Commission believes that making satisfaction of the numerical listing criteria mandatory before the Exchange considers whether an issuer is appropriate for exchange trading should help safeguard the integrity of the exchange market and the securities listed thereon.

In addition to the quantitative standards, the Exchange considers other qualitative factors such as an issuer's management plan, the background of officers and directors, and the adequacy of the company's resources. The Commission believes that these factors, combined with other Exchange rules regarding corporate governance and disclosure policies, will help to ensure that only companies with sufficient business plans and resources will have access to the PSE's public market.

The Commission believes that the PSE's proposal for SCOR listings will provide it with the necessary flexibility to determine whether a SCOR issuer is appropriate for exchange trading,[27] irrespective of whether it meets the minimum quantitative listing criteria. Thus, the Commission believes that the new listing and maintenance standards strike the appropriate balance between protecting investors and providing a marketplace for small issuers satisfying the disclosure requirements under the federal securities laws.

D. Margin

As discussed above, the PSE is amending Exchange Rule 2.16 to require that SCOR-listed securities be subject to a 100% maintenance margin requirement. The Commission agrees with the maintenance margin approach proposed by the PSE. The SCOR program is intended to be a new marketplace that attracts issuers that might otherwise trade OTC. It is logical that the maintenance margin treatment for OTC securities would apply to SCOR issuers, rather than the treatment accorded regular PSE companies.[28]

E. State Law Concerns

The Commission believes that the safeguards the PSE has established should make clear to PSE members and SCOR issuers listed under the new program that the offer and sale of SCOR securities are subject to state registration and rules. The PSE proposal would prohibit SCOR issuers from using the exemption from registration requirements that the securities laws of some states currently make available to other PSE-listed companies. To accomplish this, the PSE included in its rules that SCOR issuers would not be able to take advantage of existing exemptions in state securities registration requirements accorded to regular PSE-listed securities. In addition, the SCOR rules state that the Exchange will delist any company that fails to take appropriate steps to ensure that no SCOR-listed securities are sold on its behalf in reliance upon the exemption from state securities registration that is otherwise available to companies listed on the Exchange.

F. Review Procedures

The Commission believes the Exchange has proposed adequate procedures to screen applications for SCOR listing. The Exchange's Listing Department staff initially will review applications to confirm that all quantitative listing criteria have been met and evaluate issuers according to the qualitative standards discussed above. The staff will reject applications that fail to meet the quantitative standards. The staff also has discretion to reject applications that have qualitative deficiencies. Applications not rejected by the staff are submitted to the Equity Listing Committee for evaluation. The Equity Listing Committee must approve all applications before new SCOR listings may be accepted by the Exchange.

G. Pilot

Finally, the Commission believes it is appropriate to approve the SCOR program on a three-year pilot basis. This pilot will provide the Exchange, SCOR issuers, and investors with sufficient time to gain experience with the program. In addition, during the pilot, the PSE should monitor and evaluate the SCOR program so that the Commission can assess the benefits of the SCOR listing. The PSE should file a report with the Commission if they determine to request an extension of the pilot or seek permanent approval. The report should contain information on the number of SCOR listing applications accepted and rejected, the SCOR securities that have been delisted and the reasons therefore, the number of SCOR securities that have moved to the PSE's regular market or another market, and quantitative data on the trading history of SCOR securities (including average price per share and trading volume).

IV. Conclusion

For the reasons stated above, the Commission believes the rule change is consistent with the Act and, therefore, has determined to approve it on a three-year pilot basis. The rule change establishes quantitative and qualitative listing criteria for SCOR securities that provide for the protection of investors and the public interest. Furthermore, the SCOR listing program should provide benefits to investors and small companies by providing for the exchange-trading of SCOR securities, which should result in added liquidity, price discovery, and regulatory oversight.

The Commission does not believe that the rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

It is Therefore Ordered, pursuant to Section 19(b)(2) of the Act,[29] that the proposed rule change (SR–PSE–94–31) is approved on a pilot basis through April 19, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[30]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–10297 Filed 4–26–95; 8:45 am]

BILLING CODE 8010–01–M

However, companies on the Exchange's main lists may not move down to the SCOR listing program. *See* PSE Letter, *supra* note 3.

[27] PSE Rule 3.2(t)(6) states: ''Notwithstanding that a company meets the prescribed listing requirements, the Exchange retains the discretion to refuse listing to a company where it believes it is in the public interest to do so.''

[28] Non-MNS OTC securities are not marginable unless they are included in the Federal Reserve Board's OTC Margin List. The PSE will require 100% margin on SCOR securities whether or not they are included on the Federal Reserve Board's OTC Margin List.

[29] 15 U.S.C. 78s(b)(2) (1988).

[30] 17 CFR 200.30–3(a)(12) (1994).

DEPARTMENT OF STATE

[Public Notice 2193]

Shipping Coordinating Committee; Subcommittee for the Prevention of Marine Pollution; Meeting

The Subcommittee for the Prevention of Marine Pollution (SPMP), a subcommittee of the Shipping Coordinating Committee, will conduct an open meeting on May 19, 1994, from 9:30 am to 12 noon in Room 6103 of U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC.

The purpose of this meeting is to seek input from the public to assist development of the U.S. position regarding the application of the precautionary approach to the International Maritime Organization's (IMO) work.

