21</sup>

The Commission also has a systemic concern, however, that a broker-dealer such as Citigroup, or a subsidiary providing a hedge for the issuer will incur position exposure. However, as the Commission has concluded in previous approval orders for other hybrid instruments issued by broker-dealers,<sup>22</sup> the Commission believes that this concern is minimal given the size of the Notes issuance in relation to the net worth of Citigroup.

Finally, the Commission notes that the value of the DJIA will be disseminated at least once every fifteen seconds throughout the trading day. The Commission believes that providing access to the value of the DJIA at least once every fifteen seconds throughout the trading day is important and will provide benefits to investors in the product.

The Commission finds good cause for approving the proposed rule change

prior to the thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission believes that the Notes will provide investors with an additional investment choice and that accelerated approval of the proposal will allow investors to begin trading the Notes promptly. In addition, the Commission notes that it has previously approved the listing and trading of similar Notes and other hybrid securities based on the Index.<sup>23</sup> Accordingly, the Commission believes that there is good cause, consistent with sections 6(b)(5) and 19(b)(2) of the Act,<sup>24</sup> to approve the proposal, on an accelerated basis.

## V. Conclusion

*It is therefore ordered*, pursuant to section 19(b)(2) of the Act,<sup>25</sup> that the proposed rule change (SR-Amex-2004-13) is hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>26</sup>

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. 04-6765 Filed 3-25-04; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49441; File No. SR-Amex-2003-44]

### Self-Regulatory Organizations; American Stock Exchange LLC; Order Granting Approval to Proposed Rule Change Relating to Percentages Used to Allocate Executed Options Contracts Between the Specialist and Registered Options Traders

March 17, 2004.

On May 14, 2003, the American Stock Exchange LLC ("Amex") filed with the Securities and Exchange Commission ("Commission"), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to amend Amex Rules 933 and 950 to revise the percentages used to allocate executed contracts between the specialist and registered options traders in certain trades executed on the Exchange.<sup>3</sup> On November 18, 2003,

Amex filed Amendment No. 1 to the proposed rule change.<sup>4</sup> The proposed rule change was published for comment in the **Federal Register** on December 31, 2003.<sup>5</sup> The Commission received no comments on the proposal.

The Exchange proposes to revise the allocation percentages set forth in Amex Rules 933 and 950, by which options contracts in certain options trades are allocated as between the specialist and registered options traders,<sup>6</sup> in connection with the re-institution of an exchange-sponsored payment-for-order-flow program.<sup>7</sup> The proposed rule change would revise the percentages allocated to the specialist and the registered options traders, respectively, for those options classes in which the Exchange does not collect a marketing fee from registered options traders for a payment-for-order-flow program.<sup>8</sup> For those options classes in which the Exchange collects a marketing fee from registered options traders for a payment-for-order-flow program, the allocation percentages would comply with the percentages currently in place.<sup>9</sup> Further, for options in which no payment-for-order-flow marketing fee is collected from the registered options traders, the Exchange proposes to vary the specialist and registered options trader allocation percentages depending on the type of option. Specifically, the allocation percentages for trading in options on Exchange Traded Funds, Trust Issued Receipts, and indexes would differ somewhat from those used for equity options.<sup>10</sup>

The Commission finds that the proposed rule change is consistent with

<sup>4</sup> See letter from Claire P. McGrath, Senior Vice President and Deputy General Counsel, Amex, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission, dated November 17, 2003.

<sup>5</sup> See Securities Exchange Act Release No. 48975 (December 23, 2003), 68 FR 75667 ("Notice").

<sup>6</sup> Specifically, the proposed rule change relates to the allocation of contracts when the specialist and registered options traders are on parity, as governed by Commentary .06 to Amex Rule 950(d); the allocation of trades through Quick Trade, the Exchange's automated allocation feature, as governed by Commentary .07 to Amex Rule 950(d); and the allocation of trades by AutoEx, the Exchange's automatic execution system, as governed by Amex Rule 933(d), renumbered by this proposal as Amex Rule 933(h).

