

and qualification under the Trust Indenture Act of 1939 of a corporation designated to act as a trustee. The information is used to determine whether the trustee is qualified to serve under the indenture. Form T-1 is filed on occasion. The information required by Form T-1 is mandatory. All information is provided to the public upon request. Form T-1 takes approximately 15 hours to prepare and is filed by 13 respondents. It is estimated that 25% of the 195 total burden hours (49 hours) is prepared by the company. The remaining 75% of the burden hours is attributed to outside cost.

Form T-2 (OMB 3235-0111; SEC File No. 270-122) is a statement of eligibility of an individual trustee to serve under an indenture relating to debt securities offered publicly. The information is used to determine whether the trustee is qualified to serve under the indenture.

The information required by Form T-2 is mandatory. All information is provided to the public upon request. Form T-2 takes approximately 9 hours to prepare and is filed by 36 respondents. It is estimated that 25% of the 324 total burden hours (81 hours) is prepared by the filer. The remaining 75% of the burden hours is attributed to outside cost.

Form T-3 (OMB 3235-0105; SEC File No. 270-123) is an application for qualification of an indenture under the Trust Indenture Act of 1939. The information provided by Form T-3 is used by the staff to decide whether to qualify an indenture relating to securities offered to the public in an offering registered under the Securities Act of 1933. The information required by Form T-3 is mandatory. All information is provided to the public upon request. Form T-3 takes approximately 43 hours to prepare and is filed by 78 respondents. It is estimated that 25% of the 3,354 total burden hours (838.5 hours) is prepared by the filer. The remaining 75% of the burden hours is attributed to outside cost.

Form T-4 (OMB 3235-0107; SEC File No. 270-124) is used to apply for an exemption pursuant to Section 304(c) of the Trust Indenture Act of 1939 and is transmitted to shareholders. The information required by Form T-4 is mandatory. All information is provided to the public upon request. Form T-4 takes approximately 5 hours to prepare and is filed by 3 respondents. It is estimated that 25% of the 15 burden hours (4 hours) is prepared by the filer. The remaining 75% of the burden hours is attributed to outside cost.

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.

Written comments regarding the above information 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: September 15, 2003.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 03-24223 Filed 9-24-03; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application of the Indonesia Fund, Inc. To Withdraw Its Common Stock, \$.001 Par Value, From Listing and Registration on the Boston Stock Exchange, Inc., File No. 1-10453

September 17, 2003.

The Indonesia Fund, Inc., a Maryland corporation ("Issuer"), has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to section 12(d) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 12d2-2(d) thereunder,² to withdraw its common stock, \$.001 par value ("Security"), from listing and registration on the Boston Stock Exchange, Inc. ("BSE" or "Exchange").

On August 5, 2003, the Board of Directors of the Issuer approved a resolution to withdraw the Security from listing and registration on the BSE. The Issuer states that the following reasons factored into the Board's decision to withdraw the Security: the Issuer intends to list the Security on the American Stock Exchange ("Amex"); if listed on the Amex, greater liquidity may foster higher average trading volumes and greater accessibility, and shareholders will benefit from the additional liquidity. In addition, the Issuer believes that its reputation may

¹ 15 U.S.C. 78l(d).

² 17 CFR 240.12d2-2(d).

be enhanced by listing its Security on the Amex.

The Issuer states in its application that it has complied with BSE procedures for delisting by complying with all applicable laws in effect in the State of Maryland, the state in which it is incorporated. The Issuer's application relates solely to withdrawal of the Security from listing on the BSE and from registration under section 12(b) of the Act³ and shall not affect its obligation to be registered under section 12(g) of the Act.⁴

Any interested person may, on or before October 10, 2003, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609, facts bearing upon whether the application has been made in accordance with the rules of the BSE and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁵

Jonathan G. Katz,

Secretary.

[FR Doc. 03-24224 Filed 9-24-03; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-48495; File No. SR-Amex-2002-09]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendments No. 1 Through 11 Thereto by the American Stock Exchange LLC Relating to Automated Quotation and Execution Systems

September 16, 2003.

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 February 12, 2002, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange.

³ 15 U.S.C. 78l(b).

⁴ 15 U.S.C. 78l(g).

