

List. Subordinates have the same license requirements and review policy as the organizations they are identified under. The subordinates in this appendix are listed in alphabetical order under the organization that they are identified with, which are also listed in alphabetical order.

**Defence Science and Technology Organization (DESTO):**

Chaklala Defense Science and Technology Organization  
Daud Khel Chemical Plant, Lahore  
Karachi CBW & BW Warfare R&D Laboratory

**Pakistan Atomic Energy Commission (PAEC):**

Atomic Energy Minerals Centre, Lahore  
Baghalchur Uranium Mine, Baghalchur  
Center for Nuclear Studies, Islamabad (also PINSTECH)

Chasma Fuel Fabrication Plant, Kundian  
Chasma Nuclear Power Plant (CHASNUPP), Kundian

Computer and Development Division, KANUPP Institute of Nuclear Power Engineering (KINPOE)

Computer Training Center (also PINSTECH), Islamabad

Dera Ghazi Khan Uranium Mine, Dera Ghazi Khan

Directorate of Technical Development  
Directorate of Technical Equipment  
Directorate of Technical Procurement  
Hard Rock Division, Peshawar  
Hawkes Bay Depot  
Heavy Water Production Plant, KANUPP, Karachi

Institute of Nuclear Power, Islamabad  
Issa Khel/Kubul Kel Uranium Mines and Mills, Miniawali District  
Karachi Nuclear Power Plant (KANUPP), Karachi

KANUPP Institute of Nuclear Power Engineering (KINPOE), Karachi  
Khushab Reactor, Khushab, Punjab  
Mineral Sands Program, Karachi  
Multan Heavy Water Production Facility, Multan Division, Punjab

National Engineering Service of Pakistan, CHASMA Nuclear Power Plant (CHASNUPP), Kundian  
Science and Engineering Services Directorate

Uranium Conversion Facility, Islamabad

**Pakistan Institute for Nuclear Science and Technology (PINSTECH):**

New Laboratories, Rawalpindi  
Nuclear Track Detection Center  
Parr-1 Research Reactor  
Parr-2 Research Reactor  
Pilot Reprocessing Plant, New Laboratories  
Solid State Nuclear Track Detection Center

**Space and Upper Atmospheric Research Commission (SUPARCO):**

Aerospace Institute, Islamabad  
Computer Center, Karachi  
Control System Laboratories  
Flight Test Range, Sonmiani Beach  
Instrumentation Laboratories, Karachi  
Material Research Division  
Quality Control and Assurance Unit  
Rocket Bodies Manufacturing Unit  
Solid Composite Propellant Unit

Space and Atmospheric Research Center, Karachi  
Static Test Unit, Karachi

Dated: March 14, 2000.

**Iain S. Baird,**

*Deputy Assistant Secretary for Export Administration.*

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**COMMODITY FUTURES TRADING COMMISSION**

**17 CFR Parts 15, 16 and 17**

**RIN 3038-ZA10**

**Changes in Reporting Levels for Large Trader Reports**

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Final Rulemaking.

**SUMMARY:** The Commodity Futures Trading Commission (Commission or CFTC) periodically reviews its large trader reporting rules to ensure that the Commission is receiving adequate information to carry out its market surveillance programs. Based upon the Commission's most recent review of these rules the Commission is amending, as proposed, Parts 15, 16, and 17 of its rules, 17 CFR Parts 15, 16 and 17. The final amendments to Part 15 raise the reporting levels at which futures commission merchants (FCMs), clearing members, foreign brokers,<sup>1</sup> and traders must file large trader reports in certain commodities to reduce the number of required reports. The Commission is also deleting, as proposed, the requirement that where an independent account controller trades for a number of commodity pools, the carrying firm must identify separately each such commodity pool. In addition, the amendments delete, as proposed, reporting Rule 17.01(c) under which a reporting firm was required to identify the number and name of other accounts that the trader controlled or owned that were not included in the special account.

The Commission is also reorganizing, as proposed, the identifying information large traders report on CFTC Form 40 "Statement of Reporting Trader" to obtain and present data more useful to the Commission's market surveillance activities. In addition, the Commission is deleting the requirement under Part 16, as proposed, that exchanges provide weekly option large trader data directly to the Commission. These final

<sup>1</sup> FCMs, clearing members and foreign brokers are referred to herein collectively as "firms."

amendments streamline the reporting process and substantially lessen the burden on persons reporting, as well as the processing workload of the Commission, without compromising the integrity of the Commission's large trader reporting system, its market surveillance activities or its oversight responsibilities.

