

regulatory, surveillance and other information from foreign jurisdictions.<sup>29</sup>

In order to address the above noted concerns and to comply with Commentary .03 of the SRO Rules, the SROs note that the Commission has entered into an MOU with the CVM. The Amex represents that it has an SSA with the Bovespa. The CBOE represents that it has an SSA with the Bovespa and the RJSE.<sup>30</sup> If the MOU ceases to exist, each SRO represents that it will contact the Commission immediately in order to enable the Commission to determine what measures should be taken with regards to the listing and trading of options of HOLDRs.<sup>31</sup> The Commission believes that the combination of the SSAs and the MOU satisfy the requirement of Commentary .03 of the SRO Rules. The Commission also notes that the SROs have relied on the SSAs and the MOU to trade options overlying Telebras ADSs.

For the reasons described above, the Commission finds good cause to approve the proposed rule changes, and Amex Amendment No. 1 and CBOE Amendment No. 1, prior to the thirtieth day after publication of notice of filing thereof in the **Federal Register**.

Specifically, Amex Amendment No. 1 clarifies the procedures to be followed in the event that a surveillance sharing arrangement with Brazil ceases to exist.<sup>32</sup> CBOE Amendment No. 1 clarifies, among other things, the Volume Requirement and five day Price Requirement that HOLDRs must satisfy in order to permit options trading overlying HOLDRs.<sup>33</sup> The Commission believes that the proposal will benefit investors who want to trade the Spin-Off ADSs in one exchange traded product, (similar to what investors trade through one Telebras ADS), and who

<sup>29</sup> An MOU provides a framework for mutual assistance in investigatory and regulatory matters. Generally, the Commission has permitted an SRO to rely on an MOU in the absence of an SSA only if the SRO receives an assurance from the Commission that such an MOU can be relied on for surveillance purposes and includes, at a minimum, the transaction, clearing and customer information necessary to conduct an investigation. See Securities Exchange Act Release No. 35184 (December 30, 1994) 60 FR 2616 (January 10, 1995). In addition, an SRO should nonetheless endeavor to develop SSAs with the foreign exchange that trades the underlying securities even if the SRO receives prior Commission approval to rely on an MOU in place of an SSA.

<sup>30</sup> Supra note 11.

<sup>31</sup> The Commission notes that although the Phlx does not have an SSA with the Bovespa or RJSE, the MOU alone satisfies the requirement of Commentary .03 of the SRO Rules. Furthermore, the Commission believes that in the case of the Amex and the CBOE, if the SSAs cease to exist but the MOU is still effective, the Amex and the CBOE are not required to notify the Commission.

<sup>32</sup> Supra note 4.

<sup>33</sup> Supra note 4.

seek to hedge their exposure through a single overlying options product. In addition, the Commission believes that any regulatory issues that are posed by options on HOLDRs have been adequately addressed by the SROs.

Accordingly, the Commission believes that it is consistent with Sections 6(b)(5) and 19(b)(2)<sup>34</sup> of the Act, to find that good cause exists to approve the proposed rule changes and Amex Amendment No. 1 and CBOE Amendment No. 1 on an accelerated basis.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule changes are 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. 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 with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW, Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the SROs. All submissions should refer to File Nos. SR-Amex-98-28, SR-CBOE-98-32 and SR-Phlx-98-33 and should be submitted by September 3, 1998.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act, that the proposed rule changes (SR-Amex-98-28, SR-CBOE-98-32 and SR-Phlx-98-33), and Amex Amendment No. 1 and CBOE Amendment No. 1, are approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>35</sup>

**Jonathan G. Katz,**  
Secretary.

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<sup>34</sup> 15 U.S.C. 78s(b)(2).

<sup>35</sup> 17 CFR 200.30-3(a)(12).

#### TENNESSEE VALLEY AUTHORITY

##### Paperwork Reduction Act of 1995, as Amended by P.L. 104-13; Submission for OMB Review; Comment Request

**AGENCY:** Tennessee Valley Authority.  
**ACTION:** Submission for OMB Review; comment request.

**SUMMARY:** The proposed information collection described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended). The Tennessee Valley Authority is soliciting public comments on this proposed collection as provided by 5 C.F.R. Section 1320.8(d)(1). Requests for information, including copies of the information collection proposed and supporting documentation, should be directed to the Agency Clearance Officer: Wilma H. McCauley, Tennessee Valley Authority, 1101 Market Street (WR 4Q), Chattanooga, Tennessee 37402-2801; (423) 751-2523.

Comments should be sent to the OMB Office of Information and Regulatory Affairs, Attention: Desk Officer for the Tennessee Valley Authority September 14, 1998.

*Type of Request:* Regular submission.

*Title of Information Collection:* TVA Aquatic Plant Management.

*Frequency of Use:* On occasion.

*Type of Affected Public:* Individuals or households.

*Small Businesses or Organizations Affected:* No.

*Federal Budget Functional Category Code:* 452.

*Estimated Number of Annual Responses:* 2,000.

*Estimated Total Annual Burden Hours:* 400.

*Estimated Average Burden Hours Per Response:* .2.

*Need For and Use of Information:* TVA committed to involving the public in developing plans for managing aquatic plants in individual TVA lakes under a Supplemental Environmental Impact Statement completed in August 1993. This proposed survey will provide a mechanism for obtaining input into this planning process from a representative sample of people living near each lake. The information obtained from the survey will be factored into the development of aquatic plant management plans for mainstream Tennessee River lakes.

**William S. Moore,**  
Senior Manager, Administrative Services.  
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