

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

Rule 17a-3 [17 CFR 240.17a-3] under the Securities Exchange Act of 1934 requires records to be made by certain exchange members, brokers, and dealers, to be used in monitoring compliance with the Commission's financial responsibility program and antifraud and antimanipulative rules as well as other rules and regulations of the Commission and the self-regulatory organizations. It is estimated that approximately 6,900 active broker-dealer respondents registered with the Commission incur an average burden of 2,421,195 hours per year to comply with this rule. The Commission believes that requirements included in Rule 17a-3(a)(17) relating to new account data would be performed by clerical workers. The hourly wage of the average person who would be providing customers with account record information is \$24 per hour.¹ The hourly wage of the average person who would be updating account record information is \$25 per hour.² Thus the aggregate cost of these hours is about \$16.86 million ((601,753 hours × \$24)³ + (96,742 hours × \$25)⁴). The Commission believes that requirements contained in the rest of Rule 17a-3 would be performed by individuals in a broker-dealer's compliance department at \$82 per hour.⁵ Thus, the dollar cost of the 4,600 yearly hours incurred as a result of these rules is 1,722,700 × 82 = \$171.66 million. The total cost of ongoing compliance with Rule 17a-3 is \$16.86 + \$171.66 = \$188.52 million.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the

quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Direct your written comments to R. Corey Booth, Director/Chief Information Officer, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, NW., Washington, DC 20549.

Dated: September 8, 2004.

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[File No. 22-28755]

Application and Opportunity for Hearing: Petroleos Mexicanos and the Pemex; Project Funding Master Trust

September 10, 2004.

The Securities and Exchange Commission gives notice that Petroleos Mexicanos (Pemex) and the Pemex Project Funding Master Trust have filed an application under Section 304(d) of the Trust Indenture Act of 1939. Pemex and the Master Trust ask the Commission to exempt from the provisions of Section 316(b) of the 1939 Act: (1) An indenture between Pemex, certain subsidiary guarantors of Pemex and Deutsche Bank Trust Company Americas, as trustee and (2) an indenture between the Master Trust, Pemex as guarantor, certain subsidiary guarantors of Pemex and Deutsche Bank Trust Company Americas, as trustee. The indentures relate to debt securities of Pemex and the Master Trust that will be issued in the future and that will be qualified under the 1939 Act.

Section 304(d) of the 1939 Act, in part, authorizes the Commission to exempt conditionally or unconditionally any indenture from one or more provisions of the 1939 Act. The Commission may provide an exemption under Section 304(d) if it finds that the exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the 1939 Act.

Section 316(b) provides, with stated exceptions, that, the right of any holder

of any indenture security to receive payment of the principal of and interest on such indenture security, on or after the respective due dates expressed in such indenture security, or to institute suit for the enforcement of any such payment on or after such respective due dates, shall not be impaired or affected without the consent of such holder

* * *

The application requests an exemption from Section 316(b) to allow the inclusion of a "collective action clause" in each of the indentures at issue. These collective action clauses would permit, under specified circumstances described in the application, an amendment of payment terms (including the amount due as principal or interest and the maturity date) with the consent of the holders of a supermajority (75%) of the outstanding principal amount of debt securities. Absent an exemption, the 1939 Act would preclude the inclusion of collective clauses in indentures qualified under the 1939 Act.

In their application, Pemex and the Master Trust allege that:

1. Pemex is a decentralized entity of the federal government of Mexico. It is wholly owned and controlled by the Mexican federal government and thus has no private shareholders. Because Mexico does not guarantee Pemex's debt, Pemex is not considered a foreign government or political subdivision of the Mexican government for the purposes of Schedule B of the Securities Act of 1933, and instead follows the rules and regulations applicable to foreign private issuers. Furthermore, in connection with offerings registered under the 1933 Act, Pemex and the Master Trust qualify their indentures under the 1939 Act based on the understanding that a government guaranty would be necessary for Pemex and the Master Trust to fall within the exemption provided by Section 304(a)(6) of the 1939 Act.

2. Under a subsidiary guarantee agreement, Pemex's three principal operating subsidiaries, each of which is also a decentralized public entity of the federal government of Mexico, jointly and severally guarantee payment of principal and interest on Pemex's debt.

3. The Master Trust is a Delaware statutory trust established by Pemex as a financing vehicle to segregate the funding of its long-term productive infrastructure projects and take advantage of preferential budgetary treatment. Pemex is the only beneficiary of the Master Trust and controls the Master Trust in all of its activities. Pemex guarantees all of the Master Trust's debt, and the subsidiary

¹ This figure is based on the SIA Report on Office Salaries in the Securities Industry 2003 (Retail Sales Assistant, Junior) and includes 35% for overhead charges.

