

By subscription—Copies of all SIAPs, mailed once every 2 weeks, are for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

**FOR FURTHER INFORMATION CONTACT:** Donald P. Pate, Flight Procedure Standards Branch (AMCAFS-420), Flight Technologies and Programs Division, Flight Standards Service, Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 South MacArthur Blvd. Oklahoma City, OK. 73125) telephone: (405) 954-4164.

**SUPPLEMENTARY INFORMATION:** This amendment to part 97 of the Federal Aviation Regulations (14 CFR part 97) establishes, amends, suspends, or revokes Standard Instrument Approach Procedures (SIAPs). The complete regulatory description of each SIAP is contained in official FAA form documents which are incorporated by reference in this amendment under 5 U.S.C. 552(a), 1 CFR part 51, and § 97.20 of the Federal Aviation Regulations (FAR). The applicable FAA Forms are identified as FAA Forms 8260-3, 8260-4, and 8260-5. Materials incorporated by reference are available for examination or purchase as stated above.

The large number of SIAPs, their complex nature, and the need for a special format make their verbatim publication in the **Federal Register** expensive and impractical. Further, airmen do not use the regulatory text of the SIAPs, but refer to their graphic depiction on charts printed by publishers of aeronautical materials. Thus, the advantages of incorporation by reference are realized and publication of the complete description of each SIAP contained in FAA form documents is unnecessary. The provisions of this amendment state the affected CFR (and FAR) sections, with the types and effective dates of the SIAPs. This amendment also identifies the airport, its location, the procedure identification and the amendment number.

#### The Rule

This amendment to part 97 is effective upon publication of each separate SIAP as contained in the transmittal. Some SIAP amendments may have been previously issued by the FAA in a National Flight Data Center (NFDC) Notice to Airmen (NOTAM) as an emergency action of immediate flight safety relating directly to published aeronautical charts. The circumstances which created the need for some SIAP amendments may require making them effective in less than 30 days. For the

remaining SIAPs, an effective date at least 30 days after publication is provided.

Further, the SIAPs contained in this amendment are based on the criteria contained in the U.S. Standard for Terminal Instrument Approach Procedures (TERPS). In developing these SIAPs, the TERPS criteria were applied to the conditions existing or anticipated at the affected airports. Because of the close and immediate relationship between these SIAPs and safety in air commerce, I find that notice and public procedure before adopting these SIAPs are impracticable and contrary to the public interest and, where applicable, that good cause exists for making some SIAPs effective in less than 30 days.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a “significant regulatory action” under Executive Order 12866; (2) is not a “significant rule” under DOT Regulatory. Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

#### List of Subjects in 14 CFR Part 97

Air traffic control, Airports, Navigation (air).

Issued in Washington, DC on December 24, 1998.

**Richard O. Gordon,**

*Acting Director, Flight Standards Service.*

#### Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, part 97 of the Federal Aviation Regulations (14 CFR part 97) is amended by establishing, amending, suspending, or revoking Standard Instrument Approach Procedures, effective at 0901 UTC on the dates specified, as follows:

#### PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

1. The authority citation for part 97 is revised to read as follows:

**Authority:** 49 U.S.C. 106(g), 40103, 40113, 40120, 44701; and 14 CFR 11.49(b)(2).

2. Part 97 is amended to read as follows:

#### §§ 97.23, 97.25, 97.27, 97.29, 97.31, 97.33 and 97.35 [Amended]

By amending: § 97.23 VOR, VOR/DME, VOR or TACAN, and VOR/DME or TACAN; § 97.25 LOC, LOC/DME, LDA, LDA/DME, SDF, SDF/DME; § 97.27 NDB, NDB/DME; § 97.29 ILS, ILS/DME, ISMLS, MLS, MLS/DME, MLS/RNAV; § 97.31 RADAR SIAPs; § 97.33 RNAV SIAPs; and § 97.35 COPTER SIAPs, identified as follows:

\* \* \* *Effective 28 January 1999*

Lago Vista, TX, Lago Vista TX-Rusty Allen, VOR/DME-A, Amdt 2A, CANCELLED  
Park Falls WI, Park Falls Muni, NDB RWY 36, Orig