⁵ 17 CFR 200.30-3(a)(1).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

The Exchange submitted Amendments No. 1, 2, 3, 4, 5, 6, 7, 8,³ 9,⁴ 10,⁵ and 11⁶ on February 25, 2002, May 6, 2002, May 29, 2002, June 18, 2002, July 17, 2002, September 16, 2002, January 21, 2003, July 15, 2003, July 25, 2003, August 26, 2003, and September 12, 2003, respectively. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

The Amex proposes to amend Amex Rule 933 to adopt provisions concerning the Exchange's automated quotation and execution systems. In addition, the Exchange proposes to amend Amex Rule 590(g) to provide that a violation of Rule 933, Commentary .04(d) will be a part of the Exchange's Minor Floor Violation Disciplinary System. The text of the proposed rule change is set forth below. Additions are in italics.

American Stock Exchange LLC

Rule 590 Minor Rule Violation Fine System

Part 1

General Rule Violations

(a) through (f) No change.

(g) The Enforcement Department may impose fines according to the following schedule for the rule violations listed below:

* * * * *

³ For Amendments No. 1 through 8, the Exchange filed a new Form 19b-4 each time, which replaced and superseded the original proposal and all previous amendments in their entirety.

⁴ Letter from Claire P. McGrath, Senior Vice President and Deputy General Counsel, Amex, to Elizabeth King, Associate Director, Division of Market Regulation ("Division"), Commission, dated July 24, 2003 ("Amendment No. 9"). Amendment No. 9 transfers to the list of rules enforced by the Amex Enforcement Department under paragraph (g) of Amex Rule 590 the requirement set forth in proposed Amex Rule 933, Commentary .04(d) that the specialist use his best efforts to attempt to ensure that the registered options trader responsible for disseminating the best bid or offer receives an allocation of the next automatic execution.

⁵ The Exchange filed a new Form 19b-4, which replaced and superseded the original proposal and all previous amendments in their entirety.

⁶ Letter from Claire P. McGrath, Senior Vice President and Deputy General Counsel, Amex, to Elizabeth King, Associate Director, Division, Commission, dated September 11, 2003 ("Amendment No. 11"). Amendment No. 11 revises proposed changes to Amex Rule 590(g) to clarify that a specialist who fails to properly allocate executed contracts to the price-improving registered options trader must pay restitution in amount calculated by multiplying the number of contracts that should have been allocated to the price-improving registered options trader by the number of underlying shares represented by each contract, which would then be multiplied by half of the spread between the option's bid and offer at the time the order was executed.

• Failure to use best efforts to attempt to ensure that the next Auto-Ex execution is appropriately allocated to the price improving registered options trader. In addition to the applicable fine imposed for violations of this provision, the specialist shall also be required to pay restitution in amount calculated by multiplying the number of contracts that should have been allocated to the price-improving registered options trader by the number of underlying shares represented by each contract and that amount is then multiplied by half of the spread between the option's bid and offer at the time the order was executed. (Rule 933, Commentary .04(d))."

* * * * *

Rule 933 Automatic Execution of Options Orders

(a) through (g) No change.

* * * Commentary

.01 through .03 No change.

.04 (a) With respect to all option classes and series traded on the Exchange, market and marketable limit orders otherwise eligible for an Auto-Ex execution will by-pass Auto-Ex if the best bid or offer is represented by a registered options trader in the trading crowd. The price improving registered options trader shall have priority for and be the contra-party to the next Auto-Ex execution at the disseminated bid or offer up to the price improving registered options trader's disseminated size provided:

(i) the price improving registered options trader has (a) inputted directly his improved quote into the Electronic Entry Device ("EE Device"); (b) instructed an Exchange Systems clerk to input the improved quote; or (c) requested the specialist to disseminate his improved quote. In each instance the inputted quote is disseminated through the Exchange's Market Data System to the Options Price Reporting Authority;

(ii) the price improving registered options trader is physically located in the trading crowd at the time the improved quote is inputted. To reduce the possibility of remote market making, registered options traders will only be allowed to place one order or quote per series on the same side of the market. If the registered options trader leaves the trading crowd, he must remove his quotes in all series. If the registered options trader fails to remove his quotes and an incoming order executes against one or more of those quotes, the registered options trader will not be able to participate in the trade. Unless, however, the specialist is unable to otherwise allocate the trade to other market participants at the same price,

the registered options trader responsible for causing the quote to be disseminated shall be assigned as contra-party to the incoming trade;

(iii) the price improving registered options trader has announced loudly and audibly in the crowd that he has improved the disseminated bid or offer;

(iv) the specialist was alerted by the price improving registered options trader or the Systems clerk to provide for the by-pass of Auto-Ex;

(v) the price improving registered options trader has improved the best bid or offer by an amount equal to at least the minimum price variation set forth in Rule 952; and

(vi) the price improving registered options trader has disseminated the minimum quote size. The minimum quote size of the improved bid or offer shall be 20 contracts unless the Auto-Ex eligible size parameter for that option class is less than 20 contracts, in which case the minimum quote size would be the same as the lesser Auto-Ex eligible size parameter for that option class.

