City	Channel No.
Oakes, N. Dak.	222

7. It is further ordered, that this proceeding is terminated.

8. For further information concerning this proceeding, contact Philip S. Cross, Broadcast Bureau, (202) 632–5414.

(Secs. 4, 303, 48 stat., as amended, 1066, 1082; 47 U.S.C. 154, 303)

Federal Communications Commission.

Roderick K. Porter,

Chief, Policy and Rules Division, Broadcast Bureau.

[FR Doc. 82–29919 Filed 10–29–82; 8:45 am]

BILLING CODE 6712–01–M

47 CFR Part 73

[BC Docket No. 82–356; RM–4106]

Radio Broadcast Services; FM, Broadcast Station in Anson, Texas

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: Action taken herein assigns FM Channel 276A to Anson, Texas, in response to a petition filed by Lilly Amador ("petitioner"). The assigned channel could provide a first local aural service to Anson.

DATE: Effective December 27, 1982.

ADDRESS: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Mark N. Lipp, Broadcast Bureau, (202) 632–7792.

SUPPLEMENTARY INFORMATION:

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Adopted: October 18, 1982.

Released: October 26, 1982.

In the matter of amendment of § 73.202(b), table of assignments, FM broadcast stations. (Anson, Texas), BC Docket No. 82–356 RM–4106.

1. The Commission has under consideration the *Notice of Proposed Rule Making*, 47 FR 31018, published July 16, 1982, proposing the assignment of FM Channel 276A to Anson, Texas, as the community's first local FM channel in response to a petition filed by Lilly Amador ("petitioner"). Petitioner filed comments in support of the proposal and restated her intention to apply for the channel, if assigned. The channel can be assigned in compliance with the minimum distance separation requirements. No opposition to the proposal was received.

2. The Commission has determined that the public interest would be served by assigning FM Channel 276A to Anson, Texas, since it could provide a first local FM broadcast service to that community.

3. Accordingly, pursuant to the authority contained in sections 4(i), 5(d)(1), 303 (g) and (r) and 307(b) of the Communications Act of 1934, as amended, and §§ 0.281 and 0.204(b) of the Commission's rules, it is ordered, that effective December 27, 1982, § 73.202(b) of the Commission's rules is amended with respect to the following community:

City	Channel No.
Anson, Texas	276A

4. It is further ordered that this proceeding is terminated.

5. For further information contact Mark N. Lipp, Broadcast Bureau, (202) 632–7792.

(Secs. 4, 303, 48 stat., as amended, 1066, 1082; 47 U.S.C. 154, 303)

Federal Communications Commission.

Roderick K. Porter,

Chief, Policy and Rules Division, Broadcast Bureau.

[FR Doc. 82–29921 Filed 10–29–82; 8:45 am]

BILLING CODE 6712–01–M

47 CFR Part 73

[BC Docket No. 82–462; RM–4101]

FM Broadcast Station in Sutton, West Virginia

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This action assigns a first FM channel to Sutton, West Virginia, in response to a petition filed by Milliken Investment Corporation.

DATE: Effective December 27, 1982.

ADDRESS: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, Broadcast Bureau, (202) 632–7792.

SUPPLEMENTARY INFORMATION:

List of Subjects in 47 CFR Part 73

Radio broadcast.

Adopted: October 18, 1982.

Released: October 26, 1982.

In the matter of amendment of § 73.202(b), table of assignments, FM broadcast stations, (Sutton, West Virginia), BC Docket No. 82–462; RM–4101.

1. The Commission has under consideration the *Notice of Proposed Rule Making*, 47 FR 33286, published August 2, 1982, proposing the assignment of Class B Channel 246 to Sutton, West Virginia, as its first FM assignment. The *Notice* was issued in response to a petition filed by Milliken Investment Corporation ("petitioner"). Supporting comments were filed by the petitioner reaffirming that it will apply for the channel, if assigned.

2. After consideration of the proposal and comments in this proceeding, we have concluded that the proposed assignment would serve the public interest and provide Sutton with its first FM assignment. The transmitter site is restricted to 6.1 miles south of the city to avoid short spacing to Station WKWK, Wheeling, West Virginia.