\* \* \* *Effective 25 February 1999*

Haleyville, AL, Posey Field, VOR/DME OR GPS RWY 18, Amdt 4  
Lexington, KY, Blue Grass, Radar-1, Amdt. 11, CANCELLED  
Cincinnati, OH, Cincinnati Muni Airport-Lunken Field, NDB OR GPS RWY 21L, Amdt 14  
Cincinnati, OH, Cincinnati Muni Airport-Lunken Field, NDB OR GPS RWY 25, Amdt 8  
Cincinnati, OH, Cincinnati Muni Airport-Lunken Field, ILS RWY 21L, Amdt 16

\* \* \* *Effective 25 March 1999*

Danville, IL, Vermilion County, ILS RWY 21, Amdt 6  
Alliance, NE, Alliance Muni, NDB RWY 12, Orig  
Alliance, NE, Alliance Muni, NDB RWY 30, Orig  
Hartsville, SC, Hartsville Muni, NDB RWY 21, Orig  
Hartsville, SC, Hartsville Muni, NDB OR GPS RWY 21, Amdt. 3B, CANCELLED

[FR Doc. 99-647 Filed 1-11-99; 8:45 am]

BILLING CODE 4910-13-M

#### COMMODITY FUTURES TRADING COMMISSION

#### 17 CFR Part 3

#### Temporary Licenses for Associated Persons, Floor Brokers, Floor Traders and Guaranteed Introducing Brokers

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Final rules.

**SUMMARY:** The Commodity Futures Trading Commission (Commission or CFTC) has adopted amendments to its rules governing the granting of a temporary license (TL) by the National Futures Association (NFA) to applicants for registration in the categories of associated person (AP), floor broker (FB), floor trader (FT), and guaranteed introducing broker (IBG). These amendments authorize NFA, in appropriate cases, to grant a TL to an

applicant despite a "yes" answer to a Disciplinary History question, which currently makes an applicant ineligible for a TL. The Commission adopted these amendments so that it could approve certain registration rules submitted by NFA without creating any inconsistency between the Commission's rules and those of NFA.

**EFFECTIVE DATE:** February 11, 1999.

**FOR FURTHER INFORMATION CONTACT:**

Lawrence B. Patent, Associate Chief Counsel, Division of Trading and Markets, Commodity Futures Trading Commission, Three Lafayette Center, 1155 21st Street, NW, Washington, DC 20581. Telephone: (202) 418-5439.

**SUPPLEMENTARY INFORMATION:**

**I. CFTC Rules**

*A. Proposed Rule Amendments*

On September 21, 1998, the Commission issued proposed amendments to its rules governing the granting of a TL by NFA to applicants for registration in the categories of AP, FB, FT and IBG.<sup>1</sup> Among other things, these proposed rule amendments would authorize NFA, in appropriate cases, to grant a TL to an applicant despite a "yes" answer to a Disciplinary History question, which currently makes an applicant ineligible for a TL. The impetus for the Commission's proposals was NFA's submission for Commission approval of amendments to NFA rules 301 and 302, governing TLs for APs and IBGs, as well as new NFA Rule 303 to govern TLs for FBs and FTs. NFA's rule amendments and the new rule would eliminate the no "yes" answer criterion as an absolute bar to the issuance of a TL. The Commission proposed amendments to its own rules so that it could approve the rule amendments and new rule submitted by NFA without creating any inconsistency between the Commission's rules and those of NFA.<sup>2</sup> The Commission also proposed, in response to NFA's submission, to eliminate the "no-new-yes" answer requirements from its rules governing TLs of AP, FB or FT applicants whose registration terminated within the preceding 60 days in order to permit more of these applicants to obtain a TL

upon mailing a new registration application (Form 8-R).

On its own initiative, the Commission proposed to amend two other provisions of its rules where a "yes" answer to a Disciplinary History question now prevents granting of *registration*, not merely a TL, since these provisions are modeled upon those governing TLs. These circumstances pertain to: (1) A registered FT seeking to become registered as an FB (Commission Rule 3.11(c)(2)(ii)); and (2) an AP whose registration is terminated because of the revocation or withdrawal of the sponsor's registration and who becomes associated with a new sponsor (Commission Rule 3.12(i)).<sup>3</sup>

*B. Comments on Proposals*

The Commission provided a 30-day comment period on its proposed rule amendments. Three comment letters were received, from NFA, the Chicago Mercantile Exchange and the Chicago Board of Trade. All three letters supported the Commission's proposals. NFA further suggested that the Commission avoid the necessity for adopting amendments to Commission rules to accommodate NFA rule amendments concerning registration processing by either: (1) Interpreting section 17(j) of the Act not to require identical CFTC and NFA rules but only rules that achieve the same underlying regulatory purpose; (2) amending Commission Rule 3.2(a) to eliminate the consistency requirement; or (3) repealing the Commission's registration processing rules.