**EFFECTIVE DATE:** May 16, 2000.

**FOR FURTHER INFORMATION CONTACT:**

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**SUPPLEMENTARY INFORMATION:**

**I. Background**

The Commission has re-examined its rules regarding its large trader reporting system. The Commission's large-trader reporting system is an important Commission oversight tool. These rules require FCMs to report to the Commission position information of the largest futures and options traders and require the traders themselves to provide certain identifying information. Reporting levels are set in the designated futures and option markets under the authority of sections 4i and 4c of the Act to ensure that the Commission receives adequate information to carry out its market surveillance programs. These market surveillance programs are designed to detect and to deter market congestion and price manipulation and to enforce speculative position limits. They also provide information regarding the overall hedging and speculative use of, and foreign participation in, the futures markets and other matters of public interest. Generally, the firm carrying the reportable trader's position files large trader reports.<sup>2</sup>

<sup>2</sup> Specifically, Parts 17 and 18 of the regulations require reports from firms and traders, respectively, when a trader holds a "reportable position." A reportable position is any open contract position that at the close of the market on any business day equals or exceeds the quantity specified in Commission Rule 15.03 in either: (1) Any one future of any commodity on any one contract market, excluding futures contracts against which notices of delivery have been stopped by a trader or issued by the clearing organization of a contract market; or (2) Long or short put or call options that exercise into the same future of any commodity on any one contract market. 17 CFR 15.00 and Part 150. The firms which carry accounts for traders holding "reportable positions" are required to identify those accounts by filing a CFTC Form 102, discussed infra, and to report all reportable positions in the accounts to the Commission. The individual trader who holds or controls the reportable position, however, is required to report

## II. Proposed Rulemakings

### A. Parts 15 and 17 (64 FR 5200)

Based upon the Commission's re-examination of its large trader reporting system rules, the Commission published a notice of proposed rulemaking (proposed rulemaking) to amend Parts 15 and 17 of its rules. 64 FR 5200 (February 3, 1999). Specifically, the Commission proposed to raise the reporting levels in certain domestic contracts. The Commission also proposed to modify reporting levels for foreign currencies. In addition, the Commission proposed to list the reporting levels for the grains and soybeans in terms of contracts rather than bushels.

The Commission also proposed to streamline the reporting process by deleting those sections of § 17.01 requiring that "special account"<sup>3</sup> data reflected on CFTC Form 102s must include specific information on commodity pools and pool operators, as well as "other account" data, described *infra*, that § 17.01(c) required. In addition, the Commission proposed to reorganize its Form 40,<sup>4</sup> to present data in a more useful manner.

Two commenters, the Chicago Board of Trade (CBT) and the Chicago Mercantile Exchange (CME), responded to the notice of proposed rulemaking. Both CBT and CME objected to the majority of the proposed amendments. In summary, these two exchanges similarly opined that through implementation of the proposed amendments, the market surveillance activities of self-regulatory organizations would be compromised by "eliminating the collection of important market data that [the exchanges rely] upon \* \* \* as part of [their] rigorous financial and

to the Commission only in response to a special call.

<sup>3</sup>Part 17 of the Commission's regulations requires that firms report to the Commission when an account first becomes reportable. When a trade first exceeds a reporting level, the firm labels the account a special account. The firm assigns a reporting number to the special account and reports all information to the Commission using this number. The firm must also file with the Commission Form 102. Commission Rule 17.01, 17 CFR 17.01. CFTC Form 102 identifies persons who have a financial interest in or trading control of a special account, informs the Commission of the type of account that is being reported and gives preliminary information whether positions and transactions are commercial or noncommercial in nature. The CFTC Form 102 must also be updated when information concerning financial interest in, or control of, the special account changes. 17 CFR 17.02.

<sup>4</sup>Under Part 18 of the Commission's regulations, traders who own or control reportable positions are required to file a CFTC Form 40 on call by the Commission or its delegee disclosing information about the ownership or control of their futures and option positions.

market surveillance programs."<sup>5</sup> In addition, both CBT and CME expressed the same view that the exchanges, and not the Commission, should set reporting levels. These comments are discussed in greater detail below.

