

ACTION: Notice and order concerning late-filed Bank One testimony.

SUMMARY: This document informs the public that Bank One has filed a motion for late acceptance of additional testimony in support of a negotiated service agreement with the Postal Service. The document also notes the absence of any previous indication that this testimony might be filed, and states that its acceptance may raise due process concerns given the expedited nature of the case. It explains that participants will be given an opportunity to raise verbal objections to the testimony at the prehearing conference.

DATES: Objections to the Bank One Corporation motion for late acceptance of testimony are due July 15, 2004 (during the prehearing conference).

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, general counsel, at (202) 789-6818.

SUPPLEMENTARY INFORMATION:

Procedural History

Negotiated Service Agreement Proposed Rule, 68 FR 52546 (September 4, 2003).

Negotiated Service Agreement Final Rule, 69 FR 7574 (September 4, 2003).

Rate and Service Changes to Implement Functionally Equivalent Negotiated Service Agreement, 69 FR 39520 (June 25, 2004).

On June 28, 2004, Bank One Corporation filed motion of Bank One Corporation for late acceptance of the testimony of Lawrence G. Buc (Motion).¹ Bank One notes that the Postal Service's request and Bank One witness Rappaport's testimony were filed on June 21, 2004. Bank One asserts that production and coordination difficulties prevented witness Buc's testimony from being filed at that time. It requests late acceptance of witness Buc's testimony, and contends that it believes no party will be prejudiced by this delay.

The procedural rules for reviewing Postal Service requests predicated on functionally equivalent negotiated service agreements were promulgated with the intent of facilitating expedited review. Decisions can be issued in as little as 60 days. Assuming an expedited schedule, the filing of new testimony 7 days after the filing of the Postal Service's request, without any prior

notice in the request of the potential for additional testimony, could be prejudicial and affect the procedural and due process rights of current and potential intervenors.²

The Secretary shall arrange for publication of this notice and order in there **Federal Register** to advise current and potential participants of the submission of additional testimony on behalf of Bank One. Any objection to the motion to accept this testimony shall be presented at the July 15, 2004 prehearing conference

Ordering Paragraphs

It is ordered:

1. Any objection to the Motion of Bank One Corporation for Late Acceptance of the Testimony of Lawrence G. Buc shall be presented at the July 15, 2004 prehearing conference.

2. The Secretary shall arrange for publication of this notice and order in the **Federal Register**.

Issued: July 2, 2004.

By the Commission.

Steven W. Williams,

Secretary.

[FR Doc. 04-15524 Filed 7-7-04; 8:45 am]

BILLING CODE 7710-FW-P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: 69 FR 40690, July 6, 2004.

STATUS: Closed Meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

ANNOUNCEMENT OF ADDITIONAL MEETING: Additional meeting.

A Closed Meeting will be held on Thursday, July 15, 2004, at 2 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matter may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(5), (7), (9) and (10) and 17 CFR 200.402(a)(5), (7), 9(ii) and (10) permit consideration of the scheduled matter at the Closed Meeting.

Commissioner Campos, as duty officer, voted to consider the item listed

for the closed meeting in a closed session.

The subject matter of the Closed Meeting scheduled for Thursday, July 15, 2004, will be: Formal orders of investigation; Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; Regulatory matter involving a financial institution; and Adjudicatory matters.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 942-7070.

Dated: July 6, 2004.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04-15622 Filed 7-6-04; 1:45 pm]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49958; File No. SR-OPRA-2004-02]

Options Price Reporting Authority; Notice of Filing of Proposed Amendment to the Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information and Amendment No. 1 Thereto To Eliminate From the Plan References to the Fee Exemption Pilot Currently Provided for in the Plan

July 1, 2004.

Pursuant to section 11A of the Securities Exchange Act of 1934 ("Act")¹ and Rule 11Aa3-2 thereunder,² notice is hereby given that on May 7, 2004, the Options Price Reporting Authority ("OPRA")³ submitted to the Securities and Exchange Commission ("Commission") an amendment to the Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information ("OPRA Plan"). On June 23, 2004, OPRA submitted Amendment No. 1 to

¹ 15 U.S.C. 78k-1.