*C. Adoption of Rule Amendments*

The Commission has carefully considered the comments received, but does not believe that it is appropriate to make further amendments to its Part 3 registration rules at this time as suggested by NFA. Accordingly, the Commission has determined to adopt the rule amendments as proposed.<sup>4</sup>

The Commission indicated when it proposed its rule amendments concerning TLs that it would approve amendments to NFA Rules 301 and 302, as well as new NFA Rule 303, when the Commission adopted the proposed amendments to its rules, and the Commission has done so.<sup>5</sup> NFA

represents that it will use its authority to grant TLs to applicants with "yes" answers that (1) NFA has previously cleared, or (2) NFA knows that it intends to clear.<sup>6</sup> NFA further represents that, in evaluating whether any applicant should be granted a TL despite a "yes" answer to a Disciplinary History question, it will follow the recent guidance set forth by the Commission concerning the treatment of disciplinary histories of FBs, FTs and applicants for registration in either category.<sup>7</sup>

The Commission also wishes to note that certain of its rules related to TLs are not being amended. Commission rules provide that a TL shall terminate immediately upon notice to an applicant that the applicant failed to disclose relevant history or to disclose that, following the submission of the application, an event has occurred leading to an affirmative response. Such a notice must also be provided to the applicant's sponsor (in the case of an AP applicant), the contract market that has granted trading privileges (in the case of an FB or FT applicant) or the guarantor FCM (in the case of an IBG applicant).<sup>8</sup> The Commission emphasizes that all applicants must declare derogatory information as required by the registration forms since failure to do so may lead to termination of a TL and, if willful, to denial or conditioning of registration.<sup>9</sup>

The Commission further notes that it is not amending the provisions of its rules governing TLs for FB applicants that restrict such persons to operating as an FT while the applicant has a TL prior to being granted registration as an FB.<sup>10</sup>

**II. Related Matters**

*A. Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601 *et seq.*, requires that

<sup>6</sup> Examples of matters requiring a "yes" answer where NFA may determine to issue a TL under this new authority would include a petty theft misdemeanor conviction that predates the registration application by more than five years or a single exchange disciplinary action that involves only financial or minor recordkeeping requirements.

<sup>7</sup> See Commission Advisory 61-97 (Dec. 8, 1997), to which is attached a letter to Robert K. Wilmouth, NFA President, from Jean A. Webb, Secretary of the Commission, dated Dec. 4, 1997.

<sup>8</sup> The notice concerning failure to disclose or the occurrence of an event leading to an affirmative response also applies to a principal of an IBG. Commission Rules 3.42(a)(8) and 3.46(a)(10).

<sup>9</sup> See section 8a(2)(G) and (3)(G) of the Act; *Auster v. CFTC*, 687 F.2d 294 (9th Cir. 1982).

<sup>10</sup> This restriction to acting only in the capacity of an FT during the pendency of the TL does not apply if the FB applicant was registered as an FB within the preceding 60 days. Commission Rule 3.41(a).

<sup>1</sup> 63 FR 51048 (Sept. 24, 1998).

<sup>2</sup> Section 17(j) of the Commodity Exchange Act (Act) 7 U.S.C. 21(j)(1994), provides in pertinent part that "A registered futures association shall submit to the Commission any change in or addition to its rules. . . . The Commission shall approve such rules, if such rules are determined by the Commission to be consistent with the requirements of this section and not other-wise in violation of this act or the regulations issued pursuant to this Act. . . ." See also Commission Rule 3.2(a).

<sup>3</sup> The AP situation could arise where, for example, one futures commission merchant (FCM) merges into another, the merged FCM withdraws its registration and the surviving FCM absorbs the APs of the disappearing FCM.

<sup>4</sup> A more complete discussion of the Commission's authority concerning TLs and NFA's rules in this area is set forth in the release announcing the Commission's proposed rule amendments, 63 FR 51048.