(b) A registered options trader who has disseminated or caused to be disseminated a price improving quote shall be the responsible broker or dealer as that term is defined in Rule 958A and shall have all obligations of a responsible broker or dealer as set forth in that Rule. A price improving registered options trader may cancel his quote in the same method in which it was entered: (i) Through the use of the EE Device (regardless of whether inputted by the registered options trader or the systems clerk), if that was the method in which the quote was entered or through the specialist, if that was the method chosen; (ii) by announcing loudly and audibly that he is canceling the quote; and (iii) by alerting the specialist so that the Auto-Ex by-pass feature can be removed.

(c) The specialist in a given option class may also disseminate or cause to be disseminated his own individual, price improving quote separate from the auto-quote, provided he complies with the provisions of paragraph (a), subparagraphs (ii), (iii), (v) and (vi) above. The specialist will not be able to use the EE Device to disseminate his individual price improving quote.

(d) The specialist shall use best efforts to attempt to ensure that the registered options trader responsible for disseminating the best bid or offer (i) is allocated the next Auto-Ex execution in its entirety if that execution is less than or equal to the price improving registered options trader's disseminated size; or (ii) is allocated that portion of the next Auto-Ex execution equal to the price improving registered options

trader's disseminated size if that size is less than the size of the next Auto-Ex execution. With respect to subparagraph (i), if the size of the next Auto-Ex execution is less than the minimum quote size established pursuant to paragraph (a)(vi) above, the price improving registered options trader shall receive priority on subsequent Auto-Ex executions until he has received the minimum quote size.

(e) If more than one registered options trader and/or the specialist has disseminated or caused to be disseminated the same price improving quote, priority will be established for the registered options traders and specialist in the order in which the quotes were loudly and audibly announced to the crowd. If, however, the sequence in which the disseminated quotes were made cannot be reasonably determined, priority will be afforded to the price improving registered options traders and/or the specialist as a group. In accordance with paragraphs (a)(vi) and (d)(i) above, the minimum quote size for the price improving registered options traders and/or the specialist participating as a group shall be 20 contracts unless the Auto-Ex eligible size parameter for that option class is less than 20 contracts, in which case the minimum quote size would be the same as the lesser Auto-Ex eligible size parameter for that option class. Exchange rules shall cover allocations of contracts when more than one registered options trader and/or the specialist has disseminated the same price improving quote and time priority can not be established.

(f) The price improving registered options trader's quote will retain priority until one of the following occurs: (i) Auto-Ex executions deplete the disseminated size; (ii) an amount equal to the minimum quote size has been allocated; (iii) the registered options trader withdraws the quote; (iv) the quote is matched or improved by the specialist's automated quotation system quote, provided specialists using an Exchange-approved proprietary automated quotation updating system have not programmed the system to immediately match or improve the price improving registered options trader's quote; (v) the quote is improved by another registered options trader; or (vi) the market is improved by an order placed on the limit order display book.

(g) Notwithstanding the foregoing, (i) pursuant to Rule 111, Commentary .07 and Rule 950(c) a registered options trader, when establishing or increasing a position, may not retain priority over or have parity with an off-Floor order and, thus, only registered options

traders closing or decreasing a position may be on parity with a customer order; (ii) paragraph (d) above, supersedes Rule 126(e) and (f), which provide that a trade removes all bids and offers from the floor, to the extent that a price improving registered options trader's priority is not satisfied with the next Auto-Ex execution(s); and (iii) Rule 950(d), Commentary .05 regarding purchase priority and sale priority, will apply to any remaining contracts in the improving trader's disseminated size. Finally, Rule 958A shall apply to quotes disseminated pursuant to this Commentary.