3. In view of the above and pursuant to the authority contained in sections 4(i), 5(d)(1), 303 (g) and (r), and 307(b) of the Communications Act of 1934, as amended, and §§ 0.204(b) and 0.281 of the Commission's rules, it is ordered, that effective December 27, 1982, the FM Table of Assignments, § 73.202(b) of the Commission's rules is amended with regard to the following community:

City	Channel No.
Sutton, W. Va.	246

4. It is further ordered that this proceeding IS TERMINATED.

5. For further information concerning this proceeding, contact Montrose H. Tyree, Broadcast Bureau, (202) 632–7792.

(Secs. 4, 303, 48 Stat., as amended, 1066, 1082; 47 U.S.C. 154, 303)

Federal Communications Commission.

Roderick K. Porter,

Chief, Policy and Rules Division, Broadcast Bureau.

[FR Doc. 82–29721 Filed 10–29–82; 8:45 am]

BILLING CODE 6712–01–M

47 CFR Part 73

[BC Docket No. 80–476; RM–3601, RM–3801]

FM Broadcast Stations in Hudson and Adrian, Michigan and Swanton, Ohio, Changes in Table of Assignments

AGENCY: Federal Communications Commission.

ACTION: Final Rule; Clarification.

SUMMARY: This item indicates a transmitter site restriction for Channel

249A at Hudson, Michigan, previously amended to the FM Table of Assignments (§ 73.202(b) of the Commission's rules) in response to a request from Defiance Broadcast Company.

ADDRESS: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, Broadcast Bureau, (202) 632-7792.

SUPPLEMENTARY INFORMATION:

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Adopted: October 14, 1982.

Released: October 21, 1982.

1. On February 5, 1982, the Commission, by its Broadcast Bureau, released a *Report and Order*, 47 FR 6873 (February 17, 1982), in the above captioned proceeding, assigning Channel 249A to Hudson, Michigan. Defiance Broadcast Company, an applicant for Channel 251 at Defiance, Ohio, is concerned that because the *Report and Order* failed to indicate a site restriction for Channel 249A at Hudson, a short spacing may occur to its proposed Defiance station. As indicated in the Notice for Proposed Rule Making, a 6.4 mile southeast site restriction is required to comply with the mileage spacing rules and applications for Channel 249A at Hudson are expected to meet this condition.

Roderick K. Porter,

Chief, Policy and Rules Division, Broadcast Bureau.

[FR Doc. 82-29909 Filed 10-29-82; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[Docket No. 21502; RM-2737]

Radio Broadcast Services Subscription Television Service; Correction

AGENCY: Federal Communications Commission.

ACTION: Correction to final rule.

SUMMARY: In the Third Report and Order, FCC 82-281, published in the **Federal Register** on July 12, 1982, at 47 FR 30069, there is an error in the text of Item 2 of Appendix A (§ 73.643, Subscription TV operating requirements). It is changed to read correctly.

ADDRESS: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Freda Lippert Thyden, Broadcast Bureau, (202) 632-7792.

SUPPLEMENTARY INFORMATION:

Released: October 26, 1982.

In the above captioned *Third Report and Order*, released June 29, 1982, and published in the **Federal Register** on July 12, 1982, at 47 FR 30069, § 73.643, Subscription TV operating requirements (Item 2 of Appendix A) is stated incorrectly. It is corrected to read:

§ 73.643 Subscription TV operating requirements.

Except as they may be otherwise waived by the Commission in authorizations issued hereunder, the rules and policies applicable to regular television broadcast stations are applicable to subscription television operations.

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 82-29910 Filed 10-29-82; 8:45 am]

BILLING CODE 6712-01-M

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

49 CFR Part 215

[FRA Docket No. RSFC-6, Notice 5]

Railroad Freight Car Safety Standards

Note.—This document originally appeared in the **Federal Register** of October 29, 1982. It is reprinted in this issue to meet requirements for publication on the Monday-Thursday schedule assigned to the Federal Railroad Administration.

AGENCY: Federal Railroad Administration (FRA), Transportation (DOT).