### B. Part 16 (61 FR 37409)

Separately, in May 1997, the Commission amended its reporting rules to require that firms file option large trader reports with the Commission on a daily basis. 62 FR 24026 (May 2, 1997). Although as part of that rulemaking, the Commission proposed deleting the requirement under Part 16 that contract markets provide weekly option large trader data directly to the Commission,<sup>6</sup> in issuing final rules, the Commission deferred taking that action until after all firms began to provide the required daily reports. The Commission explained that it was in the process of reengineering its market surveillance software to accommodate the receipt and processing of daily option large trade data, directly from the firms, and that collection of such information could begin only after the Commission had completed its software development and had tested the software jointly with the firms. The Commission further stated that since the process could be completed prior to the Commission's deletion of the requirement that exchanges report larger trader option information under Part 16, it "will take no enforcement action against an exchange for not providing weekly option large trader data upon a finding that firms are providing such data for contract markets on the exchange."<sup>7</sup>

## III. Final Rules

### A. Reporting Levels

In the proposed rulemaking, the Commission explained that it "periodically reviews information concerning trading volume, open interest, and the number and position sizes of individual traders relative to the reporting levels for each market to determine if coverage of open interest is adequate for effective market surveillance." 64 FR 5201. The Commission noted that in performing such periodic reviews, it is also

<sup>5</sup> See the CBT's letter of April 5, 1999 to the Commission (CBT letter).

<sup>6</sup> See, 61 FR 37409 (July 18, 1996) (Part 16 proposed rulemaking).

<sup>7</sup> 62 FR 24032. The Commission delegated to the Director of the Division of Economic Analysis (Division), the authority to make the required findings and determination granting this no-action relief to the exchanges. *Id.* For a complete discussion of the comments received in response to the Commission's Part 16 proposed rulemaking, see *Id.*

"mindful of the paperwork burden associated with these reporting requirements and reviews them with an eye to streamlining that burden to the extent compatible with its responsibilities for rigorous surveillance of the futures and option markets." *Id.* In this regard, the Commission explained that "its most recent review of reporting levels indicated that the size of trading volume, open interest, and position of individual traders would enable the Commission to raise [certain] reporting levels". *Id.*<sup>8</sup>

The Commission also proposed modification of the reporting levels for foreign currencies. In particular, the Commission noted that "Commission Rule 15.03 does not distinguish among foreign currencies, setting a uniform standard for all. However, surveillance of contracts on currencies of the major economies requires fewer large trader reports than for contracts on the currencies of the emerging markets." *Id.* Accordingly, the Commission proposed to amend Rule 15.03 to classify the European currency unit (and its successor, the Euro) and the currencies of Japan, Germany, the UK, France, Italy, Canada, Australia, Switzerland, Sweden, Belgium, and the Netherlands as "Major Foreign Currencies" and to raise the reporting level applicable to them to 400 from the then current level of 200 contracts.

In addition, the Commission proposed to lower the reporting level for all other foreign currencies to 100 contracts in order to obtain needed information in surveilling these contracts. In addition,

<sup>8</sup> Specifically, the Commission proposed to raise reporting levels as follows: (1) Lean Hogs from 50 to 100 contracts, (2) Rough Rice from 25 to 50 contracts, (3) Goldman Sachs Commodity Index from 25 to 100 contracts, (4) Soybean Oil from 175 to 200 contracts, (5) Soybean Meal from 175 to 200 contracts, (6) 1-Month LIBOR from 100 to 300 contracts, (7) 30-Day Fed Funds from 100 to 300 contracts, (8) 3-Month Eurodollars from 850 to 1000 contracts, (9) 3-Month Euroyen from 25 to 100 contracts, (10) 2-Year US Treasury Notes from 200 to 500 contracts, (11) 5-Year US Treasury Notes from 300 to 800 contracts, (12) 10-Year US Treasury Notes from 500 to 1000 contracts, (13) 30-Year US Treasury Bonds from 500 to 1000 contracts, (14) Municipal Bond Index from 100 to 300 contracts, (15) Dow Jones Industrial Average Index from 25 to 100 contracts, (16) NASDAQ 100 Stock Index from 25 to 100 contracts, (17) NIKKEI Stock Average from 50 to 100 contracts, (18) Russell 2000 Stock Index from 25 to 100 contracts, (19) S&P 400 Midcap Stock Index from 25 to 100 contracts, (20) S&P 500 Stock Index from 600 to 1000 contracts, (21) Crude Oil from 300 to 350 contracts, (22) Natural Gas from 100 to 175 contracts, and (23) Sugar 11 from 300 to 400 contracts.

