available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by December 26, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30–3(a)(12). Margaret H. McFarland, *Deputy Secretary.*[FR Doc. 95–29430 Filed 12–1–95; 8:45 am]

[Release No. 34–36514; International Series Release No. 890; File No. SR-NYSE-95-36]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the New York Stock Exchange, Inc. Relating to the Specifications and Content Outline for the Japan Module of the General Securities Registered Representative Examination (Series 47)

November 27, 1995.

BILLING CODE 8010-01-M

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on October 25, 1995, the New York Stock Exchange, Inc. ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange has filed with the Commission specifications and a content outline for the Japan module (Series 47) of the General Securities Registered Representative Examination (Series 7).

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below.

The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

## 1. Purpose

Presently, registered representatives in Japan who wish to sell securities in the United States must qualify as registered representatives in the U.S. by successfully completing the Series 7. In Japan, U.S. and other foreign securities professionals may qualify as securities sales representatives by passing a qualification exam<sup>2</sup> or by meeting experiential requirements. In order to reduce duplication of qualification requirements, the Exchange has developed the Series 47 as a subset of the Series 7 to test the Japanese registered representatives' knowledge of U.S. securities laws, markets, investment products, and sales practices. Qualified Japanese securities professionals can satisfy the Exchange's examination requirements by obtaining a passing score on the Series 47 module.

Since 1991, the Exchange has provided a similar, 90-question qualification vehicle for United Kingdom approved registered representatives wishing to sell securities in the U.S., the Limited Registered Representative Examination (Series 17).3 The Exchange also has filed for Commission approval examination specifications and a content outline for a Canadian module of the General Securities Registered Representatives Examination (Series 37 & Series 38).4 The Series 47 module has been developed following procedures like those used for the Series 17 and 37 modules.

To determine the applicable Series 7 content areas not covered in the qualification examinations for Japanese registered representatives, the Exchange's staff conducted a thorough

review of the content covered by the Securities Sales Representative Qualification Examination and supporting materials, including translations of Japan's securities laws and regulations. in addition, the Exchange's staff exchanged detailed correspondence and had discussions with the staff of the Japan Securities Dealers Association.<sup>5</sup> Through this review, the Exchange's staff identified for inclusion in the Series 47 those topics that are included in the Series 7 but are not covered, or covered in sufficient detail, in the Japanese qualification materials. As a result, the Series 47 consists of 160 questions covering subject matter that is unique to the U.S. The topics are weighted in the module to correspond to the relative emphasis given these topics in the Series 7.

The Exchange understands that the National Association of Securities Dealers, Inc. ("NASD") will submit a proposal to the Commission that would amend the NASD's rules such that the Series 47 would satisfy the NASD's qualification requirements. The Series 47, however, will not qualify Japanese securities professionals to transact business in municipal securities. Any individuals wishing to do so will be required to pass the Series 52 (Municipal Securities Representative Examination).

## 2. Statutory Basis

The statutory basis for the Series 47 is in Section 6(c)(3)(B) 6 of the Act. Under this section, it is the Exchange's responsibility to prescribe standards of training, experience, and competence for persons associated with Exchange members and member organizations. Pursuant to this statutory obligation, the Exchange has developed examinations that are administered to establish that persons associated with Exchange members and member organizations have attained specified levels of competence and knowledge.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes the proposed rule change will impose no burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

<sup>&</sup>lt;sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>&</sup>lt;sup>2</sup> All of the applicants, both foreign and domestic, who do not meet the experiential requirements must pass the Securities Sales Representative Qualification Examination. This test is composed of the Class 1 examination, the Class 2 examination, and the Investment, Trust, and Bond examination. An applicant's experience and area of interest determines which parts of the examination are applicable. Telephone conversation between Mary Anne Furlong, Director, Rule & Interpretive Standards, NYSE, and Anthony Pecora, Attorney, SEC (Nov. 6, 1995).

<sup>&</sup>lt;sup>3</sup>Securities Exchange Act Release No. 27967 (May 1, 1990), 55 FR 19131 (approving File No. SR-NYSE-89-22).

<sup>&</sup>lt;sup>4</sup> Securities Exchange Act Release No. 36378 (Oct. 16, 1995), 60 FR 54401 (noticing File No. SR-NYSE-95-29).

<sup>&</sup>lt;sup>5</sup>The Japan Securities Dealers Association is the regulatory authority responsible for developing course materials, test materials, and qualification examinations for people wishing to become a registered representative in Japan. Telephone conversation between Mary Anne Furlong, Director, Rule & Interpretive Standards, NYSE, and Anthony Pecora, Attorney, SEC (Nov. 6, 1995).

<sup>6 14</sup> U.S.C. 78f(c)(3)(B).