public for review. Approximately 17 respondents filed Form SB–1 during the last fiscal year at an estimated 177 hours per response for a total annual burden of 12,036 hours. It is estimated that 25% of the total burden (3,009 hours) is prepared by the company. Also, persons who respond to the collection information contained in Form SB–1 are not required to respond unless the form 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: August 5, 2003.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 03–20695 Filed 8–13–03; 8:45 am]

BILLING CODE 8010–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–48293; File No. SR–CBOE–2002–55]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 Thereto by the Chicago Board Options Exchange, Inc. Relating to Permanent Approval of the Rapid Opening System

August 6, 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 September 16, 2002, the Chicago Board Options Exchange, Inc. (''CBOE'' 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 CBOE. On February 6, 2003, CBOE submitted Amendment No. 1 to the proposed rule change.[3] 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

CBOE proposes to adopt ROS on a permanent basis.[4] The text of the proposed rule change appears below. Deleted text is in brackets.

Rule 6.2A

(a)–(c) No change.

[(d) Pilot Program.

This Rule (and the sentences in Rule 6.2 and Rule 6.45 referring to this Rule) will be in effect until September 30, 2002 on a pilot basis.]

* * * Interpretation and Policies:

.01–.02 Unchanged.

* * * * *

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

In its filing with the Commission, CBOE 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. CBOE 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

On February 9, 1999, the Commission approved, on a pilot basis, the implementation of ROS.[5] ROS is a system developed by the Exchange to open an entire options class, all series, as a single event, based on a single underlying value. The ROS pilot program is due to expire on September 30, 2003.[6] The Exchange proposes to make the ROS pilot program permanent.

CBOE represents that ROS has successfully facilitated expedited openings of options classes on the Exchange, thereby improving market efficiency for all market participants. CBOE represents that ROS has provided the Exchange's market-makers with the ability to open option classes within seconds of the opening of the underlying security. CBOE represents that by entering into open trading more quickly using ROS, customer orders have been addressed in open trading in a more timely manner. CBOE represents that ROS has also prevented large numbers of orders from queuing on the Exchange's book and live ammo screens immediately after the opening, thus, providing the order book official and designated primary market maker staff with the ability to handle the orders in a more expeditious manner.

In the Pilot Program Approval Order, the Commission requested that the Exchange study certain issues during the pilot program and produce a report to the Commission addressing those issues prior to seeking permanent approval of ROS. CBOE represents that the issues raised by the Commission were the following: (1) How and when market-makers set ROS risk and size thresholds, (2) how often such thresholds are exceeded and result in the adjustment of AutoQuote,[7] (3) the effect of AutoQuote adjustments on the quality of customer executions, (4) any effects on existing order execution priority, and (5) the handling of and adjustments made for non-bookable orders. CBOE represents that prior to the submission of this proposed rule change, the Exchange submitted a report

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[1] 15 U.S.C. 78(s)(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* letter from Jaime Galvan, Attorney II, Legal Division, CBOE, to Terri Evans, Assistant Director, Division of Market Regulation, dated January 17, 2003 (''Amendment No. 1''). In Amendment No. 1, CBOE described its plans to incorporate the AutoQuotes sent into its Rapid Open System (''ROS'') by market makers into its illegal quote width surveillance program; explained how the implementation of Phase V of the Consolidated Options Audit Trail plan would facilitate the Exchange's efforts at monitoring activities on ROS; provided greater detail regarding the observations of ROS openings conducted by Exchange staff during the pilot period; and made minor changes to its discussion section.

[4] CBOE also proposed to extend the ROS pilot program. However, on September 25, 2002, CBOE submitted another proposal to extend the ROS pilot program, which replaced and superseded the portion of SR–CBOE–2002–55 that proposed to extend the ROS pilot program. This proposal was effective upon filing. *See* Securities Exchange Act Release No. 46572 (September 30, 2002), 67 FR 62508 (October 7, 2002).

[5] *See* Securities Exchange Act Release No. 41033 (February 9, 1999), 64 FR 8156 (February 18, 1999) (''Pilot Program Approval Order''). ROS is governed by CBOE Rule 6.2A.