* * * * *

.04 Temporary Commentary—As of the date of the adoption of this Commentary, the Exchange is in the process of developing a new integrated trading system that will replace many of its existing floor trading systems. Current systems, which include order routing, automated quotation calculation and dissemination, specialist "book" functions including limit order display, automatic order execution and allocation of trades are to be replaced by a fully integrated and automated system. The system will continue to have an "auto-quote" function similar to XTOPS, which will be made available to both the specialist and registered options traders for the inputting of competitive quotes. The auto-quote function will be available to registered options traders through their hand-held devices. Unlike XTOPS, the specialist's auto-quote in a given option series will represent only the specialist's trading interest. In order to enter quotes for dissemination through the Exchange's Market Data System to the Options Price Reporting Authority, the registered options trader must (i) be physically present in the trading crowd; and (ii) disseminate a quote for at least the minimum quote size. The required minimum size of the improved bid or offer shall not be less than 10 contracts. The improved quotes will have an identifier so that orders executed against such quotes can be allocated automatically to the appropriate registered options trader. To reduce the possibility of remote market making, registered options traders will only be allowed to place one order or quote per series on the same side of the market. If the registered options trader leaves the trading crowd, he must remove his quotes in all series. If the registered options trader fails to remove his quotes and an incoming order executes against one or more of those quotes, the registered options trader will not be able to participate in the trade. Unless,

however, the system is unable to otherwise allocate the trade to other market participants at the same price, the registered options trader responsible for causing the quote to be disseminated shall be assigned as contra-party to the incoming trade.

The system, which will include algorithms established according to Exchange rules of priority and parity for customers, and the participation rights of registered options traders and specialists then in effect, will automatically allocate executed trades to each market participant. It is anticipated that these algorithms together with Exchange rules will provide that: (i) When the specialist or registered options trader (price improver) is quoting alone at the best bid or offer, he will be automatically allocated 100% of incoming orders for as long as he is alone at the best bid or offer and up to his disseminated size; and (ii) if any other trading crowd participants subsequently join or match the initial price improver's best bid or offer, contracts executed at that price will be allocated in accordance with priority and parity rules then in effect.

This Temporary Commentary will be replaced upon the adoption of rules and procedures governing the new integrated trading system. It is anticipated that this new system will begin to be implemented on the trading floor in November 2003. When fully implemented, which is expected to occur over an eighteen-month period, the system and the provisions discussed above will apply to all option classes and series traded on the Exchange.

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 Amex included statements concerning the purpose of, and statutory 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 Amex 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

In order to substantially increase incentives to quote competitively and reduce disincentives for market

participants to act competitively,⁷ the Exchange is proposing a two-step program: (1) Providing a method for registered options traders to input and have disseminated quotes that better the current best bid or offer, together with a means for ensuring that the next execution occurring at that bid or offer is specifically allocated to the registered options traders that caused the improved bid or offer to be disseminated; and (2) the development and implementation of an integrated system that will allow registered options traders through the use of a hand-held auto-quote device to input quotes that better the current market and provide for the automated allocation of trades to that registered options trader. The first step could be implemented upon approval of the proposed rule filing and the second step at a future date to be discussed below.

Registered Options Traders Use of the Electronic Entry Device

Given the number of series traded for each option class and the necessity for the re-calculating and re-quoting of each series in response to changes in the price of the underlying security, the Exchange developed an automated quotation updating system known as XTOPS. The specialist and registered options traders rely upon XTOPS to calculate and disseminate a single immediately updated quotation for each option series. XTOPS uses option valuation formulas (such as the Black-Scholes Model) to generate options quotations based on a number of variables.⁸ It is the specialist's responsibility to determine for each option class the variables used in the XTOPS formula. However, the quotations generated and displayed by XTOPS may result in firm quote obligations of both the specialist and registered options traders to buy or sell options at quoted prices and sizes.⁹ The

dissemination of an XTOPS quote can be overridden when a customer limit order represents the best bid or offer or when a registered options trader chooses on a series-by-series basis to better the disseminated bid or offer.

In order to more effectively and efficiently enable registered options traders to cause their own quotes to be disseminated, the Exchange proposes to expand the use of the Electronic Entry Device ("EE Device"). The EE Device is currently used by Exchange-employed systems clerks in busy option classes to input individual quotes from the specialist on a series by series basis that better the quote being calculated and disseminated by XTOPS. A quote entered using the EE Device is sent directly to the Exchange's Market Data System for immediate dissemination to the Options Price Reporting Authority. This quote, when it betters the market being disseminated by XTOPS, will override or displace the XTOPS quote. Today, the Exchange-employed systems clerks generally receive their instructions to input quotes from the specialist. The EE Device is also used by the systems clerks to input trades that have been executed outside the Amex Options Display Book.

The Exchange is now proposing to allow registered options traders' direct access to the EE Device to input their own quotes for dissemination as the best bid or offer. The EE Device would be available for registered options traders use in all option classes traded on the Exchange. In active option classes where there is currently an Exchange-employed systems clerk, registered options traders would either input their own quotes or instruct a systems clerk to do so on their behalf. Only registered options traders physically located in the trading crowd would be permitted to directly input quotes into the EE Device or give such instructions to a systems clerk.