² This figure is based on the SIA Report on Office Salaries in the Securities Industry 2003 (Data Entry Clerk, Senior) and includes 35% for overhead charges.

³ This figure comes to approximately \$14,442,072.

⁴ This figure comes to approximately \$2,418,550.

⁵ This figure is based on statistics collected by the Commission's Office of Economic Analysis.

guarantors, in turn, jointly and severally guarantee Pemex's payment obligations as guarantors. The Master Trust has no shareholders, issues no subordinated debt and is consolidated into Pemex's consolidated financial statements prepared in accordance with Mexican generally accepted accounting principles.

4. As noted above, in connection with previous offerings registered under the 1933 Act, including exchange offers, Pemex and the Master Trust have qualified their indentures under the 1939 Act. Pemex and the Master Trust will qualify the indentures at issue under the 1939 Act.

5. Mexican government debt restructurings have proceeded in tandem with Pemex's debt restructuring primarily because Pemex's debt makes up a substantial part of Mexican public sector debt and, accordingly, investors view the debt of Pemex (and the Master Trust) and the debt of Mexico as inextricably connected. Any future debt restructuring of Mexico's public debt would thus be expected to include the debt of Pemex and the Master Trust.

6. Mexico, as a sovereign issuer to which the 1939 Act does not apply pursuant to Section 304(a)(6) of the 1939 Act, recently introduced collective action clauses in its debt securities. The collective action clauses permit amendment of the payment terms and certain key nonfinancial terms with the consent of the holders of 75% of the outstanding principal amount of the debt securities. Because Mexican government debt restructurings have historically been negotiated and implemented in tandem with restructuring of the debt of Pemex, Pemex and the Master Trust request that they be permitted to issue debt securities in the future under indentures that contain collective action clauses similar to those that the Mexican government has recently introduced.

7. The collective action clauses are contained in sections 9.02 of the indentures that have been submitted as Exhibit A and Exhibit B to the application. These provisions are designed to ensure that the collective action clauses are narrowly tailored to be invoked only in situations in which an effective restructuring of Pemex's and the Master Trust's debt is necessary in order to effect a tandem general restructuring of the Mexican government's debt. Specifically, the proposed collective action clauses would permit amendments to payment terms with the consent of the holders of 75% of the principal amount of the series of debt securities affected thereby in the event that such an amendment is

being made in connection with a "General Restructuring" by Mexico. "General Restructuring" is defined as a request by Mexico for an amendment or an exchange offer by Mexico, each of which affects a matter that would (if made to Pemex's or the Master Trust's debt securities) constitute a "Reserved Matter," and that applies to either (1) at least 75% of the aggregate principal amount of outstanding Mexico External Market Debt that will become due and payable within a period of five years following such request or exchange offer or (2) at least 50% of the aggregate principal amount of Mexico External Market Debt outstanding at the time of such request or exchange offer. Mexico External Market Debt is defined as all debt securities issued by the Mexican government and indebtedness of the Mexican government for borrowed money which is payable or at the option of its holder may be paid in a currency other than Mexican pesos, excluding any such indebtedness that is owed to or guaranteed by multilateral creditors, export credit agencies and other international or governmental institutions. The principal amount of Mexico External Debt that is the subject of any request by Mexico for such an amendment will be added to the principal amount of Mexico External Market Debt that is the subject of a substantially contemporaneous exchange offer by Mexico for the purposes of determining the existence of a general restructuring.

8. As decentralized entities of the federal government, like the Mexican government itself, Pemex and its subsidiary guarantors are not subject to commercial bankruptcy protection under Mexican law or Chapter 11 of the U.S. Bankruptcy Code. Although the Master Trust is eligible for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code, in the event of such a filing or reorganization thereunder, the Master Trust's creditors could still continue to enforce their rights against Pemex under its guaranty of the Master Trust's debt securities notwithstanding any such filing or proceeding. Because a bankruptcy filing by the Master Trust would not affect Pemex's and the subsidiary guarantors' obligations as guarantors, Pemex and the Master Trust are thus not able to avail themselves of the benefits of consensual debt restructuring that are afforded other companies under Mexican and U.S. bankruptcy law.

9. Because Pemex, like the Mexican government, has no recourse to formal bankruptcy or reorganization proceedings under Mexican or U.S. law, with respect to its own debt securities

or its guaranty of the debt securities issued by the Master Trust, and given the practical impossibility of obtaining consents from the holders of 100% of the debt that will be issued, the collective clauses are necessary for an effective restructuring of the external bonds of Pemex and the Master Trust.

10. The proposed collective action clauses would place an investor in debt securities issued or guaranteed by Pemex in no materially worse position than it would be in were Pemex able to avail itself of Mexican or U.S. bankruptcy proceedings.