The Commission also proposed to delete Rule 15.03's separate reference to "GNMA," a contract that is now currently dormant. See, 17 CFR 5.2(a). The Commission explained that under this proposal, if trading in GNMA's were to be reactivated, the reporting level would be 25 contracts.

the Commission proposed a 100 contract reporting level for any contract having one of the other foreign currencies as a constituent part of a crossrate contract. The Commission explained that cross-rate contracts that are composed of two major currencies would also be considered to be a major currency. Finally, the Commission also proposed to list the reporting levels for the grains and soybeans in terms of contracts rather than bushels.<sup>9</sup> The Commission estimated that:

[T]hese proposed amendments to adjust reporting levels will decrease the number of daily position reports (*i.e.*, CFTC Series '01 Reports and CFTC Form 102s) required to be filed by reporting firms by about 14 percent. (The number of CFTC Form 40s required to be filed by large traders will also decrease). However, the percent of total market open interest reported through the large trader system would remain at the level deemed sufficient for rigorous market surveillance based upon the Commission's administrative experience.

*Id.* at 5202.

Both CBT and CME strongly objected to the Commission's proposal to raise these reporting levels. Specifically, CME opined that "given that contract markets have primary responsibility for surveiling their markets, it is they, and not the Commission, that are best equipped to determine what reporting levels are adequate for effective surveillance."<sup>10</sup> Similarly, CBT recommended that "[i]nstead of raising the reportable levels for certain contracts, we recommend that the Commission consider deferring to the reportable levels adopted by the exchanges."<sup>11</sup> In addition, both exchanges viewed the information generated through the prior reporting levels as "necessary." In this regard, CBT indicated that the information from large trader position reporting is "extremely valuable" to their financial surveillance activities. Further, CME stated that it "does not intend to raise its reporting levels to correspond to the proposed increases. [CME believes that the Commission's projected decrease in daily position reports required to be filed by reporting firms will not occur,

<sup>9</sup> As explained in the proposed rulemaking, "prior to January 1998, it was industry practice to express open interest and volume data, as well as required position reports, for the grain and soybean futures contracts, in terms of thousands of bushels. Beginning in 1998, however, industry practice for the grains and soybean contracts changed to express data for these contracts in contract units, which is consistent with the data for all other futures and option contracts." *Id.* Accordingly, the Commission proposed to conform its reporting levels to this practice.

<sup>10</sup> See the letter of April 14, 1999 from CME to the Commission (CME letter) at p. 2.

<sup>11</sup> See the CBT letter at p. 2.

given that] clearing members will in fact be required to continue to report at the lower levels set by CME."<sup>12</sup> Similarly, CBT remarked that it will probably retain the lower reporting levels currently set in its rules for certain commodities.

Based upon thorough and careful consideration of the comments, as well as the Commission's most recent review of reporting levels, the Commission finds it appropriate to amend the reporting levels in certain domestic contracts, as well as modify reporting levels for foreign currencies, as proposed. These changes will reduce both the Commission's cost of collecting surveillance data and the cost of data filers. The exchanges may set their own reporting levels as they deem appropriate. The Commission is also listing the reporting levels for the grains and soybeans in terms of contracts rather than bushels, as proposed.<sup>13</sup> The Commission is also deleting, as proposed, Rule 15.03's separate reference to "GNMA."

#### *B. Final Amendments to Special Account Information (CFTC Form 102)*

Previously, Commission Rule 17.01(b)(3) required that a firm identify on CFTC Form 102, each pool, the pool's account number and name, as well as the name and location of the commodity pool for which the account controller trades. In addition, Commission Rule 17.01(c) required that a trader identify on a Form 102 the names and account numbers of all other separate accounts that the reporting trader controls or in which the trader has a ten percent or greater financial interest. ("other accounts").<sup>14</sup>

In proposing the amendment of § 17.01 by deleting these information requirements under 17.01(b)(3) and (c), the Commission explained that this information is no longer needed for the

<sup>12</sup> See the CME letter at p. 2.

<sup>13</sup> As the Commission explained in the proposed rulemaking, it has been its "long-standing administrative practice to set reporting levels by commodity and not by individual contract market." 64 FR 5202. Consistent with this practice, although contracts on the MidAmerica Commodity Exchange are smaller in size than those traded on other exchange, the Commission is not adjusting the reporting level for MACE contracts to compensate for the smaller bushel-size of its contracts. Therefore, a MACE trader's reporting level will be set at a lower absolute number of bushels underlying a reportable position on the exchanges that trade larger-size contracts.