<sup>5</sup> 63 FR 51048, 51049 n.15.

agencies, in proposing rules, consider the impact of those rules on small businesses. The rule amendments discussed herein would affect APs, FBs, FTs and IBGs. The Commission has previously determined to evaluate within the context of a particular rule proposal whether all or some FBs, FTs, and IBGs should be considered "small entities" for purposes of the RFA and, if so, to analyze the economic impact on FBs, FTs, and IBGs of any such rule at that time.<sup>11</sup> The rule amendments discussed herein will not affect the requirements for filing an application for registration, but will permit certain persons to obtain a TL where it now is not possible and thus permit them to begin lawfully acting as industry professionals sooner. Accordingly, the Chairperson, on behalf of the Commission, hereby certifies, pursuant to 5 U.S.C. 605(b), that the action taken herein will not have a significant economic impact on a substantial number of small entities.

**B. Paperwork Reduction Act**

The Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501 *et seq.* (Supp. I 1995)) imposes certain requirements on federal agencies (including the Commission) in connection with their conducting or sponsoring any collection of information as defined by the PRA. While the rule amendments discussed herein have no burden, the group of rules (3038-0023) of which they are a part has the following burden:

- Average Burden hours Per Response: 15.76
- Number of Respondents: 73,435
- Frequency of Response: Annually and on occasion

Copies of the OMB approved information collection package associated with these rules may be obtained from Desk Officer, CFTC, Office of Management and Budget, Room 10202, NEOB, Washington, DC 20503, (202) 395-7340.

**List of Subjects in 17 CFR Part 3**

Brokers, Registration.

In consideration of the foregoing, and pursuant to the authority contained in the Commodity Exchange Act and, in particular, sections 4d, 4e, 4k, 8a and 17 thereof, 7 U.S.C. 6d, 6e, 6k, 12a and 21, the Commission hereby amends Part 3

of Chapter I of Title 17 of the Code of Federal Regulations as follows:

**PART 3—REGISTRATION**

1. The authority citation for part 3 continues to read as follows:

**Authority:** 5 U.S.C. 552, 552b; 7 U.S.C. 1a, 2, 4, 4a, 6, 6a, 6b, 6c, 6d, 6e, 6f, 6g, 6h, 6i, 6k, 6m, 6n, 6o, 6p, 8, 9, 9a, 12, 12a, 13b, 13c, 16a, 18, 19, 21, and 23.

2. Section 3.11 is amended by revising paragraphs (c)(1)(i)(A) and (c)(1)(i)(B), by removing paragraph (c)(1)(i)(C), by revising paragraphs (c)(1)(ii)(A), (c)(1)(ii)(B) and (c)(1)(ii)(C), by removing paragraph (c)(1)(ii)(D) and redesignating paragraph (c)(1)(ii)(E) as paragraph (c)(1)(ii)(D), and by revising paragraph (c)(2)(ii) to read as follows:

**§ 3.11 Registration of floor brokers and floor traders.**

- (c) \* \* \*
- (1) \* \* \*
- (i) \* \* \*

(A) The person's registration as a floor broker is not suspended or revoked; and

(B) There is no pending adjudicatory proceeding against the person under sections 6(c), 6(d), 6c, 6d, 8a or 9 of the Act or §§ 3.55 or 3.60 and, within the preceding twelve months, the Commission has not permitted the withdrawal of an application for registration in any capacity after initiating the procedures provided in § 3.51.

(ii) \* \* \*

(A) The person's registration as a floor trader is not suspended or revoked; and

(B) There is no pending adjudicatory proceeding against the person under sections 6(c) 6(d), 6c, 6d, 8a or 9 of the Act or §§ 3.55 or 3.60 and, within the preceding twelve months, the Commission has not permitted the withdrawal of an application for registration in any capacity after initiating the procedures provided in § 3.51.

(C) If such person is seeking registration as a floor broker, the person will be granted a temporary license to act in the capacity of floor trader only if the person's prior registration was not subject to conditions or restrictions.

- (2) \* \* \*
- (ii) \* \* \*

(ii) Any person registered as a floor trader whose registration is not subject to conditions or restrictions and who continuously maintains trading privileges at any contract market that has made the certification required under § 3.40 will be registered as, and in the capacity of, a floor broker upon mailing to the National Futures

Association of a Form 3-R completed and filed in accordance with the instructions thereto indicating the intention to change registration category, accompanied by evidence of the granting of trading privileges at the new contract market, if applicable.