At the 35th Session of the Marine Environmental Protection Committee (MEPC) of IMO in March, 1994, a Correspondence Group was established

with the following terms of reference: ''To develop guidelines on the application of the precautionary approach as set out in Principle 15 of the Rio Declaration, as well as paragraphs 17.21 and 17.22 of the United Nations Conference on Environment and Development, Agenda 21, in the context of specific IMO activities, and to report to the MEPC at its thirty-seventh session''.

Work was carried out intersessionally to identify a working method to internalize the application of the precautionary approach. This work was carried into the 36th Session of the MEPC in November, 1994 where a drafting group developed draft ''Guidelines on the Application of the Precautionary Approach in the Context of Specific IMO Activities''. In this draft, the precautionary approach is further elaborated for the purpose of IMO. Additionally, the drafting group developed a draft ''Framework for Implementation of the Precautionary Approach within the Programs and Activities of IMO'' which provides a working method to be used by IMO Committees, Sub-Committees, Working Groups and other IMO bodies to internalize the precautionary approach into the process of policymaking and management.

The draft Guidelines and Framework are the subject of further consideration by the intersessional correspondence group, working toward tabling these documents at the 37th Session of the MEPC.

Input or comments from the public meeting will be considered by members of the U.S. correspondence group in finalizing the U.S. position on these documents. For further information or copies of the drafts, contact the project officer, Commander Mike Farley, U.S. Coast Guard Headquarters (G–MEP–3), 2100 Second Street SW., Washington, DC 20593–0001, Telephone: (202) 267–2850.

Dated: April 18, 1995.

Charles A. Mast,

Chairman, Shipping Coordinating Committee.

[FR Doc. 95–10338 Filed 4–26–95; 8:45 am]

BILLING CODE 4710–07–M

[Public Notice 2194]

Shipping Coordinating Committee; Conference of Parties to the International Convention on Standards of Training, Certification and Watchkeeping (STCW); Meeting

The Shipping Coordinating Committee (SHC) will conduct an open meeting at 10 am on Tuesday, June 13, 1995, in Room 2415 of the United States Coast Guard Headquarters Building, 2100 2nd Street SW., Washington, DC 20593–0001. The primary purpose of the meeting is to prepare for the Conference of Parties to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW Conference). Preparations for the International Conference on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel (STCW–F Conference) will also be discussed. These Conferences are being convened by the International Maritime Organization (IMO), in London, from June 26 to July 7, 1995.

The STCW Conference is being held to consider adoption of amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW Convention). The United States became a party to this convention in 1991; and 107 countries are now parties.

The proposed amendments to the STCW Convention were prepared by the IMO Sub-Committee on Standards of Training and Watchkeeping and were approved for circulation by the sixty-fourth session of the IMO Maritime Safety Committee.

Items of particular interest include—

—The role of IMO in overseeing compliance with convention requirements;
—Basic safety and familiarization training for all shipboard personnel;
—Standards of competence based on demonstration of skills;
—Use of simulation in training and assessment;
—Quality assurance in training, assessment and certification;
—Alternative, function-based certification systems;
—Principles to be observing in keeping a watch;
—Prevention of fatigue; and
—Port State control.

The STCW–F Conference is being held to consider adoption of a new convention which would apply to fishing vessel personnel. Fishing vessels are excluded from the scope of application of the STCW Convention.

Items of particular interest include—

—Certification requirements for skippers, deck watch officers and engineers on seagoing fishing vessels of 24 meters or more in length; and
—Prospects of U.S. ratification of this new instrument.

Members of the public may attend the meeting up to the seating capacity of the room. Interested persons may seek information by writing: Mr. Christopher Young, U.S. Coast Guard (G–MVP–4), Room 1210, 2100 Second Street SW., Washington, DC 20593–0001 or by calling: (202) 267–0229.

Dated: April 19, 1995.

Charles A. Mast,

Chairman, Shipping Coordinating Committee.

[FR Doc. 95–10339 Filed 4–26–95; 8:45 am]

BILLING CODE 4710–07–M

[Public Notice 2192]

Shipping Coordinating Committee; International Maritime Organization (IMO) Legal Committee; Meeting

The U.S. Shipping Coordinating Committee (SHC) will conduct an open meeting at 10 a.m., on Thursday, May 18, 1995, in Room 2415 of U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC. The purpose of this meeting is to report on the 72nd Session of the International Maritime Organization (IMO) Legal Committee held April 3–7, 1995, and to begin preparations for the 73rd Session to be held October 9–13, 1995.

To facilitate the attendance of those participants who may be interested in only certain aspects of the public meeting, the first subject addressed will be the draft International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS Convention). The second major subject, which will be considered at approximately 11:30 a.m., will be possible revisions to the 1976 Convention on Limitation of Liability for Maritime Claims ('76 LLMC).

The current draft of the HNS Convention imposes strict liability upon the shipowner with an additional international fund (second-tier fund) modeled after the International Oil Pollution Compensation Fund. The draft HNS Convention provides compensation for environmental damage as well as personal injury, death, and property damage from a broad range of substances. At the 72nd Session, the Legal Committee finalized decisions on several major issues regarding the draft HNS Convention. Other issues will remain open for the diplomatic conference, which is tentatively scheduled for Spring 1996. The 72nd Session was the last session of the Legal Committee to discuss the HNS Convention before the diplomatic conference. The views of the public are requested.

The Legal Committee resumed deliberations on the '76 LLMC at the 72nd Session. Discussion centered on a draft protocol which provides for raising