Once the registered options trader or systems clerk inputs the quote into the EE Device, the proposed rule would require that: (i) The price improving registered options trader announce loudly and audibly in the crowd that he has improved the displayed market to ensure that other crowd participants are aware that the market has been improved, enabling other crowd participants to also quote competitively, adding liquidity to the market; and (ii) the specialist be specifically alerted so that a "book bid or offer" indicator is activated and the next otherwise Auto-Ex eligible trade is routed directly to the AODB for allocation to the registered options trader that caused the improved quote to be disseminated. In addition to

blocking an otherwise eligible Auto-Ex order from being executed and allocated by the Auto-Ex system, activation of the "book bid or offer" indicator would block an XTOPS calculated quote that is worse than the registered options trader's disseminated quote from being disseminated. Activation would not, however, block a quote that is better than the registered options trader's disseminated quote from being disseminated.

Once an execution occurs and/or the price improving registered options trader is no longer entitled to priority, the specialist would be required to remove the "best bid or offer" indicator so that Auto-Ex eligible orders would again be sent to Auto-Ex and the dissemination of XTOPS calculated quotes is resumed. The EE Device would not automatically decrement the size of the disseminated quote when an execution occurs. The quote would be required to be manually adjusted to reflect any revision to the disseminated size.

The price improving registered options trader would be permitted to cancel his quote at any time prior to the execution of a trade using the same method in which it was entered—through the use of the EE Device (regardless of whether inputted by the registered options trader or the systems clerk), if that was the method in which the quote was entered or through the specialist, if that was the method chosen. The registered options trader would be required also to alert the specialist that he is removing his quote, so the specialist can in turn remove the "book bid or offer" indicator in XTOPS, and announce loudly and audibly that he is canceling his quote.

Pursuant to the requirements of the Quote Rule and Exchange Rule 958A, the registered options trader as the responsible broker or dealer is obligated to execute any customer order at his bid or offer up to the disseminated size. To be relieved of that obligation with respect to a specific quote, one of the exceptions to the Quote Rule must apply, which generally provide that the responsible broker or dealer must communicate a revised quotation to the Exchange prior to the presentation of an order. Thus, a registered options trader using the EE Device to disseminate quotes would continue to be obligated pursuant to the Quote Rule until he has communicated a revised quote to the Exchange through the removal or cancellation of the quote on the EE Device.

Registered options traders would be required to improve the best bid or offer by an amount equal to at least the

⁷ Subparagraph IV.B.h(i)(aa) of the Commission's September 11, 2000 Order ("Order") requires the Exchange to "adopt new, or amend existing, rules concerning its automated quotation and execution systems which substantially enhance incentives to quote competitively and substantially reduce disincentives for market participants to act competitively." Order Instituting Public Administrative Proceedings Pursuant to Section 19(h)(1) of the Securities Exchange Act of 1934, Making Findings and Imposing Remedial Sanctions. Securities Exchange Act Release No. 43268 (September 11, 2000).

⁸ These variables include the price of the underlying stock, time remaining to expiration, interest rates (or "cost to carry", the amount of interest on the money used to pay for the options position during the period prior to expiration of the option series), dividends (both declared and anticipated) and volatility.

⁹ See Rule 11Ac1-1 under the Act ("Quote Rule"), 17 CFR 240.11Ac1-1, and Amex Rule 958A.

minimum price variation as set forth in Exchange Rule 952 for the quote to be inputted into the EE Device. The minimum size quote that could be inputted into the EE Device by or on behalf of a registered options trader would be 20 contracts, unless the Auto-Ex eligible size parameter for that option class is less than 20 contracts, in which case the minimum quote size would be the same as the lesser Auto-Ex eligible size parameter for that option class. Currently, the EE Device disseminates a default size for each new quote. The disseminated size may be set at a higher or lower amount or increased by the specialist to reflect additional liquidity at that quote. The default size would be set at the minimum quote size as discussed above.

There is at least one EE Device unit at every trading post and multiple units at posts where active option classes trade. The Exchange believes the number of devices currently in place on the trading floor would be sufficient to provide registered options traders with ready and easy access to a means for disseminating their quotes. However, since this is a new use for the EE Device, the Exchange will monitor the uses of the EE Device by registered options traders and activity in the option classes at each trading post and will add additional devices when necessary. The Exchange is able to install additional EE Devices at the trading posts with, preferably, a one-day notice so that they can be installed either before or after trading hours.