\* \* \* \* \*

3. Section 3.12 is amended by revising paragraph (d)(1)(iv) and (d)(1)(v), by removing paragraph (d)(1)(vi), by revising paragraphs (d)(3) and (i)(1)(v), by removing paragraph (i)(1)(vi) and redesignating paragraph (i)(1)(vii) as paragraph (i)(1)(vi), and by revising paragraph (i)(2) to read as follows:

**§ 3.12 Registration of associated persons of futures commission merchants, introducing brokers, commodity trading advisors, commodity pool operators and leverage transaction merchants.**

\* \* \* \* \*

- (d) \* \* \*
- (1) \* \* \*

(iv) Whether there is a pending adjudicatory proceeding under sections 6(c), 6(d), 6c, 6d, 8a or 9 of the Act or §§ 3.55, 3.56 or 3.60 or if, within the preceding twelve months, the Commission has permitted the withdrawal of an application for registration in any capacity after instituting the procedures provided in § 3.51 and, if so, that the sponsor has been given a copy of the notice of the institution of a proceeding in connection therewith; and

(v) That the sponsor has received a copy of the notice of the institution of a proceeding if the applicant has certified, in accordance with paragraph (d)(1)(iv) of this section, that there is a proceeding pending against the applicant as described in that paragraph or that the Commission has permitted the withdrawal of an application for registration as described in that paragraph.

\* \* \* \* \*

(3) The certifications permitted by paragraphs (d)(1)(i) and (v) of this section must be signed and dated by an officer, if the sponsor is a corporation, a general partner, if a partnership, or the proprietor, if a sole proprietorship. The certifications permitted by paragraphs (d)(1)(ii)-(iv) of this section must be signed and dated by the applicant for registration as an associated person.

\* \* \* \* \*

- (i) \* \* \*
- (1) \* \* \*

(v) That the new sponsor has received a copy of the notice of the institution of a proceeding if the applicant for registration has certified, in accordance with paragraph (i)(1)(iv) of this section, that there is a proceeding pending

<sup>11</sup> See 47 FR 18618, 18620 (Apr. 30, 1982) (FBs); 48 FR 35248, 35276-35278 (Aug. 3, 1983) (IBGs); and 58 FR 19575, 19588 (Apr. 15, 1993) (FTs). With respect to APs, the Commission has previously stated that the RFA does not apply to APs because APs must be individuals under Section 4k of the Act and Rule 1.3(aa). See 48 FR 14933, 14954 n.115 (Apr. 6, 1983).

against the applicant as described in that paragraph or that the Commission has permitted the withdrawal of an application for registration as described in that paragraph; and

\* \* \* \* \*

(2) The certifications required by paragraphs (i)(1)(i), (i)(1)(v), and (i)(1)(vi) of this section must be signed and dated by an officer, if the sponsor is a corporation, a general partner, if a partnership, or the proprietor, if a sole proprietorship. The certifications required by paragraphs (i)(1)(ii)-(iv) of this section must be signed and dated by the applicant for registration as an associated person.

\* \* \* \* \*

4. Section 3.40 is amended by revising paragraph (a) to read as follows:

**§ 3.40 Temporary licensing of applicants for associated person, floor broker or floor trader registration.**

\* \* \* \* \*

(a) A Form 8-R, properly completed in accordance with the instructions thereto;

\* \* \* \* \*

5. Section 3.44 is amended by revising paragraphs (a)(2) and (a)(3) to read as follows:

**§ 3.44 Temporary licensing of applicants for guaranteed introducing broker registration.**

\* \* \* \* \*

(a) \* \* \*

(2) A Form 7-R properly completed in accordance with the instructions thereto;

(3) A Form 8-R for the applicant, if a sole proprietor, and each principal (including each branch office manager) thereof, properly completed in accordance with the instructions thereto, all of whom would be eligible for a temporary license if they had applied as associated persons.

\* \* \* \* \*

Issued in Washington, DC, on January 6, 1999 by the Commission.

**Jean E. Webb,**

*Secretary of the Commission.*

[FR Doc. 99-653 Filed 1-11-99; 8:45 am]

BILLING CODE 6351-01-M

**SECURITIES AND EXCHANGE COMMISSION**

**17 CFR Parts 210, 229, 240 and 249**

[Release Nos. 33-7620; 34-40884; FR54; File No. S7-17-98]

RIN 3235-AH43

**Segment Reporting**

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final rules.

