

COMMODITY FUTURES TRADING COMMISSION

Notice of Revision of Commission Policy Regarding the Listing of New Futures and Option Contracts by Foreign Boards of Trade That Have Received Staff No-Action Relief to Provide Direct Access to Their Automated Trading Systems From Locations in the United States

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice.

SUMMARY: The Commodity Futures Trading Commission (Commission) is revising its policy that permits foreign boards of trade that provide direct access to their automated trading systems from locations in the U.S. pursuant to a Commission staff no-action letter to list certain additional futures and option contracts on the basis of a one business day notification and without obtaining supplemental no-action relief and, in its place, establishing a ten business day advance notification requirement.

EFFECTIVE DATE: The new notification requirement is effective immediately.

FOR FURTHER INFORMATION CONTACT: Duane C. Andresen, Special Counsel, Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Center, 1155 21st Street, NW., Washington, DC 20581. Telephone: 202-418-5492. E-mail: dandresen@cftc.gov.

SUPPLEMENTARY INFORMATION: On June 2, 1999, the Commission issued an order which, among other things, withdrew proposed rules that would have governed automated access to foreign boards of trade from the U.S. (June 2 Order)¹. The June 2 Order also instructed the Commission staff to begin immediately processing no-action requests from foreign boards of trade seeking to place trading terminals in the United States, and to issue responses where appropriate, pursuant to the general guidelines included in the Eurex (DTB) no-action process,² or other

guidelines established by the Commission.³ Pursuant to those guidelines, foreign boards of trade were issued staff no-action letters permitting them, without obtaining contract market designation, to place in the U.S. electronic trading devices that provided direct access to the boards of trade (Foreign Terminal No-Action Letters). Foreign boards of trade that received Foreign Terminal No-Action Letters that wished to list additional futures and option contracts for trading through their U.S.-located trading systems were required to request in writing and receive supplemental no-action relief (Supplemental Relief) from Commission staff prior to doing so.

On June 30, 2000, the Commission issued the Statement of Policy of the Commodity Futures Trading Commission Regarding the Listing of New Futures and Option Contracts by Foreign Boards of Trade That Have Received Staff No-Action Relief to Place Electronic Trading Devices in the U.S. (Statement of Policy).⁴ Pursuant to the Statement of Policy, foreign boards of trade that had received Foreign Terminal No-Action Letters and that wished to list additional futures and option contracts for trading through their U.S.-located trading systems were no longer required to obtain Supplemental Relief prior to doing so. Instead, the foreign board of trade was required to file the following with Commission staff no later than the business day preceding the initial listing of such futures and option contracts: (1) A copy of the initial terms and conditions of the additional futures and option contracts the foreign board of trade intended to list for trading through its U.S.-located electronic devices and (2) a certification from the foreign board of trade that it is in compliance with the terms and conditions of the Foreign Terminal No-Action Letter that it has received and that the additional futures and option contracts would be traded in accordance with such terms and conditions.⁵

The Commission is hereby rescinding the Statement of Policy and revising the advance notification requirement in light of its experience since the issuance of the Statement of Policy and in recognition of the fact that the listing of

new products may raise previously unidentified regulatory issues. For example, certain foreign board of trade contracts directly accessible in the U.S. may be directly linked to a U.S. designated contract market's (DCM) prices and thus may create a need for enhanced market surveillance or additional information sharing with the foreign board of trade and/or its regulator to address market integrity issues with respect to the Commission's oversight of the DCM's contracts. The Statement of Policy, which permits contracts to be listed for trading through the U.S.-located trading system on a one-business day notice-only basis, may preclude ensuring that relevant regulatory issues are addressed prior to such listing and may undermine staff's ability to assess important surveillance issues, among other things, that need to be examined. Extending the advance notification period from one to ten business days would give Commission staff the opportunity to review the terms and conditions of proposed additional contracts to address any regulatory issues raised prior to the contract being made available for trading through the U.S.-located trading system.

Henceforth, foreign boards of trade that have received Foreign Terminal No-Action Letters that wish to list additional futures and option contracts for trading through their U.S.-located trading systems must notify the Division of Market Oversight (Division) ten business days prior to offering such contracts.⁶ In its notification, the foreign board of trade need only submit a copy of the initial terms and conditions of the additional contracts and a certification that it is in compliance with the terms and conditions of the Foreign Terminal No-Action Letter that it has received and that the additional futures and option contracts would be traded in accordance with such terms and conditions. The foreign board of trade can list the additional futures and option contracts for trading ten business days after the date of receipt by the Commission of the notification, unless Commission staff notifies the foreign board of trade that additional time is needed to determine if there is a need, for example, for enhanced market surveillance or additional information sharing. Commission staff reviews of proposed additional contracts for which there may be a need to address such

¹ Access to Automated Boards of Trade, 64 FR 32829 (June 18, 1999).

² In February 1996, Commission staff issued no-action relief to Deutsche Terminborse (DTB), an automated international futures and options exchange headquartered in Frankfurt, Germany, that permitted DTB, subject to certain terms and conditions, to place computer terminals in the U.S. offices of its members for principal trading. See CFTC Interpretative Letter No. 96-28 (1996-1997 Transfer Binder) Comm. Fut. L. Rep. (CCH) para. 26,669 (Feb. 29, 1996). In June 1998, DTB merged with the Swiss Options and Financial Futures Exchange and DTB changed its name to Eurex Deutschland.

