

The proposed rule change was published for comment in Securities Exchange Act Release No. 35547 (Mar. 29, 1995), 60 FR 17375 (Apr. 5, 1995). No comments were received on the proposal. On April 13, 1995, the Exchange submitted Amendment No. 1 to the proposed rule change.⁴ This order approves the proposed rule change, including Amendment No. 1 on an accelerated basis.

II. Description of Proposal

At the present time, under the BEST Rule, Exchange specialists are required to guarantee executions of market and limit orders under certain circumstances. Under the rule, specialists must accept and guarantee execution of all agency orders, other than limit orders in Nasdaq/NMS Securities, from 100 up to and including 2099 shares. For all agency market orders, the specialist must fill the orders at the best bid or best offer disseminated pursuant to Rule 11Ac1-1 under the Act.⁵ For all agency limit orders in Dual Trading System issues,⁶ the specialist must fill the order if the bid or offer at the limit price has been exhausted in the primary market, there has been a price penetration of the limit in the primary market (trade through of a CHX limit order), or the issue is trading at the limit price on the primary market unless it can be demonstrated that such order would not have been executed if it had been transmitted to the primary market or the broker and specialist agree to a specific volume related or other criteria for requiring a fill.

Moreover, pursuant to current Rule 37(b), Article XX, the Exchange's MAX system provides for the automatic execution of orders that are eligible for execution under the Exchange's BEST Rule as discussed above and certain other orders as long as such orders are less than or equal to the auto-execution threshold. The specialist must set the auto-execution threshold at 1099 shares or greater on a stock-by-stock basis.

The Exchange proposes to amend Rule 37, Article XX by adding new subsection (d) to allow specialists to provide guarantees that are more favorable than those required under the BEST Rule. Moreover, under Rule 37(d), the Exchange, at the request of a

specialist, may provide for automatic execution of orders through MAX in accordance with the additional guarantees that the specialists decide to provide. The Exchange expects to file with the Commission at a later time the specific modifications to the parameters of the automated execution system that are required to implement the additional guarantees.⁷

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b).⁸ The Commission believes the proposal is consistent with the Section 6(b)(5) requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, and, in general, to protect investors and the public interest.

The Commission believes that the proposed rule change to allow specialists to provide more favorable guarantees than those currently required under CHX's Best Rule will benefit investors. For example, public customers may benefit by receiving executions at a better price or for a greater size than the minimum requirements under the Best Rule. The Commission believes that the proposal also would enhance competition on the Exchange by providing specialists with the opportunity to compete based upon the additional guarantees they offer.

The Commission notes, however, that the Exchange has indicated that this proposal is intended to be an "enabling rule." Accordingly, the Commission expects that the future filings proposing further modifications to MAX will describe in detail the more favorable guarantees being offered. Moreover, the Commission will review such proposals to ensure that they do not detract from order exposure.

The Commission finds good cause for approving amendment No. 1 to the proposed rule change prior to the thirteenth day after the date of publication of notice of filing thereof. The Exchange's original proposal was published in the **Federal Register** for the full statutory period and no

comments were received.⁹ Amendment No. 1 amends the text of the rule to delete extraneous language and to make clear that the guarantee is not "promised" to a particular individual, but provided for issues chosen by the specialist. Moreover, Amendment No. 1 clarifies the intent and scope of the proposed rule change and the options that the Exchange anticipates for the automated system.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning Amendment No. 1. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street NW., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-CHX-95-08 and should be submitted by June 16, 1995.

V. Conclusion

It Is Therefore Ordered, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (SR-CHX-95-08) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

Margaret H. McFarland,
Deputy Secretary.

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⁴ See letter from David Rusoff, Foley & Lardner, to Glen Barrentine, Senior Counsel, SEC, dated April 12, 1995. Amendment No. 1 amends the text of the proposed rule change and clarifies its intent and scope.

⁵ 17 CFR 240.11Ac1-1 (1994).

⁶ The Dual Trading System of the Exchange allows the execution of both round-lot and add-lot orders in certain issues assigned to specialists on the Exchange and listed on either the New York Stock Exchange or the American Stock Exchange.

⁷ Some examples provided by the Exchange of the different options that may be available to specialists include SuperMAX and, if reactivated, Enhanced MAX. See letter from David Rusoff, Foley & Lardner, to Glen Barrentine, Senior Counsel, SEC, dated April 12, 1995.

⁸ 15 U.S.C. 78f(b) (1988 & Supp. v 1993).

⁹ See Securities Exchange Act Release No. 35547 (Mar. 29, 1995), 60 FR 17375 (Apr. 5, 1995).

¹⁰ 15 U.S.C. 78s(b)(2) (1988).

¹¹ 17 CFR 200.30-34(a)(12) (1004).