<sup>7</sup> See Securities Exchange Act Release No. 48053 (June 17, 2003), 68 FR 37880 (June 25, 2003) (File No. SR-Amex-2003-50).

<sup>8</sup> See Notice for a more complete description of the revisions. The allocation percentages would vary depending on the type of option, *i.e.*, whether it is an equity option or an option on an Exchange Traded Fund, Trust Issued Receipt, or index.

<sup>9</sup> In this case, there would be no distinction in the allocation percentages between equity options and options on Exchange Traded Funds, Trust Issued Receipts, and indexes.

<sup>10</sup> See Notice for a more complete description of the revisions.

<sup>20</sup> See Company Guide Section 107A.

<sup>21</sup> The SEC notes that the 30 component stocks that comprise the DJIA are reporting companies under the Act, and the Notes will be registered under Section 12 of the Act.

<sup>22</sup> See, e.g., Securities Exchange Act Release Nos. 44913 (October 9, 2001), 66 FR 52469 (October 15, 2001) (order approving the listing and trading of notes whose return is based on the performance of the Nasdaq-100 Index) (File No. SR-NASD-2001-73); 44483 (June 27, 2001), 66 FR 35677 (July 6, 2001) (order approving the listing and trading of notes whose return is based on a portfolio of 20 securities selected from the Amex Institutional Index) (File No. SR-Amex-2001-40); and 37744 (September 27, 1996), 61 FR 52480 (October 7, 1996) (order approving the listing and trading of notes whose return is based on a weighted portfolio of healthcare/biotechnology industry securities) (File No. SR-Amex-96-27).

<sup>23</sup> See *supra* note 22.

<sup>24</sup> 15 U.S.C. 78f(b)(5) and 78s(b)(2).

<sup>25</sup> 15 U.S.C. 78s(b)(2).

<sup>26</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> In addition, the Exchange proposed to correct the paragraph reference to the allocation provisions in Amex Rule 933 from (d) to (h).

the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange,<sup>11</sup> and, in particular, the requirements of section 6(b)(5) of the Act.<sup>12</sup> Specifically, the Commission believes that the Exchange's proposed revisions to its specialist participation guarantees to account for whether or not the Exchange has instituted a payment-for-order-flow program are appropriate, particularly as they do not alter the Exchange's requirement that the specialist's participation percentage be limited to 40% (60% when there is only one registered options trader on parity with the specialist or signed on to AutoEx or Quick Trade).<sup>13</sup> The Commission has found with respect to participation guarantees in other contexts that a maximum guarantee of 40% (where more than one trader is participating with the specialist) is not inconsistent with statutory standards of competition and free and open markets.<sup>14</sup>

*It is therefore ordered*, pursuant to section 19(b)(2) of the Act<sup>15</sup>, that the proposed rule change (File No. SR-Amex-2003-44) be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>16</sup>

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. 04-6766 Filed 3-25-04; 8:45 am]

**BILLING CODE 8010-01-P**

## **SMALL BUSINESS ADMINISTRATION**

### **Region I Regulatory Fairness Board; Public Federal Regulatory Enforcement Fairness Hearing**

The Small Business Administration Region I Regulatory Fairness Board and the SBA Office of the National Ombudsman will hold a Public Hearing on Thursday, March 25, 2004 at 8:30 a.m. at the Ferguson Library, One Public Library Plaza, 3rd Floor Auditorium,

<sup>11</sup> In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

<sup>13</sup> The Commission notes that, in the context of a trade in which a member firm is facilitating a customer order, the total number of contracts guaranteed to the member firm and the specialist in the aggregate may not exceed 40% of the total transaction. See Amex Rule 950(d), Comm. 02(d)(3).

<sup>14</sup> See, e.g., Securities Exchange Act Release Nos. 42455 (February 24, 2000), 65 FR 11388 (March 2, 2000) at 11398; and 43100 (July 31, 2000), 65 FR 48778 (August 9, 2000) at notes 96-99 and accompanying text.

<sup>15</sup> 15 U.S.C. 78s(b)(2).

<sup>16</sup> 17 CFR 200.30-3(a)(12).