² 17 CFR 240.11Aa3-2.

³ OPRA is a national market system plan approved by the Commission pursuant to section 11A of the Act and Rule 11Aa3-2 thereunder. See Securities Exchange Act Release No. 17638 (March 18, 1981), 22 S.E.C. Docket 484 (March 31, 1981). The OPRA Plan provides for the collection and dissemination of last sale and quotation information on options that are traded on the participant exchanges. The six participants to the OPRA Plan are the American Stock Exchange LLC, the Boston Stock Exchange, Inc., the Chicago Board Options Exchange, Inc., the International Securities Exchange, Inc. ("ISE"), the Pacific Exchange, Inc., and the Philadelphia Stock Exchange, Inc.

¹ Contemporaneous with this Motion, Bank One filed direct testimony of Lawrence G. Buc on behalf of Bank One Corporation, June 28, 2004, and the Postal Service filed United States Postal Service notice of review of the direct testimony of Lawrence G. Buc on behalf of Bank One Corporation, June 28, 2004.

² Rule 192(a) [39 CFR 3001.192a] requires all prepared direct evidence to be filed simultaneously with the filing of the Postal Service's formal request.

the proposal.⁴ The proposed amendment would eliminate from the OPRA Plan references to the fee exemption pilot that expired on May 31, 2004. The Commission is publishing this notice to solicit comments from interested persons on the proposed OPRA Plan amendment, as amended by Amendment No. 1.

I. Description and Purpose of the Amendment

The purpose of the proposed OPRA Plan amendment is to eliminate from the OPRA Plan references to the fee exemption pilot currently provided for in the OPRA Plan. The fee exemption pilot was added to section VII(d)(vi) of the OPRA Plan in August 2000. It provides a temporary exemption from OPRA fees for members of exchanges that are parties to the OPRA Plan and that act as brokers or dealers on traditional exchange trading floors or as specialists or market makers on electronic exchanges or electronic facilities of exchanges. For the duration of the pilot, section V(e) of the OPRA Plan also provides that parties to the OPRA Plan may access OPRA information on their trading floors or at their other business locations without being obligated to pay fees to OPRA. The temporary exemption for members of parties and for the parties themselves was originally scheduled to expire on May 31, 2002, but was extended by OPRA until May 31, 2004.⁵

OPRA states that the temporary fee exemption was added to the OPRA Plan shortly before the commencement of trading on the all-electronic ISE in order to eliminate what could otherwise have been viewed as discrimination between devices on the trading floors of traditional exchanges, which had never been subject to information fees, and devices used by market makers on electronic exchanges, which, absent the exemption, would have been subject to OPRA fees. OPRA states that, at the time the temporary fee exemption was adopted, it recognized that an alternative way to avoid discriminating among different types of exchanges would be to subject all devices used to access OPRA information, whether on-floor or off-floor, to OPRA's information fees. OPRA believes that this would be

the effect of the proposed amendment, which, upon its effectiveness, would make all devices that are used to access options market information furnished by OPRA subject to OPRA's information fees.

OPRA also proposes to amend the OPRA Plan to confirm that the receipt of options market data by an exchange over devices maintained by such exchange at its business locations would not involve redistribution of the data by such exchange, notwithstanding that members of such exchange could be able to access the information over those devices. OPRA proposes to amend the definitions of "vendor" and "subscriber" set forth in paragraphs (k) and (l) of section II of the OPRA Plan to acknowledge that an exchange making options market information available to its members over devices maintained by an exchange at the exchange's business locations would not be engaged in "redistributing" the information. Accordingly, neither the exchange nor its members who access options market data in this way would need to enter into vendor or subscriber agreements with OPRA. However, upon the expiration of the fee exemption pilot, all devices maintained by exchanges for the receipt of OPRA information would be subject to OPRA's information fees.

Finally, as a matter of "housekeeping," OPRA proposes to delete from section V(c)(i) of the OPRA Plan language concerning the introduction of OPRA's BBO Service in 2003 since the BBO Service is now already in place.