<sup>14</sup> For example, when an individual shares control of and has a financial interest in an account with one or more persons, and that individual also has his or her own account that he or she solely controls, these accounts would not be reported as a single account for special account/Form 102 reporting purposes. See, Commission Rule 17.00(b)(ii).

"operation of the Commission's surveillance data systems or by routine report from firms." *Id.* Specifically, the Commission explained that "[t]hese requirements are duplicative of more complete information on account ownership and control filed by the traders themselves on CFTC Form 40, as required by Commission Rule 18.04." *Id.*

Both CBT and CME strongly disfavored the Commission's proposals to delete the information requirements under 17.01(b)(3) and (c) as described above. In particular, CBT and CME similarly stated that they rely on this information to perform effective market and financial surveillance. In addition, both exchanges pointed out that while this information may be supplied in the CFTC Form 40, the Form 40, unlike CFTC Form 102, is filed only with the Commission. Therefore, in removing the information on commodity pools and pool operators from the Form 102, the exchanges must obtain this information in some other manner. In this regard, CBT recommended that if the Commission implements the proposed changes to Form 102, it concurrently adopt procedures to provide the exchanges with copies of the Form 40 on a routine basis. In addition, CBT also questioned the necessity of the proposed changes to Commission Rule 17.01(b)(3) and Form 102 given that "the industry has been working on an electronic Form 102 to achieve the very same objective cited by the Commission of lessening the burden of reporting requirements."<sup>15</sup>

After careful consideration of the comments, the Commission has determined to amend § 17.01 as proposed. The Commission continues to believe that these amendments will reduce the reporting burden on the public and the processing workload of the Commission. The Commission notes here, as it did in the proposed rulemaking, that the:

[D]eletion of these routine requirements will not in any way affect the Commission's authority to obtain complete account information from either or both the firm and the individual trader in those individual cases where additional information is necessary to the Commission's conduct of market surveillance or to the enforcement of its rules. Nor does it affect the manner in which accounts are aggregated for calculation of compliance with speculative position limits and for other compliance purposes

64 FR 5202.

In amending § 17.01 as proposed, the Commission noted the CBT's and the CME's respective concerns over their

<sup>15</sup> See the CBT letter at p.3.

ability to continue to obtain the information that no longer must be reported on CFTC Form 102.

Accordingly, to ensure that all the exchanges will continue to have access to this information, the Commission will provide the exchanges with copies of CFTC Form 40s upon request.

#### *C. Changes to Statement of Reporting Trader (CFTC form 40)*

The Commission received no comments on its proposals to reorganize the CFTC Form 40 to present data in a more useful manner. The Commission believes it appropriate to revise its Form 40 as proposed. Accordingly, "Schedule 1" has been redesigned and now clarifies information regarding the reporting trader's hedging activities. This information includes the types of futures or options contracts used to hedge, the commercial occupations or merchandising activities of traders and the futures or option markets used for hedging. In addition, the data reflected on Schedule 1 has been reorganized, as proposed, to emphasize occupations and merchandising activities of the

traders rather than the markets in which they trade.<sup>16</sup> In addition, the Schedule 1 "Investment Groups" category has been divided, as proposed, into the following professionally managed funds subcategories: hedge funds, college endowments, managed accounts and commodity pools, trusts, foundations, pension funds, mutual funds and insurance companies. As the Commission explained in the proposed rulemaking, "this reorganization [will] provide information of greater use for surveillance activities." *Id.* The revised Schedule 1 is included below.

#### *D. Deletion of Certain Contract Market Reporting Duties Imposed Under Part 16*

In March 1999, the Commission completed its market surveillance software development to accommodate the receipt and processing of daily option large trader data directly from the firms, as well as software testing jointly with the firms. Also at that time, all firms began reporting this

<sup>16</sup> The Commission also made changes to the list of merchandising activities to reflect those of greater surveillance importance to the Commission.

information directly to the Commission and exchanges were told that they no longer needed to provide the data to the Commission.<sup>17</sup> Accordingly, the Commission is amending Part 16 of its rules by deleting, as proposed, Commission Rule 16.02, 17 CFR 16.02, under which each contract market was required to file weekly reports with the Commission containing the positions of each large trader in each option on futures contract. Similarly, the Commission is deleting, as proposed, Commission Rule 16.03, 17 CFR 16.03, under which each contract market was required to provide the Commission with account identification information regarding reportable option trader positions.

