

equity options at 1:02 p.m. instead of the existing close of 1:10 p.m.

The Exchange also proposes to amend Rule 6.64, Commentary .01(b), regarding transactions which may be effected in a class of options after the close, to conform to the change to a 1:02 p.m. close. Finally, the Exchange proposes to amend Rule 7.15, which specifies a cut-off time of 1:20 p.m. or a time designated to be five minutes after the close for preparing or submitting either a memorandum to exercise or an "exercise advice" for the exercise of index option contracts. The Exchange proposes to eliminate the references to 1:20 p.m. so that under amended Rule 7.15 such memoranda and advices will have to be submitted no later than five minutes after the close of index option trading.⁶

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and in particular, Section 6(b)(5).⁷ Section 6(b)(5) requires, among other things, that the rules of an exchange be designed to promote just and equitable principles of trade, perfect the mechanism of a free and open national market, and in general, to further investor protection and the public interest.

The Commission believes that it is reasonable for the Exchange to amend its rules to close trading in equity options at 1:02 p.m., versus the existing 1:10 p.m. close. Changing the closing time for these options to 1:02 p.m. preserves the Exchange's stated need to continue trading options for some period of time after the close of trading in the underlying securities. The Exchange has stated that this two minute extension from the close of the stock markets will allow options traders to respond to late reports of closing prices over the consolidated tape, thereby bringing options quotes into line with the closing price of the underlying security. Due to improvements in the processing and reporting of transactions, the Exchange believes that two minutes of options trading after the underlying equities close is sufficient to bring options quotes into line with the closing prices of the underlying securities.

As discussed in similar rule filings submitted to the Commission, the

Chicago Board Options Exchange, Inc. ("CBOE") and the American Stock Exchange, Inc. ("Amex") state that a number of issuers have adopted the practice of disseminating important corporate news after the close of trading on the primary equity exchange in order to minimize the short-term disruptive effect of the news on the market price of the stock by allowing investors the opportunity to digest the significance of the news after the markets have closed.⁸ These announcements, if made while options markets are still trading, impact narrow-based index options, as well as equity options, because a significant news announcement on one component of a narrow-based index may have substantial impact on that index. As a result, the exchanges are often deluged with option orders as a result of such significant news announcements after 3:00 p.m. The exchanges state that these orders may have a disruptive effect on the options market at a time when the exchanges are attempting to close in a fair and orderly fashion.

Accordingly, the Commission finds that a closing time of 1:02 p.m. for equity options is a reasonable means to address the Exchange's desire to balance the need for some extended trading period with the need to prevent negative impact from issuers' major news announcements made while only the options markets remain open.

The Commission also finds that it is reasonable for the Exchange to amend Rule 7.15 to remove the reference to the closing time, and instead to specify that index option stock contract exercise notices must be given five minutes after the close of trading. Finally, the Commission finds it is reasonable for the Exchange to amend Rules 6.64, Commentary .01(b) and 7.15 to conform to the change to a 1:02 p.m. close.

It is contemplated that the Exchange will implement this rule change on or about June 23, 1997.⁹

IV. Conclusion

For the reasons discussed above, the Commission finds that the proposal is consistent with the Act, and, in particular, Section 6 of the Act.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (SR-PSE-96-41) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

⁸ See SR-CBOE-96-71 and SR-AMEX-96-45.

⁹ Phone conversation between Michael Pearson, Exchange and Janice Mitnick, Commission, May 14, 1997.

¹⁰ 15 U.S.C. § 78s(b)(2).

¹¹ 17 CFR 200.30-3(a)(12).

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SELECTIVE SERVICE SYSTEM

Form Submitted to the Office of Management and Budget for Extension of Clearance

The form described below has been modified and submitted to the Office of Management and Budget (OMB) for extension of clearance in compliance with the Paperwork Reduction Act (44 U.S.C. Chapter 35):

SSS Form 22

Title: Claim Documentation Form—Conscientious Objector.

Purpose: Is used to document a claim for classification as a conscientious objector.

Respondents: Registrants who claim to be conscientious objectors.

Frequency: One-time.

Burden: The reporting burden is one hour per individual.

Copies of the above identified form can be obtained upon written request to the Selective Service System, Reports Clearance Officer, Arlington, Virginia, 22209-2425.

Written comments and recommendations for the proposed extension of clearance of the form should be sent within 30 days of publication of this notice to the Selective Service System, Reports Clearance Officer, Arlington, Virginia, 22209-2425.

A copy of the comments should be sent to Office of Information and Regulatory Affairs, Attention: Desk Officer, Selective Service System, Office of Management and Budget, New Executive Office Building, Room 3235, Washington, D.C. 20435.

Dated: May 14, 1997.

Gil Coronado,

Director.

[FR Doc. 97-13474 Filed 5-21-97; 8:45 am]

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SELECTIVE SERVICE SYSTEM

Privacy Act of 1974; Computer Matching Between the Selective Service System and the Department of Education

AGENCY: Selective Service System.

ACTION: Notice.

In accordance with the Privacy Act of 1974 (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988 (Pub. L. 100-

⁶ The Exchange is not proposing to change the related rule on equity options, Rule 6.24, which provides for an exercise cut-off time of 2:30 p.m.

⁷ 15 U.S.C. § 78f(b)(5).