Stamford, CT 06904, to receive comments and testimony from small business owners, small government entities, and small non-profit organizations concerning regulatory enforcement and compliance actions taken by federal agencies.

Anyone wishing to attend or to make a presentation must contact Marie Record in writing or by fax, in order to be put on the agenda. Marie Record, District Director, Connecticut District Office, 330 Main Street, 2nd Floor, Hartford, CT 06106, phone (860) 240-4670 or (860) 240-4700 ext. 241, fax (860) 240-4717, e-mail: [marie.record@sba.gov](mailto:marie.record@sba.gov).

For more information, see our Web site at <http://www.sba.gov/ombudsman>.

Dated: March 22, 2004.

**Peter Sorum,**

*Senior Advisor, Office of the National Ombudsman.*

[FR Doc. 04-6854 Filed 3-25-04; 8:45 am]

**BILLING CODE 8025-01-P**

## **SMALL BUSINESS ADMINISTRATION**

### **Region VII Regulatory Fairness Board; Public Federal Regulatory Enforcement Fairness Hearing**

The Small Business Administration Region VII Regulatory Fairness Board and the SBA Office of the National Ombudsman will hold a Public Hearing on Wednesday, April 14, 2004, at 8:30 a.m. at the Center for Emerging Technologies, 4041 Forest Park Avenue, St. Louis, MO 63108, to receive comments and testimony from small business owners, small government entities, and small non-profit organizations concerning regulatory enforcement and compliance actions taken by federal agencies.

Anyone wishing to attend or to make a presentation must contact Rose E. Garland in writing or by fax, in order to be put on the agenda. Rose Garland, Economic Development Specialist, St. Louis District Office, 200 North Broadway, Suite 1500, St. Louis, MO 63102, phone (314) 539-6600 ext. 232, fax (314) 539-3785, e-mail: [rose.garland@sba.gov](mailto:rose.garland@sba.gov).

For more information, see our Web site at <http://www.sba.gov/ombudsman>.

Dated: March 22, 2004.

**Peter Sorum,**

*Senior Advisor, Office of the National Ombudsman.*

[FR Doc. 04-6855 Filed 3-25-04; 8:45 am]

**BILLING CODE 8025-01-P**

## **DEPARTMENT OF STATE**

**[Public Notice 4673]**

### **Certification Related to Serbia and Montenegro Under Section 1511 of the National Defense Authorization Act, 1994 (Public Law 103-160)**

Pursuant to the authority vested in me as Deputy Secretary of State, including under Section 1511 of the National Defense Authorization Act, 1994 (Public Law 103-160), the President's Delegation of Responsibilities Related to the Federal Republic of Yugoslavia, dated March 22, 2001, and the Secretary of State's Delegation of Authority Number 245, dated April 23, 2001, I hereby certify that the waiver of the application of the prohibitions in Section 1511(a)(6) of Public Law 103-160 is necessary to achieve a negotiated settlement of the conflict in Bosnia-Herzegovina that is acceptable to the parties, and I hereby waive the application of this prohibition with respect to the suspension of the application of duty-free treatment accorded to articles of Serbia and Montenegro under the Generalized System of Preferences.

This Determination shall be published in the **Federal Register**, and copies shall be provided to the appropriate committees of the Congress.

Dated: February 20, 2004.

**Richard L. Armitage,**

*Deputy Secretary of State, Department of State.*

[FR Doc. 04-6820 Filed 3-25-04; 8:45 am]

**BILLING CODE 4710-23-P**

## **OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE**

### **Technical Corrections to the Harmonized Tariff Schedule of the United States**

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Notice.

**SUMMARY:** The United States Trade Representative (USTR) is making technical corrections to the Harmonized Tariff Schedule of the United States (HTS) as set forth in the Annex to this notice, pursuant to authority delegated to the USTR in Presidential Proclamation 6969 of January 27, 1997 (62 FR 4415). These modifications correct one inadvertent omission in Presidential Proclamation 6763 of December 23, 1994 (60 FR 1007), two inadvertent errors in Presidential Proclamation 7351 of October 2, 2000