

transfer agent for purchase, redemption or transfer. In addition, the rule requires transfer agents to report to the appropriate regulatory agency in the event of a failure to post certificate detail to the master securityholder file within 5 business days of the time required by Rule 17Ad-10. Also, transfer agents must maintain a copy of each report prepared under Rule 17Ad-11 for a period of three years following the date of the report. This recordkeeping requirements assist the Commission and other regulatory agencies with monitoring transfer agents and ensuring compliance with the rule.

Because the information required by Rule 17Ad-11 is already available to transfer agents, any collection burden for small transfer agents is minimal. The staff estimates that the average number of hours necessary to comply with Rule 17Ad-11 is one hour annually. Based upon past submissions, the total burden is 150 hours annually for transfer agents.

The retention period for the recordkeeping requirement under Rule 17Ad-11 is three years following the date of a report prepared pursuant to the rule. The recordkeeping requirement under Rule 17Ad-11 is mandatory to assist the Commission and other regulatory agencies with monitoring transfer agents and ensuring compliance with the rule. This rule does not involve the collection of confidential information. Please note that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

General comments regarding the estimated burden hours should be directed to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503; and (ii) Kenneth A. Fogash, Acting Associate Executive Director/CIO, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Comments must be submitted to OMB within 30 days of this notice.

Dated: January 7, 2004.

Jill M. Peterson,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension:

Rule 17Ad-13; SEC File No. 270-263; OMB Control No. 3235-0275.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

- Rule 17Ad-13 Annual Study and Evaluation of Internal Accounting Control.

Rule 17Ad-13 requires approximately 200 registered transfer agents to obtain an annual report on the adequacy of internal accounting controls. In addition, transfer agents must maintain copies of any reports prepared pursuant to Rule 17Ad-13 plus any documents prepared to notify the Commission and appropriate regulatory agencies in the event that the transfer agent is required to take any corrective action. These recordkeeping requirements assist the Commission and other regulatory agencies with monitoring transfer agents and ensuring compliance with the rule. Small transfer agents are exempt from Rule 17Ad-13.

The staff estimates that the average number of hours necessary for each transfer agent to comply with Rule 17Ad-13 is one hundred seventy-five hours annually. The total burden is 35,000 hours annually for transfer agents, based upon past submissions.

The retention period for the recordkeeping requirement under Rule 17Ad-13 is three years following the date of a report prepared pursuant to the rule. The recordkeeping requirement under Rule 17Ad-13 is mandatory to assist the Commission and other regulatory agencies with monitoring transfer agents and ensuring compliance with the rule. This rule does not involve the collection of confidential information. Please note that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

General comments regarding the estimated burden hours should be

directed to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503; and (ii) Kenneth A. Fogash, Acting Associate Executive Director/CIO, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Comments must be submitted to OMB within 30 days of this notice.

Dated: January 7, 2004.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 04-1958 Filed 1-29-04; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension:

Rule 24; SEC File No. 270-129; OMB Control No. 3235-0126.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501, *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit to the Office of Management and Budget ("OMB") a request for an extension of the previously OMB approved rule 24 (17 C.F.R. 250.24) under the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a *et seq.*) ("Act").

Rule 24 under the Act requires the filing with the Commission of certain information indicating that an authorized transaction has been carried out in accordance with the terms and conditions of the Commission order authorizing the transaction. The Commission needs the information under rule 24 to ensure that the terms and conditions of its orders are being complied with, and the Commission uses the information to ensure appropriate compliance with the Act. The respondents are comprised of two groups of entities: (a) Registered holding companies under the Act and their direct and indirect subsidiaries and affiliates; and (b) holding companies exempt from the provisions of the Act

by rule or order from all provisions of the Act, except section 9(a)(2). It is estimated that the total number of respondents is 140. The Commission estimates that the total annual reporting burden under rule 24 is 1005 hours (*e.g.*, 335 filings x 3 hours = 1005 burden hours).

These estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act and are not derived from a comprehensive or even a representative survey or study of the costs of SEC rules and forms. There is no requirement to keep the information in the forms confidential because it is public information.

Written comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to R. Corey Booth, Director/Chief Information Officer, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, NW., Washington, DC 20549.

Dated: January 21, 2004.

Jill M. Peterson,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49125; File No. SR-FICC-2003-01]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of a Proposed Rule Change Relating to the Implementation of Fines

January 26, 2004.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on January 3, 2003, the Fixed Income Clearing Corporation ("FICC") filed

with the Securities and Exchange Commission ("Commission") and on January 8, 2003, and June 8, 2003, amended the proposed rule change as described in items I, II, and III below, which items have been prepared primarily by FICC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The proposed rule change implements fines for the failure to timely submit required financial reports and to meet certain additional reporting requirements. The proposed rule change also eliminates a provision in FICC's rules allowing foreign members to prepare their financial statements in accordance with accounting standards other than U.S. Generally Accepted Accounting Principles ("GAAP").

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

In its filing with the Commission, FICC 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. FICC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

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

Pursuant to section 5 of Rule 2 of the rules of the Government Securities Division of FICC and section 10 of Rule 2 of Article III of the rules of the Mortgage Backed Securities Division of FICC and in furtherance of FICC's obligation to minimize risk to all members, FICC requires that on a periodic basis members submit to FICC financial reports detailing certain information about their financial status.³ These reports submitted by members are crucial to FICC surveillance procedures because they allow FICC credit risk personnel to review and monitor the financial condition of members. While the

majority of FICC members satisfy their reporting obligations in a timely manner, from time to time certain FICC members fail to submit their reports to FICC on time. The lack of timely submissions adversely affects FICC's financial surveillance processes and ultimately creates risk for FICC and its members. To remedy this situation, FICC is proposing the implementation of a fine schedule in order to promote improved compliance with reporting timeframes.

Historically, GSCC and MBSCC, FICC's predecessors, have instituted fines and late fees in order to enforce various deadlines, rules, and procedures. Since February 2002, GSCC has been charging members fees for failure to timely provide repo collateral substitution notifications. In July 2001, GSCC began imposing fees on those members who submit trade data on a non-interactive basis. In addition, since 1998 GSCC has had the authority to impose fines in order to promote greater compliance with its funds settlement debit and clearing fund deposit deficiency call deadlines. MBSCC likewise charges members additional fees for late payment of settlement balance order market differential payments and cash adjustment payments.

As with other fines that are currently in place, members will have the ability to contest the proposed fines through the process set forth in Rule 37 of the Government Securities Division's rules and Rule 7 of Article V of the Mortgage Backed Securities Division's rules.

FICC is also proposing to amend the rules of both the Government Securities Division and the Mortgage Backed Securities Division to require members to submit to FICC, concurrently with their submission to the applicable regulator, copies of such filings as determined by FICC from time to time, which members are required to file pursuant to the Sarbanes-Oxley Act of 2002 (and any amendments thereunder). In addition, FICC is proposing to amend the rules of the Government Securities Division to require members to submit to FICC, concurrently with their submission to the applicable regulator, all reports or other notifications required to be filed when their capital levels fall below required minimums.⁴

⁴ Both divisions require broker-dealer participants to submit copies of supplemental reports filed pursuant to Rule 17a-11 under the Act to FICC concurrently with their submission to the Commission. Rule 17a-11 requires registered broker-dealers to notify the Commission of a decline in net capital below minimum Commission requirements. However, participants (including

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¹ 15 U.S.C. 78s(b)(1).

² The Commission has modified parts of these statements.

³ These reports include monthly FOCUS and FOGS reports, quarterly CALL reports, annual audited financial statements, and other periodic financial data as outlined in FICC's rules.