ACTION: Amendment of final rule.

SUMMARY: This document amends the final rule published on June 24, 1982 (47 FR 27293). That final rule extended the compliance date for equipping the side doors of railroad box cars with safety hangers or the equivalent, from July 1, 1982 until November 1, 1982. This amendment further extends the compliance date until December 1, 1982. This action is being taken in response to a petition of the Association of American Railroads (AAR) for extension of the compliance date.

EFFECTIVE DATE: This amendment will become effective November 1, 1982.

FOR FURTHER INFORMATION CONTACT: Leavitt A. Peterson, Office of Safety, Federal Railroad Administration, Washington, D.C. 20590, telephone (202) 426-0897.

SUPPLEMENTARY INFORMATION: On June 24, 1982, FRA published a notice of public hearing and an amendment of final rule which extended the compliance date for equipping the side doors of railroad box cars with safety hangers or the equivalent until November 1, 1982. The purpose of this four month extension was to enable FRA to hold public hearings and receive written comments from interested persons on the AAR's request to extend that compliance date until December 31, 1985.

A public hearing was held on August 3, 1982 at which testimony was offered by representatives of railroad labor and railroad management. Written comments were also received from interested persons.

To provide additional time to consider the AAR request before making a final decision, FRA is entending from November 1, 1982 to December 1, 1982, the compliance date for equipping the side doors of railroad box cars with safety hangers or the equivalent.

To avoid the disruption of rail service and public inconvenience that would result if all plug door box cars not equipped with safety hangers were to be removed from service on the current compliance date of November 1, 1982, this amendment shall become effective in less than 30 days on November 1, 1982.

Regulatory Impact

FRA has reviewed this amendment under the standards established by Executive Order 12291 and DOT's order on regulatory policies and procedures. FRA has concluded that the amendment is not a major rule under the terms of Executive Order 12291 or a significant rule under DOT criteria.

The amendment has been reviewed according to the requirements of the Regulatory Flexibility Act (Pub. L. 95-354, 94 Stat. 1184, September 19, 1980). FRA has not identified any significant economic impact from the rule change that will affect small entities. Based on this fact, it is certified that the amendment will not have a significant impact on a substantial number of small entities under the provisions of the Regulatory Flexibility Act.

The amendment does not constitute a major Federal action significantly affecting the quality of the human environment and, therefore, an environmental impact statement is not required.

List of Subjects in 49 CFR Part 215

Freight, Penalties, Railroad safety.

The Amendment

PART 215—[AMENDED]

In consideration of the foregoing, § 215.121(d) of Part 215 of Title 49, Code of Federal Regulations, is amended, effective November 1, 1982, to read as follows:

§ 215.121 Defective car body.

* * * * *

(d) After December 1, 1982, the car is a box car and its side doors are not equipped with operative hangers, or the equivalent, to prevent the doors from becoming disengaged.

* * * * *

(Secs. 202 and 209, 84 Stat. 971 and 975, 45 U.S.C. 431 and 438; and § 1.49(m) of the regulations of the Office of the Secretary of Transportation, 49 CFR 1.49(m))

Issued in Washington, D.C. on October 27, 1982.

Robert W. Blanchette,

Administrator.

[FR Doc. 82-30018 Filed 10-28-82; 8:56 am]

BILLING CODE 4910-06-M

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49 CFR Part 575

[Docket Nos. 80-14 and 80-25; Notices 5 and 50]

Consumer Information Regulations; Uniform Tire Quality Grading; Federal Motor Vehicle Safety Standards

AGENCY: National Highway Traffic Safety Adminsitration (NHTSA), DOT.

ACTION: Extension of public comment deadline.

SUMMARY: NHTSA has recently issued a series of three related notices involving the effects of deleting the tire tables in Federal Motor Vehcile Safety Standard (FMVSS) 109 on the manner in which tire test loads are to be determined for purposes of compliance testing under FMVSS 109 and for purposes of the Uniform Tire Quality Grading Standards. See 47 FR 25930, June 15, 1982; 47 FR 34990, August 12, 1982,; and 47 FR 36260, August 19, 1982. Test loads under both regulations were previously determined by reference to the FMVSS 109 tables. However, given the deletion of those tables, the three notices invited comments on alternative methods for specifying test loads.