#### **BILLING CODE 6351-01-P**

<sup>17</sup> In this regard, in March 1999, the Acting Director of the Division, pursuant to the delegated authority described *supra*, issued letters to the exchanges informing them that the Commission will not take any enforcement action against them for not filing with the Commission the large option trader information required under Part 16 of the Commission's rules. All exchanges ceased filing this data at that time.

**SCHEDULE 1:** To be completed only by traders who checked "Yes" to question 3 of part B or question 4 of part C. (1) Complete each section that pertains to the types of futures/options in which you hedge or cover a risk exposure. (2) List or check your merchandising or marketing activity(ies). (3) List all futures/options markets used. (4) List all cash commodities hedged or risk exposure covered. (Use a continuation sheet, if necessary.)

<b>FINANCIAL FUTURES/OPTIONS</b> (e.g., Bonds, Notes, Bills, Eurodollars, Stock Indices & Foreign Currencies) (Check <u>each</u> activity that you hedge with futures/options)	List Futures or Option Markets Used. List Cash Markets Hedged or Risk Exposure Covered.	
	FUTURES/OPTION MARKETS USED	CASH MARKETS HEDGED
<input type="checkbox"/> ARBITRAGEUR, BROKER/DEALER, MARKET MAKER (A) <input type="checkbox"/> U.S. COMMERCIAL BANK (C) <input type="checkbox"/> CORPORATE TREASURY (T) <input type="checkbox"/> NON-U.S. COMMERCIAL BANK (B) <input type="checkbox"/> PENSION FUND (F) <input type="checkbox"/> SWAPS/DERIVATIVES DEALER (S) <input type="checkbox"/> INSURANCE COMPANY (G) <input type="checkbox"/> MORTGAGE ORIGINATOR (M) <input type="checkbox"/> HEDGE FUNDS (H) <input type="checkbox"/> COLLEGE ENDOWMENT, TRUST, FOUNDATION (D) <input type="checkbox"/> MUTUAL FUND (E) <input type="checkbox"/> MANAGED ACCOUNTS AND COMMODITY POOLS (P) <input type="checkbox"/> OTHER (O): Specify _____ (e.g., Central Bank, savings & loan)		
<b>AGRICULTURAL AND NATURAL RESOURCE FUTURES/OPTIONS</b> (Other Than Livestock/Meat) (Check <u>each</u> commercial activity that you hedge with futures/options)	FUTURES/OPTION MARKETS USED	CASH COMMODITIES HEDGED
<input type="checkbox"/> PRODUCER (P): Specify _____ (e.g., farmer, miner)		
<input type="checkbox"/> MANUFACTURER (M): Specify _____ (e.g., refiner, miller, crusher, fabricator, sawmill, coffee roaster, cocoa grinder)		
<input type="checkbox"/> DEALER/MERCHANT (D): Specify _____ (e.g., wholesaler, exporter/importer, shipper, grain elevator operator, crude oil marketer)		
<input type="checkbox"/> SWAPS/DERIVATIVES (S): Specify _____		
<input type="checkbox"/> OTHER (O): Specify _____ (e.g., end user, restaurant chain)		
<b>LIVESTOCK/MEAT FUTURES/OPTIONS</b> (Check <u>each</u> commercial activity that you hedge with futures/options)	FUTURES/OPTION MARKETS USED	CASH COMMODITIES HEDGED
<input type="checkbox"/> LIVESTOCK FEEDER (F): Specify _____ (e.g., cattle feeder, hog feeder, poultry feeder)		
<input type="checkbox"/> LIVESTOCK SLAUGHTERER (S): Specify _____		
<input type="checkbox"/> OTHER (O): Specify _____ (e.g., cow/calf operator, meat processor, bacon slicer, warehouseman, restaurant chain, swaps/derivatives dealer)		

**IV. Related Matters**

**A. The Regulatory Flexibility Act**

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601 *et seq.*, requires that agencies consider the impact of their rules on small businesses. The Commission has previously determined that large traders and FCMs are not "small entities" for purposes of the RFA. 47 FR 18618-18621 (April 30, 1982). The final amendments to reporting requirements fall mainly upon FCMs. Similarly, foreign brokers and foreign traders report only if carrying or holding reportable, *i.e.*, large positions. In addition, these final amendments relieve a regulatory burden. Accordingly, the Chairman, on behalf of the Commission, hereby certifies, pursuant to 5 U.S.C. 605(b), that the action taken herein will not have a significant economic impact on a substantial number of small entities.

