

ACTION: Notice of hearings.

SUMMARY: On February 26, 2004, the Securities and Exchange Commission (the "Commission") approved for publication proposed Regulation NMS (the "Proposing Release"), which is designed to enhance and modernize the regulatory structure of the U.S. equity markets (Securities Exchange Act Release No. 34-49325). In connection with the Proposing Release, the Commission will hold public hearings to give the Commission the benefit of the views of interested members of the public regarding the issues raised and questions posed in the Proposing Release.

DATES: The initial public hearing will be held on April 1, 2004 in Washington, DC. A subsequent public hearing will be held on April 21, 2004 in New York, New York. The following information pertains to both hearings. The hearings will begin at 9 a.m. Both hearings will be broadcast live and access will be available via webcast on the Commission's Web site at <http://www.sec.gov>. Persons who wish to testify at either hearing must submit a written request to the Commission specifying the date on which they prefer to testify and, if they are flexible as to either date, to specify so in their request. The Commission must receive these requests on or before March 22, 2004. Persons requesting to testify must also submit three copies of their oral statements or a summary of their intended testimony to the Commission. The Commission must receive these submissions on or before March 26, 2004. Those who do not wish to appear at the hearings may submit written testimony on or before the end of the comment period for the Proposing Release, which is 75 days after publication of the Proposing Release in the **Federal Register** (May 24, 2004), for inclusion in the public comment file.

ADDRESSES: The April 1, 2004 hearing will be held in the William O. Douglas Room of the Commission's headquarters at 450 Fifth Street, NW., Washington, DC 20549. The April 21, 2004 hearing will be held at the InterContinental The Barclay New York at 111 East 48th Street, New York, NY 10017. Persons submitting requests to appear or written testimony in lieu of testifying should file three copies of the request or testimony with Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20459-0609. Persons requesting to appear should also submit three copies of their oral statement or summary of their testimony to the same

address. Requests to appear and copies of oral statements or summaries of intended testimony may be filed electronically at the following e-mail address: rule-comments@sec.gov. The words "Request to Testify" should be clearly noted on the subject line of the request. All requests and other submissions also should refer to File No. S7-10-04. Copies of all requests and other submissions and transcripts of the hearings will be available for public inspection and copying in the Commission's Public Reference Room at 450 Fifth Street, NW., Washington, DC 20549. All submitted requests and other materials will be posted on the Commission's Internet Web site (<http://www.sec.gov>). We do not edit personal information from submissions. You should submit only information that you wish to make available publicly.

FOR FURTHER INFORMATION CONTACT: Sapna C. Patel, Special Counsel, Office of Market Supervision, Division of Market Regulation, at (202) 942-0166, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-1001.

SUPPLEMENTAL INFORMATION:

I. Summary of Rule Proposals

The public hearings concern the Commission's proposed Regulation NMS. As more fully described in the Proposing Release¹ (available on the Commission's Web site at <http://www.sec.gov/rules/proposed/34-49325.htm>), Regulation NMS would incorporate four substantive proposals that are designed to enhance and modernize the regulatory structure of the U.S. equity markets. First, the Commission has proposed a uniform rule for all national market system ("NMS") market centers that, subject to certain exceptions, would require a market center to establish, maintain, and enforce policies and procedures reasonably designed to prevent "trade-throughs"—the execution of an order in its market at a price that is inferior to a price displayed in another market. Second, the Commission has proposed a market access rule that would modernize the terms of access to quotations and execution of orders in the NMS. The third proposal would prohibit market participants from accepting, ranking, or displaying orders, quotes, or indications of interest in a pricing increment finer than a penny, except for securities with a share price of below \$1.00. Finally, the Commission has proposed amendments to the rules and joint industry plans for

¹ Securities Exchange Act Release No. 49325 (February 26, 2004), 69 FR 11126 (March 9, 2004).

disseminating market information to the public that, among other things, would modify the formulas for allocating plan net income to reward markets for more broadly based contributions to public price discovery. The Commission also has proposed to redesignate the NMS rules adopted under Section 11A of the Securities Exchange Act of 1934 as Regulation NMS. The Commission will consider the hearing record in connection with its rulemaking proposals.

II. Procedures for Hearing

The Commission will publish a schedule of appearances for the April 1st hearing on or about March 26, 2004 and for the April 21st hearing on or about April 12, 2004. Based on the number of requests received, the Commission may not be able to accommodate all requests. The Commission may limit the time for formal presentations or group presentations into a series of panels. Time will be reserved for members of the Commission and Commission staff to pose questions to each witness concerning his or her testimony as well as other matters pertaining to the Proposing Release. The Commission has designated Jonathan G. Katz, Secretary of the Commission, as the hearing officer.