The text of the proposed OPRA Plan amendment, as amended, is set forth below. Proposed new language is in *italics*; deletions are in brackets.

* * * * *

II. Definitions

* * * * *

(k) "Vendor" means a person that receives consolidated Options Information provided by OPRA or provided by a Vendor in connection with such person's business of distributing, publishing, or otherwise furnishing such information to other persons; *provided, however, that a party to the Plan who receives consolidated Options Information over interrogation, display or other communications devices maintained by or on behalf of the party at any of its business locations shall not be deemed to be a Vendor solely because members of the party have access to consolidated Options Information over such devices at such locations. If a party makes consolidated Options Information available to its*

members or to any other persons (other than the party's own employees or agents) over any other devices or at any other locations, the party shall be deemed to be a Vendor.

(l) "Subscriber" means a person that receives consolidated Options Information provided by OPRA or provided by a Vendor for [its] *such person's own use, other than in connection with [its] such person's activities as a Vendor, provided, however, that a member of a party to the Plan shall not be deemed to be a Subscriber solely because the member has access to consolidated Options Information over interrogation, display or other communications devices maintained by or on behalf of such party at one or more of such party's business locations.*

III. Administration of the Plan

(a) [No Change]
(b) *Authority of Policy Committee.* Except as otherwise expressly provided in the Plan, the OPRA Policy Committee shall make all policy decisions on behalf of OPRA in furtherance of the functions and objectives of OPRA under the Exchange Act and under the Plan, including but not limited to the following:

(1)–(3) [No change]
(4) Determining the level of fees to be paid to [the parties by] *OPRA by parties, Vendors, Subscribers[,] or [others for] other approved persons for access or other services related to consolidated options Last Sale Reports or consolidated Quotation Information;*
(5)–(7) [No change]
(c)–(h) [No change]

* * * * *

V. Collection and Dissemination of Options Last Sale Reports and Quotation Information

(a)–(b) [No change]
(c) *Dissemination of Last Sale Reports, Quotation Information and Other Information.*

(i) The OPRA System shall provide for the uniform, nondiscriminatory dissemination of consolidated Options Information, on fair and reasonable terms over a network or networks to *the parties, Vendors, Subscribers and other approved persons.* Such information shall include consolidated Last Sale Reports and consolidated Quotation Information for all series of options for which the parties are required to provide current market information to OPRA in accordance with paragraphs (a)–(b) of this section V, and [Not later than March 31, 2003, or upon the earlier completion of modifications to the OPRA system necessary to enable the

⁴ See letter from Michael L. Meyer, Counsel to OPRA, Schiff Hardin LLP, to Deborah Flynn, Assistant Director, Division of Market Regulation, Commission, dated June 22, 2004, replacing in its entirety the initial proposal filed on May 7, 2004. Amendment No. 1 made technical corrections to the proposed rule text and purpose section.

⁵ See Securities Exchange Act Release Nos. 43109 (August 2, 2000), 65 FR 48769 (August 9, 2000) (SR–OPRA–00–06), and 46032 (June 5, 2002), 67 FR 40356 (June 12, 2002) (SR–OPRA–2002–02).

System to carry the BBO, such information] shall also include the BBO for all such series of options. [Once the BBO is available through the OPRA System,] OPRA may offer a complete options market data service consisting of the BBO combined with consolidated Last Sale Reports and Quotation Information, or OPRA may offer a limited service consisting of the BBO combined with consolidated Last Sale Reports only while separately continuing to offer Last Sale Reports and complete Quotation Information. Only such consolidated market information and related information, together with other information that satisfies the conditions of paragraph (iv) of this section V(c) or is approved by OPRA, shall be disseminated through the System.

(ii)–(iv) [No change]

(d) [No change]

(e) For the duration of the pilot period described in subparagraph (d)(vi) of section VII of the Plan, each of the parties to the Plan is entitled to access Options Information without obligation to pay information fees or facilities charges to OPRA, provided that such access is provided only on the party's trading floor or at its other business locations, and provided further that the Options Information is used by the party only in connection with the operation, surveillance or regulation of its market in Eligible Securities. This entitlement extends to any other self-regulatory organization that performs regulatory or surveillance functions for a party.]