The specialist in a given option class may also disseminate or cause to be disseminated his own individual, price improving quote separate from the XTOPS calculated quote, provided he is physically located at the trading post at the time he inputs his quote, has only disseminated one quote per series on the same side of the market, has announced loudly and audibly to the crowd that he has improved the disseminated bid or offer, has improved the best bid or offer by an amount equal to at least the minimum price variation set forth in Rule 952, and has disseminated the minimum quote size. The specialist would not be able to use the EE Device to disseminate his individual price improving quote since he already has the means to input a quote into the Market Data System through XTOPS in the same manner used today to disseminate a customer limit order. Once the specialist has caused his individual quote to be disseminated, he will activate the "book bid or offer" indicator and the next otherwise Auto-Ex eligible trade is

routed directly to the AODB for allocation to the specialist.

The specialist would be required to use best efforts to attempt to ensure that the registered option trader responsible for disseminating the best bid or offer receives an allocation of the next incoming order for the amount he is entitled to pursuant to Exchange rules. The Exchange believes that there are a number of safeguards that would help ensure that the manual allocation of orders to the appropriate registered options trader occurs. First, both the registered options trader, the other members in the crowd and the Exchange employed systems clerk, if present, would be able to hear the registered options trader's alert to the specialist and be able to advise the specialist whose quote was entered into EE Device and disseminated. Second, the registered options trader inputting the quote would have a strong incentive to step forward and claim the contracts for which he has just bid or offered. Third, the quote entered into the EE Device may not be representative of the specialist's market in that series and as such, the specialist would have a strong incentive to determine which registered options trader's quote against which the incoming order was executed or else the specialist and other traders may be obligated.

A specialist who failed to use best efforts to attempt to ensure that the next Auto-Ex execution is appropriately allocated to the price improving registered options trader would be fined pursuant Amex Rule 590(g) of the Exchange's Minor Rule Violation Fine System. In addition to the fine assessed pursuant to the Minor Floor Violation Fine System, violations of this provision would require the payment of restitution. Restitution would be calculated by multiplying the number of contracts that should have been allocated to the price-improving registered options trader by the number of underlying shares represented by each contract, which would then be multiplied by half of the spread between the option's bid and offer at the time the order was executed. For example, the quote in XYZ options was 1.90 bid and 2.00 offered, and a registered options trader entered the 1.90 bid for 20 contracts using the EE Device. If the specialist failed to allocate the next incoming order to sell executed at the registered options trader's bid, the specialist would be obligated under the Minor Floor Violation Fine System to pay restitution in the amount of \$100 ($$.05 \times (20 \times 100) = \100).

If more than one registered options trader and/or the specialist has

disseminated or caused to be disseminated the same price improving quote, priority would be established for the registered options traders in the order in which the quotes were announced loudly and audibly to the trading crowd. If, however, the sequence in which the disseminated quotes were made cannot be reasonably determined, priority would be afforded to the price improving registered options traders and/or specialist as a group. Exchange Rule 950(d), Commentary .06 and Exchange Rule 950(n), Commentary .03 govern allocations of contracts when more than one registered options trader and/or the specialist has disseminated the same price improving quote and time priority cannot be established.

However, pursuant to the proposed rule change, the price improving registered options traders' quote would retain priority until one of the following occurs: (i) Auto-Ex execution depleted the disseminated size; (ii) an amount equal to the minimum quote size has been allocated; (iii) the registered options trader withdraws the quote; (iv) the quote is matched or improved by the specialist's automated quotation system quote, provided specialists using an Exchange-approved proprietary automated quotation updating system have not programmed the system to immediately match or improve the price improving registered options trader's quote; (v) the quote is improved by another registered options trader; or (vi) the market is improved by an order placed on the limit order display book. With respect to subparagraph (iv) above, the Exchange will monitor the use of proprietary automated quotation updating systems through the review of complaints from members in the trading crowd as well as observations of Floor Officials and Exchange personnel to determine if the system has been programmed to immediately match or improve the price improving registered options trader's quote.