11. In addition to the collective action clauses, Pemex and the Master Trust propose to increase the percentage of holders needed to consent to modifications of certain key nonpayment terms, expand the scope of persons who are excluded from voting and quorum purposes and add a restriction on their ability to issue further debt securities that are fungible with the debt securities originally issued at a discount. These measures are intended to provide a further safeguard against the potential abuses that the 1939 Act intended to rectify and protect investors from other coercive measures.

Any interested persons should look to the application for a more detailed statement of the asserted matters of fact and law. The application is on file in the Commission's Public Reference Section, File Number 22-28755, 450 Fifth Street, NW., Washington, DC 20549.

The Commission also gives notice that any interested persons may request, in writing, that a hearing be held on this matter. Interested persons must submit those requests to the Commission no later than October 12, 2004. Interested persons must include the following in their request for a hearing on this matter:

- The nature of that person's interest;
- The reasons for the request; and
- The issues of law or fact raised by the application that the interested person desires to refute or request a hearing on.

The interested person should address this request for a hearing to: Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. At any time after October 12, 2004, the Commission may issue an order granting the application, unless the Commission orders a hearing.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. E4-2205 Filed 9-15-04; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27889]

Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")

September 9, 2004.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by October 4, 2004, to the Secretary, Securities and Exchange Commission, Washington, DC 20549-0609, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After October 4, 2004, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Exelon Corporation, et al. (70-9645)

Exelon Corporation, a registered holding company under the Act ("Exelon") at 10 South Dearborn Street, 37th Floor, Chicago, Illinois and three subsidiary companies, Commonwealth Edison Company, an electric public-utility company and a holding company exempt from registration by order under section 3(a)(1) of the Act ("ComEd"), at 10 South Dearborn Street, 37th Floor, Chicago, Illinois, PECO Energy Company, a public-utility company ("PECO"), at 2301 Market Street,

Philadelphia, Pennsylvania and Exelon Generation Company, LLC, a public-utility company ("Genco"), at 300 Exelon Way, Kennett Square, Pennsylvania (collectively "Applicants"), have filed a post-effective amendment under sections 9, 10 and 11 of the Act to an application/declaration previously filed.

PECO is a public-utility company engaged in the purchase, transmission, distribution and sale of electricity and the purchase, distribution and sale of natural gas in Pennsylvania. ComEd is a public-utility company and exempt holding company engaged in the purchase, transmission, distribution and sale of electricity in Illinois. Genco is a public-utility company engaged in the purchase, generation and sale of electricity in Pennsylvania, Illinois, and elsewhere.

In its order approving the merger ("Merger") that created Exelon (Holding Co. Act Release No. 27256, October 19, 2000) ("Merger Order"), the Commission found that the electric properties of Exelon and its subsidiary companies would be interconnected within the meaning of section 2(a)(29)(A) of the Act. That finding was based in part on the fact that Exelon had obtained a 100 MW firm west-to-east contract path ("Contract Path") from the interface of the transmission systems of American Electric Power Company, Inc. ("AEP") and ComEd to PJM Interconnection, LLC ("PJM"). At the time of the Merger, PECO was a member of what was then the PJM independent system operator. Exelon committed to file a post-effective amendment seeking Commission approval of any alternative arrangement to satisfy the interconnection requirement. Exelon asserts that AEP will join PJM effective October 1, 2004. According to Exelon, upon integration of AEP into PJM, the transmission facilities of ComEd will be physically interconnected with those of PECO through the facilities of other members of PJM. Accordingly, Exelon requests that the Commission issue an order finding that, once AEP joins PJM, the Exelon interconnection requirement will be satisfied by the membership of ComEd and PECO in PJM. Exelon asks the Commission to further determine that, with the entry of AEP into PJM, Exelon is not required to renew the Contract Path as a basis for interconnection under the Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-50341; File No. SR-BSE-2004-14]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change, and Amendment No. 1 Thereto, by the Boston Stock Exchange, Inc. To Amend Its Intermarket Options Linkage Rules

September 9, 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 April 6, 2004, the Boston Stock Exchange, Inc. ("BSE" or "Exchange") submitted to 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 BSE. On June 9, 2004, the BSE submitted 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 BSE proposes to amend its rules relating to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage ("Linkage Plan").

The text of the proposed rule change, as amended, is below. Proposed additions are in *italics*.

* * * * *

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Letter from John Boese, BSE, to Nancy Sanow, Assistant Director, Division of Market Regulation ("Division"), Commission, dated June 8, 2004 ("Amendment No. 1"). In Amendment No. 1, the BSE amended the proposed rule text to clarify that the general requirement that the Exchange's Firm Customer Quote Size ("FCQS") and Firm Principal Quote Size ("FPQS") be at least 10 contracts would not apply if the BSE were disseminating a quotation of fewer than 10 contracts. In that case, the Exchange may establish a FQCS or FPQS equal to its disseminated size.