Dated: March 12, 2004.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04-6070 Filed 3-17-04; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[File No. 500-1]

In the Matter of World Information Technology, Inc.; Order of Suspension of Trading

March 16, 2004.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of World Information Technology, Inc. (the "Company"), trading under the stock symbol WRLT. Questions have been raised regarding: (i) The accuracy and completeness of information about the Company in filings with the Commission and in press releases concerning, among other things, the Company's financial condition, the Company's funding arrangements, and the resignations of the Company's former auditor and Chairman; and (ii)

transactions in the Company's securities by certain individuals associated with the Company.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above listed company.

Therefore, it is ordered, pursuant to section 12(k) of the Securities Exchange Act of 1934, that trading in the above listed company is suspended for the period from 9:30 a.m. EST, March 16, 2004, through 11:59 p.m. EST, on March 29, 2004.

By the Commission.

Jonathan G. Katz,

Secretary.

[FR Doc. 04-6186 Filed 3-16-04; 11:58 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49411; File No. SR-CBOE-2004-17]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 Thereto by the Chicago Board Options Exchange, Incorporated Establishing a Process for Approving Remote Electronic Designated Primary Market-Makers

March 12, 2004.

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 March 11, 2004, 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 March 11, 2004, the CBOE filed 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

The CBOE proposes to adopt new rules establishing a process for approving remote electronic Designated Primary Market-Makers ("e-DPMs").

Below is the text of the proposed rule change, as amended. Proposed new language is *italicized*.

* * * * *

Chicago Board Options Exchange, Incorporated Rules

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Rule 8.92 Electronic DPM Program

(a) [Reserved]

(b) Approval to Act as an e-DPM. Determinations regarding granting or withdrawing approval to act as an e-DPM shall be made by the Board of Directors or a committee designated by the Board of Directors. A member organization desiring to be approved to act as an e-DPM shall file an application with the Exchange on such form or forms as the Exchange may prescribe. The Exchange shall determine the appropriate number of approved e-DPMs per option class. Factors to be considered in approving an e-DPM may include any one or more of the following:

(i) adequacy of resources including capital, technology, and personnel;

(ii) history of stability, superior electronic capacity, and superior operational capacity;

(iii) market-making and/or specialist experience in a broad array of securities;

(iv) ability to interact with order flow in all types of markets;

(v) existence of order flow commitments;

(vi) willingness to accept allocations as an e-DPM in options underlying at least 400 securities; and

(vii) willingness and ability to make competitive markets on the Exchange and otherwise to promote the Exchange in a manner that is likely to enhance the ability of the Exchange to compete successfully for order flow in the options it trades.

In selecting an applicant for approval as an e-DPM, the Exchange may place one or more conditions on the approval concerning the operations of the applicant and the number of option classes which may be allocated to the applicant. Each e-DPM shall retain its approval to act as an e-DPM until the Exchange relieves the e-DPM of its approval and obligations to act as an e-DPM or the Exchange terminates the e-DPM's approval to act as an e-DPM pursuant to Exchange Rules. An e-DPM may not transfer its approval to act as an e-DPM unless approved by the Exchange.

(c)-(e) [reserved]

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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 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. The 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

During 2004, CBOE will propose significant enhancements to its Hybrid Trading System. Among those will be the addition of a proposed new category of CBOE market making participants—e-DPMs. e-DPMs, if approved by the Commission, will be member organizations appointed to operate on CBOE as competing DPMs in a broad number of option classes. Rules governing e-DPMs' trading procedures and obligations are being submitted to the Commission as part of a separate rule filing. The purpose of this filing is to establish rules and criteria to allow CBOE to appoint e-DPMs. Any such appointments would be contingent on Commission approval of CBOE rules governing e-DPM trading procedures and obligations.

The CBOE expects to approve/appoint a limited number of e-DPMs. The Exchange's Board of Directors has established a special appointments committee to select the firms that would be designated as e-DPMs, and to make initial e-DPM option class allocations. The committee consists of the Lessor Director, two Public Directors, the Vice Chairman, and the President. Candidates seeking appointment as an e-DPM will be evaluated on the basis of how well they meet the following criteria:

- Significant market-making and/or specialist experience in a broad array of securities;
- Superior resources, including capital, technology and personnel;
- Demonstrated history of stability, superior electronic capacity, and superior operational capacity;
- Proven ability to interact with order flow in all types of markets;
- Existence of order flow commitments;

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1 replaces and supercedes the CBOE's original 19b-4 filing in its entirety.