The Exchange notes that Exchange rules regarding customer priority and parity would continue to apply to the allocation of trades pursuant to the proposed rule change. Exchange Rule 111, Commentary .07 provides that a registered options trader, when establishing or increasing a position, may not retain priority over or have parity with an off-Floor order. Thus, only registered options traders closing or decreasing a position may be on parity with a customer order. As a result, the specialist when allocating executed trades pursuant to the proposed rule would continue to take into consideration the rights of customers and the obligations of a

registered options trader to “engage * * * in dealings for his own account when there exists a lack of price continuity, a temporary disparity between the supply of and demand for option contracts of a particular series, or a temporary distortion of the price relationships between option contracts of the same class.”¹⁰ In addition, the Exchange has a proposal pending with the Commission to provide that specialists and registered options traders may not have priority over or be on parity with a public customer order.¹¹

The Exchange believes the expansion of the EE Device for direct use by registered options traders and the adoption of rules requiring the allocation of trades to quote-improving registered options traders will substantially enhance incentives for registered options traders to quote competitively by providing for a means to by-pass the Auto-Ex system and the Auto-Ex allocation algorithm that may not reward the improving registered options trader and allow the allocation of trades to such registered options traders against quotes they caused to be disseminated.

Integration of Automated Quote Dissemination and Trade Allocation

The Exchange is in the process of developing a new integrated trading system that will replace many of its existing floor trading systems. Current systems, which include order routing, automated quotation calculation and dissemination, specialist “book” functions including limit order display, automatic order execution and allocation of trades are to be replaced by a fully integrated and automated system. The system will continue to have an “auto-quote” function similar to XTOPS, which would be made available to both the specialist and registered options traders for the inputting of competitive quotes. The auto-quote function would be available to registered options traders through their hand-held devices. Unlike XTOPS, the specialist’s auto-quote in a given option series would represent only the specialist’s trading interest. In order to enter quotes for dissemination through the Exchange’s Market Data System to the Options Price Reporting Authority, the registered options trader would be required to: (i) Be physically present in the trading crowd;¹² and (ii) disseminate

a quote for at least the minimum quote size. The required minimum size of the improved bid or offer would not be less than 10 contracts. The improved quotes would have an identifier so that orders executed against such quotes could be allocated automatically to the appropriate registered options trader.

The system, which would include algorithms established according to Exchange rules of priority and parity for customers, and the participation rights of registered options traders and specialists then in effect as set forth in Rule 950(d), Commentary .06, would automatically allocate executed trades to each market participant. It is anticipated that these algorithms together with Exchange rules would provide that: (i) When the specialist or registered options trader (price improver) is quoting alone at the best bid or offer, he would be automatically allocated 100% of incoming orders for as long as he is alone at the best bid or offer and up to his disseminated size; and (ii) if any other trading crowd participants subsequently join or match the initial price improver’s best bid or offer, contracts executed at that price would be allocated in accordance with rules of priority and parity then in effect.

It is currently anticipated that the Exchange will be able to begin its rollout of the new trading system during November 2003. In addition, it is anticipated that the rollout period could be a lengthy one. Since the system would not only be replacing systems in use today, different elements of the system would be used by every trading floor participant—specialists, registered options traders and floor brokers. The Exchange anticipates that the rollout will be completed by the first quarter of 2005. Once rolled out, the new system would be used for all option classes traded on the Exchange.

The Exchange believes that its initial step of expanding the use of the EE Device and its method for ensuring that trades executed at a registered options trader disseminated quote are properly allocated together with the development and implementation of a new integrated trading system that would automate and integrate all of these processes, would

the same side of the market. If the registered options trader leaves the trading crowd, he would be required to remove his quotes in all series. If the registered options fails to remove his quotes and an incoming order executes against one or more of those quotes, the registered options trader would not be able to participate in the trade. Unless, however, the system is unable to otherwise allocate the trade to other market participants at the same price, the registered options trader responsible for causing the quote to be disseminated would be assigned as contra-party to the incoming trade.

substantially enhance incentives to quote competitively and substantially reduce disincentives for market participants to act competitively. The Exchange believes that its customers would continue to benefit from instantaneous, automatic executions at the best available prices for option classes traded on the Exchange.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act¹³ in general and furthers the objectives of section 6(b)(5) of the Act¹⁴ in particular in that it is designed to prevent fraudulent and manipulative acts and practices and to promote just and equitable principles of trade.

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

The Amex does not believe that the proposed rule change will impose any burden on competition 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

No written comments were solicited or received with respect to 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 Amex 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, 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—

¹⁰ Amex Rule 958(c).

¹¹ See SR-Amex-2003-07.