³ 64 FR 32829, 32830 (June 18, 1999).

⁴ 65 FR 41641 (July 6, 2000).

⁵ The Statement of Policy did not apply to futures and option contracts that are covered by Section 2(a)(1)(B) of the Commodity Exchange Act (Act). Foreign boards of trade would continue to be required to seek and receive written supplemental no-action relief from Commission staff prior to offering such contracts through U.S.-located trading systems.

⁶ Foreign boards of trade continue to be required to seek and receive written supplemental no-action relief from Commission staff prior to offering through U.S.-located trading systems futures and option contracts that are covered by Section 2(a)(1)(B) of the Act.

regulatory issues would be completed as expeditiously as possible.

The trading of all contracts through electronic trading devices that provide access to foreign boards of trade from within the U.S. continues to be subject to the terms and conditions of the Foreign Terminal No-Action Letter issued to the particular foreign board of trade. Included among those terms and conditions is the requirement that the foreign board of trade promptly provide the Division with written notice of any material change in the structure, operation or regulation of the foreign board of trade or its trading system. Further, this notice does not alter the analysis that Commission staff uses when considering requests for Foreign Terminal No-Action Letters, dictate the result of that analysis, or alter the authority of Commission staff to condition, modify, suspend, terminate, or otherwise restrict the no-action relief that it issues.

Issued in Washington, DC, on April 14, 2006 by the Commission.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 06-3733 Filed 4-17-06; 8:45 am]

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COMMODITY FUTURES TRADING COMMISSION

Sunshine Act Meetings

TIME AND DATE: 11 a.m., Friday, May 5, 2006.

PLACE: 1155 21st St., NW., Washington, DC, 9th Floor Commission Conference Room.

STATUS: Closed.

MATTERS TO BE CONSIDERED: Surveillance Matters.

FOR FURTHER INFORMATION CONTACT: Jean A. Webb, 202-418-5100.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 06-3727 Filed 4-14-06; 10:35 am]

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COMMODITY FUTURES TRADING COMMISSION

Sunshine Act Meetings

TIME AND DATE: 11 a.m., Friday, May 12, 2005.

PLACE: 1155 21st St., NW., Washington, DC, 9th Floor Commission Conference Room.

STATUS: Closed.

MATTERS TO BE CONSIDERED: Surveillance Matters.

FOR FURTHER INFORMATION CONTACT: Jean A. Webb, 202-418-5100.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 06-3728 Filed 4-14-06; 10:35 am]

BILLING CODE 6351-01-M

COMMODITY FUTURES TRADING COMMISSION

Sunshine Act Meetings

TIME AND DATE: 11 a.m., Friday, May 19, 2005.

PLACE: 1155 21st St., NW., Washington, DC, 9th Floor Commission Conference Room.

STATUS: Closed.

MATTERS TO BE CONSIDERED: Surveillance Matters.

FOR FURTHER INFORMATION CONTACT: Jean A. Webb, 202-418-5100.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 06-3729 Filed 4-14-06; 10:35 am]

BILLING CODE 6351-01-M

COMMODITY FUTURES TRADING COMMISSION

Sunshine Act Meetings

TIME AND DATE: 11 a.m., Friday, May 26, 2006.

PLACE: 1155 21st St., NW., Washington, DC, 9th Floor Commission Conference Room.

STATUS: Closed.

MATTERS TO BE CONSIDERED: Surveillance Matters.

CONTACT PERSON FOR MORE INFORMATION: Jean A. Webb, 202-418-5100.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 06-3730 Filed 4-14-06; 10:35 am]

BILLING CODE 6351-01-M

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Information Collection; Submission for OMB Review; Comment Request

AGENCY: Corporation for National and Community Service.

ACTION: Notice.

SUMMARY: The Corporation for National and Community Service (hereinafter the "Corporation"), has submitted a public information collection request (ICR) entitled CNCS Disaster Response Information Collection to the Office of

Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995, Public Law 104-13, (44 U.S.C. Chapter 35). Copies of this ICR, with applicable supporting documentation, may be obtained by calling the Corporation for National and Community Service, Mr. Hank Oltmann, (202) 606-6844 or by e-mail: holtmann@cns.gov; or Mr. Nathan Dietz, (202) 606-6663 or by e-mail: Ndietz@cns.gov. Individuals who use a telecommunications device for the deaf (TTY-TDD) may call (202) 606-3472 between 8:30 a.m. and 5 p.m. Eastern time, Monday through Friday.

ADDRESSES: Comments may be submitted, identified by the title of the information collection activity, to Office of Information and Regulatory Affairs, Attn: Ms. Rachel Potter, OMB Desk Officer for the Corporation for National and Community Service, by any of the following two methods within 30 days from the date of publication in this **Federal Register**: (a) By fax to: (202) 395-6974, Attention: Ms. Rachel Potter, OMB Desk Officer for the Corporation for National and Community Service; and (b) Electronically by e-mail to: Rachel_F_Potter@omb.eop.gov.

SUPPLEMENTARY INFORMATION: The OMB is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Corporation, including whether the information will have practical utility;

- Evaluate the accuracy of the Corporation's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

- Propose ways to enhance the quality, utility and clarity of the information to be collected; and

- Propose ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

Comments

A 60-day public comment Notice, regarding the CNCS Disaster Response Information Collection, was published in the **Federal Register** on January 23, 2006. This comment period ended on March 24, 2006. No public comments were received from this notice.