**B. Paperwork Reduction Act**

Commission Rule 15.03 affects the collection requirements of Part 17 and Part 18 rules. Former Commission Rules 16.02 and 16.03 contained information collection requirements. Commission Rule 17.01 contains information collection requirements. As the Paperwork Reduction Act of 1995 (Pub. L. 104-13 (May 13, 1996)) requires, the Commission submitted a copy of these rules and the associated paperwork burden to the Office of Management and Budget (OMB) for its review (44 U.S.C. 3504(h)) and requested comments on the paperwork burden from the public.

The Commission did not receive comments addressing this specific associated paperwork burden. The Commission did receive and address, however, comments concerning the information that would be collected under the proposed rules.

OMB previously approved the collection of information related to these rules as information collection (3038-0009), Large Trader Reports. The final rules the Commission adopted, which have been submitted to OMB for approval, have the following paperwork burden:

- Number of respondents:* 5,391.
- Estimated average hours per response:* .35.
- Frequency of response:* daily.
- Number of responses per year:* 70,940.
- Annual reporting burden:* 24,829.

This represents a reduction of 1,426 burden hours as a result of the rule changes adopted to increase the reporting levels. Persons wishing to comment on the paperwork burden contained in the final rules may contact the Desk Officer, CFTC, Office of Management and Budget, Room 10202, NEOB, Washington, DC 20503, (202) 395-7340. Copies of the information collection submission to OMB are available from the CFTC Clearance Officer, 1155 21st Street, NW, Washington, DC 20581, (202) 418-5160.

**List of Subjects**

*17 CFR Part 15*

Brokers, Reporting and recordkeeping requirements.

*17 CFR Part 16*

Commodity futures, Reporting and recordkeeping requirements.

*17 CFR Part 17*

Brokers, Commodity futures, Reporting and recordkeeping requirements.

In consideration of the foregoing, and pursuant to the authority contained in the Act, and, in particular, sections 4g, 4i, 5 and 8a of the Act, 7 U.S.C. 6g, 6i, 7 and 12a (1994), the Commission hereby amends Parts 15, 16 and 17 of Chapter I of Title 17 of the Code of Federal Regulations as follows:

**PART 15—REPORTS—GENERAL PROVISIONS**

1. The authority citation for part 15 continues to read as follows:

**Authority:** 7 U.S.C. 2, 4, 5, 6a, 6c, (a)-(d), 6f, 6g, 6i, 6k, 6m, 6n, 7, 9, 12a, 19 and 21; 5 U.S.C. 552 and 552(b).

2. § 15.03 is revised to read as follows:

**§ 15.03 Reporting Levels.**

(a) Definitions. For purposes of this section, the term major foreign currency means the currencies and cross-rates between the currencies of Japan, Germany, the U.K., France, Italy, Canada, Australia, Switzerland, Sweden, Belgium, the Netherlands and the Euro.

(b) The quantities for the purpose of reports filed under Parts 17 and 18 of this chapter are as follows:

Commodity	Number of contracts
<b>Agricultural:</b>	
Wheat .....	100
Corn .....	150
Oats .....	60
Soybeans .....	100
Soybean Oil .....	200
Soybean Meal .....	200
Cotton .....	50
Frozen Concentrated Orange Juice .....	50
Rough Rice .....	50
Live Cattle .....	100
Feeder Cattle .....	50
Lean Hogs .....	100
Sugar No. 11 .....	400
Sugar No. 14 .....	100
Cocoa .....	100
Coffee .....	50
<b>Natural Resources:</b>	
Copper .....	100
Gold .....	200
Silver Bullion .....	150
Platinum .....	50
No. 2 Heating Oil .....	250
Crude Oil, Sweet .....	350
Unleaded Gasoline .....	150
Natural Gas .....	175