¹² To reduce the possibility of remote market making, registered options traders would only be allowed to place one order or quote per series on

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

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 Amex. All submissions should refer to File No. SR-Amex-2002-09 and should be submitted by October 16, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 03-24225 Filed 9-24-03; 8:45 am]

BILLING CODE 8010-01-P

SOCIAL SECURITY ADMINISTRATION

Ticket to Work and Work Incentives Advisory Panel Conference Call

AGENCY: Social Security Administration (SSA).

ACTION: Notice of Teleconference.

DATES: Thursday, October 9, 2003.

Teleconference:

Thursday, October 9, 2003, 4 p.m. to 6 p.m. Eastern time.

Call-in number: 888-390-5183.

Pass code: PANEL.

Leader/Host: Sarah Wiggins Mitchell.

SUPPLEMENTARY INFORMATION:

Type of meeting: This teleconference meeting is open to the public. The interested public is invited to participate by calling into the teleconference at the number listed above. Public testimony will not be taken.

Purpose: In accordance with section 10(a)(2) of the Federal Advisory Committee Act, SSA announces this teleconference meeting of the Ticket to Work and Work Incentives Advisory Panel (the Panel). Section 101(f) of Public Law 106-170 establishes the Panel to advise the President, the Congress and the Commissioner of SSA on issues related to work incentives programs, planning and assistance for individuals with disabilities as provided under section 101(f)(2)(A) of the Ticket to Work and Work Incentives

Improvement Act of 1999 (TWWIIA). The Panel is also to advise the Commissioner on matters specified in section 101(f)(2)(B) of that Act, including certain issues related to the Ticket to Work and Self-Sufficiency Program established under section 101(a) of that Act.

Agenda: The Panel will deliberate on the implementation of TWWIIA and conduct Panel business. The Panel will be discussing follow-up items and recommendations from the Employment Network Summit, an advice letter regarding Vocational Rehabilitation, and grant programs authorized in TWWIIA.

The agenda for this meeting will be posted on the Internet at <http://www.ssa.gov/work/panel/> prior to the teleconference or can be received in advance electronically or by fax upon request.

Contact Information: Records are being kept of all Panel proceedings and will be available for public inspection by appointment at the Panel office. Anyone requiring information regarding the Panel should contact the TWWIIA Panel staff by:

- Mail addressed to Ticket to Work and Work Incentives Advisory Panel Staff, Social Security Administration, 400 Virginia Avenue, SW., Suite 700, Washington, DC 20024;
- Telephone contact with Kristen Breland at (202) 358-6430;
- Fax at (202) 358-6440; or
- E-mail to TWWIIAPanel@ssa.gov.

Dated: September 22, 2003.

Carol Brenner,

Designated Federal Official.

[FR Doc. 03-24335 Filed 9-24-03; 8:45 am]

BILLING CODE 4191-02-P

DEPARTMENT OF STATE

[Public Notice 4499]

Culturally Significant Objects Imported for Exhibition Determinations: "Hunt for Paradise: Court Arts of Iran, 1501-76"

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 October 1, 1999, Delegation of Authority No. 236 of October 19, 1999, as amended, and Delegation of Authority

No. 257 of April 15, 2003 [68 FR 19875], I hereby determine that the objects to be included in the exhibition "Hunt for Paradise: Court Arts of Iran, 1501-76," 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 Asia Society, New York, NY, from on or about October 14, 2003, to on or about January 18, 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 Julianne Simpson, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State, (telephone: 202/619-6529). The address is U.S. Department of State, SA-44, 301 4th Street, SW., Room 700, Washington, DC 20547-0001.

Dated: September 22, 2003.

C. Miller Crouch,

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

[FR Doc. 03-24401 Filed 9-24-03; 8:45 am]

BILLING CODE 4710-08-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34408]

Union Pacific Railroad Company—Trackage Rights Exemption—The Burlington Northern and Santa Fe Railway Company

The Burlington Northern and Santa Fe Railway Company (BNSF) has agreed to grant overhead trackage rights to Union Pacific Railroad Company (UP) over a line of railroad on BNSF's Spanish Peaks Subdivision between BNSF milepost 119.45 near or at Pueblo Junction, CO, and BNSF milepost 124.74 near or at Southern Junction, CO, a total distance of approximately 5.29 miles.¹

Although UP states that the transaction was scheduled to be consummated on September 11, 2003, the earliest the transaction could be consummated was September 12, 2003 (7 days after filing under 49 CFR 1180.4(g)).

¹ UP has included a draft of the trackage rights agreement and states that a copy of the agreement will be provided to the Board after it is finalized and executed.

¹⁵ 17 CFR 200.30-3(a)(12).