* * * * *

VII. Vendors, Subscribers and Other Approved Persons

(a) *Approval Required.* Consolidated Options Information shall be disseminated through the OPRA System only to the parties, Vendors, Subscribers and other categories of persons that have been approved by OPRA and have entered into agreements with or for the benefit of OPRA and are in full compliance therewith. OPRA may, in its discretion, require that Vendors, Subscribers or other approved persons be separately approved to receive consolidated Last Sale Reports and/or consolidated Quotation Information relating to each of FCO Securities, Index Option Securities or other categories of Eligible Securities. Any Vendor, Subscriber, or other approved person may be disapproved or its previous approval may be terminated upon a determination by OPRA that such action is necessary or appropriate in the public interest or for the protection of investors, or in the event such person violates any provision of any contract or

agreement pursuant to which such person receives consolidated Last Sale Reports, consolidated Quotation Information or other Options Information. Any person adversely affected by final action of OPRA in disapproving or revoking prior approval of the privilege of receiving consolidated Last Sale Reports or consolidated Quotation Information shall be entitled to have such action reviewed in accordance with the applicable rules and regulations of the Securities and Exchange Commission.

(b)–(c) [No change]

(d) *Fees and Charges.*

(i) *General.* OPRA may impose information fees and/or facilities charges upon all persons who have access to Options Information, including parties, Vendors, Subscribers or other approved [persons in accordance with the agreements between OPRA and such] persons. A schedule of OPRA's effective fees and charges is attached as Exhibit A hereto. Except as provided in paragraphs (ii) and (iii) below, changes in these fees and charges may be made by the affirmative vote of not less than two-thirds of all of the parties. Upon approval in accordance with this section VII(d) and, in the case of fees and charges subject to approval only by parties who provide a market in FCO Securities or Index Option Securities, upon not less than 30 days prior written notice to the other parties, changes in fees and charges may be put into effect upon OPRA's filing notice thereof with the Securities and Exchange Commission, subject to any required notice period in the agreements between OPRA and the persons subject to the fees or charges in question. Any change in a fee or charge that has taken effect as stated above may be summarily abrogated by the Securities and Exchange Commission within 60 days of the date of filing the same with the Commission if the Commission determines that it is appropriate in furtherance of the purposes of the Exchange Act that such change not be put into effect until it has been reviewed and approved by the Commission. The abrogation of a change in a fee or charge by the Commission shall not affect the validity of the revised fee or charge during the period it was in effect, except that if the Commission should ultimately disapprove the change, OPRA shall refund the excess of any fees or charges paid to it over the fees or charges as finally approved by the Commission.

(ii)–(v) [No change]

[(vi) *Temporary Exemption From Subscriber Fees and Charges for Certain*

Members of Parties. During a pilot period that end on May 31, 2002, or on such later date as OPRA may determine, except as OPRA's schedule of effective fees and charges may expressly provide to the contrary, a member of a party who acts in the capacity of a broker or dealer on a party's trading floor, or a member of a party who acts as a specialist or registered market maker on an electronic exchange or other electronic facility maintained by the party, shall not be subject to OPRA's information fees or facilities charges in respect of those terminals or other devices that are used by the member for the sole purpose of obtaining access to OPRA Information in connection with its performing the above activities. Such members who have access to OPRA Information at off-floor locations will be required to enter into Subscriber agreements with OPRA, except that the provisions of those agreements pertaining to payment of fees to OPRA will not apply.]

* * * * *

II. Implementation of Plan Amendment

The proposed amendment will be effective upon its approval by the Commission pursuant to Rule 11Aa3–2 of the Act.⁶

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed OPRA Plan amendment, as amended, is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR–OPRA–2004–02 on the subject line.

Paper Comments

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609.

All submissions should refer to File Number SR–OPRA–2004–02. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/>

⁶ 17 CFR 240.11Aa3–2.

rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed plan amendment that are filed with the Commission, and all written communications relating to the proposed plan amendment 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 section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of OPRA. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-OPRA-2004-02 and should be submitted on or before July 23, 2004.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04-15486 Filed 7-7-04; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49952; File No. SR-EMCC-2004-04]

Self-Regulatory Organizations; Emerging Markets Clearing Corporation; Order Granting Accelerated Approval of a Proposed Rule Change Relating to Buy-In and Sell-Out Procedures

June 30, 2004.

