

**ACTION:** Notice of request for extension of OMB approval.

**SUMMARY:** The Pension Benefit Guaranty Corporation (PBGC) is requesting that the Office of Management and Budget (OMB) extend approval, under the Paperwork Reduction Act, of the collection of information (OMB control number 1212-0054; expires July 31, 2000) relating to model forms contained in the PBGC booklet, *Divorce Orders & PBGC*. The booklet provides guidance on how to submit a proper qualified domestic relations order (a "QDRO") to the PBGC. This notice informs the public of the PBGC's request and solicits public comment on the collection of information.

**DATES:** Comments should be submitted by July 24, 2000.

**ADDRESSES:** Comments should be mailed to the Office of Information and Regulatory Affairs of the Office of Management and Budget, Attention: Desk Officer for Pension Benefit Guaranty Corporation, Washington, DC 20503. Copies of the request for extension (including the collection of information) may be obtained by writing the Communications and Public Affairs Department, suite 240, 1200 K Street, NW., Washington, DC 20005-4026, or visiting that office between 9 a.m. and 4 p.m. on business days.

**FOR FURTHER INFORMATION CONTACT:** James L. Beller, Attorney, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005-4026, 202-326-4024. (For TTY and TDD, call the Federal relay service toll-free at 1-800-877-8339 and request connection to 202-326-4024.)

**SUPPLEMENTARY INFORMATION:** A defined benefit pension plan that does not have enough money to pay benefits may be terminated if the employer responsible for the plan faces severe financial difficulty, such as bankruptcy, and is unable to maintain the plan. In such an event, the PBGC becomes trustee of the plan and pays benefits, subject to legal limits, to plan participants and beneficiaries.

The benefits of a pension plan participant generally may not be assigned or alienated. Title I of ERISA provides an exception for domestic relations orders that relate to child support, alimony payments, or marital property rights of an alternate payee (a spouse, former spouse, child, or other dependent of a plan participant). The exception applies only if the domestic relations order meets specific legal requirements that make it a qualified domestic relations order.

When the PBGC is trustee of a plan, it reviews submitted domestic relations orders to determine whether the order is qualified before paying benefits to an alternate payee. For several years the PBGC has provided the public with model QDROs (and accompanying guidance) in the booklet, *Divorce Orders & PBGC*, that attorneys and other professionals who are preparing QDROs for plans trusted by the PBGC may submit to the PBGC after receiving court approval. The models and the guidance assist parties by making it easier to comply with ERISA's QDRO requirements in plans trusted by the PBGC.

Before providing the model forms and the QDRO booklet, the PBGC received many inquiries on the requirements for QDROs. Furthermore, many domestic relations orders, both in draft and final form, did not meet the applicable requirements. The PBGC worked with practitioners on a case-by-case basis to ensure that their orders were amended to meet applicable requirements. This process was time-consuming for practitioners and for the PBGC.

Since making the booklet and the model forms available, the PBGC has experienced a decrease in (1) the number of inquiries about QDRO requirements, (2) the number of orders that do not meet the applicable requirements, and (3) the amount of time practitioners and the PBGC need to spend to ensure that the orders meet the applicable requirements.

The requirements for submitting a QDRO are established by statute. The model QDROs and accompanying guidance do not create any additional requirements and will result in a reduction of the statutory burden. The PBGC estimates that it will receive 300 QDROs each year from prospective alternate payees; that the average burden of preparing a QDRO with the assistance of the guidance and model QDROs in PBGC's booklet will be  $\frac{1}{4}$  hour of the alternate payee's time and \$400 in professional fees if the alternate payee hires an attorney or other professional to prepare the QDRO, or 10 hours of the alternate payee's time if the alternate payee prepares the QDRO without hiring an attorney or other professional; and that the total annual burden will be 104.25 hours and \$118,800.

The PBGC is requesting a three-year extension of the paperwork approval relating to model forms contained in the PBGC booklet, *Divorce Orders & PBGC*. The collection of information has been approved through July 31, 2000, by OMB under control number 1212-0054. 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 OMB control number.

Issued in Washington, D.C., this 20th day of June, 2000.

**Stuart Sirkin,**

*Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation.*

[FR Doc. 00-15921 Filed 6-22-00; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

### Agency Meetings

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meetings during the week of June 26, 2000.

An open meeting will be held on Tuesday, June 27, 2000 at 10 a.m. in Room 1C30.

Commissioner Hunt, as duty officer, determined that no earlier notice thereof was possible.

The subject matter of the open meeting scheduled for Tuesday, June 27, 2000 will be:

The Commission will consider whether to propose rule amendments to its auditor independence requirements. The proposals are intended to modernize the Commission's regulations regarding:

(1) Investments by auditors or their family members in audit clients;

(2) Employment relationships between auditors or their family members and audit clients; and

(3) The scope of services provided by audit firms to their audit clients.

In addition, the rules would require companies to disclose in their annual proxy statements certain information about non-audit services provided by their auditors during the last fiscal year.