503), and the Office of Management and Budget (OMB) Guidelines on the Conduct of Matching Programs (54 FR 25818 (June 19, 1989)), and OMB Bulletin 89-22, the following information is provided:

1. *Name of participating agencies.* The Selective Service System (SSS) and the Department of Education (ED).

2. *Purpose of the match.* The purpose of this matching program is to ensure that the requirements of section 12(f) of the Military Selective Service Act (50 U.S.C. App. 462(f)) are met.

3. *Authority for conducting the matching program.* Computerized access to the Selective Service Registrant Registration Records (SSS 10) enables the Department of Education to confirm the registration status of applicants for assistance under Title IV of the Higher Education Act of 1965 (HEA), as amended (20 U.S.C. 1070 *et seq.*). Section 12(f) of the Military Selective Service Act, as amended (50 U.S.C. App. 462(f)), denies eligibility for any form of assistance or benefit under Title IV of the HEA to any person required to present himself and submit to registration under section 3 of the Military Selective Service Act who fails to do so in accordance with that section and any rules and regulations issued under that section. In addition, the Military Selective Service Act and section 484(n) of the HEA which allows the data match to fulfill the statement requirement specifies that any person required to present himself and submit to registration under section 3 of the Military Selective Service Act file a statement that he is in compliance with the Military Selective Service Act. Furthermore, section 12(f)(3) of the Military Selective Service Act authorizes the Secretary of Education, in agreement with the Director of the Selective Service System, to prescribe methods for verifying the statements of compliance filed by students.

Section 484(n) of the Higher Education Act of 1965, as amended (20 U.S.C. 1091(n)), requires the Secretary of Education to conduct data base matches with the Selective Service System, using common demographic data elements, to enforce the Selective Service registration provisions of the Military Selective Service Act (50 App. U.S.C. 462(f)), and further states that appropriate confirmation of a person's registration shall fulfill the requirement to file a separate statement of compliance.

4. *Categories of records and individuals covered.* (1) Federal Student Aid Application File (18-40-0014). Individuals covered are men born after

December 31, 1959, but at least 18 years old by June 30 of the applicable award year. (2) Selective Service Registration Records (SSS 10).

5. *Inclusive dates of the matching program.* Commence on July 1, 1997 or 40 days after copies of the agreement are transmitted simultaneously to the Committee on Governmental Affairs of the Senate, the Committee on Government Reform and Oversight of the House of Representatives, and the Office of Management and Budget, whichever is later, and remain in effect for eighteen months unless earlier terminated or modified by agreement of the parties.

6. *Address for receipt of public comments or inquiries.* Justo Gonzalez, Jr., COL EN, Director for Operations, 1515 Wilson Boulevard, Arlington, VA 22209-2425.

Dated: May 14, 1997.

Gil Coronado,

Director.

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DEPARTMENT OF STATE

[Public Notice No. 2543]

Determination and Certification Under Section 40A of the Arms Export Control Act

Pursuant to Section 40A of the Arms Export Control Act as added by the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104-132) (22 U.S.C. 2771 *et seq.*) (hereafter "the Act") and Executive Order 11958, as amended, I hereby determine and certify to the Congress that the following countries are not cooperating fully with United States antiterrorism efforts: Afghanistan; Cuba; Iran; Iraq; Libya; North Korea; Sudan; and Syria.

This determination and certification shall be transmitted to the Congress in accordance with Section 40A of the Act and published in the **Federal Register**.

Dated: May 9, 1997.

Strobe Talbott,

Acting Secretary of State.

[FR Doc. 97-13382 Filed 5-21-97; 8:45 am]

BILLING CODE 4710-10-M

DEPARTMENT OF STATE

[Public Notice No. 2549]

Shipping Coordinating Committee Subcommittee on Safety of Life at Sea Working Group on Radiocommunications and Search and Rescue; Notice of Meetings

The Working Group on Radiocommunications and Search and Rescue of the Subcommittee on Safety of Life at Sea will conduct open meetings at 9:30 a.m. on Wednesday, July 23, September 24, October 15, December 10, 1997, February 11, and March 18, 1998. These meetings will be held in the Department of Transportation Headquarters Building, 400 Seventh Street, S.W., Washington, DC 20950. The purpose of these meetings is to prepare for, and review the results of, the Third Session of the International Maritime Organization (IMO) Subcommittee on Radiocommunications and Search and Rescue which is scheduled for the week of February 23, 1998, at the IMO headquarters in London, England. Among other things, the items of particular interest are:

- The implementation of the Global Maritime Distress and Safety System (GMDSS)
- Maritime Search and Rescue matters

Further information, including meeting agendas with meeting room numbers, minutes, and input papers, can be obtained from the Coast Guard Navigation Information Center Internet World Wide Web by entering:

"<http://www.navcen.uscg.mil/marcomms/imo/imo.htm>"

Members of the public may attend these meetings up to the seating capacity of the rooms. Interested persons may seek information, including meeting room numbers, by writing: Mr. Ronald J. Grandmaison, U.S. Coast Guard Headquarters, Commandant (G-SCT-2), Room 6509, 2100 Second Street, S.W., Washington, DC 20593-0001, by calling: (202) 267-1389, or by sending Internet electronic mail to

rgrandmaison@comdt.uscg.mil.

Dated: May 14, 1997.

Russell A. La Mantia,

Chairman, Shipping Coordinating Committee.

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