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area #2777]

Texas, Declaration of Disaster Loan Area

Dallas, Parker, and Tarrant Counties and the contiguous counties of Collin, Denton, Ellis, Hood, Jack, Johnson, Kaufman, Palo Pinto, Rockwall, and Wise in the State of Texas constitute a disaster area as a result of damages caused by severe storms and flooding which occurred on May 5-8, 1995. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on July 20, 1995 and for economic injury until the close of business on February 20, 1996 at the address listed below: U.S. Small Business Administration, Disaster Area 3 Office, 4400 Amon Carter Blvd., Suit 102, FT. Worth, TX 76155, or other locally announced locations.

The interest rates are:

For Physical Damage:

- Homeowners with credit available elsewhere, 8.000%
- Homeowners without credit available elsewhere, 4.000%
- Businesses with credit available elsewhere, 8.000%
- Businesses and non-profit organizations without credit available elsewhere 4.000%
- Others (including non-profit organizations) with credit available elsewhere, 7.125%

For Economic Injury:

- Businesses and small agricultural cooperatives without credit available elsewhere, 4.000%

The number assigned to this disaster for physical damage is 277706 and for economic injury the number is 852600.

(Catalog of Federal domestic Assistance Program Nos. 59002 and 59008)

Dated: May 19, 1995.

Philip Lader,

Administrator.

[FR Doc. 95-12968 Filed 5-25-95; 8:45 am]

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DEPARTMENT OF STATE

[Public Notice 2212]

Overseas Security Advisory Council; Closed Meeting

The Department of State announces a meeting of the U.S. State Department—Overseas Security Advisory Council on Wednesday, June 14, 1995, at the Marriott Hotel in Salt Lake City, Utah. Pursuant to section 10(d) of the Federal Advisory Committee Act and 5 U.S.C. 552b(c) (1) and (4), it has been

determined the meeting will be closed to the public. Matters relative to classified national security information as well as privileged commercial information will be discussed. The agenda calls for the discussion of classified and corporate proprietary/security information as well as private sector physical and procedural security policies and protective programs at sensitive U.S. Government and private sector locations overseas.

For more information contact Marsha Thurman, Overseas Security Advisory Council, Department of State, Washington, DC 20522-1003, phone: 202-663-0869.

Dated: May 11, 1995.

Mark Mulvey,

Director of the Diplomatic Security Service.

[FR Doc. 95-12917 Filed 5-25-95; 8:45 am]

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DEPARTMENT OF TRANSPORTATION**Coast Guard**

[CGD 95-045]

Merchant Marine Personnel Advisory Committee; Meetings

AGENCY: Coast Guard, DOT.

ACTION: Notice of meetings.

SUMMARY: The Merchant Marine Personnel Advisory Committee (MERPAC) and working groups will meet to discuss various issues. Agenda items include discussions of certified instructors, approved training, the National Research Council report, "Minding the Helm: Marine Navigation and Piloting", and manning on U.S. vessels. All meetings will be open to the public.

DATES: The working groups will meet on July 13, 1995, from 8:30 a.m. to 4 p.m. The full committee will meet on July 14, 1995, from 9 a.m. to 4 p.m. Written material should be submitted not later than July 5, 1995.

ADDRESSES: The meetings will be held in Room 2415, U.S. Coast Guard Headquarters, 2100 Second Street, SW., Washington, DC 20593. Written material should be submitted to CDR Scott J. Glover, MERPAC Executive Director, Commandant (G-MVP), U.S. Coast Guard, 2100 Second Street SW., Washington, DC 20593.

FOR FURTHER INFORMATION CONTACT: Commander Scott J. Glover, Commandant (G-MVP), U.S. Coast Guard Headquarters, 2100 Second Street, SW., Washington, DC 20593, telephone (202) 267-0224.

SUPPLEMENTARY INFORMATION: Notice of this meeting is given pursuant to the Federal Advisory Committee Act, 5 U.S.C. App. 2 § 1 et seq. The agenda will include discussion of the following topics:

(1) "Licensing 2000 and Beyond" recommendations to certify instructors and designated examiners, and to increase the focus on approved training as one of the Coast Guard's guarantors of competency;

(2) National Research Council report, *Minding the Helm: Marine Navigation and Piloting*; and,

(3) Revision of federal laws affecting watchkeeping and manning on U.S. vessels.

Attendance is open to the public. With advance notice, and the Chairman's discretion, members of the public may make oral presentations during the meeting. Persons wishing to make oral presentations should notify the Executive Director, listed above under "ADDRESSES", no later than the day before the meeting. Written material may be submitted at any time for presentation to the Committee. However, to ensure advance distribution to each Committee member, persons submitting written material are asked to provide 20 copies to the Executive Director no later than July 5, 1995.

Dated: May 22, 1995.

J.C. Card,

Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Safety, Security and Environmental Protection.

[FR Doc. 95-13023 Filed 5-25-95; 8:45 am]

BILLING CODE 4910-14-M

Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart Q During the Week Ended May 19, 1995

The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under Subpart Q of the Department of Transportation's Procedural Regulations (see 14 CFR 302.1701 *et seq.*). The due date for Answers, Conforming Applications, or Motions to Modify Scope are set forth below for each application. Following the Answer period DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

Docket Number: 50354.

Date filed: May 15, 1995.