On April 2, 2004, the Emerging Markets Clearing Corporation ("EMCC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ (File No. SR-EMCC-2004-04). Notice of the proposal was published in the **Federal Register** on June 21, 2004.² No comment letters have been received to date. For the reasons discussed below, the

Commission is approving the proposed rule change on an accelerated basis.

I. Description

The proposed rule change will (a) revise EMCC Rule 7, sections 18 (Buy-Ins) and 19 (Sell-Outs) to shorten the time period when a buy-in and sell-out may be initiated and when it may be executed and (b) make conforming, technical changes to EMCC Rule 1 (Definitions and Descriptions) and Rule 7.

In December 2003, EMCC learned that effective January 1, 2004, ISMA was changing its buy-in and sell-out time frames for non-EMCC transactions. ISMA's changes had the effect of shortening the time period when a buy-in or sell-out could be initiated and when it could be executed. If EMCC had not made a corresponding change to its buy-in and sell-out rules at that time, it was possible that many EMCC members would have stopped submitting transactions to EMCC because they potentially could face buy-in and sell-out exposure due to the differences in EMCC's and ISMA's time frames. Accordingly, in order not to jeopardize the usage of EMCC for trade processing or expose its members to risk, EMCC filed a proposed rule change with the Commission to conform its buy-in and sell-out time frames to those of ISMA.

On December 30, 2003, the Commission approved on a temporary basis through June 30, 2004, EMCC's proposed rule change.³ Because the industry has not taken any action to date to rescind the changes ISMA made effective on January 1, 2004, EMCC is now seeking to have its buy-in and sell-out rules approved on a permanent basis.

In addition to these proposed rule changes, EMCC is also making technical corrections to Rule 1 and Rule 7 regarding several rule and section references regarding its buy-in and sell-out provisions that inadvertently were not made in the past.

II. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder and particularly with the requirements of section 17A(b)(3)(F)⁴ of the Act, which requires that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions.

Because this proposed rule change aligns EMCC's buy-in and sell-out procedures with those of ISMA, EMCC should avoid any abrupt stoppage of the use of its services by members concerned with potential exposure from having two different buy-in and sell-out time frames. As a result, EMCC will be able to continue to provide for the prompt and accurate clearance and settlement of transactions in emerging markets securities.

EMCC has requested that the Commission find good cause for approving the proposed rule change prior to the 30th day after the date of publication of notice of filing. The Commission finds good cause for approving the proposed rule change prior to the 30th day after the date of publication of notice of filing because such approval will allow EMCC to have permanent buy-in and sell-out procedures that conform to the industry guidelines generally used in transactions cleared outside EMCC. This will help to avoid confusion and other adverse consequences to EMCC and its participants.

The Commission also believes that there is good cause for approving the proposed rule change before the end of the comment period because such approval will allow EMCC to have permanent buy-in and sell-out procedures that conform to the industry guidelines generally used in transactions cleared outside EMCC. This will help to avoid confusion and other adverse consequences to EMCC and its participants.

III. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of section 17A of the Act⁵ and the rules and regulations thereunder.

It is therefore ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (File No. SR-EMCC-2004-04) be, and hereby is, approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁶

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04-15454 Filed 7-7-04; 8:45 am]

BILLING CODE 8010-01-P

⁷ 17 CFR 200.30-3(a)(29).

¹ 15 U.S.C. 78s(b)(1).

² Securities Exchange Act Release No. 49851 (June 10, 2004), 69 FR 34410.

³ Securities Exchange Act Release No. 49011 (Dec. 30, 2003), 69 FR 711 (Jan. 6, 2004) (File No. SR-EMCC-2003-07).

⁴ 15 U.S.C. 78q-1(b)(3)(F).

⁵ 15 U.S.C. 78q-1.

⁶ 17 CFR 200.30-3(a)(12).