[6] The Commission has extended the ROS pilot program five times. See Securities Exchange Act Release Nos. 42596 (March 30, 2000), 65 FR 18397 (April 7, 2000) (extending the pilot program until September 30, 2000); 43395 (September 29, 2000), 65 FR 60706 (October 12, 2000) (extending the pilot program until September 30, 2001), 44891 (October 1, 2001), 66 FR 51483 (October 9, 2001) (extending the pilot program until September 30, 2002); 46572 (September 30, 2002), 67 FR 62508 (October 7, 2002) (extending the pilot program until March 31, 2003; and 47573 (March 26, 2003), 68 FR 15780 (April 1, 2003) (extending the pilot program until September 30, 2003).

[7] Under Interpretation .02 to CBOE Rule 6.2A, the term ''AutoQuote'' means either the Exchange's AutoQuote system or a proprietary autoquote system operated by a member of the trading crowd where the particular ROS class is traded.

to the Commission addressing each of these issues in depth (''ROS Study'').

With respect to issues 1 and 2, the Exchange represents that it has observed that in general, market-makers have set the contract and delta thresholds on ROS at a level which ensures that an options class that has orders to trade will not auto-open, in order to avoid openings based on erroneous prints in the underlying security or delayed updates to bid/ask information on underlying securities. Nonetheless, the Exchange represents that it has still been able to open classes within seconds of the opening of the underlying class because ROS can open classes very quickly even if they are not set to auto-open. CBOE represents that based on Exchange staff observations of ROS openings during the pilot period, AutoQuote adjustments by market-makers after the ''lock'' is initiated are rare.

With respect to issue 3, the Exchange believes that market-maker adjustments to AutoQuote have had no adverse effect on the quality of customer executions. In fact, CBOE represents that AutoQuote adjustments are made to ensure the accurate pricing of options based on the opening price of the underlying security. Market-makers are required to price contracts in a manner consistent with their obligations under CBOE Rule 8.7(b)(iv). The Exchange has published regulatory circulars to remind market makers of their obligation to set AutoQuote in accordance with Exchange rules.[8] CBOE believes that scrutiny by customers and firms is another factor that ensures that market-makers adjust AutoQuote values consistent with their obligation.

The Exchange represents that it has submitted along with the ROS Study a written description of the methods employed by the Exchange to surveil market-maker activities on ROS. The Exchange believes that other than the situation where ROS has opened based on an incorrect underlying value, there have been no customer complaints regarding ROS opening prices.

With respect to issue 4, the Exchange believes that ROS has served to protect the quality of executions received by non-bookable orders that participate in the opening. The Exchange has developed a procedure for including non-bookable orders (firm, broker-dealer and customer contingency orders) into the opening process. CBOE represents that this procedure has been incorporated into CBOE Rule 6.2A and has been detailed in two regulatory circulars.[9] The Exchange believes ROS has enhanced the quality of customer executions and has served to provide non-bookable orders represented before the open with the executions that they deserve on the opening. CBOE represents that as is demonstrated by the statistics in the ROS Study, during the review period noted, the vast majority of orders that traded during the ''opening period'' (defined as the ROS opening plus the first minute after the ROS opening) received the ROS opening price or better.[10]

The Exchange represents that it is committed to ensuring that non-bookable orders that participate on the opening continue to receive quality executions. The Exchange represents that the implementation of the requirement under Phase V of the Consolidated Options Audit Trail (''COATS'') Plan that all non-electronic orders must be captured electronically for audit trail purposes will facilitate the Exchange's efforts in monitoring on an ongoing basis the executions received by non-bookable orders that participate in the opening. [11] CBOE anticipates that after the implementation of COATS Phase V, a non-bookable order sent to the Exchange prior to the opening will be captured electronically and incorporated into the Exchange's audit trail. CBOE believes this will facilitate its regulatory staff's ability to investigate with more speed and efficiency any complaint regarding the execution received by a non-bookable order on the opening, in that the Exchange will now have an electronic record of the time of receipt of the order, in addition to the order information and the execution price of the order.[12]