The Rubber Manufacturers Assocaition, on October 7, 1982, requested that the comment deadlines for the three notices be extended from August 16, October 12 and 18, respectively, to December 13, 1982, to permit additional time to prepare comments and recommendations. Under the agency's Rulemaking Procedures, this request was timely filed only with regard to the October 18 comment deadline. See 49 CFR 553.19. However, given the intimate relationship between these notices and the many complex technical issues involved, the agency is reopening the comment period for the June 15 and August 12 notices and in another document which will be published later will grant the request to extend the comment deadline for the August 19 notice.

DATE: Comments on these notices must be received on or before December 13, 1982.

ADDRESS: Comments on these notices should refer to the docket numbers set forth above and be submitted to: Docket Section, Room 5109 Nassif Building, 400 Seventh Street, SW., Washington, D.C. 20509. Docket hours are 8 a.m. to 4 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Dr. F. Cecil Brenner, Officer of Market Incentives, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C. 20590 (202-426-1740)

(Secs. 103, 119, and 203, Pub. L. 89-563, 80 Stat. 718 (15 U.S.C. 1392, 1407 and 1423); delegations of authority at 49 CFR 1.50 and 501.8)

Issued on October 27, 1982.

Courtney M. Price,

Associate Administrator for Rulemaking.

[FR Doc. 82-30022Filed 10-28-82, 10:47 a.m.]

BILLING CODE 4910-59-M

NATIONAL TRANSPORTATION SAFETY BOARD

49 CFR Part 840

Rules Pertaining to Notification of Railroad Accidents

AGENCY: National Transportation Safety Board.

ACTION: Final rule.

SUMMARY: The National Transportation Safety Board is revising the rules concerning the Board's definition of a railroad accident and the criteria for railroad accidents that must be reported to the Board. The Board is adding rules concerning the priority of Board investigations and the inspection, examination, and testing of physical evidence. Reductions in the Board's staffing and appropriations have required the Board to be more selective in the types of railroad accidents to be investigated. The revision will change the requirements of railroad companies to report accidents to the Board and will explain to railroad companies the Board's authorization to inspect, examine, and test physical evidence. The revision also will explain to other Federal agencies the priority of Board investigations of railroad accidents.

EFFECTIVE DATE: November 1, 1982.

FOR FURTHER INFORMATION CONTACT: John M. Stuhldreher, General Counsel, National Transportation Safety Board, Washington, D.C. 20594 (202-382-6540), or Harold E. Storey, Chief, Railroad Accident Division, National Transportation Safety Board, Washington, D.C. 20594 (202-382-6842).

SUPPLEMENTARY INFORMATION: On November 3, 1981, Pub. L. 97-74 amended the Independent Safety Board Act of 1974. The amendment accorded the Board's investigations of railroad accidents precedence over investigations conducted by other Federal agencies in order to promote efficient use of Federal resources. The Board also was granted express authority to examine or test any vehicle, rolling stock, or track component in order to facilitate Board efforts in determining casual factors of accidents.

Reductions in staffing and appropriations have required the Board to curtail its investigation of train-related pedestrian fatalities and to redefine "accident" to exclude these accidents. (For some time the investigation of this type of fatality has not been regarded as productive for accident prevention.) The Board also will have to be more selective in the types of railroad accidents investigated which involve property damage between $150,000 and $500,000. Finally, the Board has had to establish $25,000 as the minimum property damage amount that requires a report of passenger train and rapid rail transit accidents which do not involve fatalities.

Because the revisions herein relate to rules of agency practice or procedure, notice of proposed rulemaking under 5 U.S.C. 553 is not required.

List of Subjects in 49 CFR Part 840

Administrative practice and procedure, Investigations, Hazardous materials transportation, Railroad safety, Reporting requirements.