For further information, please contact John Morrissey or W. Scott Bayless at (202) 942-4400.

A closed meeting will be held on Wednesday, June 28, 2000 at 11 a.m.

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

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552(b)(4), (8), (9)(A) and (10) and 17 CFR 200.402(a)(4), (8), (9)(A) and

(10), permit consideration for the scheduled matters at the closed meeting.

The subject matters of the closed meeting scheduled for Wednesday, June 28, 2000 will be:

Institution and settlement of injunctive actions; and

Institution and settlement of administrative proceedings of an enforcement nature.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: June 21, 2000.

**Jonathan G. Katz,**  
Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-42952; File No. SR-Amex-00-25]

### Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval to Proposed Rule Change by American Stock Exchange LLC Relating to the Amendment of Exchange Rule 170

June 16, 2000.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on May 3, 2000, 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 and II below, which Items have been prepared by the Amex. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to approve the order on an accelerated basis.<sup>3</sup>

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

The Amex proposes to add new Commentary .10 to Exchange Rule 170

to require Floor Official approval for the deactivation of Quote Assist enhancement to the Amex Display Book by specialists on the equities floor. Proposed new language is italicized.

\* \* \* \* \*

*.10 Each specialist shall keep active at all times the quotation processing facilities (known as "Quote Assist") provided by the Exchange. A specialist may deactivate the quotation processing facilities as to a stock or a group of stocks provided that Floor Official approval is obtained. Such approval to deactivate Quote Assist must be obtained no later than three minutes from the time of deactivation.*

#### 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 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 III 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 January 1997, Commission Rule 11Ac1-4 under the Act ("Display Rule")<sup>4</sup> became effective. The Display Rule requires specialists to display immediately, *i.e.*, as soon as practicable, which under normal market conditions means no later than 30 seconds from the time of receipt, the price and full size of customer limit orders that would improve the bid or offer in a security. Subsequently, the Exchange implemented an Amex Display Book<sup>5</sup> enhancement to compute and disseminate a quote within the 30 second time frame. This enhancement, known as "Quote Assist," is designed to

help equities-floor specialists comply with the Display Rule.

Quote Assist monitors the limit order book for new orders and compares them to the published quotation. When a new order could improve the quote or increase the size at a quoted price, Quote Assist publishes a new quote 28 seconds after the order arrives if the specialist has not already done so. Quote Assist is always active at the beginning of the trading day. A specialist has the ability to deactivate Quote Assist as to a particular stock or stocks.

The Exchange proposes to add Commentary .10 to Rule 170 to provide that deactivation of Quote Assist will require that the specialist review that decision with a Floor Official. Floor official approval would only be granted in instances when there is an influx of orders resulting in gap pricing, when the specialist deactivates Quote Assist in connection with an outgoing commitment on the Intermarket Trading System ("ITS"), or other unusual circumstances.<sup>6</sup> Approval by a Floor Official to deactivate Quote Assist must be obtained as soon as practicable and must be obtained no later than three minutes from the time of deactivation. Floor Official approvals will be documented on a Floor Official approval form. If approval is not obtained within three minutes from the time of deactivation, the matter will be reviewed as a market surveillance issue by the Exchange.

The requirement to keep Quote Assist active is not meant to serve as a substitute for the actual posting of quotes by equity specialists. The Exchange represents that it will remind its equity specialists that they are not to rely solely on Quote Assist to generate quotes, since this would not comply with the Commission's requirements for limit order display. Rather, equity

<sup>6</sup> In a gap pricing situation, an influx of orders may cause a specialist to move the price of a security to a new level. In that situation, immediate display of a customer limit order could cause the order to be filled at the limit price, and would prevent the customer from obtaining the benefit of the new price. Conversation between Bill Floyd-Jones, Laurence McDonald, Arne Michelson, Amex, and Joshua Kans, Division, Commission, June 9, 2000.

In cases where a customer limit order leads a specialist to use ITS to send a commitment to trade to another market center, immediate display of the customer limit order in the specialist's quote may lead to the risk of a double execution and may cause a locked market. In any event, according to the Amex, an Amex specialist would not send a commitment over ITS if the order could be filled on the floor of Amex. *Id.*

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 19b-4.

<sup>3</sup> Amex clarified the proposed rule change's purpose in a discussion between Bill Floyd-Jones, Assistant General Counsel, Laurence McDonald, Managing Director, Arne Michelson, Senior Vice President, Amex, and Joshua Kans, Special Counsel, Division of Market Regulation ("Division"), Commission, on June 9, 2000.

<sup>4</sup> 17 CFR 240.11Ac1-4.

<sup>5</sup> The Amex Display Book ("ADB") is an electronic workstation at the trading post that keeps track of limit orders and incoming market orders. Various window-like screen applications allow the specialist to view one or more issues at a time at various levels of detail. Incoming limit orders automatically enter the ADB. When a floor broker gives the specialist a limit order, the specialist's clerk can enter the order into the ADB using the keyboard. The ADB sorts the limit orders and displays them in price/time priority.