With respect to issue 5, the Exchange represents that it has observed that firms consistently wait until after the ROS opening has been completed to represent non-bookable orders. CBOE believes that by waiting until after ROS opens, the firms have a better sense of where they may trade the order after opening quotes have been disseminated. CBOE represents that the statistics in the ROS Study demonstrate that few, if any, non-bookable orders are being represented before ROS openings. The Commission stated in the Pilot Program Approval Order that prior to considering permanent approval of ROS, it expected the Exchange to develop a workable plan for electronic incorporation of non-bookable orders on ROS. The Exchange believes, for the reasons set forth above, that permanent approval of ROS should not be contingent upon the development of a plan to electronically incorporate non-bookable orders on ROS. CBOE believes that such a systems change would have very little impact on ROS trading due to the fact that non-bookable orders are virtually non-existent before the open. The Exchange represents that it continues to consider modification of EBook to include other order types, but it is uncertain at this time when such a project might be completed.

Based on the successful operation of ROS over the past three years, the Exchange proposes that the Commission approve ROS on a permanent basis.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[13] in general, and furthers the objectives of Section 6(b)(5),[14] in particular, in that it is designed to promote just and equitable principles of trade and to protect investors and the public interest, because ROS has improved market efficiency for all market participants by successfully facilitating expedited openings of options classes on the Exchange during the pilot period.

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

CBOE does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of 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)

[8] *See* CBOE Regulatory Circulars RG99–91 (April 14, 1999) and RG02–34 (May 28, 2002).

[9] *See* CBOE Rule 6.2A(ii), and Regulatory Circulars RG99–35 (February 10, 1999) and RG00–40 (March 13, 2000).

[10] *See* Amendment No. 1, *supra* note 3.

[11] The COATS Plan is a plan that the options exchanges are required to submit to the Commission in order to comply with Section IV.B.e. of the *Order Instituting Public Administrative Proceedings Pursuant to Section 19(h)(1) of the Securities Exchange Act of 1934, Making Findings and Imposing Remedial Sanctions. See* In the Matter of Certain Activities of Options Exchanges, Securities Exchange Act Release No. 43268, September 11, 2000; Administrative Proceeding File No. 3–10282.

[12] *See* Amendment No. 1, *supra* note 3.

[13] 15 U.S.C. 78f(b).

[14] 15 U.S.C. 78f(b)(5).

As the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(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 proposal, as amended, is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of CBOE. All submissions should refer to File No. SR–CBOE–2002–55 and should be submitted by September 4, 2003.

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

Margaret H. McFarland,

Deputy Secretary,

[FR Doc. 03–20696 Filed 8–13–03; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–48289; File No. SR–DTC–2002–14]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Fee Schedule for Services

August 6, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on November 21, 2002, The Depository Trust Company (''DTC'') 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 primarily by DTC. 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 amends DTC's service fee schedule to add a fifty-dollar fee for the assignment of a Financial Industry Number Standard (FINS) number.

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

In its filing with the Commission, DTC 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. DTC 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

The purpose of the proposed rule change is to establish a fee for assigning FINS numbers. Industry participants use FINS numbers for identification purposes for such activities as making filings with the Securities Information Center (SIC). A firm requesting a FINS number provides DTC with information such as its legal name, business address, mailing address, contact person, and telephone number. DTC checks its database to determine whether the firm already has a FINS number. If the firm already has a FINS number, DTC provides the firm with that number. If the firm does not already have a FINS number, DTC will assign a FINS number to the firm. The proposed fee is designed to recover DTC's estimated service costs and became effective November 22, 2002.

DTC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act and the rules and regulations thereunder applicable to DTC because the fee will equitably be allocated among the parties who are assigned FINS numbers.

(B) Self-Regulatory Organization's Statement on Burden on Competition

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

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No comments on the proposed rule change were solicited or received.

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

Because the foregoing rule change establishes or changes fees to be imposed by DTC, it has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act[3] and Rule 19b–4(f)(2).[4] At any time within sixty days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549–0609. Comments may also be submitted electronically at the following e-mail address: *rule-comments@sec.gov.* All comment letters should refer to File No. SR–DTC–2002–14. This file number should be included on the subject line if e-mail is used. To help us process and review comments more efficiently, comments should be sent in hardcopy or by e-mail but not by both methods. 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

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[15] 17 CFR 200.30(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] The Commission has modified parts of these statements.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).