PART 840—RULES PERTAINING TO NOTIFICATION OF RAILROAD ACCIDENTS

Accordingly, Part 840, Chapter VIII of Title 49, Code of Federal Regulations, is amended as follows:

1. The authority citation for Part 840 is revised to read as follows:

Authority: Sec. 304(a)(1)(c) of the Independent Safety Board Act of 1974, as amended (49 U.S.C. 1903).

2. Section 840.1 is revised to read as follows:

§ 840.1 Applicability.

This part contains the Safety Board's accident notification requirements, and its authority for inspection, examination, and testing of physical evidence, and describes the exercise of the Safety Board's priority accorded to its activities when investigating railroad accidents.

3. In § 840.2, paragraph (b) is revised to read as follows:

§ 840.2 Definitions.

* * * * *

(b) Accident means any collision, derailment, or explosion involving railroad trains, locomotives, and cars; or any other loss-causing event involving the operation of such railroad equipment that results in a fatality to a passenger or employee, or the emergency evacuation of persons.

* * * * *

4. Section 840.3 is amended by revising paragraphs (a)(1), (a)(2), (a)(3), and adding (a)(4) and (a)(5) to read as follows:

§ 840.3 Notification of railroad accidents.

(a) * * *

(1) A passenger or employee fatality or serious injury to 2 or more crewmembers or passengers requiring admission to a hospital; or

(2) Damage (based on a preliminary gross estimate) of $150,000 or more for repairs, or the current replacement cost, to railroad and nonrailroad property; or

(3) Damage of $25,000 or more to a passenger train and nonrailroad property or involving evacuation of a passenger train; or

(4) Damage to a tank car or container resulting in release of hazardous materials or involving evacuation of the general public; or

(5) A fatality at a grade crossing.

* * * * *

5. Section 840.5 is added to read as follows:

§ 840.5 Inspection, examination and testing of physical evidence.

(a) Any employee of the Safety Board, upon presenting appropriate credentials is authorized to enter any property wherein a transportation accident has occurred or wreckage from any such accident is located and do all things necessary for proper investigation, including examination or testing of any vehicle, rolling stock, track, or any part of any part of any such item when such examination or testing is determined to be required for purposes of such investigation.

(b) Any examination or testing shall be conducted in such a manner so as not to interfere with or obstruct unnecessarily the transportation services provided by the owner or operator of such vehicle, rolling stock, or track, and shall be conducted in such a manner so as to preserve, to the maximum extent feasible, any evidence relating to the transportation accident, consistent with the needs of the investigation and with the cooperation of such owner or operator. The employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities relevant to the investigation of such accident. Each inspection shall be commenced and completed promptly and the results of such inspection, examination, or test made available to the parties.

6. Section 840.6 is added to read as follows:

§ 840.6 Priority of Board investigations.

Any investigation of an accident conducted by the Safety Board shall have priority over all other investigations of such accident conducted by other Federal agencies. The Safety Board shall provide for the appropriate participation by other Federal agencies in any such investigation, except that such agencies may not participate in the Safety Board's determination of the probable cause of the accident. Nothing in this section impairs the authority of other Federal agencies to conduct investigations of an accident under applicable provisions of law or to obtain information directly from parties involved in, and witnesses to, the transportation accident. The Safety Board and other Federal agencies shall assure that appropriate information obtained or developed in the course of their investigations is exchanged in a timely manner.

Signed at Washington, D.C., on this 26th day of October, 1982.

Patricia A. Goldman,

Acting Chairman.

[FR Doc. 82-29846 Filed 10-29-82; 8:45 am]

BILLING CODE 4910-58-M

Proposed Rules

Federal Register
Vol. 47, No. 211
Monday, November 1, 1982

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 989

Raisins Produced From Grapes Grown in California; Withdrawal of Proposal to Designate 1982–83 Crop Year Marketing Percentages

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Withdrawal of proposed rule.

SUMMARY: This action withdraws a proposal to designate preliminary marketing percentages for Natural [sun-dried] Seedless raisins from the 1982 production. Adverse weather conditions during harvest severely reduced this season's raisin crop. Consequently, marketing percentages for NS raisins will not be needed during the 1982–83 crop year to foster orderly marketing conditions.