Commodity	Number of contracts
Financial:	
Municipal Bond Index .....	300
3-month (13-Week) U.S. Treasury Bills .....	150
30-Year U.S. Treasury Bonds .....	1,000
10-Year U.S. Treasury Notes .....	1,000
5-Year U.S. Treasury Notes .....	800
2-Year U.S. Treasury Notes .....	500
3-Month Eurodollar Time Deposit Rates .....	1,000
30-Day Fed Funds .....	300
1-month LIBOR Rates .....	300
3-month Euroyen .....	100
Major-Foreign Currencies .....	400
Other Foreign Currencies .....	100
U.S. Dollar Index .....	50
S&P 500 Stock Price Index .....	1,000
E-Mini S&P Stock Price Index .....	300
S&P 400 Midcap Stock Index .....	100
Dow Jones Industrial Average Index .....	100
New York Stock Exchange Composite Index .....	50
Amex Major Market Index, Maxi .....	100
NASDAQ 100 Stock Index .....	100
Russell 2000 Stock Index .....	100
Value Line Average Index .....	50
NIKKEI Stock Index .....	100
Goldman Sachs Commodity Index .....	100
All Other Commodities .....	25

**PART 16—REPORTS BY CONTRACT MARKETS**

3. The authority citation for Part 16 continues to read as follows:

**Authority:** 7 U.S.C. 6a, 6c, 6g, 6i, 7 and 12a.

4. Sections 16.02 and 16.03 are removed and reserved.

**PART 17—REPORTS BY FUTURES COMMISSION MERCHANTS, MEMBERS OF CONTRACT MARKETS AND FOREIGN BROKERS**

5. The authority citation for part 17 continues to read as follows:

**Authority:** 7 U.S.C. 6a, 6c, 6d, 6f, 6g, 6i, 7 and 12a unless otherwise noted.

6. § 17.01 is amended by removing and reserving paragraphs (b)(3)(ii) and (c) and by revising paragraph (b)(3)(iii) to read as follows:

**§ 17.01 Special account designation and identification.**

\* \* \* \* \*

(b) \* \* \*

(3) \* \* \*

(ii) [Reserved].

(iii) If fewer than ten accounts are under control of the independent advisor, for each account the account number and the name and location of each person having a ten percent or more financial interest in the account; and

(c) [Reserved].

\* \* \* \* \*

Issued in Washington, D.C., this 8th day of March 2000 by the Commission.

**Jean A. Webb,**

*Secretary of the Commission.*

[FR Doc. 00-6345 Filed 3-16-00; 8:45 am]

**BILLING CODE 6351-01-P**

**RAILROAD RETIREMENT BOARD**

**20 CFR Part 220**

**RIN 3220-AB41**

**Determining Disability**

**AGENCY:** Railroad Retirement Board.

**ACTION:** Final rule.

**SUMMARY:** The Railroad Retirement Board (Board) amends its regulations to increase from \$500 to \$700 the average monthly earnings guidelines used to determine whether work done by an individual may be considered regular employment. This change coincides with an increase in the guidelines contained in the regulations of the Social Security Administration for determining substantial gainful activity that became effective July 1, 1999.

**DATES: Effective Date:** This rule is effective March 17, 2000.

**Applicability Date:** This rule will be applied to all disability claims for which a final decision had not been rendered as of July 1, 1999.

**ADDRESSES:** Comments may be made to the Secretary to the Board, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611.

**FOR FURTHER INFORMATION CONTACT:**

Marguerite P. Dadabo, Senior Attorney, (312) 751-4945, TDD (312) 751-4701.

**SUPPLEMENTARY INFORMATION:** The Railroad Retirement Act provides for disability annuities for employees, widow(er)s, and children of deceased railroad employees who are unable to engage in any regular employment because of a permanent physical or mental impairment. Regular employment is defined by reference to the definition of substantial gainful activity under the Social Security Act. Sections 220.141 and 220.142 of the Board's regulations reflect this definition and define "substantial gainful activity" (SGA) as work activity that involves doing significant physical or mental activities for pay or profit. Work activity is gainful if it is the kind of work usually done for pay or profit, whether or not a profit is realized. Section 220.143 sets forth earnings levels at which the Board considers a disabled person to be engaged in SGA regardless of the severity of his or her impairment. The amount of average monthly earnings that ordinarily demonstrates SGA for people with an impairment has not been increased since January 1, 1990. Consequently, with respect to months after June 1999 the Board raises from \$500 to \$700 the average monthly earnings guidelines used to determine whether work done by a person with a disability is substantial gainful activity. The Board has determined that an increase in the amount of earnings that constitutes SGA