**SUMMARY:** The Commission today is adopting technical amendments to conform our reporting requirements with the Financial Accounting Standards Board's ("FASB") Statement of Financial Accounting Standards ("SFAS") No. 131, governing disclosures relating to a business enterprise's operating segments.

**DATES:** Effective Date: The rules will become effective on February 11, 1999. Compliance Date: Issuers may voluntarily comply with the revised rules before the effective date.

**FOR FURTHER INFORMATION CONTACT:**

James R. Budge, Special Counsel, Division of Corporation Finance, at (202) 942-2950, Louise M. Dorsey, Assistant Chief Accountant, Division of Corporation Finance, at (202) 942-2960, or Robert F. Lavery, Assistant Chief Accountant, Office of the Chief Accountant, at (202) 942-4400, U.S. Securities and Exchange Commission, 450 Fifth Street, NW, Washington, D.C. 20549.

**SUPPLEMENTARY INFORMATION:** The Commission today adopts technical amendments to Rules 3-03<sup>1</sup> and 12-16<sup>2</sup> of Regulation S-X,<sup>3</sup> Items 101<sup>4</sup> and 102<sup>5</sup> of Regulation S-K,<sup>6</sup> and Schedule 14A<sup>7</sup> in order to conform our reporting requirements with the FASB's recently adopted SFAS No. 131. We also are making consistent changes to Form 20-F<sup>8</sup> and to Section 501.06 of the Codification of Financial Reporting Policies ("CFRP").

**I. Background**

In 1976, the FASB issued SFAS No. 14, "Financial Reporting for Segments of a Business Enterprise." SFAS No. 14 required corporations to disclose certain financial information by "industry segment" as defined in the statement

and by geographic area. In December 1977, we adopted amendments to our rules to integrate the information to be furnished under SFAS No. 14 with the narrative and financial disclosures required in various disclosure forms.<sup>9</sup>

After extensive deliberations, including solicitation of public comments, the FASB adopted a number of fundamental changes to its standards for segment reporting by publishing SFAS No. 131 in June of 1997. SFAS No. 131 superseded SFAS No. 14 and established standards for reporting information about "operating segments" of an enterprise rather than following the "industry segment" standards that were in place previously.

On June 25, 1998, the Commission proposed for comment a number of technical changes to its reporting requirements to accommodate these modifications.<sup>10</sup> Twelve commenters responded to the solicitation for public views on the proposed approach. Generally, the commenters were supportive of our efforts to conform our rules with the FASB standards. We have determined to adopt the rules essentially as proposed. We believe that this action is in keeping with our long-standing policy to look to the private sector for the promulgation of generally accepted accounting principles ("GAAP").<sup>11</sup> It also furthers our goal of integrating existing accounting information into the narrative disclosure in documents mandated by the federal securities laws. This release explains the new reporting requirements.

**II. Rule Changes**

*A. Operating Segment Disclosure*

SFAS No. 14 required, and the Commission's rules and forms have required, disclosure along "industry segment" lines. An "industry segment," as defined by SFAS No. 14, was "a component of an enterprise engaged in providing a product or service or a group of related products and services primarily to unaffiliated customers \* \* \* for a profit."<sup>12</sup> Recognizing that businesses often evaluate their operations using criteria not necessarily related to the products or services offered to the public, the FASB replaced the industry segment reporting standard with one that requires businesses to

<sup>9</sup> Release No. 33-5893 (December 23, 1997) (42 FR 65554).

<sup>10</sup> Release No. 33-7549 (June 25, 1998) (63 FR 35886).

<sup>11</sup> Section 101 of the Codification of Financial Reporting Policies. The Commission initially issued its administrative policy concerning financial statements in 1938 and updated it in 1973 to recognize the establishment of the FASB.

<sup>12</sup> SFAS No. 14, ¶ 10.a.

<sup>1</sup> 17 CFR 210.3-03.

<sup>2</sup> 17 CFR 210.12-16.

<sup>3</sup> 17 CFR Part 210.

<sup>4</sup> 17 CFR 229.101.

<sup>5</sup> 17 CFR 229.102.

<sup>6</sup> 17 CFR Part 229.

<sup>7</sup> 17 CFR 240.14a-101.

<sup>8</sup> 17 CFR 249.220f.