EFFECTIVE DATE: November 1, 1982.

FOR FURTHER INFORMATION CONTACT: J. S. Miller, Chief, Specialty Crops Branch, Fruit and Vegetable Division, AMS, USDA, Washington, D.C. 20250 [202] 447–5697.

SUPPLEMENTARY INFORMATION: This rule has been reviewed under USDA guidelines implementing Executive Order 12291 and Secretary's Memorandum No. 1512–1 and has been classified a "non-major" rule under criteria contained therein.

William T. Manley, Deputy Administrator, Agricultural Marketing Service, has determined that this action will not have a significant economic impact on a substantial number of small entities because it would result in only minimal costs being incurred by the regulated 20 handlers.

A proposal to designate preliminary marketing percentages for Natural [sun-dried [Seedless [NS] raisins from the 1982 production was published in the September 14, 1982, issue of the Federal Register (47 FR 40447). The proposal was made pursuant to § 989.55 of the marketing agreement and Order No. 989, both as amended (7 CFR Part 989), regulating the handling of raisins produced from grapes grown in California, hereinafter referred to collectively as the "order". The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). The purpose of the proposal was to tailor the expected supply of NS raisins to domestic and Western Hemisphere market needs to foster orderly marketing conditions. Withdrawal of the proposal is based upon a recommendation of the Raisin Administrative Committee, established under the order as the agency to work with USDA in administering the order's terms and provisions.

Adverse weather and slow drying conditions during harvest severely damaged the 1982 raisin crop. Although the full extent of the damage is still unknown, preliminary estimates indicate that the damage could be as much as 50 to 60 percent of that crop. Under these circumstances, the Committee concluded that marketing percentages for the 1982–83 crop year would be unnecessary.

Therefore, the proposal of designate preliminary marketing percentages for the 1982–83 season is withdrawn and the proceeding is terminated.

List of Subjects in 7 CFR Part 989

Marketing agreements and orders, Grapes, Raisins, and California.

Dated: October 27, 1982.

D. S. Kuryloski,

Deputy Director, Fruit and Vegetable Division.

[FR Doc. 82-29905 Filed 10-29-82; 8:45 am]
BILLING CODE 3410-02-M

SECURITIES AND EXCHANGE COMMISSION

17 CFR PART 240

[Rel. No. 19162; File No. S7-950]

Exemption for Options on Government Securities Traded Otherwise Than on a National Securities Exchange

AGENCY: Securities and Exchange Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is proposing for comment a rule under the Securities Exchange Act of 1934 that would designate as "exempted securities" under that Act certain securities derivative from government securities and traded otherwise than on a national securities exchange or an automated quotation system of a registered securities association. If adopted, the proposed rule would enable brokers and dealers that do a business exclusively in these securities and other exempted securities to conduct such a business without registration with the Commission.

DATE: Comments should be submitted on or before December 1, 1982.

ADDRESSES: Interested persons should submit three copies of their written data, views and arguments to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, and should refer to File No. S7–950. All submissions will be available for public inspection at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C.

FOR FURTHER INFORMATION CONTACT: Thomas G. Lovett, Esq., Division of Market Regulation, Securities and Exchange Commission, Washington, D.C. 20549, (202) 272–2913.

SUPPLEMENTARY INFORMATION:

I. Introduction

The Securities and Exchange Commission (the "Commission") is publishing for comment Proposed Rule 3a12–7 under the Securities Exchange Act of 1934 (the "Act") (15 U.S.C. 78a et seq.). The proposed rule would designate, pursuant to Section 3(a) (12) of the Act, options on government securities traded otherwise than on a national securities exchange or an automated quotation system of a national securities association ("OTC government options") to be exempted securities under the Act. In the absence of such a rule, broker-dealers that effect transactions in such OTC government options would be required to register with the Commission pursuant to Section 15 of the Act, and to comply with certain other provisions of the Act and Commission rules thereunder. In addition, the securities would be subject to margin regulations promulgated by the Federal Reserve Board.

The Commission is proposing the rule at this time because Congress has recently passed, and the President has signed, legislation which the